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House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. STEARNS).

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 14, 1999.

I hereby appoint the Honorable CLIFF STEARNS to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

QUALITY OF LIFE IN PORTLAND, OREGON, IS KEY TO GOOD JOBS THAT STAY

Mr. BLUMENAUER. Mr. Speaker, I came to Congress with a goal to help the Federal Government be a better partner working with State and local governments, the private sector and individual citizens to promote livable communities. In that capacity I am used to people who are confused or are perhaps even hostile to looking at doing things differently. Change is not easy. Some have difficulty imagining different patterns of development in our community.

The latest example of either confusion or hostility was an article that appeared in the New York Times this weekend entitled The Scourge of New Jobs. It was taking my community, Portland, Oregon, to task for supposedly discouraging new jobs by having a modest surcharge on potential increase in jobs as a result of an agreement with the high tech company Intel. The article was replete with errors.

First and foremost, Portland does not limit building permits, although it does, I think very logically, focus on where building and development should take place. In fact, we have seen over the better part of this decade dramatic increase in building and development in our community. Our area does not limit jobs; in fact, to the contrary. We have had rapid growth in employment in the Portland metropolitan area; over 180,000 jobs since 1990. But what we have found is that the quality of life is the key to attracting good jobs and keeping them in our community.

Mr. Speaker, the sad fact is that development seldom entirely pays for itself through increased sales or property taxes. Indeed, in our community, as in many, when you have industrial expansion like Intel, the strains potentially on schools, public safety, roads and the environment far exceed a modest increase in the property tax. In this case, the local government had agreed to place a limit on the amount of property that could be collected for the new development. In exchange for this limitation there was a thousand-dollar surcharge that was going to be assessed against Intel if it exceeded an additional thousand jobs.

But put that in perspective. We are talking about $12.5 billion of new investment. We are talking about a $200 million tax break. If somehow the company increased employment by more than a thousand, that would only be a million dollars to help the local community defer the increased costs. It was clearly a good deal for the company, which is why they jumped at it, and it reflects the fact that we want to have balanced growth, not deteriorate the quality of life for the businesses and the individuals who already live there.

At a time when suburban dwellers are increasingly concerned about the erosion of their quality of life, at a time when small towns across America are struggling to be economically viable and retain their unique identities, when central cities are struggling to come back from years of economic decline and decay, when a town like Atlanta wakes up one day and looks at the price of its unplanned growth, losing job opportunities, for example, in high tech, it makes what we are doing in the Portland metropolitan area worthwhile not just to look at, but to carefully examine.

Mr. Speaker, I would be the last to suggest that this ought to be a cookie-cutter approach that everybody ought to apply, but at a time when the American people demand and deserve more livable communities, we ought not to ignore any good examples.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 37 minutes p.m.), the House stood in recess until 2 p.m.

☐ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. REGULA) at 2 p.m.

PRAYER

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

Let us pray using the words of Psalm 65.

O God, it is right for us to praise you in Zion and keep our promise to you because you answer prayers. People everywhere will come to you on account of their sins. Our faults defeat us, but you forgive them. Happy are those whom you choose, whom you bring to live in your sanctuary. We shall be satisfied with the good thing of your house, the blessings of your sacred temple. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio (Mr. TRAFICANT) come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

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

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 11, 1999.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted to Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on June 11, 1999 at 12:40 p.m.: That the Senate Passed without amendment H. Con. Res. 127.

Appointment: Congressional Award Board.

With best wishes, I am

Sincerely,

JEFF TRANDAHL,
Clerk.

TRIBUTE TO ''OLD GLORY''

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

Mr. GIBBONS. Mr. Speaker, today, along with my constituents of the Second Congressional District of Nevada, I want to pay tribute to our Nation's great flag.

Since the day Betsy Ross became the most famous seamstress in American history, ''Old Glory'' has changed about 27 different times, but changing only in its glorious appearance.

While our Nation has progressed and even grown over the past 2½ centuries, our flag continues to represent the same ideals, freedoms, and liberties we all cherish. But even further, the American flag represents the hopes and dreams of millions of people around the world.

Our flag greets us when we arrive at our place of business. It greets our children when they arrive at school. Even out in the ballpark on a warm summer afternoon, ''Old Glory'' waives gallantly before us.

Today, like any other day in Congress, we pledge our allegiance to the flag before addressing the issues that affect the very freedoms and liberty for which our flag stands.

So as we settle in on this week of work, let us each take an extra moment today to recognize ''Old Glory,'' for we are all blessed to live under the freedoms and liberties for which the stars and stripes stands.

NO FIVE-DAY WAITING PERIOD ON CHINESE NUKES

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

Mr. TRAFICANT. Mr. Speaker, China spies and buys our secrets. Then China points their missiles at American cities. Now if that is not enough to put trigger locks on Chinese missiles, a White House spokesman said, and I quote, ''We will grant China swift admission to the World Trade Organization.'' Swift admission no less. Beam me up here. I am firmly convinced those experts at the White House are smoking dope.

I yield back the fact that there is no 5-day waiting period on Chinese nukes. Think about that.

SUPPORT DOLLARS TO THE CLASSROOM ACT

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

Mr. PITTS. Mr. Speaker, it has been called the Mozart effect, the scientific study showing that early music training shapes children's growing brains and boosts their learning power.

Not only does early music training and exposure aid in development of logic and abstract thinking, it also helps children with memory retention and creativity. That is why, Mr. Speaker, although local educators have recognized this fact for years, they often find their local budget so burdened with strings and regulations, that music and art education loses out.

This is unfortunate and shortsighted. It is why more local control is necessary so that parents, teachers, and local schools have the freedom to invest their elementary dollars into the classes that teach students tiny bits of music theory and expose them to the basics of music and art education.

With the Dollars to the Classroom Act, local educators would have the freedom to make decisions for their school if they identified such a need. More flexibility, more local control, more dollars to the classroom.

I urge my colleague to cosponsor and support the Dollars to the Classroom Act.

TAXES KEEP GETTING RAISED AND BURDEN ON TAXPAYERS IS GREATER AND GREATER

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

Mr. COOKSEY. Mr. Speaker, in the last 40 years we have almost never heard a politician run on a pledge to raise taxes. Yet, somehow taxes keep getting raised, and the tax burden on the middle income just gets greater and greater.

Middle income families send between one-fourth and one-third of everything they earn to the government, and the government in turn is not very careful with what it takes.

Even worse, the arrogance of government and of the tax-and-spenders who keep on expanding government is such that the liberal Democrats routinely imply that they are doing people a favor by letting them keep more of what already belongs to them.

They talk about giving people tax breaks as if the government is giving them something. How truly revealing. A government that cuts taxes is not giving anybody anything. It is merely not taking as much from what already belongs to the taxpayer.

Liberals hate tax cuts. The New York Times and the Washington Post constantly editorialize against them. Why is it so terrible to give Americans more freedom and government less?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Such roll call votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m. today.

BOND PRICE COMPETITION IMPROVEMENT ACT OF 1999

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1400) to amend the Securities Exchange Act of 1934 to improve collection and dissemination of information

concerning bond prices and to improve price competition in bond markets, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1400

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 ''Bond Price Competition Improvement Act of 1999''.

SEC. 2. EXTENSION OF TRANSACTION REPORTING TO DEBT SECURITIES.

(a) AMENDMENT.—Subsection (d) of section 11A of the Securities Exchange Act of 1934 (15 U.S.C. 78k–1(d)) is amended to read as follows:

''(d) MINIMUM REQUIREMENTS FOR TRANSACTION INFORMATION ON DEBT SECURITIES.—

''(1) ACTION REQUIRED.—The Commission shall adopt such rules and take such other actions under this section as may be necessary or appropriate, having due regard for the public interest, the protection of investors, and the maintenance of fair and orderly markets to assure the prompt, accurate, reliable, and fair collection, processing, distribution, and publication of transaction information, including last sale data, with respect to covered debt securities so that such information is available to all exchange members, brokers, dealers, securities information processors, and all other persons. In determining the rules or other actions to take under this subsection, the Commission shall take into consideration, among other factors, private sector systems for the collection and distribution of transaction information on corporate debt securities.

''(2) EFFECT ON OTHER AUTHORITY.—Nothing in this subsection limits or otherwise alters the Commission's authority under the other provisions of this section or any other provision of this title.

''(3) DEFINITIONS.—For purposes of this subsection:

''(A) COVERED DEBT SECURITIES.—The term 'covered debt securities' means bonds, debentures, or other debt instruments of an issuer, other than—

''(i) exempted securities; and

''(ii) securities that the Commission determines by rule to except from the requirements of this subsection.

''(B) TRANSACTION INFORMATION.—The term 'transaction information' means information concerning such price, volume, and yield information associated with a transaction involving the purchase or sale of a covered debt security as may be prescribed by the Commission by rule for purposes of this subsection.

''(C) FACTORS IN DEFINITIONAL RULES.—In prescribing rules pursuant to this paragraph, the Commission shall take into consideration the extent to which a security is actively traded, market liquidity, competition, the protection of investors and the public interest, and other relevant factors.''.

(b) CONFORMING AMENDMENT.—Section 11A(a)(3)(A) of such Act is amended by striking ''(which shall be in addition to the National Market Advisory Board established pursuant to subsection (d) of this section)''.

(c) DEADLINE FOR ACTION.—The Securities and Exchange Commission shall take action to implement the requirements of section 11A(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78k–1(d)), as amended by subsection (a) of this section, within 12 months after the date of enactment of this Act.

SEC. 3. EXCHANGE LISTING OF DEBT SECURITIES.

Section 12(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78*l*(a)) is amended by striking the period at the end thereof and inserting the following: '', except that a registration is not required to be effective for trading on an exchange of a class of debt securities of an issuer that has another class of securities for which a registration is effective for such exchange. Such a class of debt securities shall, for purposes of any provision of this title or the rules or regulations thereunder, be treated as a class of securities registered under this section upon approval of the listing of such class of debt securities by the exchange.''.

SEC. 4. TECHNICAL AMENDMENT.

Section 3(a)(12)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)(B)) is amended by adding at the end the following new clause:

''(iii) Notwithstanding subparagraph (A)(i) of this paragraph, securities, other than equity securities, that are described in subparagraphs (B) and (C) of paragraph (42) of this subsection shall not be deemed to be exempted securities for purposes of section 11A of this title.''.

SEC. 5. STUDIES.

(a) STUDIES REQUIRED.—The Comptroller General shall conduct a study of measures needed in the public interest and for the protection of investors to improve the prompt, accurate, reliable, and fair collection, processing, distribution, and publication of information concerning transactions—

(1) in debt securities as to which transaction information is collected but not disseminated pursuant to section 11A(d) of the Securities Exchange Act of 1934, as amended by this Act (15 U.S.C. 78k–1(d)); and

(2) in municipal securities (as such term is defined in section 3(a)(29) of such Act (15 U.S.C. 78c(a)(29)).

(b) COMMISSION AND MSRB PARTICIPATION.—The Comptroller General shall conduct the study required by subsection (a)(1) in consultation with the Securities and Exchange Commission, and the study required by subsection (a)(2) in consultation with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

(c) SUBMISSION OF REPORTS.—The Comptroller General shall submit to the Congress a report on the studies required by subsection (a) within one year after the date of enactment of this Act. Such reports shall include an identification of the measures needed to improve the prompt, accurate, reliable, and fair collection, processing, distribution, and publication of information concerning transactions in the debt securities and municipal securities described in such subsection, including measures requiring legislative or regulatory action.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. BLILEY) and the gentleman from Michigan (Mr. DINGELL) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1400.

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

There was no objection.

Mr. BLILEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in strong support of H.R. 1400, the Bond Price Competition Improvement Act of 1999. This is a bill designed to accomplish a simple but very important goal, to make investors' dollars go farther in the bond markets.

How will this legislation accomplish that goal? By improving the way our country's bond markets work. Today, investors simply do not have the same access to bond price information that they do to price information about stocks or, for that matter, cars or bananas or plane tickets. In fact, investors have practically no information about the prevailing market prices of bonds when they seek to invest in the bond market.

As we learned in our hearings before the Subcommittee on Finance and Hazardous Materials, two investors buying the same bond at the same time from the same dealer can be given very different prices, prices differing by as much as 6 percent. That can amount to a full year's worth of interest.

The reason for this is that there exists no mechanism to provide investors with bond prices, like the ticker that investors see every day for stock prices. Without price information, investors do not have the tools they need to comparison shop. So competition cannot influence the market to bring investors the best prices.

This legislation will fix this deficiency in our securities markets. I believe that the forces of competition should bring investors the best prices, not only in the stock market, but also in the bond market. H.R. 1400 ensures that the Securities and Exchange Commission will adopt rules to unleash those competitive forces.

Although the Commission has had authority to adopt transparency rules for the bond market since 1975, this legislation is necessary to guarantee that those rules will be adopted. The legislation also ensures that bond price information will be provided to the public on their trades.

I am pleased that H.R. 1400 enjoys the support of the Bond Market Association, the National Association of Securities Dealers, and the Securities and Exchange Commission, each of whom worked closely with the committee throughout the development of this legislation.

In particular, I commend the Bond Market Association for taking steps to develop a system that will improve competition in the bond market for investors. I note that H.R. 1400 contemplates the development of such a private sector initiative in achieving its goal, and it is my hope that the marketplace will embrace that goal and develop a system that precludes the need for any additional transparency requirements. The legislation also ensures that the SEC will take such private sector initiatives into consideration in promulgating rules under the bill.

In addition, the legislation includes a technical provision dealing with the treatment of exchange-listed debt securities. This provision eliminates needless regulatory requirements relating

to these instruments, to reduce costs and streamline the provision of information to the marketplace.

I commend the gentleman from Ohio (Mr. OXLEY), chairman of the Subcommittee on Finance and Hazardous Material, for his leadership on this issue, from his initial hearings in the 105th Congress to today's vote. I also commend the gentleman from Michigan (Mr. DINGELL), the ranking member of the committee on Commerce, who has worked hard to ensure our markets are the fairest and most transparent possible for investors.

I thank and commend the gentleman from New York (Mr. TOWNS), ranking member of the Subcommittee on Finance and Hazardous Material, as well as the gentleman from Massachussetts (Mr. MARKEY), the ranking member of the Subcommittee on Telecommunications, Trade, and Consumer Protection for their leadership and constructive input at every stage of this legislation's develop.

This legislation continues the tradition we have had in the committee during my chairmanship of quietly modernizing the laws governing financial markets. We enacted litigation reform to diminish securities strike suits brought against public companies.

In the National Securities Markets Improvement Act, we eliminated State regulation of securities offerings. We provided for cost-benefit analysis of SEC rules. We reduced the fees assessed by the SEC on securities offerings. We extended the protections of litigation reform to the States and the Uniform Standards legislation.

☐ 1415

And we worked to bring decimal pricing to the exchanges.

The corporate bond market covered by this legislation is significant. Every day investors trade over $15 billion worth of corporate bonds. Every Member of this body has constituents who are relying on that market for their retirement, their children's education, and their financial future. It is our obligation to make that market the fairest, most competitive and most efficient it can be. H.R. 1400 will help us fulfill that obligation.

The purpose of H.R. 1400, the Bond Price Competition Improvement Act of 1999, is to improve the collection and dissemination of information concerning prices for debt securities to enable all investors to make more informed investment choices by providing a means by which they can more readily compare prices of debt securities. Recognizing the important role the nation's debt markets play in capital formation, consideration of the effects transparency may have on market liquidity is also included under the scope of this bill. Improved transparency will likely lead to increased competition among dealers, and will also serve to foster investor confidence in the bond markets. Regulators will also benefit by gaining access to an increased amount of transactions data for use in market surveillance.

On September 29, 1998, the Subcommittee on Finance and Hazardous Materials held a hearing, ''Improving Price Competition for Mutual Funds and Bonds.'' At that hearing, the Subcommittee heard testimony regarding bond market transparency from the SEC, The Bond Market Association, The Vanguard Group, and Clover Capital Management, among others. In their testimony, the SEC described the results of a recently completed review of the U.S. debt markets. Overall, the report found that ''the debt markets are functioning well.'' The U.S. Treasury market was found to be ''highly transparent,'' and the federal agency securities market was characterized as having ''a very good level of pricing information.'' The SEC found that for mortgage- and asset-backed securities, including collateralized mortgage obligations, the ''quality of pricing information and interpretive tools available to the market is good.'' The quality of pricing information for high-yield corporate bonds was found to be ''relatively poor,'' yet the SEC found that dealers ''do not appear to enjoy a great advantage over their institutional clients.'' For investment grade bonds, the SEC reported that the quality of pricing information available ranges from ''fairly good to fair.'' Witnesses from The Vanguard Group and Clover Capital Management echoed the SEC's comments about price transparency in the high yield and investment grade corporate bond markets. The Bond Market Association testified in support of the goal of providing investors with more meaningful price information, and reaffirmed their commitment to improving price transparency in the corporate bond market. Testimony indicated that improvements in corporate bond price transparency were needed.

Price transparency in the Treasury, municipal, and high yield bond market has received much attention from regulators and Congress in recent years. For each of these markets, a different, market-specific approach to price transparency was developed in coordination with regulators, legislators, and industry participants. The Committee heard testimony that detailed the existing price transparency systems in these markets, and was told that experience gained in developing these systems will assist in the development of relevant systems for the corporate bond market. According to a joint report by the SEC, the Treasury Department, and the Federal Reserve Board, private sector systems in the Treasury market have been credited with contributing to ''significant advances in price transparency for government securities.'' Recognizing the importance of private sector initiatives, H.R. 1400 contains a provision requiring the SEC to consider ''private sector systems for the collection and distribution of transaction information on corporate debt securities.''

In the municipal and high yield bond markets, dealers are already required to report their transactions in these securities. All transactions in municipal bonds are reported to the Municipal Securities Rulemaking Board, and have been reported to the MSRB for several years. Since 1995, dealer market transactions have been reported, and since 1998, dealer to customer transactions have also been reported. Regulators have access to this data, and The Bond Market Association provides the MSRB's data on its investor web site—www.investinginbonds.com—to the public free of charge. For high yield corporate bonds, the Nasdaq's Fixed Income Pricing System (FIPS) collects data for regulatory purposes, provides it to participants, and to vendors who then transmit it to their subscribers. There are NASD rules that require the reporting of all high yield transactions in FIPS. For exchange-listed bonds, prices are reported in many newspapers each day, and NYSE bond trades are available throughout the day on the high speed bond quote line and also on the Internet.

The Subcommittee heard testimony on March 18, 1999 that highlighted the fact that regulators have recognized the difference between liquid and illiquid securities when developing regulations for equities and also for high yield bonds. While the equities market is considered by many to represent an exemplary approach to price transparency, it was noted that vast differences in the level of price transparency between liquid and illiquid equities exist. Real-time reporting and immediate dissemination of price and quantity characterize the level of transparency for listed equities—which are for the most part, liquid securities. However, in the market for unlisted ''pink sheet'' or ''bulletin board'' equities—which are not very liquid securities—prices are not reported in real-time nor are prices publicly disseminated. In fact, there are no real-time transaction reporting systems that require or provide immediate public dissemination of every trade in a given class of illiquid securities. In testimony from The Bond Market Association, the Subcommittee heard that the industry has undertaken a private sector initiative that is designed to cover inter-dealer broker trades in investment grade corporate bonds, and that the data will be made available to regulators. The NASD also testified that they are currently developing a comprehensive system that will include an historical database that can be used for market surveillance.

The nature of the bond markets raises some difficult challenges in crafting price transparency solutions. There are numerous corporate bond issues outstanding at any given time—estimates range from 300,000 to 400,000 for corporate bonds—in contrast to only approximately 11,000 listed equities. Testimony indicated that only 4 percent of corporate bonds trade at least once in any given year. Bond markets are not continuous trading markets—i.e., most bonds do not trade every day—and as such, the market structure of the bond market is necessarily different from the structure of the equities market. Corporate bond trades occur as a result of negotiations between trading parties, and most trades are conducted over-the-counter, as opposed to on the New York Stock Exchange or American Stock Exchange. Corporate bonds trade in relation not only to one another, but more importantly in relation to a benchmark Treasury security (spread to Treasury). The Committee recognizes that the high level of transparency in the government securities markets therefore provides a critically important relative evaluation benchmark for corporate bonds. The market is largely institutional, with retail investors holding less than five percent of corporate bonds outstanding. Additionally, most institutional investors have access to numerous sources of benchmark securities prices and other related price information from commercial vendors. These sources enable investors to make price comparisons between similar corporate bonds—even if a particular bond did not trade—which is a very likely scenario. Since corporate bonds trade in relation to one

another, specific bonds of like credit quality and maturity may be fungible with one another, which facilitates the ability of investors to comparison shop among dealers.

Currently, the bond markets provide a vital source of capital for the U.S. Government, federal agencies, states and localities, and America's corporations. In 1998 alone, over $10 trillion of new debt was issued in the United States debt markets. The Subcommittee heard testimony that advised regulatory authorities to proceed carefully when developing systems to improve price transparency so that market liquidity will not be harmed. Testimony highlighted the concerns of large institutional investors and market participants who hold large blocks of bonds. Testimony suggested that these investors and participants are concerned that the immediate dissemination of price and trading volume could make it harder for them to unwind positions, and subsequently, the amount of capital supplied to the market may be reduced. Although the Committee made no determination as to whether or not liquidity would be affected by increased price transparency, the Committee recognizes the importance of these concerns, and a provision in H.R. 1400 requires the SEC to take market liquidity, as well as other factors, into account before prescribing rules.

The CBO Cost Estimate included in the Committee Report identifies the NASD as the statutorily mandated private sector collector and disseminator of bond price information and ignores all costs to other market participants—including dealers and investors. However, H.R. 1400 specifically and purposefully omits the identity and character of the entity responsible for the collection and dissemination of prices for ''covered debt securities.'' Although only the SEC, or a self-regulatory organization like the NYSE or NASD, can impose rules and conduct market surveillance, the exact method of collecting pricing data and disseminating pricing data is left to the discretion of the SEC subject to the guiding factors identified in the bill. One important factor, that ''the Commission shall take into consideration . . . private sector systems for the collection and distribution of transaction information on corporate debt securities,'' was in fact specifically added to H.R. 1400 to ensure maximum competition in the marketplace for those functions not required to be undertaken by regulators or self-regulatory organizations. The CBO cost estimate misstates the statutory language of H.R. 1400 in identifying the NASD as the sole entity required to ''collect, process, distribute and publish'' pricing information. Moreover, the CBO estimate ignores true private sector costs—i.e., the cost (both hard and soft) to the dealer community associated with H.R. 1400.

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

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

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

Mr. DINGELL. Mr. Speaker, I rise in support of the bill H.R. 1400, the Bond Price Competition Improvement Act of 1999, and urge its adoption by the House.

I filed a comprehensive additional set of views which appear at page 11 through 13 of the Committee Report.

Mr. Speaker, I would like to first commend my good friend, the gentleman from Virginia (Mr. BLILEY), chairman of the Committee on Commerce, and the gentleman from Ohio (Mr. OXLEY) chairman of the Subcommittee on Finance and Hazardous Materials, for their strong leadership in this legislation. This is an issue that has been boiling around for a long time and the committee has been telling the industry that this is a matter which has to be corrected.

In 1993 in the fall, Mr. MARKEY, then chairman of the Subcommittee on Finance and Hazardous Materials, warned, ''I have little sympathy for those who keep information about quotes, trades, prices, and markups in the dark away from investors. Markets are more efficient, more fair, and more liquid when investors can readily determine how much a security costs.''

At the September 29, 1999, hearing on price competition for bonds, my good friend, the gentleman from Virginia (Chairman BLILEY) issued a challenge to the SEC and the bond market to get going and clean this market up and promised to introduce legislation in the next Congress. The gentleman from Virginia was true to his word and I commend him for working with those of us on this side of the aisle, the Federal regulators, and the bond industry to fashion this targeted and bipartisan bill that is cosponsored by a large numbers of Members on the Subcommittee on Finance and Hazardous Materials, including myself.

Mr. Speaker, in this bill we tell the markets to stop treating investors like mushrooms. We require that the investing public no longer be kept in the dark, away from the world of prompt, accurate, and reliable transaction information; in other words, keeping them away from the sunlight. And we require them to include the last sale reported.

Bond markets are an important function in the U.S. economy. Their complexity will raise more difficult challenges to crafting transparent solutions. This is why we have charged the SEC, the Federal securities regulator, with the responsibility for overseeing this initiative.

The private market has raised concerns that this effort will hurt market liquidity. We are aware of those concerns, but I must confess that personally I have small regard for the concerns and some doubts about those who have raised them. They also were raised in conjunction with earlier initiatives to facilitate transparency in the market for government securities. These markets were totally unharmed, and investors were significantly benefited. They remain the most liquid and efficient in the world.

Mr. Speaker, in closing, I commend the ongoing private sector and NASD responses to the challenge. I believe that the bond markets and the investors both will reap significant benefits from the actions we take today. I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. OXLEY), chairman of the Subcommittee on Finance and Hazardous Materials, who so ably steered this legislation through.

Mr. OXLEY. Mr. Speaker, I thank the gentleman from Virginia (Mr. BLILEY) for yielding me this time.

Mr. Speaker, I rise today in support of H.R. 1400, the Bond Price Competition Improvement Act. Although bond trading may not be the most exciting topic in the world, there are $15 billion of corporate bonds traded each day in the United States. It is our obligation to see that those who are relying on bonds for their retirement and their children's education can buy bonds in a fair and open market.

The Subcommittee on Finance and Hazardous Materials began examining the bond market in the 105th Congress. In September, we heard testimony that two investors buying the same bond at the same time from the same dealer can be given very different prices, prices differing as much as 6 percent, amounting to a full year's worth of interest.

In the equity markets there is a mechanism for distributing price information to the public. All one has to do is turn on CNBC and see the ticker at the bottom of the screen which lists the price of stocks traded during the day. No such system currently exists in the bond markets, and that needs to be corrected.

H.R. 1400 was reported unanimously by the Committee on Commerce. This bipartisan bill was originally cosponsored by 27 of the 28 members of the subcommittee and enjoys the support of the Securities and Exchange Commission and the National Association of Securities Dealers.

H.R. 1400 directs the Securities and Exchange Commission to use authority it has had since 1975 to adopt rules facilitating transparency in the bond market with certain minimum standards. By enacting this legislation we will guarantee that these important changes take place. We also make clear that information should be provided to the public for their trades.

Additionally, the legislation provides some regulatory relief to exchange listed bonds. It also includes a provision indicating that the legislation does not affect the exemption from registration requirements for securities of government-sponsored enterprises.

When the committee first raised concerns regarding transparency in the corporate bond markets, market participants responded quickly by developing and implementing a voluntary trade reporting system. The industry has responded positively to transparency challenge in other markets as well. These actions demonstrate a genuine commitment to improving bond market transparency. This commitment should form the basis of a productive partnership between industry and the SEC to improve price transparency.

The SEC should consider this progress as it moves forward under this legislation.

Mr. Speaker, I understand that the gentleman from Virginia (Chairman BLILEY) has included in the RECORD some additional legislative history of H.R. 1400. I understand this legislative history will amplify the record on private sector initiatives in the bond market. I would like to ask the distinguished gentleman if that is correct.

Mr. BLILEY. Mr. Speaker, will the gentleman yield?

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

Mr. BLILEY. Mr. Speaker, the gentleman is absolutely correct.

Mr. OXLEY. Mr. Speaker, reclaiming my time, and I would like to indicate that I join the gentleman in that additional legislative history, and I would like to commend the Bond Market Association for their very constructive participation during the consideration of this legislation. The Bond Market Association is developing a voluntary system to display bond prices publicly. This system will improve the availability of bond prices to investors, and, Mr. Speaker, that just began last week, and we expect a great amount of progress in bringing that price information to the public.

Mr. Speaker, I would like to commend the gentleman from Virginia (Mr. BLILEY) for his leadership on this issue. This is his legislation that he introduced. And I thank him for helping to bring meaningful legislation to the floor for the benefit of all Americans. I also commend our good friend the gentleman from Michigan (Mr. DINGELL); the gentleman from New York (Mr. TOWNS), the ranking member of our subcommittee; and the gentleman from Massachusetts (Mr. MARKEY) for their assistance on this project. Without their help, we would not be here today.

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

Mr. Speaker, I have a couple of brief comments that I think will be helpful to the RECORD. The first is to again express my great affection and respect for the gentleman from Virginia (Mr. BLILEY), distinguished chairman of the Committee on Commerce, and for the distinguished gentleman from Ohio (Mr. OXLEY), chairman of the Subcommittee on Finance and Hazardous Materials.

Mr. Speaker, I have not seen these ''additional remarks'' which are being used to constitute legislative history. Could my two good friends enlighten me as to what they are, where they come from, and what they say?

Mr. BLILEY. Mr. Speaker, if the gentleman would yield, he will have a chance to peruse them before they become a part of the RECORD.

Mr. DINGELL. Mr. Speaker, reclaiming my time, I am comforted to hear that. Am I to assume that they are not part of the legislative history or they are a part of the legislative history?

Mr. BLILEY. Mr. Speaker, if the gentleman would continue to yield, they are not part of the legislative history at the moment.

Mr. DINGELL. Mr. Speaker, again reclaiming my time, I am much comforted to know that. I am comforted because I have always been told in this place that the legislative history is a history of the legislation, and it involves discussion amongst all the people who are handling the legislation so that they all know what it is. I assume that I will have a chance to look at these and perhaps approve them before they become legislative history.

Mr. BLILEY. The gentleman is absolutely correct.

Mr. DINGELL. Very good. Then I thank my good friend.

Mr. MARKEY. Mr. Speaker, I rise in strong support of H.R. 1400, the Bond Price Competition Improvement Act of 1999.

I would like to begin by commending Chairman BLILEY, Subcommittee Chairman OXLEY, the Ranking Democratic Member of the Committee, the gentleman from Michigan (Mr. DINGELL), and the Ranking Democrat on the Subcommittee, the gentleman from New York (Mr. TOWNS) for their leadership in bringing this bill forward for today's Subcommittee markup. I am pleased to be an original cosponsor of this legislation, which is aimed at improving price competition in the nation's bond markets.

On Wall Street, the term ''Price Transparency'' refers to the dissemination of market quotation and transaction information. Such transparency is of critical importance to all participants in our nation's securities markets. Experience has shown that price transparency produces several important benefits. It can help improve the liquidity and efficiency of a market by assuring that comprehensive price and trading information is disseminated to as many market participants as possible, so that the market price of securities will move more quickly to reflect the underlying economic value of the security. In addition, price transparency provides investors with greater protection from abuses by reducing the disparity of information that may exist between market ''insides'' and ''outsiders'' and providing public investors with more equal access to information that is available to primary and other dealers.

With equal access to pricing information, investors in stocks or bonds can better evaluate the quality of execution and the value of their securities. This information is particularly useful for investors evaluating prices for less actively traded securities, where bid-asked spreads may be wider. Such data also can encourage competition among dealers and assist regulators in discovering possible manipulation, fraudulent mark-ups, or other wrongful conduct, or in determining the state of the market at any point in time.

In 1975, the Congress directed the SEC to facilitate the creation of a National Market System for qualified securities. When the Congress enacted that legislation, it did not limit its application merely to stocks, but also included corporate debt securities. At the time, there were many in the broker-dealer community who vigorously opposed it. But some 24 years later the Dow Jones Industrial Average has been routinely topping the 10,000 mark, and all observers agree that the stock markets is much more efficient and more liquid in large part due to their increased transparency.

In the 1980s, under the Subcommittee on Telecommunications and Finance, which I then chaired, Congress passed landmark government securities legislation that, in part, addressed the lack of transparency in that segment of the bond market. In 1991, the industry responded with GovPX, a 24-hour, global electronic reporting system for U.S. Treasury and other government securities.

In the fall of 1993, the Subcommittee held comprehensive hearings on the municipal securities market. I observed at the close of those hearings that I have little sympathy for those who would keep information about quotes, trades, prices, and markups in the dark, away from investors, and that markets are more efficient, more fair and more liquid when investors can readily determined how much a security costs. The Subcommittee challenged the SEC and the market to respond to this need, and promised carefully targeted and bipartisan legislative reforms if they failed to do so.

In response the industry in 1995, the Municipal Securities Rulemaking Board (MSRB) started collecting data on dealer-to-dealer transactions in the municipal bond market as well as disseminating daily summary reports. In 1998, the MSRB added coverage of customer trades to this system.

I should note that in 1994 the National Association of Securities Dealers (NASD) established the Fixed Income Pricing System which covers some but not all high-yield corporate bonds. Aside from this action, over the years the SEC has not made much use of the powers Congress granted it in this area to bring transparency to the corporate bond market. The legislation we are taking up today would help change that. H.R. 1400 would direct the SEC, within the next 12 months, to use the authorities Congress granted it back in 1975 to issue rules or take other actions to improve price transparency in the corporate bond market. Specifically, the bill would mandate that the SEC assure the prompt collection, processing, distribution, and publication of transaction information in the corporate debt market. This would specifically include, but not be limited to, last sale information. Under the bill, the SEC would be directed to assure that such information is made available to all exchange members, broker-dealers, securities information processors, and all other person. In determining the rules or other actions to take under the subsection, the SEC is also directed to take into consideration, among other factors, private sector systems for the collection and distribution of transaction information on corporate debt securities. Finally, the bill provides for a study by the General Accounting Office of measures needed to further improve price transparency.

I support this initiative because I believe that bond investors deserve to get full access to the type of market information that will better enable them to determine whether they are getting the best price for their buy and sell orders. We recognize that Chairman Levitt has already taken some preliminary steps to move the industry forward in this area, and that as a result of his leadership, the NASD is currently considering rule changes which would create transparency and audit trail systems for the corporate bond market. In addition, we also understand that the bond dealers have also stepped in with a plan to make certain market information available, and we welcome that action.

I would like to focus on the relationship on that initiative and this legislation, to ensure that the legislative history of this bill properly reflects the factors that went into consideration of its provisions. During the Subcommittee of Finance and Hazardous Materials hearing on H.R. 1400, I had an opportunity to ask SEC Chairman Levitt about several aspects of the bond dealers' initiative. His responses indicated that while the private sector initiative might be useful to investors, it also had some very significant limitations. For example, Chairman Levitt indicated that the scope of the private sector initiative was limited to investment grade debt, so that all the non-investment grade wouldn't even be covered. Chairman Levitt further indicated that the industry initiative relies entirely on voluntary participation. As a result, he indicated, if an interdealer broker doesn't volunteer to join the system, its trades wouldn't be displayed. In addition, Chairman Levitt testified that direct dealer-to-dealer or dealer-to-customer trades that don't use an interdealer broker wouldn't be recorded through the voluntary initiative. Moreover, the initiative would provide only for hourly dissemination of data, which Chairman Levitt agreed could prove pretty stale in today's fast moving markets. Finally, Chairman Levitt indicated that the SEC and the NASD need additional information about what is going on in the corporate bond market to perform their surveillance missions ''comprehensively and accurately.''

I mention this testimony because I believe that it is essential that the SEC and the NASD, as they consider how to implement the Congressional direction contained in H.R. 1400, must never lose sight of the fact that the current voluntary industry initiatives, while useful and welcome, have their limitations. That is precisely why we gave the SEC the authority to act in a comprehensive fashion, consistent with the public interest and the protection of investors. And while we in Congress recognize these private sector initiatives and welcome them, we nonetheless are passing this legislation today because we are also aware of the gaps in those initiatives and the need to assure that appropriate action is taken by the SEC and to NASD to assure that any transparency system established for the corporate bond market is comprehensive in scope, is not riddled with loopholes, appropriately serves the needs of investors, and allows the SEC and the NASD to carry out their important market surveillance and enforcement missions.

I believe the legislation we are considering today does this. It will underscore the determination of the Congress that effective and comprehensive action will be taken in this area. I urge passage of the legislation.

I urge my colleagues to support this bill as it moves through the legislative process.

Mr. DINGELL. Mr. Speaker, earlier today during floor debate on H.R. 1400, the Bond Price Competition Improvement Act of 1999, I became aware of the intention of the Majority to insert in the RECORD as an extension of remarks ''legislative history'' that the Minority had not been afforded an opportunity to review. We were subsequently informed by Majority staff off the Floor that they had agreed to insert in the RECORD verbatim language that had been submitted by representatives of the Bond Market Association (BMA). I have serious problems with this sneaky attempt to affect the carefully-crafted bipartisan agreement on this bill. I have been supplied a copy of the BMA language and will review it carefully. After an initial reading, I have concluded that parts of it contain factual errors and I will be putting a statement in the RECORD over the next day or so to point out and correct these problems. In the meantime, I wish to express the well-established legal norm that the Courts, in interpreting this statute, should be governed by the plain meaning of the legislative language and the intent expressed in the Committee's report and not on late-crafted statements presented by lobby groups to only the majority and not cleared by the minority or discussed with the minority in proper fashion.

Legislative history is the work of the Congress, in its official pronouncements or sometimes the remarks of its Members in debate. It is not the unscreened remarks of lobbyists submitted in self-serving and irregular fashion.

Mr. TOWNS. Mr. Speaker, I rise in support of the bill, HR 1400, the Bond Price Competition Improvement Act of 1999, and I urge its adoption by the members of the whole House.

I would like to thank Chairman BLILEY of the full Committee on Commerce and Ranking member of the full Committee, Congressman JOHN DINGELL of Michigan, Subcommittee on Finance and Hazardous Materials Chairman OXLEY for their work and leadership on this legislation.

Chairman BLILEY issued a ''challenge to the bond industry to clean up their act on the importance of the right to know'', or expect the Congress to introduce legislation in the 106th Congress as he promised. I want to point out that Chairman BLILEY was true to his word. I want to commend the Committee leadership for all of the effort and work done with the Democrats of the committee to make this bill a bipartisan success.

The H.R. 1400, requires the industry to inform the investing public of the needed information to make sound judgement, while investing in the Bond Market with reliable, accurate transaction information and sale reporting.

The bond markets plays an important role in my home state of New York and the entire U.S. economy. I am aware of the concerns of the industry with regards to the issue of transparency. However, the SEC will do a great job for the industry and U.S. economy.

In closing, I wish to thank Chairman BLILEY and the Ranking Member of the full Committee on Commerce Mr. DINGELL and Chairman OXLEY and the members of the subcommittee for their support.

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

Mr. BLILEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 1400, as amended.

The question was taken.

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

AUTHORIZING USE OF CAPITOL GROUNDS FOR CLINIC CONDUCTED BY UNITED STATES LUGE ASSOCIATION

Mr. COOKSEY. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res 91) authorizing the use of the Capitol Grounds for a clinic to be conducted by the United States Luge Association, as amended.

The Clerk read as follows:

H. CON. RES. 91

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. AUTHORIZATION OF UNITED STATES LUGE ASSOCIATION CLINIC ON CAPITOL GROUNDS.

The United States Luge Association (in this resolution referred to as the ''sponsor'') shall be permitted to sponsor a clinic (in this resolution referred to as the ''event'') on the Capitol Grounds on August 14, 1999, or on such other date as the Speaker of the House of Representatives and the Committee on Rules and Administration of the Senate may jointly designate.

SEC. 2. TERMS AND CONDITIONS.

(a) IN GENERAL.—The event authorized by section 1 shall be free of admission charge to the public and arranged not to interfere with the needs of Congress, under conditions to be prescribed by the Architect of the Capitol and the Capitol Police Board.

(b) EXPENSES AND LIABILITIES.—The sponsor shall assume full responsibility for all expenses and liabilities incident to all activities associated with the event.

SEC. 3. STRUCTURES AND EQUIPMENT.

(a) STRUCTURES AND EQUIPMENT.—Subject to the approval of the Architect of the Capitol, the sponsor may erect upon the Capitol Grounds such stage, sound amplification devices, and other related structures and equipment as may be required for the event authorized by section 1.

(b) ADDITIONAL ARRANGEMENTS.—The Architect of the Capitol and the Capitol Police Board are authorized to make any such additional arrangements as may be required to carry out the event, including arrangements to limit access to a portion of Constitution Avenue as required for the event.

SEC. 4. ENFORCEMENT OF RESTRICTIONS.

The Capitol Police Board shall provide for enforcement of the restrictions contained in section 4 of the Act of July 31, 1946 (40 U.S.C. 193d; 60 Stat. 718), concerning sales, displays, advertisements, and solicitations on the Capitol Grounds, as well as other restrictions applicable to the Capitol Grounds, with respect to the event authorized by section 1.

SEC. 5. LIMITATIONS ON REPRESENTATIONS.

(a) IN GENERAL.—No person may represent, either directly or indirectly, that this resolution or any activity carried out under this resolution in any way constitutes approval or endorsement by the Federal Government of any person or any product or service.

(b) ENFORCEMENT.—The Architect of the Capitol and the Capitol Police Board shall enter into an agreement with the sponsor, and such other persons participating in the event authorized by section 1 as the Architect of the Capitol and the Capitol Police Board consider appropriate, under which such persons shall agree to comply with the requirements of subsection (a). The agreement shall specifically prohibit the use of any photograph taken at the event for a commercial purpose and shall provide for the imposition of financial penalties if any violations of the agreement occur.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

Louisiana (Mr. COOKSEY) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. COOKSEY).

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

Mr. Speaker, House Concurrent Resolution 91 as amended, will authorize the use of the Capitol grounds for the United States Luge Association's Junior Luge Series clinic scheduled for August 14, 1999.

The United States Luge Association conducts clinics throughout the United States during the summer months to introduce the sport of luge to youngsters who otherwise would not have the opportunity to learn the fundamentals of riding a luge sled. This is the first time Washington, D.C., will be a host city. Participants of the event will ride a luge sled equipped with wheels down Constitution Avenue between Delaware and Louisiana Avenues Northwest.

The event will be carried out in complete compliance with the rules and regulations governing the use of the Capitol grounds and is open to the public and free of admission charge.

Mr. Speaker, the amended text is noncontroversial. It simply enhances the prohibitions with regard to sales, displays, advertisements and solicitations.

Mr. Speaker, I support the resolution, and I urge my colleagues to support it as well.

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

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

Mr. Speaker, H. Con. Res. 91, as amended, authorizes use of the Capitol grounds for a sporting recruitment event to be held in August, sponsored by the U.S. Luge Association. The association, based in Lake Placid, New York, is the national governing body of the Olympic sledding event. The association conducts a summer recruiting program to introduce the sport to youngsters. The most promising athletes receive a further invitation to attend a 1-week training session.

This year's recruiting program involves visiting 10 cities, including Washington, DC. The program is over 10 years old has been highly successful, with several athletes being selected for the U.S. Olympic team. This event will provide a new and different use of the Capitol grounds here in the Nation's Capital. I join the gentleman from Louisiana (Mr. COOKSEY), my colleague, in supporting this resolution.

Mr. Speaker, I have no additional requests for time, and I reserve the balance of my time.

Mr. COOKSEY. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. SWEENEY).

Mr. SWEENEY. Mr. Speaker, House Concurrent Resolution 91 authorizes the use of the Capitol grounds for a summer recruitment clinic to be conducted by the United States Luge Association on August 14 of this year. The clinic, to be held in the north side of the Capitol, will allow youngsters from Washington, D.C., ages 10 to 14, to ride an actual luge sled equipped with wheels down Constitution Avenue.

The United States Luge Association, proudly based at the winter Olympic training facilities in my district in Lake Placid, New York, has been conducting clinics throughout the country for the last 12 years. Last year, the Bell Atlantic Junior Luge Series brought the luge experience to 618 youngsters during the summer and fall covering both sides of the country with clinics in eight cities.

Mr. Speaker, I am proud to be offering this resolution today so that the winter Olympic sport of luge may be brought out to our Nation's Capitol.

□ 1430

Mr. Speaker, one of the most treasured memories I hold of Lake Placid was the 1980 Winter Olympics when the Nation celebrated the U.S. Hockey Team's famous ''Miracle on Ice'' gold medal victory. That was a defining moment for our Nation, a time that made Americans proud.

U.S. luge is carrying on that Olympic tradition and is spreading that spirit around the country through this innovative recruitment program.

Mr. Speaker, we also should remember that 1998 marked the breakout year from U.S. luge from a 34-year absence at the Olympic medal stand when two American duos captured the silver and bronze medals at the Winter Olympics in Nagano, Japan.

Cris Thorpe of Marquette, Michigan; Gordy Sheer of Croton, New York; Mark Grimmette of Muskegon, Michigan; and Brian Martin of Palo Alto, California, propelled the United States into the limelight as a leader in the international sport of luge with their medal victories.

Lake Placid, New York, nestled in the heartland of the Adirondack Mountains has been chosen to host this year's 2000 Goodwill Games, Mr. Speaker. The Goodwill Games will unveil a new state-of-the-art luge run now under construction and, in doing so, will further establish the United States as the international leader in the sport of luge.

The games will also bring renewed attention to New York's dramatic comeback, particularly the State's economic turnaround in Upstate. Working with the Olympic Regional Development Authority in Lake Placid to make the new bobsled and luge runs a reality, those agendas and those organizations have made that a top priority, as have I.

International sporting events provide a tremendous boost to the local economy and to New York's North Country, attracting hundreds of thousands of visitors, tourists, and athletes.

The summer luge program, Mr. Speaker, incorporating sleds on wheels, is the U.S. National Luge Team's primary recruitment tool. Currently, 90 percent of the USA Luge Junior National Team has been identified via this off-season tour and three have competed in the Winter Olympics.

In fact, Nagano bronze medalist Brian Martin was discovered at a 1988 clinic in Palo Alto, California. Who knows, this very clinic could yield a future Olympian right here from Washington.

Mr. Speaker, the Olympic movement is entirely dependent on successful grassroots programs like the Junior Luge series.

I urge my colleagues to support H. Con. Res. 91 so that the Olympic spirit of the U.S. luge movement may be brought to our Nation's Capitol this summer.

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

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

The SPEAKER pro tempore (Mr. REGULA). The question is on the motion offered by the gentleman from Louisiana (Mr. COOKSEY) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 91, as amended.

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

A motion to reconsider was laid on the table.

AUTHORIZING LAW ENFORCEMENT TORCH RUN THROUGH CAPITOL GROUNDS FOR 1999 SPECIAL OLYMPICS WORLD GAMES

Mr. COOKSEY. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res 105) authorizing the Law Enforcement Torch Run for the 1999 Special Olympics World Games to be run through the Capitol Grounds, as amended.

The Clerk read as follows:

H. CON. RES. 105

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. AUTHORIZATION OF TORCH RUN THROUGH CAPITOL GROUNDS.

Special Olympics (in this resolution referred to as the ''sponsor'') shall be permitted to sponsor a public event, the Law Enforcement Torch Run for the 1999 Special Olympics World Games (in this resolution referred to as the ''event''), on the Capitol Grounds on June 18, 1999, or on such other date as the Speaker of the House of Representatives and the Committee on Rules and Administration of the Senate may jointly designate.

SEC. 2. TERMS AND CONDITIONS.

(a) IN GENERAL.—The event shall be free of admission charge to the public and arranged not to interfere with the needs of Congress, under conditions to be prescribed by the Architect of the Capitol and the Capitol Police Board.

(b) EXPENSES AND LIABILITIES.—The sponsor shall assume full responsibility for all expenses and liabilities incident to all activities associated with the event.

SEC. 3. STRUCTURES AND EQUIPMENT.

(a) STRUCTURES AND EQUIPMENT.—Subject to the approval of the Architect of the Capitol, the sponsor may erect upon the Capitol Grounds such stage, sound amplification devices, and other related structures and equipment as may be required for the event.

(b) ADDITIONAL ARRANGEMENTS.—The Architect of the Capitol and the Capitol Police Board are authorized to make any such additional arrangements as may be required to carry out the event.

SEC. 4. ENFORCEMENT OF RESTRICTIONS.

The Capitol Police Board shall provide for enforcement of the restrictions contained in section 4 of the Act of July 31, 1946 (40 U.S.C. 193d; 60 Stat. 718), concerning sales, displays, advertisements, and solicitations on the Capitol Grounds, as well as other restrictions applicable to the Capitol Grounds, with respect to the event.

SEC. 5. LIMITATIONS ON REPRESENTATIONS.

(a) IN GENERAL.—No person may represent, either directly or indirectly, that this resolution or any activity carried out under this resolution in any way constitutes approval or endorsement by the Federal Government of any person or any product or service.

(b) ENFORCEMENT.—The Architect of the Capitol and the Capitol Police Board shall enter into an agreement with the sponsor, and such other persons participating in the event authorized by section 1 as the Architect of the Capitol and the Capitol Police Board consider appropriate, under which such persons shall agree to comply with the requirements of subsection (a). The agreement shall specifically prohibit the use of any photograph taken at the event for a commercial purpose and shall provide for the imposition of financial penalties if any violations of the agreement occur.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. COOKSEY) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. COOKSEY).

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

House Concurrent Resolution 105, as amended, will authorize the use of the Capitol Grounds for the Law Enforcement Torch Run for the the 1999 Special Olympics World Games.

The torch run through the Capitol Grounds, scheduled for June 18, is part of the journey of the Special Olympics World Games torch, which was originally lighted in Greece. The torch will travel through the District of Columbia on its way down to the Special Olympics World Games in Raleigh, North Carolina. More than 80 law enforcement officers and Special Olympians will carry the torch.

The World Games is an event that showcases the abilities and courage of over 7,000 special athletes with mental disabilities from 150 nations. The event will be carried out in complete compliance with the rules and regulations governing the use of the Capitol grounds and is open to the public and free of admission charge.

The amended text is noncontroversial. It simply enhances the problems with regard to sales, displays, advertisements, and solicitations.

I support the resolution and I urge my colleagues to support it, as well.

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

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

Mr. Speaker, H. Con. Res. 105, as amended, authorizes use of the Capitol grounds for the Law Enforcement Torch Run in support of the Special Olympics World Games. In 1999, the World Games will be held in Raleigh-Durham, North Carolina, from June 26 through July 4.

Mr. Speaker, law enforcement departments have adopted the Special Olympics as the event of choice for their nationwide support, and all law enforcement officers support the games. For this event, one law enforcement officer from each State will carry the torch from Washington, D.C., to Raleigh-Durham, North Carolina.

The World Games are held every 4 years. The flame of this year's games was lit on Mt. Olympus and will arrive on June 18 at the District of Columbia police dock and will be carried through the District to Capitol Hill for a ceremony.

This Special Olympic Games are a worthy endeavor, and I join in supporting this resolution. We are very happy to welcome these Games in the District of Columbia.

Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana (Mr. COOKSEY) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 105, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. COOKSEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 91, as amended, and H. Con. Res. 105, as amended, the measures just considered by the House.

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

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6 p.m.

Accordingly (at 2 o'clock and 37 minutes p.m.), the House stood in recess until approximately 6 p.m.

☐ 1802

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PEASE) at 6 o'clock and 2 minutes p.m.

BOND PRICE COMPETITION IMPROVEMENT ACT OF 1999

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1400, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 1400, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 332, nays 1, not voting 101, as follows:

[Roll No. 204]

YEAS—332

Abercrombie	Crowley	Hefley
Ackerman	Cubin	Herger
Aderholt	Cummings	Hill (IN)
Allen	Cunningham	Hill (MT)
Andrews	Davis (FL)	Hilliard
Archer	Davis (VA)	Hinchey
Armey	DeFazio	Hinojosa
Bachus	DeGette	Hoeffel
Baird	Delahunt	Hoekstra
Baldacci	DeLauro	Holden
Baldwin	DeMint	Holt
Ballenger	Deutsch	Hooley
Barcia	Diaz-Balart	Horn
Barr	Dickey	Hostettler
Barrett (NE)	Dicks	Hoyer
Bartlett	Dingell	Hunter
Barton	Dixon	Hutchinson
Bateman	Doggett	Hyde
Becerra	Dooley	Inslee
Bentsen	Doolittle	Isakson
Bereuter	Doyle	Istook
Berkley	Dreier	Jackson (IL)
Berman	Duncan	Jackson-Lee (TX)
Berry	Dunn	Jenkins
Biggert	Edwards	John
Bilbray	Ehlers	Johnson (CT)
Bilirakis	Ehrlich	Johnson, E.B.
Bishop	English	Johnson, Sam
Bliley	Eshoo	Jones (NC)
Blumenauer	Etheridge	Jones (OH)
Blunt	Evans	Kanjorski
Boehlert	Everett	Kelly
Bonilla	Ewing	Kennedy
Borski	Farr	Kildee
Boyd	Fattah	Kilpatrick
Brady (PA)	Filner	Knollenberg
Brown (OH)	Fletcher	Kolbe
Bryant	Ford	Kucinich
Burr	Fowler	LaFalce
Burton	Frank (MA)	LaHood
Callahan	Franks (NJ)	Lampson
Camp	Frelinghuysen	Largent
Campbell	Frost	Larson
Canady	Ganske	Latham
Cannon	Gejdenson	LaTourette
Capps	Gekas	Lazio
Cardin	Gephardt	Leach
Carson	Gibbons	Levin
Castle	Gilchrest	Lewis (GA)
Chabot	Gonzalez	Lewis (KY)
Chambliss	Goodlatte	Linder
Clement	Goodling	LoBiondo
Clyburn	Gordon	Lofgren
Coble	Goss	Lowey
Collins	Graham	Lucas (KY)
Combest	Greenwood	Lucas (OK)
Conyers	Gutknecht	Luther
Cook	Hall (OH)	Maloney (NY)
Cooksey	Hall (TX)	Manzullo
Cox	Hastings (FL)	Markey
Cramer	Hastings (WA)	Martinez
Crane	Hayes	

Mascara	Pomeroy	Stark
McCarthy (NY)	Porter	Stearns
McCollum	Portman	Strickland
McCrery	Price (NC)	Stump
McDermott	Quinn	Sununu
McGovern	Radanovich	Sweeney
McHugh	Regula	Talent
McInnis	Reyes	Tancredo
McIntyre	Reynolds	Tanner
McKeon	Riley	Tauscher
McNulty	Rivers	Tauzin
Meehan	Rodriguez	Taylor (MS)
Meek (FL)	Roemer	Terry
Meeks (NY)	Rogan	Thomas
Menendez	Rohrabacher	Thompson (CA)
Mica	Ros-Lehtinen	Thornberry
Millender-McDonald	Rothman	Thune
	Roukema	Thurman
Miller (FL)	Roybal-Allard	Tierney
Minge	Royce	Towns
Mink	Salmon	Traficant
Moakley	Sanchez	Turner
Moran (KS)	Sandlin	Udall (CO)
Morella	Sanford	Udall (NM)
Myrick	Sawyer	Upton
Nadler	Saxton	Velazquez
Napolitano	Scarborough	Vento
Nethercutt	Schaffer	Vitter
Ney	Scott	Walsh
Northup	Sensenbrenner	Wamp
Norwood	Serrano	Waters
Nussle	Sessions	Watkins
Obey	Shadegg	Watt (NC)
Olver	Shaw	Watts (OK)
Ortiz	Shays	Waxman
Ose	Sherman	Weiner
Owens	Sherwood	Weldon (FL)
Oxley	Shuster	Weller
Pallone	Simpson	Wexler
Pascrell	Sisisky	Weygand
Pastor	Skeen	Whitfield
Payne	Skelton	Wicker
Pease	Slaughter	Wilson
Peterson (MN)	Smith (NJ)	Wise
Peterson (PA)	Smith (TX)	Wolf
Petri	Smith (WA)	Wu
Pickering	Snyder	Wynn
Pickett	Spence	Young (AK)
Pitts	Spratt	
Pombo	Stabenow	

NAYS—1

Paul

NOT VOTING—101

Baker	Goode	Moran (VA)
Barrett (WI)	Granger	Murtha
Bass	Green (TX)	Neal
Blagojevich	Green (WI)	Oberstar
Boehner	Gutierrez	Packard
Bonior	Hansen	Pelosi
Bono	Hayworth	Phelps
Boswell	Hilleary	Pryce (OH)
Boucher	Hobson	Rahall
Brady (TX)	Houghton	Ramstad
Brown (CA)	Hulshof	Rangel
Brown (FL)	Jefferson	Rogers
Buyer	Kaptur	Rush
Calvert	Kasich	Ryan (WI)
Capuano	Kind (WI)	Ryun (KS)
Chenoweth	King (NY)	Sabo
Clay	Kingston	Sanders
Clayton	Kleczka	Schakowsky
Coburn	Klink	Shimkus
Condit	Kuykendall	Shows
Costello	Lantos	Smith (MI)
Coyne	Lee	Souder
Danner	Lewis (CA)	Stenholm
Davis (IL)	Lipinski	Stupak
Deal	Maloney (CT)	Taylor (NC)
DeLay	Matsui	Thompson (MS)
Emerson	McCarthy (MO)	Tiahrt
Engel	McIntosh	Toomey
Foley	McKinney	Visclosky
Forbes	Metcalf	Walden
Fossella	Miller, Gary	Weldon (PA)
Gallegly	Miller, George	Woolsey
Gillmor	Mollohan	Young (FL)
Gilman	Moore	

□ 1831

Mrs. CUBIN changed her vote from ''nay'' to ''yea.''

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. MALONEY of Connecticut. Mr. Speaker, I was unavoidably detained during rollcall vote No. 204.

Had I been present I would have voted ''yes.''

Mr. KUYKENDALL. Mr. Speaker, I was detained at the airport due to the storm and missed the rollcall vote on H.R. 1400, the Bond Price Competition Improvement Act of 1999. Had I been present, I would have voted ''yes'' on the measure.

Mr. PACKARD. Mr. Speaker, I was unavoidably detained for rollcall 204. Had I been present, I would have voted ''yea.''

Mr. BRADY of Texas. Mr. Speaker, on rollcall No. 204, I was inadvertently detained. Had I been present, I would have voted ''yes.''

Mr. RAMSTAD. Mr. Speaker, due to inclement weather, which caused the diversion of my flight, I was not present for rollcall vote No. 204. If I had been present, I would have voted ''aye.''

Mr. RYAN of Wisconsin. Mr. Speaker, I was unavoidably detained and, as a result, missed roll No. 204. Had I been present, I would have voted in favor of H.R. 1400.

Mr. CALVERT. Mr. Speaker, due to a scheduling conflict of official congressional business, I was unable to register my vote on H.R. 1400, the Bond Price Competition Improvement Act of 1999. Had I been present, I would have voted ''yea'' on the bill.

Ms. McCARTHY of Missouri. Mr. Speaker, during rollcall vote No. 204, H.R. 1400—Bond Price Competition Improvement Act of 1999, I was unavoidably detained. Had I been present, I would have voted ''yes.''

Ms. LEE. Mr. Speaker, on rollcall, No. 204, H.R. 1400, the Bond Price Competition Improvement Act of 1999, I was unavoidably detained due to a late flight and poor weather conditions. Had I been present, I would have voted ''yes.''

Mr. KIND. Mr. Speaker, on rollcall No. 204, unfortunately, due to an unavoidable weather travel delay. I missed today's rollcall votes. Had I been present, I would have voted ''yea''.

Mr. GILMAN. Mr. Speaker, I was unavoidably detained on rollroll 204. Had I been present, I would have voted ''yes.''

□ 1830

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1604

Mr. OWENS. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1604.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from New York?

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000

Mr. SPENCE. Mr. Speaker, pursuant to the provisions of section 7 of House Resolution 200, I call up the Senate bill (S. 1059) to authorize appropriations for fiscal year 2000 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SPENCE moves to strike all after the enacting clause of the bill S. 1059 and to insert in lieu thereof the provisions of H.R. 1401 as passed by the House, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Defense Authorization Act for Fiscal Year 2000''.

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

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

SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term ''congressional defense committees'' means—

(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

(2) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2000 for procurement for the Army as follows:

(1) For aircraft, $1,415,211,000.

(2) For missiles, $1,415,959,000.

(3) For weapons and tracked combat vehicles, $1,575,096,000.

(4) For ammunition, $1,196,216,000.

(5) For other procurement, $3,799,895,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2000 for procurement for the Navy as follows:

(1) For aircraft, $8,804,051,000.

(2) For weapons, including missiles and torpedoes, $1,764,655,000.

(3) For shipbuilding and conversion, $6,687,172,000.

(4) For other procurement, $4,260,444,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2000 for procurement for the Marine Corps in the amount of 1,297,463,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for procurement of ammunition for the Navy and the Marine Corps in the amount of $612,900,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2000 for procurement for the Air Force as follows:

(1) For aircraft, $9,647,651,000.

(2) For missiles, $2,303,661,000.

(3) For ammunition, $560,537,000.

(4) For other procurement, $7,077,762,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2000 for Defense-wide procurement in the amount of $2,107,839,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 2000 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $10,000,000.

(2) For the Air National Guard, $10,000,000.

(3) For the Army Reserve, $10,000,000.

(4) For the Naval Reserve, $10,000,000.

(5) For the Air Force Reserve, $10,000,00.

(6) For the Marine Corps Reserve, $10,000,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2000 for procurement for the Inspector General of the Department of Defense in the amount of $2,100,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 2000 the amount of $1,012,000,000 for—

(1) the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and

(2) the destruction of chemical warfare materiel of the United States that is not covered by section 1412 of such Act.

SEC. 108. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 2000 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $356,970,000.

SEC. 109. DEFENSE EXPORT LOAN GUARANTEE PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 2000 for the Department of Defense for carrying out the Defense Export Loan Guarantee Program under section 2540 of title 10, United States Code, in the total amount of $1,250,000.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR ARMY PROGRAMS.

(a) MULTIYEAR PROCUREMENT AUTHORITY.—Subject to subsection (b), the Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract beginning with the fiscal year 2000 program year for procurement for each of the following programs.

(1) The Javelin missile system.

(2) M2A3 Bradley fighting vehicles.

(3) AH–64D Longbow Apache attack helicopters.

(4) The M1A2 Abrams main battle tank upgrade program combined with the Heavy Assault Bridge program.

(b) REQUIRED REPORT.—The Secretary of the Army may not enter into a multiyear contract under subsection (a) for a program named in one of the paragraphs of that subsection until the Secretary of Defense submits to the congressional defense committees a report with respect to that contract that provides the following information, shown for each year in the current future-years defense program and in the aggregate over the period of the current future-years defense program:

(1) The amount of total obligational authority under the contract and the percentage that such amount represents of (A) the applicable procurement account, and (B) the service procurement total.

(2) The amount of total obligational authority under all Army multiyear procurements (determined without regard to the amount of the multiyear contract) under multiyear contracts in effect immediately before the contract under subsection (a) is entered into and the percentage that such amount represents of (A) the applicable procurement account, and (B) the service procurement total.

(3) The amount equal to the sum of the amounts under paragraphs (1) and (2) and the percentage that such amount represents of (A) the applicable procurement account, and (B) the service procurement total.

(4) The amount of total obligational authority under all Department of Defense multiyear procurements (determined without regard to the amount of the multiyear contract), including the contract under subsection (a) and each additional multiyear contract authorized by this Act, and the percentage that such amount represents of the procurement accounts of the Department of Defense treated in the aggregate.

(5) For purposes of this subsection:

(A) The term ''applicable procurement account'' means, with respect to the multiyear contract under subsection (a), the Department of the Army procurement account from which funds to discharge obligations under the contract will be provided.

(B) The term ''service procurement total'' means, with respect to the multiyear contract under subsection (a), the procurement accounts of the Army treated in the aggregate.

SEC. 112. EXTENSION OF PILOT PROGRAM ON SALES OF MANUFACTURED ARTICLES AND SERVICES OF CERTAIN ARMY INDUSTRIAL FACILITIES WITHOUT REGARD TO AVAILABILITY FROM DOMESTIC SOURCES.

Section 141 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 4543 note) is amended—

(1) in subsection (a), by striking ''fiscal years 1998 and 1999'' and inserting ''fiscal years 1998 through 2001'';

(2) in subsection (b), by striking ''fiscal year 1998 or 1999'' and inserting ''the period during which the pilot program is being conducted''; and

(3) by adding at the end the following new subsection:

''(d) UPDATE OF REPORT.—Not later March 1, 2001, the Inspector General of the Department of Defense shall submit to Congress an update of the report required to be submitted under subsection (c) and an assessment of the success of the pilot program.''.

SEC. 113. REVISION TO CONDITIONS FOR AWARD OF A SECOND-SOURCE PROCUREMENT CONTRACT FOR THE FAMILY OF MEDIUM TACTICAL VEHICLES.

The text of section 112 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1973) is amended to read as follows:

''(a) LIMITATION ON SECOND-SOURCE AWARD.—The Secretary of the Army may award a full-rate production contract (known as a Phase III contract) for production of the Family of Medium Tactical Vehicles to a second source only after the Secretary submits to the congressional defense committees a certification in writing of the following:

''(1) That the total quantity of trucks within the Family of Medium Tactical Vehicles program that the Secretary will require to be delivered (under all contracts) in any 12-month period will be sufficient to enable the prime contractor to maintain a minimum production level of 150 trucks per month.

''(2) That the total cost to the Army of the procurements under the prime and second-source contracts over the period of those contracts will be the same as or lower than the amount that would be the total cost of the procurements if such a second-source contract were not awarded.

''(3) That the trucks to be produced under those contracts will be produced with common components that will be interchangeable among similarly configured models.

''(b) DEFINITIONS.—In this section:

''(1) The term 'prime contractor' means the contractor under the production contract for the Family of Medium Tactical Vehicles program as of the date of the enactment of this Act.

''(2) The term 'second source' means a firm other than the prime contractor.''.

Subtitle C—Navy Programs

SEC. 121. F/A–18E/F SUPER HORNET AIRCRAFT PROGRAM.

(a) MULTIYEAR PROCUREMENT AUTHORITY.—Subject to subsection (b) and (c), the Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract beginning with the fiscal year 2000 program year for procurement for the F/A–18E/F aircraft program.

(b) REQUIRED REPORT.—The Secretary of the Navy may not enter into a multiyear contract under subsection (a) until the Secretary of Defense submits to the congressional defense committees a report with respect to that contract that provides the following information, shown for each year in the current future-years defense program and in the aggregate over the period of the current future-years defense program:

(1) The amount of total obligational authority under the contract and the percentage that such amount represents of (A) the applicable procurement account, and (B) the service procurement total.

(2) The amount of total obligational authority under all Navy multiyear procurements (determined without regard to the amount of the multiyear contract) under multiyear contracts in effect immediately before the contract under subsection (a) is entered into and the percentage that such amount represents of (A) the applicable procurement account, and (B) the service procurement total.

(3) The amount equal to the sum of the amounts under paragraphs (1) and (2) and the percentage that such amount represents of (A) the applicable procurement account, and (B) the service procurement total.

(4) The amount of total obligational authority under all Department of Defense multiyear procurements (determined without regard to the amount of the multiyear contract), including the contract under subsection (a) and each additional multiyear contract authorized by this Act, and the percentage that such amount represents of the procurement accounts of the Department of Defense treated in the aggregate.

(5) For purposes of this subsection:

(A) The term ''applicable procurement account'' means, with respect to the multiyear contract under subsection (a), the Aircraft Procurement, Navy account.

(B) The term ''service procurement total'' means, with respect to the multiyear contract under subsection (a), the procurement accounts of the Navy treated in the aggregate.

(c) LIMITATION WITH RESPECT TO OPERATIONAL TEST AND EVALUATION.—The Secretary of the Navy may not enter into a multiyear procurement contract authorized by subsection (a) until—

(1) the Secretary of Defense submits to the congressional defense committees a certification described in subsection (c); and

(2) a period of 30 continuous days of a Congress (as determined under subsection (d)) elapses after the submission of that certification.

(d) REQUIRED CERTIFICATION.—A certification referred to in subsection (c)(1) is a certification by the Secretary of Defense of each of the following:

(1) That the results of the Operational Test and Evaluation program for the F/A–18E/F aircraft indicate—

(A) that the aircraft meets the requirements for operational effectiveness and suitability established by the Secretary of the Navy; and

(B) that the aircraft meets key performance specifications established by the Secretary of the Navy.

(2) That the cost of procurement of that aircraft using a multiyear procurement contract as authorized by subsection (a), assuming procurement of 222 aircraft, is at least 7.4 percent less than the cost of procurement of the same number of aircraft through annual contracts.

(e) CONTINUITY OF CONGRESS.—For purposes of subsection (c)(2)—

(1) the continuity of a Congress is broken only by an adjournment of the Congress sine die at the end of the final session of the Congress; and

(2) any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain, or because of an adjournment sine die at the end of the first session of a Congress, shall be excluded in the computation of such 30-day period.

Subtitle D—Chemical Stockpile Destruction Program

SEC. 141. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.

(a) PROGRAM ASSESSMENT.—(1) The Secretary of Defense shall conduct an assessment of the current program for destruction of the United States' stockpile of chemical agents and munitions, including the Assembled Chemical Weapons Assessment, for the purpose of reducing significantly the cost of such program and ensuring completion of such program in accordance with the obligations of the United States under the Chemical Weapons Convention while maintaining maximum protection of the general public, the personnel involved in the demilitarization program, and the environment.

(2) Based on the results of the assessment conducted under paragraph (1), the Secretary may take those actions identified in the assessment that may be accomplished under existing law to achieve the purposes of such assessment and the chemical agents and munitions stockpile destruction program.

(3) Not later than March 1, 2000, the Secretary shall submit to Congress a report on—

(A) those actions taken, or planned to be taken, under paragraph (2); and

(B) any recommendations for additional legislation that may be required to achieve the purposes of the assessment conducted under paragraph (1) and of the chemical agents and munitions stockpile destruction program.

(b) CHANGES AND CLARIFICATIONS REGARDING PROGRAM.—Section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 50 U.S.C. 1521) is amended—

(1) in subsection (c)—

(A) by striking paragraph (2) and inserting the following new paragraph:

''(2) Facilities constructed to carry out this section shall, when no longer needed for the purposes for which they were constructed, be disposed of in accordance with applicable laws and regulations and mutual agreements between the Secretary of the Army and the Governor of the State in which the facility is located.'';

(B) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(C) by inserting after paragraph (2) (as amended by subparagraph (A)) the following new paragraph:

''(3)(A) Facilities constructed to carry out this section may not be used for a purpose other than the destruction of the stockpile of lethal chemical agents and munitions that exists on November 8, 1985.

''(B) The prohibition in subparagraph (A) shall not apply with respect to items designated by the Secretary of Defense as lethal chemical agents, munitions, or related materials after November 8, 1985, if the State in which a destruction facility is located issues the appropriate permit or permits for the destruction of such items at the facility.'';

(2) in subsection (f)(2), by striking ''(c)(4)'' and inserting ''(c)(5)''; and

(3) in subsection (g)(2)(B), by striking ''(c)(3)'' and inserting ''(c)(4)''.

(c) DEFINITIONS.—As used in this section:

(1) The term ''Assembled Chemical Weapons Assessment'' means the pilot program carried out under section 8065 of the Department of Defense Appropriations Act, 1997 (section 101(b) of Public Law 104–208; 110 Stat. 3009–101; 50 U.S.C. 1521 note).

(2) The term ''Chemical Weapons Convention'' means the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and Their Destruction, ratified by the United States on April 25, 1997, and entered into force on April 29, 1997.

SEC. 142. ALTERNATIVE TECHNOLOGIES FOR DESTRUCTION OF ASSEMBLED CHEMICAL WEAPONS.

Section 142(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 50 U.S.C. 1521 note) is amended to read as follows:

''(a) PROGRAM MANAGEMENT.—(1) The program manager for the Assembled Chemical

Weapons Assessment program shall manage the development and testing of technologies for the destruction of lethal chemical munitions that are potential or demonstrated alternatives to the baseline incineration program.

''(2) The Under Secretary of Defense for Acquisition and Technology and the Secretary of the Army shall jointly submit to Congress, not later than December 1, 1999, a plan for the transfer of oversight of the Assembled Chemical Weapons Assessment program from the Under Secretary to the Secretary.

''(3) Oversight of the Assembled Chemical Weapons Assessment program shall be transferred from the Under Secretary of Defense for Acquisition and Technology to the Secretary of the Army pursuant to the plan submitted under paragraph (2) not later than 90 days after the date of the submission of the notice required under section 152(f)(2) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 50 U.S.C. 1521).

''(4) The Under Secretary of Defense for Acquisition and Technology and the Secretary of the Army shall ensure coordination of the activities and plans of the program manager for the Assembled Chemical Weapons Assessment program and the program manager for Chemical Demilitarization during the demonstration and pilot plant facility phase for an alternative technology.

''(5) For those baseline demilitarization facilities for which the Secretary decides that implementation of an alternative technology may be recommended, the Secretary may take those measures necessary to facilitate the integration of the alternative technology.''.

Subtitle E—Other Matters

SEC. 151. LIMITATION ON EXPENDITURES FOR SATELLITE COMMUNICATIONS.

(a) IN GENERAL.—Chapter 136 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2282. Purchase or lease of communications services: limitation

''The Secretary of Defense may not obligate any funds after September 30, 2000, to buy a commercial satellite communications system or to lease a communications service, including mobile satellite communications, unless the Secretary determines that the system or service to be purchased or leased has been proven through independent testing—

''(1) not to cause harmful interference to, or to disrupt the use of, colocated commercial or military Global Positioning System receivers used by the Department of Defense; and

''(2) to be safe for use with such receivers in all other respects.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2282. Purchase or lease of communications services: limitation.''.

SEC. 152. PROCUREMENT OF FIREFIGHTING EQUIPMENT FOR THE AIR NATIONAL GUARD AND THE AIR FORCE RESERVE.

The Secretary of the Air Force may carry out a procurement program, in a total amount not to exceed $16,000,000, to modernize the airborne firefighting capability of the Air National Guard and Air Force Reserve by procurement of equipment for the modular airborne firefighting system. Amounts may be obligated for the program from funds appropriated for that purpose for fiscal year 1999 and subsequent fiscal years.

SEC. 153. COOPERATIVE ENGAGEMENT CAPABILITY PROGRAM.

(a) AUTHORITY TO PROCEED.—Cooperative engagement equipment procured under the Cooperative Engagement Capability program of the Navy shall be procured and installed into commissioned vessels, shore facilities, and aircraft of the Navy before completion of the operational test and evaluation of shipboard cooperative engagement capability in order to ensure fielding of a battle group with fully functional cooperative engagement capability by fiscal year 2003.

(b) FUNDING.—The amount authorized to be appropriated in section 102(a)(1) for E–2C aircraft modification is hereby increased by $22,000,000 to provide for the acquisition of additional cooperative engagement capability equipment. The amount authorized to be appropriated in section 102(a)(4) for Shipboard Information Warfare Exploit Systems is hereby reduced by $22,000,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2000 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,708,194,000.

(2) For the Navy, $8,358,529,000.

(3) For the Air Force, $13,212,671,000.

(4) For Defense-wide activities, $9,556,285,000, of which—

(A) $253,457,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $24,434,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 2000.—Of the amounts authorized to be appropriated by section 201, $4,248,465,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term ''basic research and applied research'' means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. COLLABORATIVE PROGRAM TO EVALUATE AND DEMONSTRATE ADVANCED TECHNOLOGIES FOR ADVANCED CAPABILITY COMBAT VEHICLES.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall establish and carry out a program to provide for the evaluation and competitive demonstration of concepts for advanced capability combat vehicles for the Army.

(b) COVERED PROGRAM.—The program under subsection (a) shall be carried out collaboratively pursuant to a memorandum of agreement to be entered into between the Secretary of the Army and the Director of the Defense Advanced Research Projects Agency. The program shall include the following activities:

(1) Consideration and evaluation of technologies having the potential to enable the development of advanced capability combat vehicles that are significantly superior to the existing M1 series of tanks in terms of capability for combat, survival, support, and deployment, including but not limited to the following technologies:

(A) Weapon systems using electromagnetic power, directed energy, and kinetic energy.

(B) Propulsion systems using hybrid electric drive.

(C) Mobility systems using active and semi-active suspension and wheeled vehicle suspension.

(D) Protection systems using signature management, lightweight materials, and full-spectrum active protection.

(E) Advanced robotics, displays, man-machine interfaces, and embedded training.

(F) Advanced sensory systems and advanced systems for combat identification, tactical navigation, communication, systems status monitoring, and reconnaissance.

(G) Revolutionary methods of manufacturing combat vehicles.

(2) Incorporation of the most promising such technologies into demonstration models.

(3) Competitive testing and evaluation of such demonstration models.

(4) Identification of the most promising such demonstration models within a period of time to enable preparation of a full development program capable of beginning by fiscal year 2007.

(c) REPORT.—Not later than January 31, 2000, the Secretary of the Army and the Director of the Defense Advanced Research Projects Agency shall submit to the congressional defense committees a joint report on the implementation of the program under subsection (a). The report shall include the following:

(1) A description of the memorandum of agreement referred to in subsection (b).

(2) A schedule for the program.

(3) An identification of the funding required for fiscal year 2001 and for the future-years defense program to carry out the program.

(4) A description and assessment of the acquisition strategy for combat vehicles planned by the Secretary of the Army that would sustain the existing force of M1-series tanks, together with a complete identification of all operation, support, ownership, and other costs required to carry out such strategy through the year 2030.

(5) A description and assessment of one or more acquisition strategies for combat vehicles, alternative to the strategy referred to in paragraph (4), that would develop a force of advanced capability combat vehicles significantly superior to the existing force of M1-series tanks and, for each such alternative acquisition strategy, an estimate of the funding required to carry out such strategy.

(d) FUNDS.—Of the amount authorized to be appropriated for Defense-wide activities by section 201(4) for the Defense Advanced Research Projects Agency, $56,200,000 shall be available only to carry out the program under subsection (a).

SEC. 212. REVISIONS IN MANUFACTURING TECHNOLOGY PROGRAM.

(a) ADDITIONAL PURPOSE OF PROGRAM.—Subsection (b) of section 2525 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (4) through (8) as paragraphs (5) through (9), respectively; and

(2) by inserting after paragraph (3) the following new paragraph:

''(4) to address broad defense-related manufacturing inefficiencies and requirements;''.

(b) REPEAL OF COST-SHARE GOAL.—Subsection (d) of such section is amended by striking paragraph (3).

SEC. 213. SENSE OF CONGRESS REGARDING DEFENSE SCIENCE AND TECHNOLOGY PROGRAM.

(a) FAILURE TO COMPLY WITH FUNDING REQUIREMENTS.—It is the sense of Congress that the Secretary of Defense has failed to comply with the funding objective for the Defense Science and Technology Program, especially the Air Force Science and Technology Program, as required by section 214(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1948), thus jeopardizing the stability of the defense technology base and increasing the risk of failure to maintain technological superiority in future weapons systems.

(b) FUNDING REQUIREMENTS.—It is further the sense of Congress that, for each of the fiscal years 2001 through 2009, it should be an objective of the Secretary of Defense to increase the budget for the Defense Science and Technology Program, including the science and technology program within each military department, for the fiscal year over the budget for that program for the preceding fiscal year by a percent that is at least two percent above the rate of inflation as determined by the Office of Management and Budget.

(c) CERTIFICATION.—If a proposed budget fails to comply with the objective set forth in subsection (b), the President shall certify to Congress that the budget does not jeopardize the stability of the defense technology base or increase the risk of failure to maintain technological superiority in future weapons systems.

Subtitle C—Ballistic Missile Defense

SEC. 231. ADDITIONAL PROGRAM ELEMENTS FOR BALLISTIC MISSILE DEFENSE PROGRAMS.

Section 223(a) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (5) through (12) as paragraphs (6) through (13), respectively;

(2) by inserting after paragraph (4) the following new paragraph (5):

''(5) Upper Tier.''; and

(3) by adding at the end the following new paragraphs:

''(14) Space Based Infrared System Low.

''(15) Space Based Infrared System High.''.

Subtitle D—Other Matters

SEC. 241. DESIGNATION OF SECRETARY OF THE ARMY AS EXECUTIVE AGENT FOR HIGH ENERGY LASER TECHNOLOGIES.

(a) DESIGNATION.—The Secretary of Defense shall designate the Secretary of the Army as the Department of Defense executive agent for oversight of research, development, test, and evaluation of specified high energy laser technologies.

(b) LOCATION FOR CARRYING OUT OVERSIGHT FUNCTIONS.—The functions of the Secretary of the Army as such executive agent shall be carried out through the Army Space and Missile Defense Command at the High Energy Laser Systems Test Facility at White Sands Missile Range, New Mexico.

(c) FUNCTIONS.—The responsibilities of the Secretary of the Army as such executive agent shall include the following:

(1) Developing policy and overseeing the establishment of, and adherence to, procedures for ensuring that projects of the Department of Defense involving specified high energy laser technologies are initiated and administered effectively.

(2) Assessing and making recommendations to the Secretary of Defense regarding the capabilities demonstrated by specified high energy laser technologies and the potential of such technologies to meet operational military requirements.

(d) SPECIFIED HIGH ENERGY LASER TECHNOLOGIES.—For purposes of this section, the term ''specified high energy laser technologies'' means technologies that—

(1) use lasers of one or more kilowatts; and

(2) have potential weapons applications.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2000 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $19,476,694,000.

(2) For the Navy, $22,785,215,000.

(3) For the Marine Corps, $2,777,429,000.

(4) For the Air Force, $21,514,958,000.

(5) For Defense-wide activities, $10,968,614,000.

(6) For the Army Reserve, $1,512,513,000.

(7) For the Naval Reserve, $965,847,000.

(8) For the Marine Corps Reserve, $137,266,000.

(9) For the Air Force Reserve, $1,730,937,000.

(10) For the Army National Guard, $3,141,049,000.

(11) For the Air National Guard, $3,185,918,000.

(12) For the Defense Inspector General, $130,744,000.

(13) For the United States Court of Appeals for the Armed Forces, $7,621,000.

(14) For Environmental Restoration, Army, $378,170,000.

(15) For Environmental Restoration, Navy, $284,000,000.

(16) For Environmental Restoration, Air Force, $376,800,000.

(17) For Environmental Restoration, Defense-wide, $25,370,000.

(18) For Environmental Restoration, Formerly Used Defense Sites, $199,214,000.

(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $50,000,000.

(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $811,700,000.

(21) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $15,000,000.

(22) For Defense Health Program, $10,496,687,000.

(23) For Cooperative Threat Reduction programs, $444,100,000.

(24) For Overseas Contingency Operations Transfer Fund, $2,387,600,000.

(25) For Quality of Life Enhancements, $1,845,370,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2000 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $90,344,000.

(2) For the National Defense Sealift Fund, $434,700,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2000 from the Armed Forces Retirement Home Trust Fund the sum of $68,295,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 2000 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 305. TRANSFER TO DEFENSE WORKING CAPITAL FUNDS TO SUPPORT DEFENSE COMMISSARY AGENCY.

(a) ARMY OPERATION AND MAINTENANCE FUNDS.—The Secretary of the Army shall transfer $346,154,000 of the amount authorized to be appropriated by section 301(1) for operation and maintenance for the Army to the Defense Working Capital Funds for the purpose of funding operations of the Defense Commissary Agency.

(b) NAVY OPERATION AND MAINTENANCE FUNDS.—The Secretary of the Navy shall transfer $263,070,000 of the amount authorized to be appropriated by section 301(2) for operation and maintenance for the Navy to the Defense Working Capital Funds for the purpose of funding operations of the Defense Commissary Agency.

(c) MARINE CORPS OPERATION AND MAINTENANCE FUNDS.—The Secretary of the Navy shall transfer $90,834,000 of the amount authorized to be appropriated by section 301(3) for operation and maintenance for the Marine Corps to the Defense Working Capital Funds for the purpose of funding operations of the Defense Commissary Agency.

(d) AIR FORCE OPERATION AND MAINTENANCE FUNDS.—The Secretary of the Air Force shall transfer $309,061,000 of the amount authorized to be appropriated by section 301(4) for operation and maintenance for the Air Force to the Defense Working Capital Funds for the purpose of funding operations of the Defense Commissary Agency.

(e) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, other amounts in the Defense Working Capital Funds available for the purpose of funding operations of the Defense Commissary Agency; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(f) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfers required by this section are in addition to the transfer authority provided in section 1001.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 311. REIMBURSEMENT OF NAVY EXCHANGE SERVICE COMMAND FOR RELOCATION EXPENSES.

Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, $8,700,000 shall be available to the Secretary of Defense for the purpose of reimbursing the Navy Exchange Service Command for costs incurred by the Navy Exchange Service Command, and ultimately paid by the Navy Exchange Service Command using non-appropriated funds, to relocate to Virginia Beach, Virginia, and to lease headquarters space in Virginia Beach.

SEC. 312. REPLACEMENT OF NONSECURE TACTICAL RADIOS OF THE 82ND AIRBORNE DIVISION.

Of the amount authorized to be appropriated by section 301(1) for operation and maintenance for the Army, $5,500,000 shall be available to the Secretary of the Army for the purpose of replacing nonsecure tactical radios used by the 82nd Airborne Division with radios, such as models AN/PRC–138 and AN/PRC–148, identified as being capable of fulfilling mission requirements.

SEC. 313. OPERATION AND MAINTENANCE OF AIR FORCE SPACE LAUNCH FACILITIES.

(a) ADDITIONAL AUTHORIZATION.—In addition to the funds otherwise authorized in this Act for the operation and maintenance of the space launch facilities of the Department of the Air Force, there is hereby authorized to be appropriated $7,300,000 for

space launch operations at such launch facilities.

(b) CORRESPONDING REDUCTION.—The amount authorized to be appropriated in section 301(4) for operation and maintenance for the Air Force is hereby reduced by $7,300,000, to be derived from other service-wide activities.

(c) STUDY OF SPACE LAUNCH RANGES AND REQUIREMENTS.—(1) The Secretary of Defense shall conduct a study—

(A) to access anticipated military, civil, and commercial space launch requirements;

(B) to examine the technical shortcomings at the space launch ranges;

(C) to evaluate oversight arrangements at the space launch ranges; and

(D) to estimate future funding requirements for space launch ranges capable of meeting both national security space launch needs and civil and commercial space launch needs.

(2) The Secretary shall conduct the study using the Defense Science Board of the Department of Defense.

(3) Not later than February 15, 2000, the Secretary shall submit to the congressional defense committees a report containing the results of the study.

Subtitle C—Environmental Provisions

SEC. 321. REMEDIATION OF ASBESTOS AND LEAD-BASED PAINT.

(a) USE OF CERTAIN CONTRACTS.—The Secretary of Defense shall use Army Corps of Engineers indefinite delivery, indefinite quantity contracts for the remediation of asbestos and lead-based paint at military installations within the United States in accordance with all applicable Federal and State laws and Department of Defense regulations.

(b) WAIVER AUTHORITY.—The Secretary of Defense may waive subsection (a) with regard to a military installation that requires asbestos or lead-based paint remediation if the military installation is not included in an Army Corps of Engineers indefinite delivery, indefinite quantity contract. The Secretary shall grant any such waiver on a case-by-case basis.

Subtitle D—Performance of Functions by Private-Sector Sources

SEC. 331. EXPANSION OF ANNUAL REPORT ON CONTRACTING FOR COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS.

Section 2461(g) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' before the first sentence;

(2) in the second sentence, by striking ''The Secretary shall'' and inserting the following:

''(3) The Secretary shall also''; and

(3) by inserting after the first sentence the following new paragraph:

''(2) The Secretary shall include in each such report a summary of the number of work year equivalents performed by employees of private contractors in providing services to the Department (including both direct and indirect labor attributable to the provision of the services) and the total value of the contracted services. The work year equivalents and total value of the services shall be categorized by Federal supply class or service code (using the first character of the code), the appropriation from which the services were funded, and the major organizational element of the Department procuring the services.''.

SEC. 332. CONGRESSIONAL NOTIFICATION OF A–76 COST COMPARISON WAIVERS.

(a) NOTIFICATION REQUIRED.—Section 2467 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) CONGRESSIONAL NOTIFICATION OF COST COMPARISON WAIVER.—(1) Not later than 10 days after a decision is made to waive the cost comparison study otherwise required under Office of Management and Budget Circular A–76 as part of the process to convert to contractor performance any commercial activity of the Department of Defense, the Secretary of Defense shall submit to Congress a report describing the commercial activity subject to the waiver and the rationale for the waiver.

''(2) The report shall also include the following:

''(A) The total number of civilian employees or military personnel adversely affected by the decision to waive the cost comparison study and convert the commercial activity to contractor performance.

''(B) An explanation of whether the contractor was selected, or will be selected, on a competitive basis or sole source basis.

''(C) The anticipated savings to result from the waiver and resulting conversion to contractor performance.''.

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

''§ 2467. Cost comparisons: inclusion of retirement costs; consultation with employees; waiver of comparison''.

(2) The table of sections at the beginning of chapter 146 of such title is amended by striking the item relating to section 2467 and inserting the following new item:

''2467. Cost comparisons: inclusion of retirement costs; consultation with employees; waiver of comparison.''.

SEC. 333. IMPROVED EVALUATION OF LOCAL ECONOMIC EFFECT OF CHANGING DEFENSE FUNCTIONS TO PRIVATE SECTOR PERFORMANCE.

Section 2461(b)(3)(B) of title 10, United States Code, is amended by striking clause (ii) and inserting the following new clause (ii):

''(ii) The local community and the local economy, identifying and taking into consideration any unique circumstances affecting the local community or the local economy, if more than 50 employees of the Department of Defense perform the function.''.

SEC. 334. ANNUAL REPORTS ON EXPENDITURES FOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE AND REPAIR WORKLOADS BY PUBLIC AND PRIVATE SECTORS.

Subsection (e) of section 2466 of title 10, United States Code, is amended to read as follows:

''(e) ANNUAL REPORTS.—(1) Not later than February 1 of each year, the Secretary of Defense shall submit to Congress a report identifying, for each of the armed forces (other than the Coast Guard) and each Defense Agency, the percentage of the funds referred to in subsection (a) that were expended during the preceding two fiscal years for performance of depot-level maintenance and repair workloads by the public and private sectors, as required by this section.

''(2) Not later than April 1 of each year, the Secretary of Defense shall submit to Congress a report identifying, for each of the armed forces (other than the Coast Guard) and each Defense Agency, the percentage of the funds referred to in subsection (a) that are projected to be expended during each of the next five fiscal years for performance of depot-level maintenance and repair workloads by the public and private sectors, as required by this section.

''(3) Not later than 60 days after the date on which the Secretary submits a report under this subsection, the Comptroller General shall submit to Congress the Comptroller General's views on whether—

''(A) in the case of a report under paragraph (1), the Department of Defense has complied with the requirements of subsection (a) for the fiscal years covered by the report; and

''(B) in the case of a report under paragraph (2), the expenditure projections for future fiscal years are reasonable.''.

SEC. 335. APPLICABILITY OF COMPETITION REQUIREMENT IN CONTRACTING OUT WORKLOADS PERFORMED BY DEPOT-LEVEL ACTIVITIES OF DEPARTMENT OF DEFENSE.

Section 2469(b) of title 10, United States Code, is amended by inserting ''(including the cost of labor and materials)'' after ''$3,000,000''.

SEC. 336. TREATMENT OF PUBLIC SECTOR WINNING BIDDERS FOR CONTRACTS FOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE AND REPAIR WORKLOADS FORMERLY PERFORMED AT CERTAIN MILITARY INSTALLATIONS.

Section 2469a of title 10, United States Code, is amended by adding at the end the following new subsection:

''(i) OVERSIGHT OF CONTRACTS AWARDED PUBLIC ENTITIES.—The Secretary of Defense or the Secretary concerned may not impose on a public sector entity awarded a contract for the performance of any depot-level maintenance and repair workload described in subsection (b) any requirements regarding management systems, reviews, oversight, or reporting different from the requirements used in the performance and management of other depot-level maintenance and repair workloads by the entity, unless specifically provided in the solicitation for the contract.''.

SEC. 337. PROCESS FOR MODERNIZATION OF COMPUTER SYSTEMS AT ARMY COMPUTER CENTERS.

(a) COVERED ARMY COMPUTER CENTERS.—This section applies with respect to the following computer centers of the of the Army Communications Electronics Command of the Army Material Command:

(1) Logistics Systems Support Center in St. Louis, Missouri.

(2) Industrial Logistics System Center in Chambersburg, Pennsylvania.

(b) DEVELOPMENT OF MOST EFFICIENT ORGANIZATION.—Before selecting any entity to develop and implement a new computer system for the Army Material Command to perform the functions currently performed by the Army computer centers specified in subsection (a), the Secretary of the Army shall provide the computer centers with an opportunity to establish their most efficient organization. The most efficient organization shall be in place not later than May 31, 2001.

(c) MODERNIZATION PROCESS.—After the most efficient organization is in place at the Army computer centers specified in subsection (a), civilian employees of the Department of Defense at these centers shall work in partnership with the entity selected to develop and implement a new computer system to perform the functions currently performed by these centers to—

(1) ensure that the current computer system remains operational to meet the needs of the Army Material Command until the replacement computer system is fully operational and successfully evaluated; and

(2) to provide transition assistance to the entity for the duration of the transition from the current computer system to the replacement computer system.

SEC. 338. EVALUATION OF TOTAL SYSTEM PERFORMANCE RESPONSIBILITY PROGRAM.

(a) REPORT REQUIRED.—Not later than February 1, 2000, the Secretary of the Air Force shall submit to Congress a report identifying all Air Force programs that—

(1) are currently managed under the Total System Performance Responsibility Program or similar programs; or

(2) are presently planned to be managed using the Total System Performance Responsibility Program or a similar program.

(b) EVALUATION.—As part of the report required by subsection (a), the Secretary of the Air Force shall include an evaluation of the following:

(1) The manner in which the Total System Performance Responsibility Program and similar programs support the readiness and warfighting capability of the Armed Forces and complement the support of the logistics depots.

(2) The effect of the Total System Performance Responsibility Program and similar programs on the long-term viability of core Government logistics management skills.

(3) The process and criteria used by the Air Force to determine whether or not Government employees can perform sustainment management functions more cost effectively than the private sector.

(c) COMPTROLLER GENERAL REVIEW.—Not later than 30 days after the date on which the report required by subsection (a) is submitted to Congress, the Comptroller General shall review the report and submit to Congress a briefing evaluating the report.

SEC. 339. IDENTIFICATION OF CORE LOGISTICS CAPABILITY REQUIREMENTS FOR MAINTENANCE AND REPAIR OF C–17 AIRCRAFT.

(a) IDENTIFICATION REPORT REQUIRED.—Building upon the plan required by section 351 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261), the Secretary of the Air Force shall submit to Congress a report identifying the core logistics capability requirements for depot-level maintenance and repair for the C–17 aircraft. To identify such requirements, the Secretary shall comply with section 2464 of title 10, United States Code. The Secretary shall submit the report to Congress not later than February 1, 2000.

(b) EFFECT ON EXISTING CONTRACT.—After February 1, 2000, the Secretary of the Air Force may not extend the Interim Contract for the C–17 Flexible Sustainment Program before the end of the 60-day period beginning on the date on which the report required by subsection (a) is received by Congress.

(c) COMPTROLLER GENERAL REVIEW.—During the period specified in subsection (b), the Comptroller General shall review the report submitted under subsection (a) and submit to Congress a report evaluating the following:

(1) The merits of the report submitted under subsection (a).

(2) The extent to which the Air Force is relying on systems for core logistics capability where the workload of Government-owned and Government-operated depots is phasing down because the systems are phasing out of the inventory.

(3) The cost effectiveness of the C-17 Flexible Sustainment Program—

(A) by identifying depot maintenance and materiel costs for contractor support; and

(B) by comparing those costs to the costs originally estimated by the Air Force and to the cost of similar work in an Air Force Logistics Center.

Subtitle E—Defense Dependents Education

SEC. 341. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) MODIFIED DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 2000.—Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, $35,000,000 shall be available only for the purpose of providing educational agencies assistance (as defined in subsection (d)(1)) to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 2000, the Secretary of Defense shall notify each local educational agency that is eligible for educational agencies assistance for fiscal year 2000 of—

(1) that agency's eligibility for educational agencies assistance; and

(2) the amount of the educational agencies assistance for which that agency is eligible.

(c) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse funds made available under subsection (a) not later than 30 days after the date on which notification to the eligible local educational agencies is provided pursuant to subsection (b).

(d) DEFINITIONS.—In this section:

(1) The term ''educational agencies assistance'' means assistance authorized under section 386(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(2) The term ''local educational agency'' has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

(e) DETERMINATION OF ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—Section 386(c)(1) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note) is amended by striking ''in that fiscal year are'' and inserting ''during the preceding school year were''.

SEC. 342. CONTINUATION OF ENROLLMENT AT DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS.

Section 2164 of title 10, United States Code, is amended—

(1) in subsection (c), by striking paragraph (3); and

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

''(h) CONTINUATION OF ENROLLMENT DESPITE CHANGE IN STATUS.—(1) A dependent of a member of the armed forces or a dependent of a Federal employee may continue enrollment in an educational program provided by the Secretary of Defense pursuant to subsection (a) for the remainder of a school year notwithstanding a change during such school year in the status of the member or Federal employee that, except for this paragraph, would otherwise terminate the eligibility of the dependent to be enrolled in the program.

''(2) A dependent of a member of the armed forces, or a dependent of a Federal employee, who was enrolled in an educational program provided by the Secretary pursuant to subsection (a) while a junior in that program may be enrolled as a senior in that program in the next school year, notwithstanding a change in the enrollment eligibility status of the dependent that, except for this paragraph, would otherwise terminate the eligibility of the dependent to be enrolled in the program.

''(3) Paragraphs (1) and (2) do not limit the authority of the Secretary to remove a dependent from enrollment in an educational program provided by the Secretary pursuant to subsection (a) at any time for good cause determined by the Secretary.''.

SEC. 343. TECHNICAL AMENDMENTS TO DEFENSE DEPENDENTS' EDUCATION ACT OF 1978.

The Defense Dependents' Education Act of 1978 (title XIV of Public Law 95–561) is amended as follows:

(1) Section 1402(b)(1) (20 U.S.C. 921(b)(1)) is amended by striking ''recieve'' and inserting ''receive''.

(2) Section 1403 (20 U.S.C. 922) is amended—

(A) by striking the matter in that section preceding subsection (b) and inserting the following:

''ADMINISTRATION OF DEFENSE DEPENDENTS' EDUCATION SYSTEM

''SEC. 1403. (a) The defense dependents' education system is operated through the field activity of the Department of Defense known as the Department of Defense Education Activity. That activity is headed by a Director, who is a civilian and is selected by the Secretary of Defense. The Director reports to an Assistant Secretary of Defense designated by the Secretary of Defense for purposes of this title.'';

(B) in subsection (b), by striking ''this Act'' and inserting ''this title'';

(C) in subsection (c)(1), by inserting ''(20 U.S.C. 901 et seq.)'' after ''Personnel Practices Act'';

(D) in subsection (c)(2), by striking the period at the end and inserting a comma;

(E) in subsection (c)(6), by striking ''Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics'' and inserting ''the Assistant Secretary of Defense designated under subsection (a)'';

(F) in subsection (d)(1), by striking ''for the Office of Dependents' Education'';

(G) in subsection (d)(2)—

(i) by striking the first sentence;

(ii) by striking ''Whenever the Office of Dependents' Education'' and inserting ''Whenever the Department of Defense Education Activity'';

(iii) by striking ''after the submission of the report required under the preceding sentence'' and inserting ''in a manner that affects the defense dependents' education system''; and

(iv) by striking ''an additional report'' and inserting ''a report''; and

(H) in subsection (d)(3), by striking ''the Office of Dependents' Education'' and inserting ''the Department of Defense Education Activity''.

(3) Section 1409 (20 U.S.C. 927) is amended—

(A) in subsection (b), by striking ''Department of Health, Education, and Welfare in accordance with section 431 of the General Education Provisions Act'' and inserting ''Secretary of Education in accordance with section 437 of the General Education Provisions Act (20 U.S.C. 1232)'';

(B) in subsection (c)(1), by striking ''by academic year 1993–1994''; and

(C) in subsection (c)(3)—

(i) by striking ''IMPLEMENTATION TIMELINES.—In carrying out'' and all that follows through ''a comprehensive'' and inserting ''IMPLEMENTATION.—In carrying out paragraph (2), the Secretary shall have in effect a comprehensive'';

(ii) by striking the semicolon after ''such individuals'' and inserting a period; and

(iii) by striking subparagraphs (B) and (C).

(4) Section 1411(d) (20 U.S.C. 929(d)) is amended by striking ''grade GS–18 in section 5332 of title 5, United States Code'' and inserting ''level IV of the Executive Schedule under section 5315 of title 5, United States Code''.

(5) Section 1412 (20 U.S.C. 930) is amended—

(A) in subsection (a)(1)—

(i) by striking ''As soon as'' and all that follows through ''shall provide for'' and inserting ''The Director may from time to time, but not more frequently than once a year, provide for''; and

(ii) by striking ''system, which'' and inserting ''system. Any such study'';

(B) in subsection (a)(2)—

(i) by striking ''The study required by this subsection'' and inserting ''Any study under paragraph (1)''; and

(ii) by striking ''not later than two years after the effective date of this title'';

(C) in subsection (b), by striking ''the study'' and inserting ''any study'';

(D) in subsection (c)—

(i) by striking ''not later than one year after the effective date of this title the report'' and inserting ''any report''; and

(ii) by striking ''the study'' and inserting ''a study''; and

(E) by striking subsection (d).

(6) Section 1413 (20 U.S.C. 931) is amended by striking ''Not later than 180 days after the effective date of this title, the'' and inserting ''The''.

(7) Section 1414 (20 U.S.C. 932) is amended by adding at the end the following new paragraph:

''(6) The term 'Director' means the Director of the Department of Defense Education Activity.''.

Subtitle F—Military Readiness Issues

SEC. 351. INDEPENDENT STUDY OF DEPARTMENT OF DEFENSE SECONDARY INVENTORY AND PARTS SHORTAGES.

(a) INDEPENDENT STUDY REQUIRED.—In accordance with this section, the Secretary of Defense shall provide for an independent study of—

(1) current levels of Department of Defense inventories of spare parts and other supplies, known as secondary inventory items, including wholesale and retail inventories; and

(2) reports and evidence of Department of Defense inventory shortages adversely affecting readiness.

(b) PERFORMANCE BY INDEPENDENT ENTITY.—To conduct the study under this section, the Secretary of Defense shall select a private sector entity or other entity outside the Department of Defense that has experience in parts and secondary inventory management.

(c) MATTERS TO BE INCLUDED IN STUDY.—The Secretary of Defense shall require the entity conducting the study under this section to specifically evaluate the following:

(1) How much of the secondary inventory retained by the Department of Defense for economic, contingency, and potential reutilization during the five-year period ending December 31, 1998, was actually used during each year of the period.

(2) How much of the retained secondary inventory currently held by the Department could be declared to be excess.

(3) Alternative methods for the disposal or other disposition of excess inventory and the cost to the Department to dispose of excess inventory under each alternative.

(4) The total cost per year of storing secondary inventory, to be determined using traditional private sector cost calculation models.

(d) TIMETABLE FOR ELIMINATION OF EXCESS INVENTORY.—As part of the consideration of alternative methods to dispose of excess secondary inventory, as required by subsection (c)(3), the entity conducting the study under this section shall prepare a timetable for disposal of the excess inventory over a period of time not to exceed three years.

(e) REPORT ON RESULTS OF STUDY.—The Secretary of Defense shall require the entity conducting the study under this section to submit to the Secretary and to the Comptroller General a report containing the results of the study, including the entity's findings and conclusions concerning each of the matters specified in subsection (c), and the disposal timetable required by subsection (d). The entity shall submit the report at such time as to permit the Secretary to comply with subsection (f).

(f) REVIEW AND COMMENTS OF THE SECRETARY OF DEFENSE.—Not later than September 1, 2000, the Secretary of Defense shall submit to Congress a report containing the following:

(1) The report submitted under subsection (d), together with the Secretary's comments and recommendations regarding the report.

(2) A plan to address the issues of excess and excessive inactive inventory and part shortages and a timetable to implement the plan throughout the Department.

(g) GAO EVALUATION.—Not later than 180 days after the Secretary of Defense submits to Congress the report under subsection (f), the Comptroller General shall submit to Congress an evaluation of the report submitted by the independent entity under subsection (e) and the report submitted by the Secretary under subsection (f).

SEC. 352. INDEPENDENT STUDY OF ADEQUACY OF DEPARTMENT RESTRUCTURED SUSTAINMENT AND REENGINEERED LOGISTICS PRODUCT SUPPORT PRACTICES.

(a) INDEPENDENT STUDY REQUIRED.—In accordance with this section, the Secretary of Defense shall provide for an independent study of restructured sustainment and reengineered logistics product support practices within the Department of Defense, which are designed to provide spare parts and other supplies to military units and installations as needed during a transition to war fighting rather than relying on large stockpiles of such spare parts and supplies. The purpose of the study is to determine whether restructured sustainment and reengineered logistics product support practices would be able to provide adequate sustainment supplies to military units and installations should it ever be necessary to execute the National Military Strategy prescribed by the Chairman of the Joint Chiefs of Staff.

(b) PERFORMANCE BY INDEPENDENT ENTITY.—The Secretary of Defense shall select an experienced private sector entity or other entity outside the Department of Defense to conduct the study under this section.

(c) MATTERS TO BE INCLUDED IN STUDY.—The Secretary of Defense shall require the entity conducting the study under this section to specifically evaluate (and recommend improvements in) the following:

(1) The assumptions that are used to determine required levels of war reserve and prepositioned stocks.

(2) The adequacy of supplies projected to be available to support the fighting of two, nearly simultaneous, major theater wars, as required by the National Military Strategy.

(3) The expected availability through the national technology and industrial base of spare parts and supplies not readily available in the Department inventories, such as parts for aging equipment that no longer have active vendor support.

(d) REPORT ON RESULTS OF STUDY.—The Secretary of Defense shall require the entity conducting the study under this section to submit to the Secretary and to the Comptroller General a report containing the results of the study, including the entity's findings, conclusions, and recommendations concerning each of the matters specified in subsection (c). The entity shall submit the report at such time as to permit the Secretary to comply with subsection (e).

(e) REVIEW AND COMMENTS OF THE SECRETARY OF DEFENSE.—Not later than March 1, 2000, the Secretary of Defense shall submit to Congress a report containing the report submitted under subsection (d), together with the Secretary's comments and recommendations regarding the report.

(f) GAO EVALUATION.—Not later than 180 days after the Secretary of Defense submits to Congress the report under subsection (e), the Comptroller General shall submit to Congress an evaluation of the report submitted by the independent entity under subsection (d) and the report submitted by the Secretary under subsection (e).

SEC. 353. INDEPENDENT STUDY OF MILITARY READINESS REPORTING SYSTEM.

(a) INDEPENDENT STUDY REQUIRED.—(1) The Secretary of Defense shall provide for an independent study of requirements for a comprehensive readiness reporting system for the Department of Defense as provided in section 117 of title 10, United States Code (as added by section 373 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1990).

(2) The Secretary shall provide for the study to be conducted by the Rand Corporation. The amount of a contract for the study may not exceed $1,000,000.

(3) The Secretary shall require that all components of the Department of Defense cooperate fully with the organization carrying out the study.

(b) MATTERS TO BE INCLUDED IN STUDY.—The Secretary shall require that the organization conducting the study under this section specifically consider the requirements for providing an objective, accurate, and timely readiness reporting system for the Department of Defense meeting the characteristics and having the capabilities established in section 373 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999.

(c) REPORT.—(1) The Secretary of Defense shall require the organization conducting the study under this section to submit to the Secretary a report on the study not later than March 1, 2000. The organization shall include in the report its findings and conclusions concerning each of the matters specified in subsection (b).

(2) The Secretary shall submit the report under paragraph (1), together with the Secretary's comments on the report, to Congress not later than April 1, 2000.

SEC. 354. REVIEW OF REAL PROPERTY MAINTENANCE AND ITS EFFECT ON READINESS.

(a) REVIEW REQUIRED.—The Secretary of Defense shall conduct a review of the impact that the consistent lack of adequate funding for real property maintenance of military installations during the five-year period ending December 31, 1998, has had on readiness, the quality of life of members of the Armed Forces and their dependents, and the infrastructure on military installations.

(b) MATTERS TO BE INCLUDED IN REVIEW.—In conducting the review under this section, the Secretary of Defense shall specifically consider the following for the Army, Navy, Marine Corps, and Air Force:

(1) For each year of the covered five-year period, the extent to which unit training and operating funds were diverted to meet basic base operations and real property maintenance needs.

(2) The types of training delayed, canceled, or curtailed as a result of the diversion of such funds.

(3) The level of funding required to eliminate the real property maintenance backlog at military installations so that facilities meet the standards necessary for optimum utilization during times of mobilization.

(c) PARTICIPATION OF INDEPENDENT ENTITY.—(1) As part of the review conducted under this section, Secretary of Defense shall select an independent entity—

(A) to review the method of command and management of military installations for the Army, Navy, Marine Corps, and Air Force;

(B) to develop, based on such review, a service-specific plan for the optimum command structure for military installations, to have major command status, which is designed to enhance the development of installations doctrine, privatization and outsourcing, commercial activities, environmental compliance programs, installation restoration, and military construction; and

(C) to recommend a timetable for the implementation of the plan for each service.

(2) The Secretary of Defense shall select an experienced private sector entity or other entity outside the Department of Defense to carry out this subsection.

(d) REPORT REQUIRED.—Not later than March 1, 2000, the Secretary of Defense shall

submit to Congress a report containing the results of the review required under this section and the plan for an optimum command structure required by subsection (c), together with the Secretary's comments and recommendations regarding the plan.

SEC. 355. ESTABLISHMENT OF LOGISTICS STANDARDS FOR SUSTAINED MILITARY OPERATIONS.

(a) ESTABLISHMENT OF STANDARDS.—The Secretary of Defense, in consultation with senior military commanders and the Secretaries of the military departments, shall establish standards for deployable units of the Armed Forces regarding—

(1) the level of spare parts that the units must have on hand; and

(2) similar logistics and sustainment needs of the units.

(b) BASIS FOR STANDARDS.—The standards to be established under subsection (a) shall be based upon the following:

(1) The unit's wartime mission, as reflected in the war-fighting plans of the relevant combatant commanders.

(2) An assessment of the likely requirement for sustained operations under each such war-fighting plan.

(3) An assessment of the likely requirement for that unit to conduct sustained operations in an austere environment, while drawing exclusively on its own internal logistics capabilities.

(c) SUFFICIENCY CAPABILITIES.—The standards to be established under subsection (a) shall reflect those spare parts and similar logistics capabilities that the Secretary of Defense considers sufficient for units of the Armed Forces to successfully execute their missions under the conditions described in subsection (b).

(d) RELATION TO READINESS REPORTING SYSTEM.—The standards established under subsection (a) shall be taken into account in designing the comprehensive readiness reporting system for the Department of Defense required by section 117 of title 10, United States Code, and shall be an element in determining a unit's readiness status.

(e) RELATION TO ANNUAL FUNDING NEEDS.—The Secretary of Defense shall consider the standards established under subsection (a) in establishing the annual funding requirements for the Department of Defense.

(f) REPORTING REQUIREMENT.—The Secretary of Defense shall include in the annual report required by section 113(c) of title 10, United States Code, an analysis of the then current spare parts, logistics, and sustainment standards of the Armed Forces, as described in subsection (a), including any shortfalls and the cost of addressing these shortfalls.

Subtitle G—Other Matters

SEC. 361. DISCRETIONARY AUTHORITY TO INSTALL TELECOMMUNICATION EQUIPMENT FOR PERSONS PERFORMING VOLUNTARY SERVICES.

Section 1588 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(f) AUTHORITY TO INSTALL EQUIPMENT.—(1) The Secretary concerned may install telephone lines and any necessary telecommunication equipment in the private residences of designated persons providing voluntary services accepted under subsection (a)(3) and pay the charges incurred for the use of the equipment for authorized purposes.

''(2) Notwithstanding section 1348 of title 31, the Secretary concerned may use appropriated or nonappropriated funds of the military department under the jurisdiction of the Secretary or, with respect to the Coast Guard, the department in which the Coast Guard is operating, to carry out this subsection.

''(3) The Secretary of Defense and, with respect to the Coast Guard, the Secretary of the department in which the Coast Guard is operating, shall prescribe regulations to carry out this subsection.''.

SEC. 362. CONTRACTING AUTHORITY FOR DEFENSE WORKING CAPITAL FUNDED INDUSTRIAL FACILITIES.

Section 2208(j) of title 10, United States Code, is amended—

(1) in the matter preceding paragraph (1), by striking ''or remanufacturing'' and inserting '', remanufacturing, and engineering'';

(2) in paragraph (1), by inserting ''or a subcontract under a Department of Defense contract'' before the semicolon; and

(3) in paragraph (2), by striking ''Department of Defense solicitation for such contract'' and inserting ''solicitation for the contract or subcontract''.

SEC. 363. CLARIFICATION OF CONDITION ON SALE OF ARTICLES AND SERVICES OF INDUSTRIAL FACILITIES TO PERSONS OUTSIDE DEPARTMENT OF DEFENSE.

Section 2553(g) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

''(2) The term 'not available', with respect to an article or service proposed to be sold under this section, means that the article or service is unavailable from a commercial source in the required quantity and quality, within the time required, or at prices less than the price available through an industrial facility of the armed forces.''.

SEC. 364. SPECIAL AUTHORITY OF DISBURSING OFFICIALS REGARDING AUTOMATED TELLER MACHINES ON NAVAL VESSELS.

Section 3342 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(f) With respect to automated teller machines on naval vessels of the Navy, the authority of a disbursing official of the United States Government under subsection (a) also includes the following:

''(1) The authority to provide operating funds to the automated teller machines.

''(2) The authority to accept, for safekeeping, deposits and transfers of funds made through the automated teller machines.''.

SEC. 365. PRESERVATION OF HISTORIC BUILDINGS AND GROUNDS AT UNITED STATES SOLDIERS' AND AIRMEN'S HOME, DISTRICT OF COLUMBIA.

The Armed Forces Retirement Home Act of 1991 (title XV of Public Law 101–510; 24 U.S.C. 401 et seq.) is amended by adding at the end of subtitle A the following new section:

''SEC. 1523. PRESERVATION OF HISTORIC BUILDINGS AND GROUNDS AT UNITED STATES SOLDIERS' AND AIRMEN'S HOME.

''(a) HISTORIC NATURE OF FACILITY.—Congress finds the following:

''(1) Four buildings located on six acres of the establishment of the Retirement Home known as the United States Soldiers' and Airmen's Home are included on the National Register of Historic Places maintained by the Secretary of the Interior.

''(2) Amounts in the Armed Forces Retirement Home Trust Fund, which consists primarily of deductions from the pay of members of the Armed Forces, are insufficient to both maintain and operate the Retirement Home for the benefit of the residents of the Retirement Home and adequately maintain, repair, and preserve these historic buildings and grounds.

''(3) Other sources of funding are available to contribute to the maintenance, repair, and preservation of these historic buildings and grounds.

''(b) AUTHORITY TO ACCEPT ASSISTANCE.—The Chairman of the Retirement Home Board and the Director of the United States Soldiers' and Airmen's Home may apply for and accept a direct grant from the Secretary of the Interior under section 101(e)(3) of the National Historic Preservation Act (16 U.S.C. 470a(e)(3)) for the purpose of maintaining, repairing, and preserving the historic buildings and grounds of the United States Soldiers' and Airmen's Home included on the National Register of Historic Places.

''(c) REQUIREMENTS AND LIMITATIONS.—Amounts received as a grant under subsection (b) shall be deposited in the Fund, but shall be kept separate from other amounts in the Fund. The amounts received may only be used for the purpose specified in subsection (b).''.

SEC. 366. CLARIFICATION OF LAND CONVEYANCE AUTHORITY, UNITED STATES SOLDIERS' AND AIRMEN'S HOME.

(a) MANNER OF CONVEYANCE.—Subsection (a)(1) of section 1053 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2650) is amended by striking ''convey by sale'' and inserting ''convey, by sale or lease,''.

(b) TIME FOR CONVEYANCE.—Subsection (a)(2) of such section is amended to read as follows:

''(2) The Armed Forces Retirement Home Board shall sell or lease the property described in subsection (a) within 12 months after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2000.''.

(c) MANNER, TERMS, AND CONDITIONS OF CONVEYANCE.—Subsection (b) of such section is amended—

(1) by striking paragraph (1) and inserting the following new paragraph: ''(1) The Armed Forces Retirement Home Board shall determine the manner, terms, and conditions for the sale or lease of the real property under subsection (a), except as follows:

''(A) Any lease of the real property under subsection (a) shall include an option to purchase.

''(B) The conveyance may not involve any form of public/private partnership, but shall be limited to fee-simple sale or long-term lease.

''(C) Before conveying the property by sale or lease to any other person or entity, the Board shall provide the Catholic University of America with the opportunity to match or exceed the highest bona fide offer otherwise received for the purchase or lease of the property, as the case may be, and to acquire the property.''; and

(2) in paragraph (2), by adding at the end the following new sentence: ''In no event shall the sale or lease of the property be for less than the appraised value of the property in its existing condition and on the basis of its highest and best use.''.

SEC. 367. TREATMENT OF ALASKA, HAWAII, AND GUAM IN DEFENSE HOUSEHOLD GOODS MOVING PROGRAMS.

(a) LIMITATION ON INCLUSION IN TEST PROGRAMS.—Alaska, Hawaii, and Guam shall not be included as a point of origin in any test or demonstration program of the Department of Defense regarding the moving of household goods of members of the Armed Forces.

(b) SEPARATE REGIONS; DESTINATIONS.—In any Department of Defense household goods moving program that is not subject to the prohibition in subsection (a)—

(1) Alaska, Hawaii, and Guam shall each constitute a separate region; and

(2) Hawaii and Guam shall be considered international destinations.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personel as of September 30, 2000, as follows:

(1) The Army, 480,000.

(2) The Navy, 372,037.

(3) The Marine Corps, 172,518.

(4) The Air Force, 360,877.

SEC. 402. REVISION IN PERMANENT END STRENGTH MINIMUM LEVELS.

(a) REVISED END STRENGTH FLOORS.—Section 691(b) of title 10, United States Code, is amended—

(1) in paragraph (2), by striking ''372,696'' and inserting ''371,781'';

(2) in paragraph (3), by striking ''172,200'' and inserting ''172,148''; and

(3) in paragraph (4), by striking ''370,802'' and inserting ''360,877''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1999.

SEC. 403. APPOINTMENTS TO CERTAIN SENIOR JOINT OFFICER POSITIONS.

(a) PERMANENT EXEMPTION AUTHORITY.—Paragraph (5) of section 525(b) of title 10, United States Code, is amended by striking subparagraph (C).

(b) PERMANENT REQUIREMENT FOR MILITARY DEPARTMENT SUBMISSIONS FOR CERTAIN JOINT 4-STAR DUTY ASSIGNMENTS.—Section 604 of such title is amended by striking subsection (c).

(c) CLARIFICATION OF CERTAIN LIMITATIONS ON NUMBER OF ACTIVE-DUTY GENERALS AND ADMIRALS.—Paragraph (5) of section 525(b) of such title is further amended by adding at the end of subparagraph (A) the following new sentence: ''Any increase by reason of the preceding sentence in the number of officers of an armed force serving on active duty in grades above major general or rear admiral may only be realized by an increase in the number of lieutenant generals or vice admirals, as the case may, serving on active duty, and any such increase may not be construed as authorizing an increase in the limitation on the total number of general or flag officers for that armed force under section 526(a) of this title or in the number of general and flag officers that may be designated under section 526(b) of this title.''.

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 2000, as follows:

(1) The Army National Guard of the United States, 350,000.

(2) The Army Reserve, 205,000.

(3) The Naval Reserve, 90,288.

(4) The Marine Corps Reserve, 39,624.

(5) The Air National Guard of the United States, 106,678.

(6) The Air Force Reserve, 73,708.

(7) The Coast Guard Reserve, 8,000.

(b) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year; and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2000, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 22,563.

(2) The Army Reserve, 12,804.

(3) The Naval Reserve, 15,010.

(4) The Marine Corps Reserve, 2,272.

(5) The Air National Guard of the United States, 11,025.

(6) The Air Force Reserve, 1,078.

SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS (DUAL STATUS).

The minimum number of military technicians (dual status) as of the last day of fiscal year 2000 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 6,474.

(2) For the Army National Guard of the United States, 23,125.

(3) For the Air Force Reserve, 9,785.

(4) For the Air National Guard of the United States, 22,247.

SEC. 414. INCREASE IN NUMBER OF ARMY AND AIR FORCE MEMBERS IN CERTAIN GRADES AUTHORIZED TO SERVE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) OFFICERS.—The table in section 12011(a) of title 10, United States Code, is amended to read as follows:

''Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	843	140
Lieutenant Colonel or Commander	1,595	520	746	90
Colonel or Navy Captain	471	188	297	30''.

(b) SENIOR ENLISTED MEMBERS.—The table in section 12012(a) of such title is amended to read as follows:

''Grade	Army	Navy	Air Force	Marine Corps
E–9	645	202	403	20
E–8	2,585	429	1,029	94''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1999.

SEC. 415. SELECTED RESERVE END STRENGTH FLEXIBILITY.

Section 115(c) of title 10, United States Code, is amended—

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

(2) by striking the period at the end of paragraph (2) and inserting ''; and''; and

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

''(3) vary the end strength authorized pursuant to subsection (a)(2) for a fiscal year for the Selected Reserve of any of the reserve components by a number equal to not more than 2 percent of that end strength.''.

Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2000 a total of $72,115,367,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2000.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. RECOMMENDATIONS FOR PROMOTION BY SELECTION BOARDS.

Section 575(b)(2) of title 10, United States Code, is amended by adding at the end the following new sentence: ''If the number determined under this subsection within a grade (or grade and competitive category) is less than one, the board may recommend one such officer from within that grade (or grade and competitive category).''.

SEC. 502. TECHNICAL AMENDMENTS RELATING TO JOINT DUTY ASSIGNMENTS.

(a) JOINT DUTY ASSIGNMENTS FOR GENERAL AND FLAG OFFICERS.—Subsection (g) of section 619a of title 10, United States Code, is amended to read as follows:

''(g) LIMITATION FOR GENERAL AND FLAG OFFICERS PREVIOUSLY RECEIVING JOINT DUTY ASSIGNMENT WAIVER.—A general officer or flag officer who before January 1, 1999, received a waiver of subsection (a) under the authority of this subsection (as in effect before that date) may not be appointed to the grade of lieutenant general of vice admiral until the officer completes a full tour of duty in a joint duty assignment.''.

(b) NUCLEAR PROPULSION OFFICERS.—Subsection (h) of that section is amended—

(1) by striking ''(1) Until January 1, 1997, an'' inserting ''An'';

(2) by striking ''may be'' and inserting ''who before January 1, 1997, is'';

(3) by striking ''. An officer so appointed''; and

(4) by striking paragraph (2).

Subtitle B—Matters Relating to Reserve Components

SEC. 511. CONTINUATION ON RESERVE ACTIVE STATUS LIST TO COMPLETE DISCIPLINARY ACTION.

(a) IN GENERAL.—Chapter 1407 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 14518. Continuation on reserve active status list to complete disciplinary action

''When an action is commenced against a Reserve officer with a view to trying the officer by court-martial, as authorized by section 802(d) of this title, the Secretary concerned may delay the separation or retirement of the officer under this chapter until the completion of the disciplinary action under chapter 47 of this title.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter 1407 is amended by adding at the end the following new item:

''14518. Continuation on reserve active status list to complete disciplinary action.''.

SEC. 512. AUTHORITY TO ORDER RESERVE COMPONENT MEMBERS TO ACTIVE DUTY TO COMPLETE A MEDICAL EVALUATION.

Section 12301 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(h)(1) When authorized by the Secretary of Defense, the Secretary of the military department concerned may order a member of a reserve component to active duty, with the consent of that member, to receive authorized medical care, to be medically evaluated for disability or other purposes, or to complete a required Department of Defense health care study, which may include an associated medical evaluation of the member.

''(2) A member ordered to active duty under this subsection may be retained with the member's consent, when the Secretary concerned considers it appropriate, for medical treatment for a condition associated with the study or evaluation, if that treatment of the member otherwise is authorized by law.

''(3) A member of the Army National Guard of the United States or the Air National Guard of the United States may not be ordered to active duty under this subsection without the consent of the Governor or other appropriate authority of the State concerned.''.

SEC. 513. ELIGIBILITY FOR CONSIDERATION FOR PROMOTION.

(a) AMENDMENT.—Section 14301 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(h) OFFICERS ON EDUCATIONAL DELAY.—A Reserve officer who is in an educational delay status for the purpose of attending an approved institution of higher education for advanced training, subsidized by the military department concerned in the form of a scholarship or stipend, is ineligible for consideration for promotion while in that status. The officer shall remain on the Reserve active status list while in such an educational delay status.''.

(b) RETROACTIVE EFFECT.—The Secretary concerned, upon application, shall expunge from the record of any officer a nonselection for promotion if the nonselection occurred during a period the officer was serving in an educational delay status that occurred during the period beginning on October 1, 1996, and ending on the date of the enactment of this Act.

SEC. 514. RETENTION UNTIL COMPLETION OF 20 YEARS OF SERVICE FOR RESERVE COMPONENT MAJORS AND LIEUTENANT COMMANDERS WHO TWICE FAIL OF SELECTION FOR PROMOTION.

Section 14506 of title 10, United States Code, is amended by striking ''section 14513'' and all that follows and inserting ''section 14513 of this title on the later of—

''(1) the first day of the month after the month in which the officer completes 20 years of commissioned service; or

''(2) the first day of the seventh month after the month in which the President approves the report of the board which considered the officer for the second time.''.

SEC. 515. COMPUTATION OF YEARS OF SERVICE EXCLUSION.

The text of section 14706 of title 10, United States Code, is amended to read as follows:

''(a) For the purpose of this chapter and chapter 1407 of this title, a Reserve officer's years of service include all service of the officer as a commissioned officer of a uniformed service other than—

''(1) service as a warrant officer;

''(2) constructive service; and

''(3) service after appointment as a commissioned officer of a reserve component while in a program of advanced education to obtain the first professional degree required for appointment, designation, or assignment as an officer in the Medical Corps, the Dental Corps, the Veterinary Corps, the Medical Service Corps, the Nurse Corps, the Army Medical Specialists Corps, or as an officer designated as a chaplain or judge advocate, provided such service occurs before the officer commences initial service on active duty or initial service in the Ready Reserve in the specialty that results from such a degree.

''(b) The exclusion under subsection (a)(3) does not apply to service performed by an officer who previously served on active duty or participated as a member of the Ready Reserve in other than a student status for the period of service preceding the member's service in a student status.''.

SEC. 516. AUTHORITY TO RETAIN RESERVE COMPONENT CHAPLAINS UNTIL AGE 67.

Section 14703(b) of title 10, United States Code, is amended by striking ''(or, in the case of a Reserve officer of the Army in the Chaplains or a Reserve officer of the Air Force designated as a chaplain, 60 years of age)''.

SEC. 517. EXPANSION AND CODIFICATION OF AUTHORITY FOR SPACE-REQUIRED TRAVEL FOR RESERVES.

(a) CODIFICATION.—(1) Chapter 1209 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 12323. Space-required travel for Reserves

''A member of a reserve component is authorized to travel in a space-required status on aircraft of the armed forces between home and place of inactive duty training, or place of duty in lieu of unit training assembly, when there is no road or railroad transportation (or combination of road and railroad transportation) between those locations. A member traveling in that status on a military aircraft pursuant to the authority provided in this section is not authorized to receive travel, transportation, or per diem allowances in connection with that travel.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''12323. Space-required travel for Reserves.''.

(b) EFFECTIVE DATE.—Section 12323 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1999.

SEC. 518. FINANCIAL ASSISTANCE PROGRAM FOR SPECIALLY SELECTED MEMBERS OF THE MARINE CORPS RESERVE.

(a) IN GENERAL.—Chapter 1205 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 12216. Financial assistance for members of the Marine Corps platoon leader's class program

''(a) PROGRAM AUTHORITY.—The Secretary of the Navy may provide payment of not more than $5,200 per year for a period not to exceed three consecutive years of educational expenses (including tuition, fees, books, and laboratory expenses) to an eligible enlisted member of the Marine Corps Reserve for completion of—

''(1) baccalaureate degree requirements in an approved academic program that requires less than five academic years to complete; or

''(2) doctor of jurisprudence or bachelor of laws degree requirements in an approved academic program which requires not more than three years to complete.

''(b) ELIGIBLE RESERVISTS.—To be eligible for receipt of educational expenses as authorized by subsection (a), an enlisted member of the Marine Corps Reserve must—

''(1) either—

''(A) be under 27 years of age on June 30 of the calendar year in which the member is eligible for appointment as a second lieutenant in the Marine Corps for such persons in a baccalaureate degree program described in subsection (a)(1), except that any such member who has served on active duty in the armed forces may exceed such age limitation on such date by a period equal to the period such member served on active duty, but only if such member will be under 30 years of age on such date; or

''(B) be under 31 years of age on June 30 of the calendar year in which the member is eligible for appointment as a second lieutenant in the Marine Corps for such persons in a doctor of jurisprudence or bachelor of laws degree program described in subsection (a)(2), except that any such member who has served on active duty in the armed forces may exceed such age limitation on such date by a period equal to the period such member served on active duty, but only if such member will be under 35 years of age on such date;

''(2) be satisfactorily enrolled at any accredited civilian educational institution authorized to grant baccalaureate, doctor of jurisprudence or bachelor of law degrees;

''(3) be selected as an officer candidate in the Marine Corps Platoon Leader's Class Program and successfully complete one increment of military training of not less than six weeks' duration; and

''(4) agree in writing—

''(A) to accept an appointment as a commissioned officer in the Marine Corps, if tendered by the President;

''(B) to serve on active duty for a minimum of five years; and

''(C) under such terms and conditions as shall be prescribed by the Secretary of the Navy, to serve in the Marine Corps Reserve until the eighth anniversary of the receipt of such appointment.

''(c) APPOINTMENT.—Upon satisfactorily completing the academic and military requirements of the Marine Corps Platoon Leaders Class Program, an officer candidate may be appointed by the President as a Reserve officer in the Marine Corps in the grade of second lieutenant.

''(d) LIMITATION ON NUMBER.—Not more than 1,200 officer candidates may participate in the financial assistance program authorized by this section at any one time.

''(e) REMEDIAL AUTHORITY OF SECRETARY.—An officer candidate may be ordered to active duty in the Marine Corps by the Secretary of the Navy to serve in an appropriate enlisted grade for such period of time as the Secretary prescribes, but not for more than four years, when such person—

''(1) accepted financial assistance under this section; and

''(2) either—

''(A) completes the military and academic requirements of the Marine Corps Platoon Leaders Class Program and refuses to accept a commission when offered;

''(B) fails to complete the military or academic requirements of the Marine Corps Platoon Leaders Class Program; or

''(C) is disenrolled from the Marine Corps Platoon Leaders Class Program for failure to

maintain eligibility for an original appointment as a commissioned officer under section 532 of this title.

''(d) PERSONS NOT QUALIFIED FOR APPOINTMENT.—Except under regulations prescribed by the Secretary of the Navy, a person who is not physically qualified for appointment under section 532 of this title and subsequently is determined by the Secretary of the Navy under section 505 of this title to be unqualified for service as an enlisted member of the Marine Corps due to a physical or medical condition that was not the result of misconduct or grossly negligent conduct may request a waiver of obligated service of such financial assistance.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''12216. Financial assistance for members of the Marine Corps platoon leader's class program.''.

(c) COMPUTATION OF SERVICE CREDITABLE.—Section 205 of title 37, United States Code, is amended by adding at the end the following new subsection:

''(f) Notwithstanding subsection (a), a commissioned officer appointed under sections 12209 and 12216 of title 10 may not count in computing basic pay a period of service after January 1, 2000, that the officer performed concurrently as a member of the Marine Corps Platoon Leaders Class Program and the Marine Corps Reserve, except that service after that date that the officer performed before commissioning while serving as an enlisted member on active duty or as a member of the Selected Reserve may be so counted.''.

(d) TRANSITION PROVISION.—An enlisted member of the Marine Corps Reserve selected for training as officer candidates under section 12209 of title 10, United States Code, before October 1, 2000 may, upon submitting an appropriate application, participate in the financial assistance program established in subsection (a) if—

(1) the member is eligible for financial assistance under the qualification requirements of subsection (a);

(2) the member submits to the Secretary of the Navy a request for such financial assistance not later than 180 days after the date of the enactment of this Act; and

(3) the member agrees in writing to accept an appointment, if offered in the Marine Corps Reserve, and to comply with the length of obligated service provisions in subsection (a)(2)(D) of section 12216 of title 10, United States Code, as added by subsection (a).

(e) LIMITATION ON CREDITING OF PRIOR SERVICE.—In computing length of service for any purpose, a person who requests financial assistance under subsection (d) may not be credited with service either as an officer candidate or concurrent enlisted service, other than concurrent enlisted service while serving on active duty other than for training while a member of the Marine Corps Reserve.

SEC. 519. OPTIONS TO IMPROVE RECRUITING FOR THE ARMY RESERVE.

(a) REVIEW.—The Secretary of the Army shall conduct a review of the manner, process, and organization used by the Army to recruit new members for the Army Reserve. The review shall seek to determine the reasons for the continuing inability of the Army to meet recruiting objectives for the Army Reserve and to identify measures the Secretary could take to correct that inability.

(b) REORGANIZATION TO BE CONSIDERED.—Among the possible corrective measures to be examined by the Secretary of the Army as part of the review shall be a transfer of the recruiting function for the Army Reserve from the Army Recruiting Command to a new, fully resourced recruiting organization under the command and control of the Chief, Army Reserve.

(c) REPORT.—Not later than July 1, 2000, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Service of the House of Representatives a report setting forth the results of the review under this section. The report shall include a description of any corrective measures the Secretary intends to implement.

Subtitle C—Military Technicians

SEC. 521. REVISION TO MILITARY TECHNICIAN (DUAL STATUS) LAW.

(a) DEFINITION.—Subsection (a)(1) of section 10216 of title 10, United States Code, is amended—

(1) in subparagraph (A), by striking ''section 709'' and inserting ''section 709(b)''; and

(2) in subparagraph (C), by inserting ''civilian'' after ''is assigned to a''.

(b) DUAL STATUS REQUIREMENT.—Subsection (e) of such section is amended—

(1) in paragraph (1), by inserting ''(dual status)'' after ''military technician'' the second place it appears; and

(2) in paragraph (2)—

(A) by striking ''The Secretary'' and inserting ''Except as otherwise provided by law, the Secretary''; and

(B) by striking ''six months'' and inserting ''up to 12 months''.

SEC. 522. CIVIL SERVICE RETIREMENT OF TECHNICIANS.

(a) IN GENERAL.—(1) Chapter 1007 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 10218. Army and Air Force Reserve Technicians: conditions for retention; mandatory retirement under civil service laws

''(a) SEPARATION AND RETIREMENT OF MILITARY TECHNICIANS (DUAL STATUS).—(1) An individual employed by the Army Reserve or the Air Force Reserve as a military technician (dual status) who after the date of the enactment of this section loses dual status is subject to paragraph (2) or (3), as the case may be.

''(2) If a technician described in paragraph (1) is eligible at the time dual status is lost for an unreduced annuity, the technician shall be separated, subject to subsection (e), not later than 30 days after the date on which dual status is lost.

''(3)(A) If a technician described in paragraph (1) is not eligible at the time dual status is lost for an unreduced annuity, the technician shall be offered the opportunity to—

''(i) reapply for, and if qualified be appointed to, a position as a military technician (dual status); or

''(ii) apply for a civil service position that is not a technician position.

''(B) If such a technician continues employment with the Army Reserve or the Air Force Reserve as a non-dual status technician, the technician—

''(i) shall not be permitted, after the end of the one-year period beginning on the date of the enactment of this subsection, to apply for any voluntary personnel action; and

''(ii) shall, subject to subsection (e), be separated or retired—

''(I) in the case of a technician first hired as a military technician (dual status) on or before February 10, 1996, not later than 30 days after becoming eligible for an unreduced annuity; and

''(II) in the case of a technician first hired as a military technician (dual status) after February 10, 1996, not later than one year after the date on which dual status is lost.

''(4) For purposes of this subsection, a military technician is considered to lose dual status upon—

''(A) being separated from the Selected Reserve; or

''(B) ceasing to hold the military grade specified by the Secretary concerned for the position held by the technician.

''(b) NON-DUAL STATUS TECHNICIANS.—(1) An individual who on the date of the enactment of this section is employed by the Army Reserve or the Air Force Reserve as a non-dual status technician and who on that date is eligible for an unreduced annuity shall, subject to subsection (e), be separated not later than six months after the date of the enactment of this section.

''(2)(A) An individual who on the date of the enactment of this section is employed by the Army Reserve or the Air Force Reserve as a non-dual status technician and who on that date is not eligible for an unreduced annuity shall be offered the opportunity to—

''(i) reapply for, and if qualified be appointed to, a position as a military technician (dual status); or

''(ii) apply for a civil service position that is not a technician position.

''(B) If such a technician continues employment with the Army Reserve or the Air Force Reserve as a non-dual status technician, the technician—

''(i) shall not be permitted, after the end of the one-year period beginning on the date of the enactment of this subsection, to apply for any voluntary personnel action; and

''(ii) shall, subject to subsection (e), be separated or retired—

''(I) in the case of a technician first hired as a technician on or before February 10, 1996, and who on the date of the enactment of this section is a non-dual status technician, not later than 30 days after becoming eligible for an unreduced annuity; and

''(II) in the case of a technician first hired as a technician after February 10, 1996, and who on the date of the enactment of this section is a non-dual status technician, not later than one year after the date on which dual status is lost.

''(3) An individual employed by the Army Reserve or the Air Force Reserve as a non-dual status technician who is ineligible for appointment to a military technician (dual status) position, or who decides not to apply for appointment to such a position, or who, within six months of the date of the enactment of this section is not appointed to such a position, shall for reduction-in-force purposes be in a separate competitive category from employees who are military technicians (dual status).

''(c) UNREDUCED ANNUITY DEFINED.—For purposes of this section, a technician shall be considered to be eligible for an unreduced annuity if the technician is eligible for an annuity under section 8336, 8412, or 8414 of title 5 that is not subject to a reduction by reason of the age or years of service of the technician.

''(d) VOLUNTARY PERSONNEL ACTION DEFINED.—In this section, the term 'voluntary personnel action', with respect to a non-dual status technician, means any of the following:

''(1) The hiring, entry, appointment, reassignment, promotion, or transfer of the technician into a position for which the Secretary concerned has established a requirement that the person occupying the position be a military technician (dual status).

''(2) Promotion to a higher grade if the technician is in a position for which the Secretary concerned has established a requirement that the person occupying the position be a military technician (dual status).

''(e) ANNUAL LIMITATION ON MANDATORY RETIREMENTS.—Until October 1, 2004, the Secretary of the Army and the Secretary of the Air Force may not during any fiscal year approve a total of more than 25 mandatory

retirements under this section. A technician who is subject to mandatory separation under this section in any fiscal year and who, but for this subsection, would be eligible to be retired with an unreduced annuity shall, if not sooner separated under some other provision of law, be eligible to be retained in service until mandatorily retired consistent with the limitation in this subsection.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''10218. Army and Air Force Reserve Technicians: conditions for retention; mandatory retirement under civil service laws.''.

(3) During the six-month period beginning on the date of the enactment of this Act, the provisions of subsections (a)(3)(B)(ii)(I) and (b)(2)(B)(ii)(I) of section 10218 of title 10, United States Code, as added by paragraph (1), shall be applied by substituting ''six months'' for ''30 days''.

(b) EARLY RETIREMENT.—Section 8414(c) of title 5, United States Code, is amended to read as follows:

''(c)(1) An employee who was hired as a military reserve technician on or before February 10, 1996 (under the provisions of this title in effect before that date), and who is separated from technician service, after becoming 50 years of age and completing 25 years of service, by reason of being separated from the Selected Reserve of the employee's reserve component or ceasing to hold the military grade specified by the Secretary concerned for the position held by the employee is entitled to an annuity.

''(2) An employee who is initially hired as a military technician (dual status) after February 10, 1996, and who is separated from the Selected Reserve or ceases to hold the military grade specified by the Secretary concerned for the position held by the technician—

''(A) after completing 25 years of service as a military technician (dual status), or

''(B) after becoming 50 years of age and completing 20 years of service as a military technician (dual status),

is entitled to an annuity.''.

(c) CONFORMING AMENDMENTS.—Chapter 84 of title 5, United States Code, is amended as follows:

(1) Section 8415(g)(2) is amended by striking ''military reserve technician'' and inserting ''military technician (dual status)''.

(2) Section 8401(30) is amended to read as follows:

''(30) the term 'military technician (dual status)' means an employee described in section 10216 of title 10;''.

(d) DISABILITY RETIREMENT.—Section 8337(h) of title 5, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting ''or section 10216 of title 10'' after ''title 32'';

(B) by striking ''such title'' and all that follows through the period and inserting ''title 32 or section 10216 of title 10, respectively, to be a member of the Selected Reserve.'';

(2) in paragraph (2)(A)(i)—

(A) by inserting ''or section 10216 of title 10'' after ''title 32''; and

(B) by striking ''National Guard or from holding the military grade required for such employment'' and inserting ''Selected Reserve''; and

(3) in paragraph (3)(C), by inserting ''or section 10216 of title 10'' after ''title 32''.

SEC. 523. REVISION TO NON-DUAL STATUS TECHNICIANS STATUTE.

(a) REVISION.—Section 10217 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking ''military'' after ''non-dual status'' in the matter preceding paragraph (1); and

(B) by striking paragraphs (1) and (2) and inserting the following:

''(1) was hired as a technician before November 18, 1997, under any of the authorities specified in subsection (b) and as of that date is not a member of the Selected Reserve or after such date has ceased to be a member of the Selected Reserve; or

''(2) is employed under section 709 of title 32 in a position designated under subsection (c) of that section and when hired was not required to maintain membership in the Selected Reserve.''; and

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

''(c) PERMANENT LIMITATIONS ON NUMBER.—(1) Effective October 1, 2007, the total number of non-dual status technicians employed by the Army Reserve and Air Force Reserve may not exceed 175. If at any time after the preceding sentence takes effect the number of non-dual status technicians employed by the Army Reserve and Air Force Reserve exceeds the number specified in the limitation in the preceding sentence, the Secretary of Defense shall require that the Secretary of the Army or the Secretary of the Air Force, or both, take immediate steps to reduce the number of such technicians in order to comply with such limitation.

''(2) Effective October 1, 2001, the total number of non-dual status technicians employed by the National Guard may not exceed 1,950. If at any time after the preceding sentence takes effect the number of non-dual status technicians employed by the National Guard exceeds the number specified in the limitation in the preceding sentence, the Secretary of Defense shall require that the Secretary of the Army or the Secretary of the Air Force, or both, take immediate steps to reduce the number of such technicians in order to comply with such limitation.''.

(c) CONFORMING AMENDMENTS.—The heading of such section and the item relating to such section in the table of sections at the beginning of chapter 1007 of such title are each amended by striking the penultimate word.

SEC. 524. REVISION TO AUTHORITIES RELATING TO NATIONAL GUARD TECHNICIANS.

Section 709 of title 32, United States Code, is amended to read as follows:

''§ 709. Technicians: employment, use, status

''(a) Under regulations prescribed by the Secretary of the Army or the Secretary of the Air Force, as the case may be, and subject to subsections (b) and (c), persons may be employed as technicians in—

''(1) the administration and training of the National Guard; and

''(2) the maintenance and repair of supplies issued to the National Guard or the armed forces.

''(b) Except as authorized in subsection (c), a person employed under subsection (a) must meet each of the following requirements:

''(1) Be a military technician (dual status) as defined in section 10216(a) of title 10.

''(2) Be a member of the National Guard.

''(3) Hold the military grade specified by the Secretary concerned for that position.

''(4) While performing duties as a military technician (dual status), wear the uniform appropriate for the member's grade and component of the armed forces .

''(c)(1) A person may be employed under subsection (a) as a non-dual status technician (as defined by section 10217 of title 10) if the technician position occupied by the person has been designated by the Secretary concerned to be filled only by a non-dual status technician.

''(2) The total number of non-dual status technicians in the National Guard is specified in section 10217(c)(2) of title 10.

''(d) The Secretary concerned shall designate the adjutants general referred to in section 314 of this title to employ and administer the technicians authorized by this section.

''(e) A technician employed under subsection (a) is an employee of the Department of the Army or the Department of the Air Force, as the case may be, and an employee of the United States. However, a position authorized by this section is outside the competitive service if the technician employed in that position is required under subsection (b) to be a member of the National Guard.

''(f) Notwithstanding any other provision of law and under regulations prescribed by the Secretary concerned—

''(1) a person employed under subsection (a) who is a military technician (dual status) and otherwise subject to the requirements of subsection (b) who—

''(A) is separated from the National Guard or ceases to hold the military grade specified by the Secretary concerned for that position shall be promptly separated from military technician (dual status) employment by the adjutant general of the jurisdiction concerned; and

''(B) fails to meet the military security standards established by the Secretary concerned for a member of a reserve component under his jurisdiction may be separated from employment as a military technician (dual status) and concurrently discharged from the National Guard by the adjutant general of the jurisdiction concerned;

''(2) a technician may, at any time, be separated from his technician employment for cause by the adjutant general of the jurisdiction concerned;

''(3) a reduction in force, removal, or an adverse action involving discharge from technician employment, suspension, furlough without pay, or reduction in rank or compensation shall be accomplished by the adjutant general of the jurisdiction concerned;

''(4) a right of appeal which may exist with respect to paragraph (1), (2), or (3) shall not extend beyond the adjutant general of the jurisdiction concerned; and

''(5) a technician shall be notified in writing of the termination of his employment as a technician and, unless the technician is serving under a temporary appointment, is serving in a trial or probationary period, or has voluntarily ceased to be a member of the National Guard when such membership is a condition of employment, such notification shall be given at least 30 days before the termination date of such employment.

''(g) Sections 2108, 3502, 7511, and 7512 of title 5 do not apply to a person employed under this section.

''(h) Notwithstanding sections 5544(a) and 6101(a) of title 5 or any other provision of law, the Secretary concerned may prescribe the hours of duty for technicians. Notwithstanding sections 5542 and 5543 of title 5 or any other provision of law, such technicians shall be granted an amount of compensatory time off from their scheduled tour of duty equal to the amount of any time spent by them in irregular or overtime work, and shall not be entitled to compensation for such work.

''(i) The Secretary concerned may not prescribe for purposes of eligibility for Federal recognition under section 301 of this title a qualification applicable to technicians employed under subsection (a) that is not applicable pursuant to that section to the other members of the National Guard in the same grade, branch, position, and type of unit or organization involved.''.

SEC. 525. EFFECTIVE DATE.

The amendments made by sections 523 and 524 shall take effect 180 days after the date of the receipt by Congress of the plan required by section 523(d) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1737) or a report by the Secretary of Defense providing an alternative proposal to the plan required by that section.

SEC. 526. SECRETARY OF DEFENSE REVIEW OF ARMY TECHNICIAN COSTING PROCESS.

(a) REVIEW.—The Secretary of Defense shall review the process used by the Army, including use of the Civilian Manpower Obligation Resources (CMOR) model, to develop estimates of the annual authorizations and appropriations required for civilian personnel of the Department of the Army generally and for National Guard and Army Reserve technicians in particular. Based upon the review, the Secretary shall direct that any appropriate revisions to that process be implemented.

(b) PURPOSE OF REVIEW.—The purpose of the review shall be to ensure that the process referred to in subsection (a) does the following:

(1) Accurately and fully incorporates all the actual cost factors for such personnel, including particularly those factors necessary to recruit, train, and sustain a qualified technician workforce.

(2) Provides estimates of required annual appropriations required to fully fund all the technicians (both dual status and non-dual status) requested in the President's budget.

(3) Eliminates inaccuracies in the process that compel both the Army Reserve and the Army National Guard either (A) to reduce the number of military technicians (dual status) below the statutory floors without corresponding force structure reductions, or (B) to transfer funds from other appropriations simply to provide the required funding for military technicians (dual status).

(c) REPORT.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report containing the results of the review undertaken under this section, together with a description of corrective actions taken and proposed, not later than March 31, 2000.

SEC. 527. FISCAL YEAR 2000 LIMITATION ON NUMBER OF NON-DUAL STATUS TECHNICIANS.

The number of civilian employees who are non-dual status technicians of a reserve component of the Army or Air Force as of September 30, 2000, may not exceed the following:

(1) For the Army Reserve, 1,295.

(2) For the Army National Guard of the United States, 1,800.

(3) For the Air Force Reserve, 0.

(4) For the Air National Guard of the United States, 342.

Subtitle D—Service Academies

SEC. 531. WAIVER OF REIMBURSEMENT OF EXPENSES FOR INSTRUCTION AT SERVICE ACADEMIES OF PERSONS FROM FOREIGN COUNTRIES.

(a) UNITED STATES MILITARY ACADEMY.—Section 4344(b)(3) of title 10, United States Code, is amended—

(1) by striking ''35 percent'' and inserting ''50 percent''; and

(2) by striking ''five persons'' and inserting ''20 persons''.

(b) NAVAL ACADEMY.—Section 6957(b)(3) of such title is amended—

(1) by striking ''35 percent'' and inserting ''50 percent''; and

(2) by striking ''five persons'' and inserting ''20 persons''.

(c) AIR FORCE ACADEMY.—Section 9344(b)(3) of such title is amended—

(1) by striking ''35 percent'' and inserting ''50 percent''; and

(2) by striking ''five persons'' and inserting ''20 persons''.

(d) EFFECTIVE DATE.—The amendments made by this section apply with respect to students from a foreign country entering the United States Military Academy, the United States Naval Academy, or the United States Air Force Academy on or after May 1, 1999.

SEC. 532. COMPLIANCE BY UNITED STATES MILITARY ACADEMY WITH STATUTORY LIMIT ON SIZE OF CORPS OF CADETS.

(a) COMPLIANCE REQUIRED.—(1) The Secretary of the Army shall take such action as necessary to ensure that the United States Military Academy is in compliance with the USMA cadet strength limit not later than the day before the last day of the 2001–2002 academic year.

(2) The Secretary of the Army may provide for a variance to the USMA cadet strength limit—

(A) as of the day before the last day of the 1999-2000 academic year of not more than 5 percent; and

(B) as of the day before the last day of the 2000-2001 academic year of not more than 2½ percent.

(3) For purposes of this subsection—

(A) the USMA cadet strength limit is the maximum of 4,000 cadets established for the Corps of Cadets at the United States Military Academy by section 511 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 10 U.S.C. 4342 note), reenacted in section 4342(a) of title 10, United States Code, by the amendment made by subsection (b)(1); and

(B) the last day of the 2001–2002 academic year is the day on which the class of 2002 graduates.

(b) REENACTMENT OF LIMITATION.—

(1) ARMY.—Section 4342 of title 10, United States Code, is amended—

(A) in subsection (a), by striking ''is as follows:'' in the matter preceding paragraph (1) and inserting ''(determined for any year as of the day before the last day of the academic year) is 4,000. Subject to that limitation, cadets are selected as follows:''; and

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

''(i) For purposes of the limitation under subsection (a), the last day of an academic year is graduation day.''.

(2) NAVY.—Section 6954 of such title is amended—

(A) by striking the matter preceding paragraph (1) and inserting the following:

''(a) The authorized strength of the Brigade of Midshipmen (determined for any year as of the day before the last day of the academic year) is 4,000. Subject to that limitation, midshipmen are selected as follows:''; and

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

''(g) For purposes of the limitation under subsection (a), the last day of an academic year is graduation day.''.

(3) AIR FORCE.—Section 9342 of such title is amended—

(A) in subsection (a), by striking ''is as follows:'' in the matter preceding paragraph (1) and inserting ''(determined for any year as of the day before the last day of the academic year) is 4,000. Subject to that limitation, Air Force Cadets are selected as follows:''; and

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

''(i) For purposes of the limitation under subsection (a), the last day of an academic year is graduation day.''.

(4) CONFORMING REPEAL.—Section 511 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 10 U.S.C. 4342 note) is repealed.

SEC. 533. DEAN OF ACADEMIC BOARD, UNITED STATES MILITARY ACADEMY AND DEAN OF THE FACULTY, UNITED STATES AIR FORCE ACADEMY.

(a) DEAN OF THE ACADEMIC BOARD, USMA.—Section 4335 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) While serving as Dean of the Academic Board, an officer of the Army who holds a grade lower than brigadier general shall hold the grade of brigadier general, if appointed to that grade by the President, by and with the advice and consent of the Senate. The retirement age of an officer so appointed is that of a permanent professor of the Academy. An officer so appointed is counted for purposes of the limitation in section 526(a) of this title on general officers of the Army on active duty.''.

(b) DEAN OF THE FACULTY, USAFA.—Section 9335 of title 10, United States Code, is amended—

(1) by inserting ''(a)'' at the beginning of the text of the section; and

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

''(b) While serving as Dean of the Faculty, an officer of the Air Force who holds a grade lower than brigadier general shall hold the grade of brigadier general, if appointed to that grade by the President, by and with the advice and consent of the Senate. The retirement age of an officer so appointed is that of a permanent professor of the Academy An officer so appointed is counted for purposes of the limitation in section 526(a) of this title on general officers of the Air Force on active duty.''.

SEC. 534. EXCLUSION FROM CERTAIN GENERAL AND FLAG OFFICER GRADE STRENGTH LIMITATIONS FOR THE SUPERINTENDENTS OF THE SERVICE ACADEMIES.

Section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(7) An officer of the Army while serving as Superintendent of the United States Military Academy, if serving in the grade of lieutenant general, is in addition to the number that would otherwise be permitted for the Army for officers serving on active duty in grades above major general under paragraph (1). An officer of the Navy or Marine Corps while serving as Superintendent of the United States Naval Academy, if serving in the grade of vice admiral or lieutenant general, is in addition to the number that would otherwise be permitted for the Navy or Marine Corps, respectively, for officers serving on active duty in grades above major general or rear admiral under paragraph (1) or (2). An officer while serving as Superintendent of the United Air Force Academy, if serving in the grade of lieutenant general, is in addition to the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above major general under paragraph (1).''.

Subtitle E—Education and Training

SEC. 541. ESTABLISHMENT OF A DEPARTMENT OF DEFENSE INTERNATIONAL STUDENT PROGRAM AT THE SENIOR MILITARY COLLEGES.

(a) IN GENERAL.—(1) Chapter 103 of title 10, United States Code, is amended by adding at the end the following new section:

''§2111b. Senior military colleges: Department of Defense international student program

''(a) PROGRAM REQUIREMENT.—The Secretary of Defense shall establish a program to facilitate the enrollment and instruction of persons from foreign countries as international students at the senior military colleges.

''(b) PURPOSES.—The purposes of the program shall be—

''(1) to provide a high-quality, cost-effective military-based educational experience for international students in furtherance of the military-to-military program objectives of the Department of Defense; and

''(2) to enhance the educational experience and preparation of future United States military leaders through increased, extended interaction with highly qualified potential foreign military leaders.

''(c) COORDINATION WITH THE SENIOR MILITARY COLLEGES.—Guidelines for implementation of the program shall be developed in coordination with the senior military colleges.

''(d) RECOMMENDATIONS FOR ADMISSION OF STUDENTS UNDER THE PROGRAM.—The Secretary of Defense shall annually identify to the senior military colleges the international students who, based on criteria established by the Secretary, the Secretary recommends be considered for admission under the program. The Secretary shall identify the recommended international students to the senior military colleges as early as possible each year to enable those colleges to consider them in a timely manner in their respective admissions processes.

''(e) DOD FINANCIAL SUPPORT.—An international student who is admitted to a senior military college under the program under this section is responsible for the cost of instruction at that college. The Secretary of Defense may, from funds available to the Department of Defense other than funds available for financial assistance under section 2107a of this title, provide some or all of the costs of instruction for any such student.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2111b. Senior military colleges: Department of Defense international student program.''.

(b) EFFECTIVE DATE.—The Secretary of Defense shall implement the program under section 2111b of title 10, United States Code, as added by subsection (a), with students entering the senior military colleges after May 1, 2000.

(c) REPEAL OF OBSOLETE PROVISION.—Section 2111a(e)(1) of title 10, United States Code, is amended by striking the second sentence.

(d) FISCAL YEAR 2000 FUNDING.—Of the amounts made available to the Department of Defense for fiscal year 2000 pursuant to section 301, $2,000,000 shall be available for financial support for international students under section 2111b of title 10, United States Code, as added by subsection (a).

SEC. 542. AUTHORITY FOR ARMY WAR COLLEGE TO AWARD DEGREE OF MASTER OF STRATEGIC STUDIES.

(a) AUTHORITY.—Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 4321. United States Army War College: master of strategic studies degree

''Under regulations prescribed by the Secretary of the Army, the Commandant of the United States Army War College, upon the recommendation of the faculty and dean of the college, may confer the degree of master of strategic studies upon graduates of the college who have fulfilled the requirements for that degree.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4321. United States Army War College: master of strategic studies degree.''.

SEC. 543. AUTHORITY FOR AIR UNIVERSITY TO AWARD GRADUATE-LEVEL DEGREES.

(a) IN GENERAL.—Subsection (a) of section 9317 of title 10, United States Code, is amended to read as follows:

''(a) AUTHORITY.—Upon recommendation of the faculty of the appropriate school, the commander of the Air University may confer—

''(1) the degree of master of strategic studies upon graduates of the Air War College who fulfill the requirements for that degree;

''(2) the degree of master of military operational art and science upon graduates of the Air Command and Staff College who fulfill the requirements for that degree; and

''(3) the degree of master of airpower art and science upon graduates of the School of Advanced Air power Studies who fulfill the requirements for that degree.''.

(b) CLERICAL AMENDMENTS.—(1) The heading for that section is amended to read:

''§ 9317. Air University: graduate-level degrees''.

(2) The item relating to that section in the table of sections at the beginning of chapter 901 of such title is amended to read as follows:

''9317. Air University: graduate-level degrees.''.

SEC. 544. CORRECTION OF RESERVE CREDIT FOR PARTICIPATION IN HEALTH PROFESSIONAL SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

Section 2126(b) of title 10, United States Code, is amended—

(1) in paragraph (2)—

(A) by striking ''only for'' and all that follows through ''Award of'' and inserting ''only for the award of''; and

(B) by striking subparagraph (B);

(2) in paragraph (3) by striking ''paragraph (2)(A), a member'' and inserting ''paragraph (2), a member who completes a satisfactory year of service in the Selected Reserve'';

(3) by redesignating paragraph (5) as paragraph (6); and

(4) by inserting after paragraph (4) the following new paragraph (5):

''(5) A member of the Selected Reserve who is awarded points or service credit under this subsection shall not be considered to have been in an active status, by reason of the award of the points or credit, while pursuing a course of study under this subchapter for purposes of any provision of law other than sections 12732(a) and 12733(3) of this title.''.

SEC. 545. PERMANENT EXPANSION OF ROTC PROGRAM TO INCLUDE GRADUATE STUDENTS.

(a) PERMANENT AUTHORITY FOR THE ROTC GRADUATE PROGRAM.—Paragraph (2) of section 2107(c)(2) of title 10, United States Code, is amended to read as follows:

''(2) The Secretary concerned may provide financial assistance, as described in paragraph (1), to a student enrolled in an advanced education program beyond the baccalaureate degree level if the student also is a cadet or midshipman in an advanced training program. Not more than 15 percent of the total number of scholarships awarded under this section in any year may be awarded under the program.''.

(b) AUTHORITY TO ENROLL IN ADVANCED TRAINING PROGRAM.—Section 2101(3) of title 10, United States Code, is amended by inserting ''students enrolled in an advanced education program beyond the baccalaureate degree level or to'' after ''instruction offered in the Senior Reserve Officers' Training Corps to''.

SEC. 546. INCREASE IN MONTHLY SUBSISTENCE ALLOWANCE FOR SENIOR ROTC CADETS SELECTED FOR ADVANCED TRAINING.

(a) INCREASE.—Section 209(a) of title 37, United States Code, is amended by striking ''$150 a month'' and inserting ''$200 a month''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1999.

SEC. 547. CONTINGENT FUNDING INCREASE FOR JUNIOR ROTC PROGRAM.

(a) IN GENERAL.—(1) Chapter 102 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2033. Contingent funding increase

''If for any fiscal year the amount appropriated for the National Guard Challenge Program under section 509 of title 32 is in excess of $62,500,000, the Secretary of Defense shall (notwithstanding any other provision of law) make the amount in excess of $62,500,000 available for the Junior Reserve Officers' Training Corps program under section 2031 of this title, and such excess amount may not be used for any other purpose.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2033. Contingent funding increase.''.

(b) EFFECTIVE DATE.—Section 2033 of title 10, United States Code, as added by subsection (a), shall apply only with respect to funds appropriated for fiscal years after fiscal year 1999.

SEC. 548. CHANGE FROM ANNUAL TO BIENNIAL REPORTING UNDER THE RESERVE COMPONENT MONTGOMERY GI BILL.

(a) IN GENERAL.—Section 16137 of title 10, United States Code, is amended to read as follows:

''§ 16137. Biennial report to Congress

''The Secretary of Defense shall submit to Congress a report not later than March 1 of each odd-numbered year concerning the operation of the educational assistance program established by this chapter during the preceding two fiscal years. Each such report shall include the number of members of the Selected Reserve of the Ready Reserve of each armed force receiving, and the number entitled to receive, educational assistance under this chapter during those fiscal years.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1606 of such title is amended to read as follows:

''16137. Biennial report to Congress.''.

SEC. 549. RECODIFICATION AND CONSOLIDATION OF STATUTES DENYING FEDERAL GRANTS AND CONTRACTS BY CERTAIN DEPARTMENTS AND AGENCIES TO INSTITUTIONS OF HIGHER EDUCATION THAT PROHIBIT SENIOR ROTC UNITS OR MILITARY RECRUITING ON CAMPUS.

(a) RECODIFICATION AND CONSOLIDATION FOR LIMITATIONS ON FEDERAL GRANTS AND CONTRACTS.—(1) Section 983 of title 10, United States Code, is amended to read as follows:

''§ 983. Institutions of higher education that prevent ROTC access or military recruiting on campus: denial of grants and contracts from Department of Defense, Department of Education, and certain other departments and agencies

''(a) DENIAL OF FUNDS FOR PREVENTING ROTC ACCESS TO CAMPUS.—No funds described in subsection (d) may be provided by contract or by grant (including a grant of funds to be available for student aid) to a covered educational entity if the Secretary of Defense determines that the covered educational entity has a policy or practice (regardless of when implemented) that either prohibits, or in effect prevents—

''(1) the Secretary of a military department from maintaining, establishing, or operating a unit of the Senior Reserve Officer Training Corps (in accordance with section

654 of this title and other applicable Federal laws) at the covered educational entity; or

''(2) a student at the covered educational entity from enrolling in a unit of the Senior Reserve Officer Training Corps at another institution of higher education.

''(b) DENIAL OF FUNDS FOR PREVENTING MILITARY RECRUITING ON CAMPUS.—No funds described in subsection (d) may be provided by contract or by grant (including a grant of funds to be available for student aid) to a covered educational entity if the Secretary of Defense determines that the covered educational entity has a policy or practice (regardless of when implemented) that either prohibits, or in effect prevents—

''(1) the Secretary of a military department from gaining entry to campuses, or access to students (who are 17 years of age or older) on campuses, for purposes of military recruiting; or

''(2) access by military recruiters for purposes of military recruiting to the following information pertaining to students (who are 17 years of age or older) enrolled at the covered educational entity:

''(A) Names, addresses, and telephone listings.

''(B) Date and place of birth, levels of education, academic majors, degrees received, and the most recent educational institution enrolled in by the student.

''(c) EXCEPTIONS.—The limitation established in subsection (a) or (b) shall not apply to a covered educational entity if the Secretary of Defense determines that—

''(1) the covered educational entity has ceased the policy or practice described in that subsection; or

''(2) the institution of higher education involved has a longstanding policy of pacifism based on historical religious affiliation.

''(d) COVERED FUNDS.—The limitations established in subsections (a) and (b) apply to the following:

''(1) Any funds made available for the Department of Defense.

''(2) Any funds made available in a Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act.

''(e) NOTICE OF DETERMINATIONS.—Whenever the Secretary of Defense makes a determination under subsection (a), (b), or (c), the Secretary—

''(1) shall transmit a notice of the determination to the Secretary of Education and to Congress; and

''(2) shall publish in the Federal Register a notice of the determination and the effect of the determination on the eligibility of the covered educational entity for contracts and grants.

''(f) SEMIANNUAL NOTICE IN FEDERAL REGISTER.—The Secretary of Defense shall publish in the Federal Register once every six months a list of each covered educational entity that is currently ineligible for contracts and grants by reason of a determination of the Secretary under subsection (a) or (b).

''(g) COVERED EDUCATIONAL ENTITY.—In this section, the term 'covered educational entity' means an institution of higher education, or a subelement of an institution of higher education.''.

(2) The item relating to section 983 in the table of sections at the beginning of such chapter is amended to read as follows:

''983. Institutions of higher education that prevent ROTC access or military recruiting on campus: denial of grants and contracts from Department of Defense, Department of Education, and certain other departments and agencies.''.

(b) REPEAL OF CODIFIED PROVISIONS.—The following provisions of law are repealed:

(1) Section 558 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 503 note).

(2) Section 514 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997 (as contained in section 101(e) of division A of Public Law 104–208; 110 Stat. 3009–270; 10 U.S.C. 503 note).

Subtitle F—Decorations and Awards

SEC. 551. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO CERTAIN PERSONS.

(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply to awards of decorations described in this section, the award of each such decoration having been determined by the Secretary of the military department concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the award of the Distinguished Flying Cross for service during World War II or Korea (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on October 17, 1998, and ending on the day before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

SEC. 552. SENSE OF CONGRESS CONCERNING PRESIDENTIAL UNIT CITATION FOR CREW OF THE U.S.S. INDIANAPOLIS.

(a) FINDINGS.—Congress reaffirms the findings made in section 1052(a) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2844) that the heavy cruiser U.S.S. INDIANAPOLIS (CA–35)—

(1) served the people of the United States with valor and distinction throughout World War II in action against enemy forces in the Pacific Theater of Operations from December 7, 1941 to July 29, 1945;

(2) with her courageous and capable crew, compiled an impressive combat record during the war in the Pacific, receiving in the process 10 battle stars in actions from the Aleutians to Okinawa;

(3) rendered invaluable service in anti-shipping, shore bombardment, anti-air, and invasion support roles and serving as flagship for the Fifth Fleet under Admiral Raymond Spruance and flagship for the Third Fleet under Admiral William F. Halsey; and

(4) transported the world's first operational atomic bomb from the United States to the Island of Tinian, accomplishing that mission at a record average speed of 29 knots.

(b) FURTHER FINDINGS.—Congress further finds that—

(1) from participation in the earliest offensive actions in the Pacific during World War II to her pivotal role in delivering the weapon that brought the war to an end, the U.S.S. INDIANAPOLIS and her crew left an indelible imprint on the Nation's struggle to eventual victory in the war in the Pacific; and

(2) the selfless, courageous, and outstanding performance of duty by that ship and her crew throughout the war in the Pacific reflects great credit upon the ship and her crew, thus upholding the very highest traditions of the United States Navy.

(c) SENSE OF CONGRESS.—It is the sense of Congress that the President should award a Presidential Unit Citation to the crew of the U.S.S. INDIANAPOLIS (CA–35) in recognition of the courage and skill displayed by the members of the crew of that vessel throughout World War II.

(2) A citation described in paragraph (1) may be awarded without regard to any provision of law or regulation prescribing a time limitation that is otherwise applicable with respect to recommendation for, or the award of, such a citation.

SEC. 553. AUTHORITY FOR AWARD OF MEDAL OF HONOR TO ALFRED RASCON FOR VALOR DURING THE VIETNAM CONFLICT.

(a) WAIVER OF TIME LIMITATIONS.—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the Army, the President may award the Medal of Honor under section 3741 of that title to Alfred Rascon, of Laurel, Maryland, for the acts of valor described in subsection (b).

(b) ACTION DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Alfred Rascon on March 16, 1966, as an Army medic, serving in the grade of Specialist Four in the Republic of Vietnam with the Reconnaissance Platoon, Headquarters Company, 1st Battalion, 503rd Infantry, 173rd Airborne Brigade (Separate), during a combat operation known as Silver City.

Subtitle G—Other Matters

SEC. 561. REVISION IN AUTHORITY TO ORDER RETIRED MEMBERS TO ACTIVE DUTY.

(a) PERIOD OF RECALL SERVICE FOR RETIRED MEMBERS ORDERED TO ACTIVE DUTY.—Section 688(e) of title 10, United States Code, is amended by striking ''for more than 12 months within 24 months'' and inserting ''for more than 36 months within 48 months''.

(b) LIMITATION ON NUMBER.—Section 690(b)(1) of such title is amended by striking ''Not more than 25 officers'' and inserting ''In addition to the officers subject to subsection (a), not more than 150 officers''.

(c) EXCLUSION FROM LIMITATION OF MEMBERS OF RETIREE COUNCILS.—Section 690(b)(2) of such title is amended by adding at the end the following new subparagraph:

''(D) Any officer assigned to duty as a member of the Army, Navy, or Air Force Retiree Council for the period of active duty to which ordered.''.

(d) EXCLUSION FROM LIMITATION OF OFFICERS RECALLED FOR 60 DAYS OR LESS.—Section 690 of such title is further amended—

(1) by striking the second sentence of subsection (a);

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

(3) by inserting after subsection (b) the following new subsection (c):

''(c) EXCLUSION FROM LIMITATIONS OF OFFICERS RECALLED FOR 60 DAYS OR LESS.—A retired officer ordered to active duty for a period of 60 days or less shall not be counted for the purposes of subsection (a) or (b).''.

SEC. 562. TEMPORARY AUTHORITY FOR RECALL OF RETIRED AVIATORS.

(a) AUTHORITY.—During the retired aviator recall period, the Secretary of a military department may recall to active duty any retired officer having expertise as an aviator to fill staff positions normally filled by active duty aviators. Any such recall may only be with the consent of the officer recalled.

(b) LIMITATION.—No more than a total of 500 officers may be on active duty at any time under subsection (a).

(c) TERMINATION.—Each officer recalled to active duty under subsection (a) during the

retired aviator recall period shall be released from active duty not later than one year after the end of such period.

(d) WAIVERS.—Officers recalled to active duty under subsection (a) shall not be counted for purposes of section 668 or 690 of title 10, United States Code.

(e) RETIRED AVIATOR RECALL PERIOD.—For purposes of this section, the term ''retired aviator recall period'' means the period beginning on October 1, 1999, and ending on September 30, 2002.

(f) REPORT.—Not later than March 31, 2002, the Secretary of Defense submit to the Committee on Armed Services of the Senate and the Committee on Armed Service of the House of Representatives a report on the use of the authority under this section, together with the Secretary's recommendation for extension of that authority.

SEC. 563. SERVICE REVIEW AGENCIES COVERED BY PROFESSIONAL STAFFING REQUIREMENT.

Section 1555(c)(2) of title 10, United States Code, is amended by inserting ''the Navy Council of Personnel Boards and'' after ''Department of the Navy,''.

SEC. 564. CONFORMING AMENDMENT TO AUTHORIZE RESERVE OFFICERS AND RETIRED REGULAR OFFICERS TO HOLD A CIVIL OFFICE WHILE SERVING ON ACTIVE DUTY FOR NOT MORE THAN 270 DAYS.

Section 973(b)(1) of title 10, United States Code, is amended—

(1) in subparagraph (B), by striking ''180 days'' and inserting ''270 days''; and

(2) in subparagraph (C), by striking ''180 days'' and inserting ''270 days''.

SEC. 565. REVISION TO REQUIREMENT FOR HONOR GUARD DETAILS AT FUNERALS OF VETERANS.

(a) COMPOSITION OF HONOR GUARD DETAILS.—Subsection (b) of section 1491 of title 10, United States Code, is amended by striking ''consists of'' and all that follows through the period and inserting ''consists of not less than two persons, who shall, at a minimum, perform a ceremony to fold and present a United States flag to the deceased veteran's family and who shall (unless a bugler is part of the detail) have the capability to play a recorded version of Taps. At least one member of an honor guard detail provided in response to a request to the Department of Defense shall be a member of the same armed force as the deceased veteran.''.

(b) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—Such section is further amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (h), respectively; and

(2) by inserting after subsection (c) the following new subsection (d):

''(d) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Secretary of a military department shall provide material, equipment, and training to support qualified nongovernmental organizations, as necessary for the support of honor guard activities. The Secretary shall prescribe by regulation standards for determining what nongovernmental organizations are qualified for purposes of this subsection, the type of support that may be provided under this subsection, and the manner in which such support is provided.''.

(c) IMPLEMENTING OSD REGULATIONS.—Subsection (e) of such section, as redesignated by subsection (b)(1), is amended by striking the last two sentences and inserting the following: ''The Secretary shall require that procedures be established by the Secretaries of the military departments for coordinating and responding to requests for honor guard details, for establishing standards and protocols for, responding to requests for and conducting military funeral honors, and for providing training and quality control.''.

(d) WAIVER AUTHORITY.—Such section is further amended by inserting after subsection (f), as redesignated by subsection (b)(1), the following new subsection:

''(g) WAIVER AUTHORITY.—(1) The Secretary of Defense may waive any of the provisions of this section when the Secretary determines that such a waiver is necessary because of a contingency operation or when the Secretary otherwise considers such a waiver to be necessary to meet military requirements. The authority to make such a waiver may not be delegated to any official of a military department other than the Secretary of the military department and may not be delegated within the Office of the Secretary of Defense to an official at a level below Under Secretary of Defense.''.

''(2) Whenever a waiver is granted under paragraph (1), the Secretary of Defense shall promptly submit notice of the waiver to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.''.

(e) COVERAGE OF CERTAIN RESERVISTS.—Such section is further amended by striking the period at the end of subsection (h), as redesignated by subsection (b)(1), and inserting ''and includes a deceased member or former member of the Selected Reserve described in section 2301(f) of title 38.''.

(f) AUTHORITY TO ACCEPT VOLUNTARY SERVICES.—Section 1588(a) of such title is amended by adding at the end the following new paragraph:

''(4) Voluntary services as a member of an honor guard detail under section 1491 of this title.''.

(g) EFFECTIVE DATE.—(1) Section 1491 of title 10, United States Code, as amended by this section, shall apply with respect to funerals of veterans that occur after December 31, 1999.

(2) Subsection (a) of such section is amended by striking ''that occurs after December 31, 1999''.

(h) NATIONAL GUARD FUNERAL HONORS DUTY.—(1) Section 114 of title 32, United States Code, is amended—

(A) by striking ''honor guard'' both places it appears and inserting ''funeral honors''; and

(B) by striking ''otherwise required'' and inserting '', but may be performed as funeral honors duty as prescribed in section 115 of this title''.

(2) Chapter 1 of such title is amended by adding at the end the following new section:

''§ 115. Funeral honors duty performed as a Federal function

''(a) Under regulations prescribed by the Secretary of Defense, a member of the Army National Guard of the United States or the Air National Guard of the United States may be ordered to funeral honors duty, with the consent of the member, to prepare for or perform funeral honors functions at the funeral of a veteran (as defined in section 1491 of title 10).

''(b) A member ordered to funeral honors duty under this section shall be required to perform a minimum of two hours of such duty in order to receive service credit under section 1273(a)(2)(E) of title 10 and compensation under section 435 of title 37 if authorized by the Secretary concerned.

''(c) Funeral honors duty (and travel directly to and from that duty) under this section shall be treated as the equivalent of inactive-duty training (and travel directly to and from that training) for the purposes of this section and the provisions of title 10, title 37, and title 38, including provisions relating to the determination of eligibility for and the receipt of benefits and entitlements provided under those titles for Reserves performing inactive-duty training and for their dependents and survivors, except that a member is not entitled by reason of performance of funeral honors duty to any pay, allowances, or other compensation provided for in title 37 other than that provided in section 435 of that title and in subsection (d).

''(d) A member who performs funeral honors duty under this section is entitled to reimbursement for travel and transportation expenses incurred in conjunction with such duty as authorized under chapter 7 of title 37, if such duty is performed at a location 50 miles or more from the member's residence.''.

(3)(A) The heading of section 114 of such title is amended to read as follows:

''§ 114. Funeral honors functions at funerals for veterans''.

(B) The table of sections at the beginning of chapter 1 of such title is amended by striking the item relating to section 114 and inserting the following:

''114. Funeral honors functions at funerals for veterans.
''115. Funeral honors duty performed as a Federal function.''.

(i) READY RESERVE FUNERAL HONORS DUTY.—(1)(A) Chapter 1213 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 12503. Ready Reserve: funeral honors duty

''(a) Under regulations prescribed by the Secretary of Defense, a member of the Ready Reserve may be ordered to funeral honors duty, with the consent of the member, in preparation for or to perform funeral honors functions at the funeral of a veteran (as defined in section 1491 of this title). However, a member of the Army National Guard of the United States or the Air National Guard of the United States may not be ordered to perform funeral honors functions under this section without the consent of the Governor or other appropriate authority of the State concerned.

''(b) A member ordered to funeral honors duty under this section shall be required to perform a minimum of two hours of such duty in order to receive service credit under section 12732(a)(2)(E) of this title and compensation under section 435 of title 37 if authorized by the Secretary concerned.

''(c) Funeral honors duty (and travel directly to and from that duty) under this section shall be treated as the equivalent of inactive-duty training (and travel directly to and from that training) for the purposes of this title, title 37, and title 38, including provisions relating to the determination of eligibility for and receipt of benefits and entitlements provided under those titles for Reserves performing inactive-duty training and for their dependents and survivors, except that a member is not entitled by reason of performance of funeral honors duty to any pay, allowances, or other compensation provided for in title 37 other than that provided in section 435 of that title and in subsection (d).

''(d) A member who performs funeral honors duty under this section is entitled to reimbursement for travel and transportation expenses incurred in conjunction with such duty as authorized under chapter 7 of title 37, if such duty is performed at a location 50 miles or more from the member's residence.''.

(B) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''12503. Ready Reserve: funeral honors duty.''.

(2)(A) Section 12552 of such title is amended to read as follows:

''§ 12552. Funeral honors functions at funerals for veterans

''Performance by a Reserve of funeral honors functions at the funeral of a veteran (as defined in section 1491 of this title) may not be considered to be a period of drill or training, but may be performed as funeral honors duty under section 12503 of this title.''.

(B) The item relating to such section in the table of sections at the beginning of chapter 1215 of such title is amended to read as follows:

''12552. Funeral honors functions at funerals for veterans.''.

(j) CREDITING FOR RETIREMENT PURPOSES.—Paragraph (2) of section 12732(a) of title 10, United States Code, is amended—

(1) by inserting after subparagraph (D) the following new subparagraph:

''(E) One point for each day in which funeral honors functions were performed under section 12503 of this title or section 115 of title 32.''; and

(2) by striking ''and (D)'' in the last sentence of such paragraph and inserting ''(D), and (E)''.

(k) ALLOWANCE FOR FUNERAL HONORS DUTY.—(1) Chapter 7 of title 37, United States Code, is amended by adding at the end the following new section:

''§ 435. Funeral honors duty: flat rate allowance

''(a) ALLOWANCE AUTHORIZED.—Under uniform regulations prescribed by the Secretary of Defense, a member of the Ready Reserve of an armed force may be paid an allowance of $50, at the discretion of the Secretary concerned, for funeral honors duty performed pursuant to section 12305 of title 10 or section 115 of title 32, if the member is engaged in the performance of that duty for at least two hours.

''(b) RELATION TO PERFORMANCE OF FUNERAL HONORS DUTY.—The allowance under this section shall constitute the single, flat-rate monetary allowance authorized for the performance of funeral honors duty pursuant to section 12503 of title 10 or section 115 of title 32 and shall constitute payment in full to the member, regardless of grade in which serving.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''435. Funeral honors duty: flat rate allowance.''.

SEC. 566. PURPOSE AND FUNDING LIMITATIONS FOR NATIONAL GUARD CHALLENGE PROGRAM.

(a) PROGRAM AUTHORITY AND PURPOSE.—Subsection (a) of section 509 of title 32, United States Code, is amended to read as follows:

''(a) PROGRAM AUTHORITY AND PURPOSE.—The Secretary of Defense, acting through the Chief of the National Guard Bureau, may use the National Guard to conduct a civilian youth opportunities program, to be known as the 'National Guard Challenge Program', which shall consist of at least a 22-week residential program and a 12-month post-residential mentoring period. The National Guard Challenge Program shall seek to improve life skills and employment potential of participants by providing military-based training and supervised work experience, together with the core program components of assisting participants to receive a high school diploma or its equivalent, leadership development, promoting fellowship and community service, developing life coping skills and job skills, and improving physical fitness and health and hygiene.''.

(b) ANNUAL FUNDING LIMITATION.—Subsection (b) of such section is amended by striking ''$50,000,000'' and inserting ''$62,500,000''.

SEC. 567. ACCESS TO SECONDARY SCHOOL STUDENTS FOR MILITARY RECRUITING PURPOSES.

Section 503 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) Each local educational agency is requested to provide to the Department of Defense, upon a request made for military recruiting purposes, the same access to secondary school students, and to directory information concerning such students, as is provided generally to post-secondary educational institutions or to prospective employers of those students.''.

SEC. 568. SURVEY OF MEMBERS LEAVING MILITARY SERVICE ON ATTITUDES TOWARD MILITARY SERVICE.

(a) EXIT SURVEY.—The Secretary of Defense shall develop and implement a survey on attitudes toward military service to be completed by all members of the Armed Forces who during the period beginning on January 1, 2000, and ending on June 30, 2000, are discharged or separated from the Armed Forces or transfer from a regular component to a reserve component.

(b) MATTERS TO BE COVERED.—The survey shall, at a minimum, cover the following subjects:

(1) Reasons for leaving military service.

(2) Command climate.

(3) Attitude toward civilian and military leadership.

(4) Attitude toward pay and benefits.

(5) Job satisfaction.

(6) Such other matters as the Secretary determines appropriate to the survey concerning reasons why military personnel are leaving military service.

(c) REPORT TO CONGRESS.—Not later than October 1, 2000, the Secretary shall submit to Congress a report containing the results of the survey under subsection (a). The Secretary shall compile the information in the report so as to assist in assessing reasons why military personnel are leaving military service.

SEC. 569. IMPROVEMENT IN SYSTEM FOR ASSIGNING PERSONNEL TO WARFIGHTING UNITS.

(a) REVIEW OF PERSONNEL ASSIGNMENT SYSTEMS.—The Secretary of each military department shall review the military personnel system under that Secretary's jurisdiction in order to identify those policies that prevent warfighting units from being fully manned.

(b) REVISION TO POLICIES.—Following the review under subsection (a), the Secretary shall alter the policies identified in the review with the goal of raising the priority in the personnel system for the assignment of personnel to warfighting units.

(c) REPORT.—Not later than December 31, 2000, the Secretary shall submit to the Committee on Armed Services of the Senate and Committee on Armed Services of the House of Representatives a report on the changes to the military personnel system under that Secretary's jurisdiction that have been, or will be, adopted under subsection (b).

(d) DEFINITION.—For the purposes of this section, the term ''warfighting unit'' means a battalion, squadron, or vessel that (1) has a combat, combat support, or combat service support mission, and (2) is not considered to be in the supporting establishment for its service.

SEC. 570. REQUIREMENT FOR DEPARTMENT OF DEFENSE REGULATIONS TO PROTECT THE CONFIDENTIALITY OF COMMUNICATIONS BETWEEN DEPENDENTS AND PROFESSIONALS PROVIDING THERAPEUTIC OR RELATED SERVICES REGARDING SEXUAL OR DOMESTIC ABUSE.

(a) IN GENERAL.—(1) Chapter 80 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1562. Confidentiality of communications between dependents and professionals providing therapeutic or related services regarding sexual or domestic abuse

''(a) REGULATIONS.—The Secretary of Defense shall prescribe in regulations such policies and procedures as the Secretary considers necessary to provide the maximum possible protection for the confidentiality of communications described in subsection (b) relating to misconduct described in that subsection. Those regulations shall be consistent with—

''(1) the standards of confidentiality and ethical standards issued by relevant professional organizations;

''(2) applicable requirements of Federal and State law;

''(3) the best interest of victims of sexual harassment, sexual assault, or intrafamily abuse; and

''(4) such other factors as the Secretary, in consultation with the Attorney General, considers appropriate.

''(b) COVERED COMMUNICATIONS.—Subsection (a) applies to communications between—

''(1) a dependent of a member of the armed forces who—

''(A) is a victim of sexual harassment, sexual assault, or intrafamily abuse; or

''(B) has engaged in such misconduct; and

''(2) a therapist, counselor, advocate, or other professional from whom the dependent seeks professional services in connection with effects of such misconduct.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''1562. Confidentiality of communications between dependents and professionals providing therapeutic or related services regarding sexual or domestic abuse.''.

(b) GAO STUDY.—(1) The Comptroller General shall study the policies, procedures, and practices of the military departments for protecting the confidentiality of communications between—

(A) a dependent of a member of the Armed Forces who—

(i) is a victim of sexual harassment, sexual assault, or intrafamily abuse; or

(ii) has engaged in such misconduct; and

(B) a therapist, counselor, advocate, or other professional from whom the dependent seeks professional services in connection with effects of such misconduct.

(2) The Comptroller General shall conclude the study and submit to the Secretary of Defense and Congress a report on the results of the study. The report shall be submitted not later than 180 days after the date of the enactment of this Act.

(c) INITIAL REGULATIONS.—The initial regulations under section 1562 of title 10, United States Code, as added by subsection (a), shall be prescribed not later than 90 days after the date on which the Secretary of Defense receives the report of the Comptroller General under subsection (b). In prescribing those regulations, the Secretary shall ensure that those regulations are consistent with the findings of the Comptroller General in that report.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. FISCAL YEAR 2000 INCREASE IN MILITARY BASIC PAY AND REFORM OF BASIC PAY RATES.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2000 required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.

(b) JANUARY 1, 2000, INCREASE IN BASIC PAY.—Effective on January 1, 2000, the rates of monthly basic pay for members of the uniformed services are increased by 4.8 percent.

(c) REFORM OF BASIC PAY RATES.—Effective on July 1, 2000, the rates of monthly basic pay for members of the uniformed services within each pay grade are as follows:

COMMISSIONED OFFICERS[1]

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O–10[2]	$0.00	$0.00	$0.00	$0.00	$0.00
O–9	0.00	0.00	0.00	0.00	0.00
O–8	6,594.30	6,810.30	6,953.10	6,993.30	7,171.80
O–7	5,479.50	5,851.80	5,851.50	5,894.40	6,114.60
O–6	4,061.10	4,461.60	4,754.40	4,754.40	4,772.40
O–5	3,248.40	3,813.90	4,077.90	4,127.70	4,291.80
O–4	2,737.80	3,333.90	3,556.20	3,606.04	3,812.40
O–3[3]	2,544.00	2,884.20	3,112.80	3,364.80	3,525.90
O–2[3]	2,218.80	2,527.20	2,910.90	3,000.00	3,071.10
O–1[3]	1,926.30	2,004.90	2,423.10	2,423.10	2,423.10

Pay Grade	Over 8	Over 10	Over 12	Over 14	Over 16
O–10[2]	$0.00	$0.00	$0.00	$0.00	$0.00
O–9	0.00	0.00	0.00	0.00	0.00
O–8	7,471.50	7,540.80	7,824.60	7,906.20	8,150.10
O–7	6,282.00	6,475.80	6,669.00	6,863.10	7,471.50
O–6	4,976.70	5,004.00	5,004.00	5,169.30	5,791.20
O–5	4,291.80	4,420.80	4,659.30	4,971.90	5,286.00
O–4	3,980.40	4,251.50	4,464.00	4,611.00	4,758.90
O–3[3]	3,702.60	3,850.20	4,040.40	4,139.10	4,139.10
O–2[3]	3,071.10	3,071.10	3,071.10	3,071.10	3,071.10
O–1[3]	2,423.10	2,423.10	2,423.10	2,423.10	2,423.10

Pay Grade	Over 18	Over 20	Over 22	Over 24	Over 26
O–10[2]	$0.00	$10,655.10	$10,707.60	$10,930.20	$11,318.40
O–9	0.00	9,319.50	9,453.60	9,647.70	9,986.40
O–8	8,503.80	8,830.20	9,048.00	9,048.00	9,048.00
O–7	7,985.40	7,985.40	7,985.40	7,985.40	8,025.60
O–6	6,086.10	6,381.30	6,549.00	6,719.10	7,049.10
O–5	5,436.00	5,583.60	5,751.90	5,751.90	5,751.90
O–4	4,808.70	4,808.70	4,808.70	4,808.70	4,808.70
O–3[3]	4,139.10	4,139.10	4,139.10	4,139.10	4,139.10
O–2[3]	3,071.10	3,071.10	3,071.10	3,071.10	3,071.10
O–1[3]	2,423.10	2,423.10	2,423.10	2,423.10	2,423.10

[1] Notwithstanding the pay rates specified in this table, the actual basic pay for commissioned officers in grades O–7 through O–10 may not exceed the rate of pay for level III of the Executive Schedule and the actual basic pay for all other officers, including warrant officers, may not exceed the rate of pay for level V of the Executive Schedule.

[2] Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, basic pay for this grade is calculated to be $12,441.00, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

[3] This table does not apply to commissioned officers in the grade O–1, O–2, or O–3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O–3E	$0.00	$0.00	$0.00	$3,364.80	$3,525.90
O–2E	0.00	0.00	0.00	3,009.00	3,071.10
O–1E	0.00	0.00	0.00	2,423.10	2,588.40

Pay Grade	Over 8	Over 10	Over 12	Over 14	Over 16
O–3E	$3,702.60	$3,850.20	$4,040.40	$4,200.30	$4,291.80
O–2E	3,168.60	3,333.90	3,461.40	3,556.20	3,556.20
O–1E	2,683.80	2,781.30	2,877.60	3,009.00	3,009.00

Pay Grade	Over 18	Over 20	Over 22	Over 24	Over 26
O–3E	$4,416.90	$4,416.90	$4,416.90	$4,416.90	$4,416.90
O–2E	3,556.20	3,556.20	3,556.20	3,556.20	3,556.20
O–1E	3,009.00	3,009.00	3,009.00	3,009.00	3,009.00

WARRANT OFFICERS

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
W–5	$0.00	$0.00	$0.00	$0.00	$0.00
W–4	2,592.00	2,788.50	2,868.60	2,947.50	3,083.40
W–3	2,355.90	2,555.40	2,555.40	2,588.40	2,694.30
W–2	2,063.40	2,232.60	2,232.60	2,305.80	2,423.10
W–1	1,719.00	1,971.00	1,971.00	2,135.70	2,232.60

Pay Grade	Over 8	Over 10	Over 12	Over 14	Over 16
W–5	$0.00	$0.00	$0.00	$0.00	$0.00
W–4	3,217.20	3,352.80	3,485.10	3,622.20	3,753.60
W–3	2,814.90	2,974.20	3,071.10	3,177.00	3,298.20
W–2	2,555.40	2,852.60	2,749.80	2,844.30	2,949.00
W–1	2,332.80	2,433.30	2,533.20	2,634.00	2,734.80

Pay Grade	Over 18	Over 20	Over 22	Over 24	Over 26
W–5	$0.00	$4,475.10	$4,628.70	$4,782.90	$4,937.40
W–4	3,888.00	4,019.00	4,155.60	4,289.70	4,427.10
W–3	3,418.50	3,539.10	3,659.40	3,780.00	3,900.90
W–2	3,058.40	3,163.80	3,270.90	3,378.30	3,378.30
W–1	2,835.00	2,910.90	2,910.90	2,910.90	2,910.90

ENLISTED MEMBERS[1]

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E–9[2]	$0.00	$0.00	$0.00	$0.00	$0.00
E–8	0.00	0.00	0.00	0.00	0.00
E–7	1,765.80	1,927.80	2,001.00	2,073.00	2,147.70
E–6	1,518.90	1,678.20	1,752.60	1,824.30	1,899.30
E–5	1,332.60	1,494.00	1,566.00	1,640.40	1,714.50
E–4	1,242.90	1,373.10	1,447.20	1,520.10	1,593.90
E–3	1,171.50	1,260.60	1,334.10	1,335.90	1,335.90
E–2	1,127.40	1,127.40	1,127.40	1,127.40	1,127.40
E–1	[3] 1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
	Over 8	Over 10	Over 12	Over 14	Over 16
E–9[2]	$0.00	$3,015.30	$3,083.40	$3,169.80	$3,271.50
E–8	2,528.40	2,601.60	2,669.70	2,751.60	2,840.10
E–7	2,220.90	2,294.10	2,367.30	2,439.30	2,514.00
E–6	1,973.10	2,047.20	2,118.60	2,191.50	2,244.60
E–5	1,789.50	1,861.50	1,936.20	1,936.20	1,936.20
E–4	1,593.90	1,593.90	1,593.90	1,593.90	1,593.90
E–3	1,335.90	1,335.90	1,335.90	1,335.90	1,335.90
E–2	1,127.40	1,127.40	1,127.40	1,127.40	1,127.40
E–1	1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
	Over 18	Over 20	Over 22	Over 24	Over 26
E–9[2]	$3,373.20	$3,473.40	$3,609.30	$3,744.00	$3,915.80
E–8	2,932.50	3,026.10	3,161.10	3,295.50	3,483.60
E–7	2,588.10	2,660.40	2,787.60	2,926.20	3,134.40
E–6	2,283.30	2,283.30	2,285.70	2,285.70	2,285.70
E–5	1,936.20	1,936.20	1,936.20	1,936.20	1,936.20
E–4	1,593.90	1,593.90	1,593.90	1,593.90	1,593.90
E–3	1,335.90	1,335.90	1,335.90	1,335.90	1,335.90
E–2	1,127.40	1,127.40	1,127.40	1,123.20	1,127.40
E–1	1,005.60	1,005.60	1,005.60	1,005.60	1,005.60

[1] Notwithstanding the pay rates specified in this table, the actual basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

[2] Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is $4,701.00, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

[3] In the case of members in the grade E–1 who have served less than 4 months on active duty, basic pay is $930.30.

(d) LIMITATION ON PAY ADJUSTMENTS.—Section 1009(a) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' before ''Whenever''; and

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

''(2) On and after April 30, 1999, the actual basic pay for commissioned officers in grades 0–7 through O–10 may not exceed the rate of pay for level III of the Executive Schedule, and the actual basic pay for all other officers and enlisted members may not exceed the rate of pay for level V of the Executive Schedule.''.

SEC. 602. PAY INCREASES FOR FISCAL YEARS AFTER FISCAL YEAR 2000.

Effective on October 1, 2000, subsection (c) of section 1009 of title 37, United States Code, is amended to read as follows:

''(c) PERCENTAGE INCREASE FOR ALL MEMBERS.—(1) Subject to subsection (d), an adjustment taking effect under this section during a fiscal year shall provide all eligible members with an increase in the monthly basic pay by the percentage equal to the sum of—

''(A) 0.5 percent; plus

''(B) the percentage calculated as provided under section 5303(a) of title 5.

''(2) The calculation required by paragraph (1)(B) shall be made without regard to whether rates of pay under the statutory pay systems (as defined in section 5302 of title 5) are actually increased during that fiscal year under section 5303 of such title by the percentage so calculated.''.

SEC. 603. ADDITIONAL AMOUNT AVAILABLE FOR FISCAL YEAR 2000 INCREASE IN BASIC ALLOWANCE FOR HOUSING INSIDE THE UNITED STATES.

In addition to the amount determined by the Secretary of Defense under section 403(b)(3) of title 37, United States Code, to be the total amount that may be paid during fiscal year 2000 for the basic allowance for housing for military housing areas inside the United States, $442,500,000 of the amount authorized to be appropriated by section 421 for military personnel shall be used by the Secretary to further increase the total amount available for the basic allowance for housing for military housing areas inside the United States.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking ''January 1, 2000'' and inserting ''January 1, 2001''.

SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

SEC. 613. EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking ''December 31, 1999,'' and inserting ''December 31, 2000,''.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(c) ENLISTMENT BONUS FOR PERSONS WITH CRITICAL SKILLS.—Section 308a(d) of such title, as redesignated by section 618(b), is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(d) ARMY ENLISTMENT BONUS.—Section 308f(c) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(e) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(f) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking ''December 31, 1999'' and inserting ''December 31, 2000''.

(g) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is

amended by striking ''October 1, 1998,'' and all that follows through the period at the end and inserting ''December 31, 2000.''.

SEC. 614. AVIATION CAREER INCENTIVE PAY FOR AIR BATTLE MANAGERS.

(a) AVAILABILITY OF INCENTIVE PAY.—Section 301a(b) of title 37, United States Code is amended by adding at the end the following new paragraph:

''(4) An officer serving as an air battle manager who is entitled to aviation career incentive pay under this section and who, before becoming entitled to aviation career incentive pay, was entitled to incentive pay under section 301(a)(11) of this title, is entitled to monthly incentive pay at a rate equal to the greater of the following:

''(A) The rate applicable under this subsection.

''(B) The rate at which the member was receiving incentive pay under section 301(c)(2)(A) of this title immediately before the member's entitlement to aviation career incentive pay under this section.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

SEC. 615. EXPANSION OF AUTHORITY TO PROVIDE SPECIAL PAY TO AVIATION CAREER OFFICERS EXTENDING PERIOD OF ACTIVE DUTY.

(a) ELIGIBILITY CRITERIA.—Subsection (b) of section 301b of title 37, United States Code, is amended—

(1) by striking paragraphs (2) and (5);

(2) in paragraph (3), by striking ''grade O–6'' and inserting ''grade O–7'';

(3) by inserting ''and'' at the end of paragraph (4); and

(4) by redesignating paragraphs (3), (4), and (6) as paragraphs (2), (3), and (4), respectively.

(b) AMOUNT OF BONUS.—Subsection (c) of such section is amended by striking ''than—'' and all that follows through the period at the end and inserting ''than $25,000 for each year covered by the written agreement to remain on active duty.''.

(c) PRORATION AUTHORITY FOR COVERAGE OF INCREASED PERIOD OF ELIGIBILITY.—Subsection (d) of such section is amended by striking ''14 years of commissioned service'' and inserting ''25 years of aviation service''.

(d) REPEAL OF CONTENT REQUIREMENTS FOR ANNUAL REPORT.—Subsection (i)(1) of such section is amended by striking the second sentence.

(e) DEFINITIONS REGARDING AVIATION SPECIALTY.—Subsection (j) of such section is amended—

(1) by striking paragraphs (2) and (3); and

(2) by redesignating paragraph (4) as paragraph (2).

(f) TECHNICAL AMENDMENT.—Subsection (g)(3) of such section if amended by striking the second sentence.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

SEC. 616. DIVING DUTY SPECIAL PAY.

(a) INCREASE IN PAYMENT AMOUNT.—Subsection (b) of section 304 of title 37, United States Code, is amended—

(1) by striking ''$200'' and inserting ''$240''; and

(2) by striking ''$300'' and inserting ''$340''.

(b) RELATION TO HAZARDOUS DUTY INCENTIVE PAY.—Subsection (c) of such section 304 is amended to read as follows:

''(c) If, in addition to diving duty, a member is assigned by orders to one or more hazardous duties described in section 301 of this title, the member may be paid, for the same period of service, special pay under this section and incentive pay under such section 301 for each hazardous duty for which the member is qualified.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

SEC. 617. REENLISTMENT BONUS.

(a) MINIMUM MONTHS OF ACTIVE DUTY.—Subsection (a)(1)(A) of section 308 of title 37, United States Code, is amended by striking ''twenty-one months'' and inserting ''17 months''.

(b) AMOUNT OF BONUS.—Subsection (a)(2) of such section is amended—

(1) in subparagraph (A)(i), by striking ''ten'' and inserting ''15''; and

(2) in subparagraph (B), by striking ''$45,000'' and inserting ''$60,000''.

SEC. 618. ENLISTMENT BONUS.

(a) INCREASE IN BONUS AMOUNT.—Subsection (a) of section 308a of title 37, United States Code, is amended by striking ''$12,000'' and inserting ''$20,000''.

(b) PAYMENT METHODS.—Such section is further amended—

(1) in subsection (a), by striking the second sentence;

(2) by redesignating subsections (b) and (c) as subsections (c) and (d); and

(3) by inserting after subsection (a) the following new subsection:

''(b) PAYMENT METHODS.—A bonus under this section may be paid in a single lump sum, or in periodic installments, to provide an extra incentive for a member to successfully complete the training necessary for the member to be technically qualified in the skill for which the bonus is paid.''.

(c) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting ''BONUS AUTHORIZED; BONUS AMOUNT.—'' after ''(a)'';

(2) in subsection (c), as redesignated by subsection (b)(2) of this section, by inserting ''REPAYMENT OF BONUS.—'' after ''(c)''; and

(3) in subsection (d), as redesignated by subsection (b)(2) of this section, by inserting ''TERMINATION OF AUTHORITY.—'' after ''(d)''.

SEC. 619. REVISED ELIGIBILITY REQUIREMENTS FOR RESERVE COMPONENT PRIOR SERVICE ENLISTMENT BONUS.

Paragraph (2) of section 308i(a) of title 37, United States Code, is amended to read as follows:

''(2) A bonus may only be paid under this section to a person who meets each of the following requirements:

''(A) The person has completed a military service obligation, but has less than 14 years of total military service, and received an honorable discharge at the conclusion of that military service obligation.

''(B) The person was not released, or is not being released, from active service for the purpose of enlistment in a reserve component.

''(C) The person is projected to occupy, or is occupying, a position as a member of the Selected Reserve in a specialty in which the person—

''(i) successfully served while a member on active duty and attained a level of qualification while on active duty commensurate with the grade and years of service of the member; or

''(ii) has completed training or retraining in the specialty skill that is designated as critically short and attained a level of qualification in the specialty skill that is commensurate with the grade and years of service of the member.

''(D) The person has not previously been paid a bonus (except under this section) for enlistment, reenlistment, or extension of enlistment in a reserve component.''.

SEC. 620. INCREASE IN SPECIAL PAY AND BONUSES FOR NUCLEAR-QUALIFIED OFFICERS.

(a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(a) of title 37, United States Code, is amended by striking ''$15,000'' and inserting ''$25,000''.

(b) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(a)(1) of such title is amended by striking ''$10,000'' and inserting ''$20,000''.

(c) NUCLEAR CAREER ANNUAL INCENTIVE BONUSES.—Section 312c of such title is amended—

(1) in subsection (a)(1), by striking ''$12,000'' and inserting ''$22,000''; and

(2) in subsection (b)(1), by striking ''$5,500'' and inserting ''$10,000''.

(d) EFFECTIVE DATE.—(1) The amendments made by this section shall take effect on October 1, 1999.

(2) The amendments made by subsections (a) and (b) shall apply with respect to agreements accepted under section 312(a) and 312b(a), respectively, of title 37, United States Code, on or after October 1, 1999.

(3) The amendments made by subsection (c) shall apply with respect to nuclear service years beginning on or after October 1, 1999.

SEC. 621. INCREASE IN AUTHORIZED MONTHLY RATE OF FOREIGN LANGUAGE PROFICIENCY PAY.

(a) INCREASE.—Section 316(b) of title 37, United States Code, is amended by striking ''$100'' and inserting ''$300''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

SEC. 622. AUTHORIZATION OF RETENTION BONUS FOR SPECIAL WARFARE OFFICERS EXTENDING PERIODS OF ACTIVE DUTY.

(a) BONUS AUTHORIZED.—Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

''§ 318. Special pay: special warfare officers extending period of active duty

''(a) SPECIAL WARFARE OFFICER DEFINED.—In this section, the term 'special warfare officer' means an officer of a uniformed service who—

''(1) is qualified for a military occupational specialty or designator identified by the Secretary concerned as a special warfare military occupational specialty or designator; and

''(2) is serving in a position for which that specialty or designator is authorized.

''(b) RETENTION BONUS AUTHORIZED.—A special warfare officer who meets the eligibility requirements specified in subsection (c) and who executes a written agreement, on or after October 1, 1999, to remain on active duty in special warfare service for at least one year may, upon the acceptance of the agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

''(c) ELIGIBLE OFFICERS.—A special warfare officer may apply to enter into an agreement referred to in subsection (b) if the officer—

''(1) is in pay grade O–3, or is in pay grade O–4 and is not on a list of officers recommended for promotion, at the time the officer applies to enter into the agreement;

''(2) has completed at least 6, but not more than 14, years of active commissioned service; and

''(3) has completed any service commitment incurred to be commissioned as an officer.

''(d) AMOUNT OF BONUS.—The amount of a retention bonus paid under this section may not be more than $15,000 for each year covered by the agreement.

''(e) PRORATION.—The term of an agreement under subsection (b) and the amount of the retention bonus payable under subsection (d) may be prorated as long as the agreement does not extend beyond the date on which the officer executing the agreement would complete 14 years of active commissioned service.

''(f) PAYMENT METHODS.—(1) Upon acceptance of an agreement under subsection (b) by the Secretary concerned, the total amount payable pursuant to the agreement becomes fixed.

''(2) The amount of the retention bonus may be paid as follows:

''(A) At the time the agreement is accepted by the Secretary concerned, the Secretary may make a lump sum payment equal to half the total amount payable under the agreement. The balance of the bonus amount shall be paid in equal annual installments on the anniversary of the acceptance of the agreement.

''(B) The Secretary concerned may make graduated annual payments under regulations prescribed by the Secretary, with the first payment being payable at the time the agreement is accepted by the Secretary and subsequent payments being payable on the anniversary of the acceptance of the agreement.

''(g) ADDITIONAL PAY.—A retention bonus paid under this section is in addition to any other pay and allowances to which an officer is entitled.

''(h) REPAYMENT.—(1) If an officer who has entered into an agreement under subsection (b) and has received all or part of a retention bonus under this section fails to complete the total period of active duty in special warfare service as specified in the agreement, the Secretary concerned may require the officer to repay the United States, on a pro rata basis and to the extent that the Secretary determines conditions and circumstances warrant, all sums paid the officer under this section.

''(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement entered into under subsection (a) does not discharge the officer signing the agreement from a debt arising under such agreement or under paragraph (1).

''(i) REGULATIONS.—The Secretaries concerned shall prescribe regulations to carry out this section, including the definition of the term 'special warfare service' for purposes of this section. Regulations prescribed by the Secretary of a military department under this section shall be subject to the approval of the Secretary of Defense.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of title 37, United States Code is amended by adding at the end the following new item:

''318. Special pay: special warfare officers extending period of active duty.''.

SEC. 623. AUTHORIZATION OF SURFACE WARFARE OFFICER CONTINUATION PAY.

(a) INCENTIVE PAY AUTHORIZED.—Chapter 5 of title 37, United States Code, is amended by inserting after section 318, as added by section 622, the following new section:

''§ 319. Special pay: surface warfare officer continuation pay

''(a) ELIGIBLE SURFACE WARFARE OFFICER DEFINED.—In this section, the term 'eligible surface warfare officer' means an officer of the Regular Navy or Naval Reserve on active duty who—

''(1) is qualified and serving as a surface warfare officer;

''(2) has been selected for assignment as a department head on a surface vessel; and

''(3) has completed any service commitment incurred through the officer's original commissioning program.

''(b) SPECIAL PAY AUTHORIZED.—An eligible surface warfare officer who executes a written agreement, on or after October 1, 1999, to remain on active duty to complete one or more tours of duty to which the officer may be ordered as a department head on a surface ship may, upon the acceptance of the agreement by the Secretary of the Navy, be paid an amount not to exceed $50,000.

''(c) PRORATION.—The term of the written agreement under subsection (b) and the amount payable under the agreement may be prorated.

''(d) PAYMENT METHODS.—Upon acceptance of the written agreement under subsection (b) by the Secretary of the Navy, the total amount payable pursuant to the agreement becomes fixed. The Secretary shall prepare an implementation plan specifying the amount of each installment payment under the agreement and the times for payment of the installments.

''(e) ADDITIONAL PAY.—Any amount paid under this section is in addition to any other pay and allowances to which an officer is entitled.

''(f) REPAYMENT.—(1) If an officer who has entered into a written agreement under subsection (b) and has received all or part of the amount payable under the agreement fails to complete the total period of active duty as a department head on a surface ship specified in the agreement, the Secretary of the Navy may require the officer to repay the United States, to the extent that the Secretary of the Navy determines conditions and circumstances warrant, any or all sums paid under this section.

''(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owned to the United States.

''(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement entered into under subsection (b) does not discharge the officer signing the agreement from a debt arising under such agreement or under paragraph (1).

''(g) REGULATIONS.—The Secretary of the Navy shall prescribe regulations to carry out this section.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of title 37, United States Code, is amended by inserting after the item relating to section 318 the following new item:

''319. Special pay: surface warfare officer continuation pay.''.

SEC. 624. AUTHORIZATION OF CAREER ENLISTED FLYER INCENTIVE PAY.

(a) INCENTIVE PAY AUTHORIZED.—Chapter 5 of title 37, United States Code, is amended by inserting after section 319, as added by section 623, the following new section:

''§ 320. Incentive pay: career enlisted flyers

''(a) ELIGIBLE CAREER ENLISTED FLYER DEFINED.—In this section, the term 'eligible career enlisted flyer' means an enlisted member of the armed forces who—

''(1) is entitled to basic pay under section 204 of this title, or is entitled to pay under section 206 of this title as described in subsection (e) of this section;

''(2) holds an enlisted military occupational specialty or enlisted military rating designated as a career enlisted flyer specialty or rating by the Secretary concerned, performs duty as a dropsonde system operator, or is in training leading to qualification and designation of such a specialty or rating or the performance of such duty;

''(3) is qualified for aviation service under regulations prescribed by the Secretary concerned; and

''(4) satisfies the operational flying duty requirements applicable under subsection (c).

''(b) INCENTIVE PAY AUTHORIZED.—(1) The Secretary concerned may pay monthly incentive pay to an eligible career enlisted flyer in an amount not to exceed the monthly maximum amounts specified in subsection (d). The incentive pay may be paid as continuous monthly incentive pay or on a month-to-month basis, dependent upon the operational flying duty performed by the eligible career enlisted flyer as prescribed in subsection (c).

''(2) Continuous monthly incentive pay may not be paid to an eligible career enlisted flyer after the member completes 25 years of aviation service. Thereafter, an eligible career enlisted flyer may still receive incentive pay on a month-to-month basis under subsection (c)(4) for the frequent and regular performance of operational flying duty.

''(c) OPERATIONAL FLYING DUTY REQUIREMENTS.—(1) An eligible career enlisted flyer must perform operational flying duties for 6 of the first 10, 9 of the first 15, and 14 of the first 20 years of aviation service, to be eligible for continuous monthly incentive pay under this section.

''(2) Upon completion of 10, 15, or 20 years of aviation service, an enlisted member who has not performed the minimum required operational flying duties specified in paragraph (1) during the prescribed period, although otherwise meeting the definition in subsection (a), may no longer be paid continuous monthly incentive pay except as provided in paragraph (3). Payment of continuous monthly incentive pay if the member meets the minimum operational flying duty requirement upon completion of the next established period of aviation service.

''(3) For the needs of the service, the Secretary concerned may permit, on a case-by-case basis, a member to continue to receive continuous monthly incentive pay despite the member's failure to perform the operational flying duty required during the first 10, 15, or 20 years of aviation service, but only if the member otherwise meets the definition in subsection (a) and has performed at least 5 years of operational flying duties during the first 10 years of aviation service, 8 years of operational flying duties during the first 15 years of aviation service, or 12 years of operational flying duty during the first 20 years of aviation service. The authority of the Secretary concerned under this paragraph may not be delegated below the level of the Service Personnel Chief.

''(4) If the eligibility of an eligible career enlisted flyer to continuous monthly incentive pay ceases under subsection (b)(2) or paragraph (2), the member may still receive month-to-month incentive pay for subsequent frequent and regular performance of operational flying duty. The rate payable is the same rate authorized by the Secretary concerned under subsection (d) for a member of corresponding years of aviation service.

''(d) MONTHLY MAXIMUM INCENTIVE PAY.—The monthly rate for incentive pay under this section may not exceed the amounts specified in the following table for the applicable years of aviation service:

''Years of aviation service:	Monthly rate
4 or less	$150
Over 4	$225
Over 8	$350
Over 14	$400

''(e) ELIGIBILITY OF RESERVE COMPONENT MEMBERS WHEN PERFORMING INACTIVE DUTY TRAINING.—Under regulations prescribed by the Secretary concerned, when a member of a reserve component or the National Guard,

who is entitled to compensation under section 206 of this title, meets the definition of eligible career enlisted flyer, the Secretary concerned may increase the member's compensation by an amount equal to 1/30 of the monthly incentive pay authorized by the Secretary concerned under subsection (d) for a member of corresponding years of aviation service who is entitled to basic pay under section 204 of this title. The reserve component member may receive the increase for as long as the member is qualified for it, for each regular period of instruction or period of appropriate duty, at which the member is engaged for at least two hours, or for the performance of such other equivalent training, instruction, duty or appropriate duties, as the Secretary may prescribe under section 206(a) of this title.

''(f) RELATION TO HAZARDOUS DUTY INCENTIVE PAY OR DIVING DUTY SPECIAL PAY.—A member receiving special pay under section 301(a) or 304 of this title may not be paid incentive pay under this section for the same period of service.

''(g) SAVE PAY PROVISION.—If, immediately before a member receives incentive pay under this section, the member was entitled to incentive pay under section 301(a) of this title, the rate at which the member is paid incentive pay under this section shall be equal to the higher of the monthly amount applicable under subsection (d) or the rate of incentive pay the member was receiving under subsection (b) or (c)(2)(A) of section 301 of this title.

''(h) SPECIALTY CODE OF DROPSONDE SYSTEM OPERATORS.—Within the Air Force, the Secretary of the Air Force shall assign to members who are dropsonde system operators a specialty code that identifies such members as serving in a weather specialty.

''(i) DEFINITIONS.—In this section:

''(1) The term 'aviation service' means participation in aerial flight performed, under regulations prescribed by the Secretary concerned, by an eligible career enlisted flyer.

''(2) The term 'operational flying duty' means flying performed under competent orders while serving in assignments, including an assignment as a dropsonde system operator, in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary concerned, and flying duty performed by members in training that leads to the award of an enlisted aviation rating or military occupational specialty designated as a career enlisted flyer rating or specialty by the Secretary concerned.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of title 37, United States Code, is amended by inserting after the item relating to section 319 the following new item:

''320. Incentive pay: career enlisted flyers.''.

SEC. 625. AUTHORIZATION OF JUDGE ADVOCATE CONTINUATION PAY.

(a) INCENTIVE PAY AUTHORIZED.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 320, as added by section 624, the following new section:

''§ 321. Special pay: judge advocate continuation pay

''(a) ELIGIBLE JUDGE ADVOCATE DEFINED.—In this section, the term 'eligible judge advocate' means an officer of the armed forces on full-time active duty who—

''(1) is qualified and serving as a judge advocate, as defined in section 801 of title 10; and

''(2) has completed any service commitment incurred through the officer's original commissioning program.

''(b) SPECIAL PAY AUTHORIZED.—An eligible judge advocate who executes a written agreement, on or after October 1, 1999, to remain on active duty for a period of obligated service specified in the agreement may, upon the acceptance of the agreement by the Secretary concerned, be paid an amount not to exceed $60,000.

''(c) PRORATION.—The term of the written agreement under subsection (b) and the amount payable under the agreement may be prorated.

''(d) PAYMENT METHODS.—Upon acceptance of the written agreement under subsection (b) by the Secretary concerned, the total amount payable pursuant to the agreement becomes fixed. The Secretary shall prepare an implementation plan specifying the amount of each installment payment under the agreement and the times for payment of the installments.

''(e) ADDITIONAL PAY.—Any amount paid under this section is in addition to any other pay and allowances to which an officer is entitled.

''(f) REPAYMENT.—(1) If an officer who has entered into a written agreement under subsection (b) and has received all or part of the amount payable under the agreement fails to complete the total period of active duty specified in the agreement, the Secretary concerned may require the officer to repay the United States, to the extent that the Secretary determines conditions and circumstances warrant, any or all sums paid under this section.

''(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owned to the United States.

''(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement entered into under subsection (b) does not discharge the officer signing the agreement from a debt arising under such agreement or under paragraph (1).

''(g) REGULATIONS.—The Secretary concerned shall prescribe regulations to carry out this section.''.

(2) The table of sections at the beginning of chapter 5 of title 37, United States Code, is amended by inserting after the item relating to section 320 the following new item:

''321. Special pay: judge advocate continuation pay.''.

(b) STUDY AND REPORT ON ADDITIONAL RECRUITMENT AND RETENTION INITIATIVES.—(1) The Secretary of Defense shall conduct a study regarding the need for additional incentives to improve the recruitment and retention of judge advocates for the Armed Forces. At a minimum, the Secretary shall consider as possible incentives constructive service credit for basic pay, educational loan repayment, and Federal student loan relief.

(2) Not later than March 31, 2000, the Secretary shall submit to Congress a report containing the findings and recommendations resulting from the study.

Subtitle C—Travel and Transportation Allowances

SEC. 631. PROVISION OF LODGING IN KIND FOR RESERVISTS PERFORMING TRAINING DUTY AND NOT OTHERWISE ENTITLED TO TRAVEL AND TRANSPORTATION ALLOWANCES.

Section 404(i) of title 37, United States Code, is amended—

(1) in paragraph (1), by adding at the end the following new sentence: ''If transient government housing is unavailable, the Secretary concerned may provide the member with lodging in kind in the same manner as members entitled to such allowances under subsection (a).''; and

(2) in paragraph (3)—

(A) by inserting after ''paragraph (1)'' the following: ''and expenses of providing lodging in kind under such paragraph''; and

(B) by adding at the end the following new sentence: ''Use of Government charge cards is authorized for payment of these expenses.''.

SEC. 632. PAYMENT OF TEMPORARY LODGING EXPENSES FOR MEMBERS MAKING THEIR FIRST PERMANENT CHANGE OF STATION.

(a) AUTHORITY TO PAY OR REIMBURSE.—Section 404a(a) of title 37, United States Code, is amended

(1) in paragraph (1), by striking ''or'' at the end;

(2) in paragraph (2), by inserting ''or'' after the semicolon; and

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

''(3) in the case of an enlisted member who is reporting to the member's first permanent duty station, from the member's home of record or initial technical school to that first permanent duty station;''.

(b) DURATION.—Such section is further amended—

(1) in the second sentence, by striking ''clause (1)'' and inserting ''paragraph (1) or (3)''; and

(2) in the third sentence, by striking ''clause (2)'' and inserting ''paragraph (2)''.

SEC. 633. EMERGENCY LEAVE TRAVEL COST LIMITATIONS.

Section 411d(b)(1) of title 37, United States Code, is amended—

(1) in subparagraph (A), by striking ''or'' at the end;

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph:

''(B) to any airport in the continental United States to which travel can be arranged at the same or a lower cost as travel obtained under subparagraph (A); or''.

Subtitle D—Retired Pay Reform

SEC. 641. REDUX RETIRED PAY SYSTEM APPLICABLE ONLY TO MEMBERS ELECTING NEW 15-YEAR CAREER STATUS BONUS.

(a) RETIRED PAY MULTIPLIER.—Paragraph (2) of section 1409(b) of title 10, United States Code, is amended by inserting ''has elected to receive a bonus under section 321 of title 37,'' after ''July 31, 1986,''.

(b) COST-OF-LIVING ADJUSTMENTS.—Paragraph (3) of section 1401a(b) of such title is amended to read as follows:

''(3) POST-AUGUST 1, 1986 MEMBERS.—

''(A) MEMBERS ELECTING 15-YEAR CAREER STATUS BONUS.—In the case of a member or former member who first became a member on or after August 1, 1986, and who elected to receive a bonus under section 321 of title 37, the Secretary shall increase the retired pay of the member or former member (unless the percent determined under paragraph (2) is less than 1 percent) by the difference between—

''(i) the percent determined under paragraph (2); and

''(ii) 1 percent.

''(B) MEMBERS NOT ELECTING 15-YEAR CAREER STATUS BONUS.—In the case of a member or former member who first became a member on or after August 1, 1986, and who did not elect to receive a bonus under section 321 of title 37, the Secretary shall increase the retired pay of the member or former member—

''(i) if the percent determined under paragraph (2) is equal to or greater than 3 percent, by the difference between—

''(I) the percent determined under paragraph (2); and

''(II) 1 percent; and

''(ii) if the percent determined under paragraph (2) is less than 3 percent, by the lesser of—

''(I) the percent determined under paragraph (2); or

''(II) 2 percent.''.

(c) RECOMPUTATION OF RETIRED PAY AT AGE 62.—Section 1410 of such title is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''In the case of'';

(2) by inserting after ''62 years of age,'' the following: ''in accordance with subsection (b) or (c), as applicable.

''(b) MEMBERS RECEIVING CAREER STATUS BONUS.—In the case of a member or former member described in subsection (a) who received a bonus under section 321 of title 37, the retired pay of the member or former member shall be recomputed under subsection (a)'';

(3) by striking ''that date'' and inserting ''the effective date of the recomputation''; and

(4) by adding at the end the following:

''(c) MEMBERS NOT RECEIVING CAREER STATUS BONUS.—In the case of a member or former member described in subsection (a) who did not receive a bonus under section 321 of title 37, the retired pay of the member or former member shall be recomputed under subsection (a) so as to be the amount equal to the amount of retired pay to which the member or former member would be entitled on the effective date of the recomputation if increases in the retired pay of the member or former member under section 1401a(b) of this title had been computed as provided in paragraph (2) of that section (rather than under paragraph (3)(B) of that section).''.

SEC. 642. AUTHORIZATION OF 15-YEAR CAREER STATUS BONUS.

(a) CAREER SERVICE BONUS.—Chapter 5 of title 37, United States Code, is amended by inserting after section 321, as added by section 625, the following new section:

''§ 322. Special pay: 15-year career status bonus for members entering service on or after August 1, 1986

''(a) ELIGIBLE CAREER BONUS MEMBER DEFINED.—In this section, the term 'eligible career bonus member' means a member of a uniformed service serving on active duty who—

''(1) first became a member on or after August 1, 1986; and

''(2) has completed 15 years of active duty in the uniformed services (or has received notification under subsection (e) that the member is about to complete that duty).

''(b) AVAILABILITY OF BONUS.—The Secretary concerned shall pay a bonus under this section to an eligible career bonus member if the member—

''(1) elects to receive the bonus under this section; and

''(2) executes a written agreement (prescribed by the Secretary concerned) to remain continuously on active duty until the member has completed 20 years of active-duty service creditable under section 1405 of title 10, if the member is not already obligated to remain on active duty for a period that would result in at least 20 years of active-duty service.

''(c) ELECTION METHOD.—The election under subsection (b)(1) shall be made in such form and within such period as the Secretary concerned may prescribe. An election under such subsection is irrevocable.

''(d) AMOUNT OF BONUS; PAYMENT.—(1) A bonus under this section shall be paid in one lump sum of $30,000.

''(2) The bonus shall be paid to an eligible career bonus member not later than the first month that begins on or after the date that is 60 days after the date on which the Secretary concerned receives from the member the election required under subsection (b)(1) and the written agreement required under subsection (b)(2), if applicable.

''(e) NOTIFICATION OF ELIGIBILITY.—(1) The Secretary concerned shall transmit to each member who satisfies the definition of eligible career bonus member a written notification of the opportunity of the member to elect to receive a bonus under this section. The Secretary shall provide the notification not later than 180 days before the date on which the member will complete 15 years of active duty.

''(2) The notification shall include the following:

''(A) The procedures for electing to receive the bonus.

''(B) An explanation of the effects under sections 1401a, 1409, and 1410 of title 10 that such an election has on the computation of any retired or retainer pay that the member may become eligible to receive.

''(f) REPAYMENT OF BONUS.—(1) If a person paid a bonus under this section fails to complete the total period of active duty specified in subsection (b)(2), the person shall refund to the United States the amount that bears the same ratio to the amount of the bonus payment as the unserved part of that total period bears to the total period.

''(2) Subject to paragraph (3), an obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) The Secretary concerned may waive, in whole or in part, a refund required under paragraph (1) if the Secretary concerned determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

''(4) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under the agreement or this subsection.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 321 the following new item:

''322. Special pay: 15-year career status bonus for members entering service on or after August 1, 1986.''.

SEC. 643. CONFORMING AMENDMENTS.

(a) CONFORMING AMENDMENT TO SURVIVOR BENEFIT PLAN PROVISION.—Section 1451(h)(3) of title 10, United States Code, is amended by inserting ''OF CERTAIN MEMBERS'' after ''RETIREMENT''.

(b) RELATED TECHNICAL AMENDMENTS.—Chapter 71 of such title is amended as follows:

(1) Section 1401a(b) is amended by striking the heading for paragraph (1) and inserting ''INCREASE REQUIRED.—''.

(2) Section 1409(b)(2) is amended by inserting ''CERTAIN'' in the paragraph heading after ''REDUCTION APPLICABLE TO''.

SEC. 644. EFFECTIVE DATE.

The amendments made by sections 641, 642, and 643 shall take effect on October 1, 1999.

Subtitle E—Other Retired Pay and Survivor Benefit Matters

SEC. 651. EFFECTIVE DATE OF DISABILITY RETIREMENT FOR MEMBERS DYING IN CIVILIAN MEDICAL FACILITIES.

(a) IN GENERAL.—(1) Chapter 61 of title 10, United States Code, is amended by inserting after section 1219 the following new section:

''§ 1220. Members dying in civilian medical facilities: authority for determination of later time of death to allow disability retirement

''(a) AUTHORITY FOR LATER TIME-OF-DEATH DETERMINATION TO ALLOW DISABILITY RETIREMENT.—In the case of a member of the armed forces who dies in a civilian medical facility in a State, the Secretary concerned may, solely for the purpose of allowing retirement of the member under section 1201 or 1204 of this title and subject to subsection (b), specify a date and time of death of the member later than the date and time of death determined by the attending physician in that civilian medical facility.

''(b) LIMITATIONS.—A date and time of death may be determined by the Secretary concerned under subsection (a) only if that date and time—

''(1) are consistent with the date and time of death that reasonably could have been determined by an attending physician in a military medical facility if the member had died in a military medical facility in the same State as the civilian medical facility; and

''(2) are not more than 48 hours later than the date and time of death determined by the attending physician in the civilian medical facility.

''(c) STATE DEFINED.—In this section, the term 'State' includes the District of Columbia and any Commonwealth or possession of the United States.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1219 the following new item:

''1220. Members dying in civilian medical facilities: authority for determination of later time of death to allow disability retirement.''.

(b) EFFECTIVE DATE.—(1) Section 1220 of title 10, United States Code, as added by subsection (a), shall apply with respect to any member of the Armed Forces dying in a civilian medical facility on or after January 1, 1998.

(2) In the case of any such member dying on or after such date and before the date of the enactment of this Act, any specification by the Secretary concerned under such section with respect to the date and time of death of such member shall be made not later than 180 days after the date of the enactment of this Act.

SEC. 652. EXTENSION OF ANNUITY ELIGIBILITY FOR SURVIVING SPOUSES OF CERTAIN RETIREMENT ELIGIBLE RESERVE MEMBERS.

(a) COVERAGE OF SURVIVING SPOUSES OF ALL GRAY AREA RETIREES.—Section 644(a)(1)(B) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1800) is amended by striking ''during the period beginning on September 21, 1972, and ending on'' and inserting ''before''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to annuities payable for months beginning after September 30, 1999.

SEC. 653. PRESENTATION OF UNITED STATES FLAG TO RETIRING MEMBERS OF THE UNIFORMED SERVICES NOT PREVIOUSLY COVERED.

(a) NONREGULAR SERVICE MILITARY RETIREES.—(1) Chapter 1217 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 12605. Presentation of United States flag: members transferred from an active status or discharged after completion of eligibility for retired pay

''(a) PRESENTATION OF FLAG.—Upon the transfer from an active status or discharge of a Reserve who has completed the years of service required for eligibility for retired pay under chapter 1223 of this title, the Secretary concerned shall present a United States flag to the member.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for presentation of a flag under subsection (a) if the member has previously been presented a flag

under this section or any provision of law providing for the presentation of a United States flag incident to release from active service for retirement.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under this section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''12605. Presentation of United States flag: members transferred from an active status or discharged after completion of eligibility for retired pay.''.

(b) PUBLIC HEALTH SERVICE.—Title II of the Public Health Service Act is amended by inserting after section 212 (42 U.S.C. 213) the following new section:

''PRESENTATION OF UNITED STATES FLAG UPON RETIREMENT

''SEC. 213. (a) Upon the release of an officer of the commissioned corps of the Service from active commissioned service for retirement, the Secretary of Health and Human Services shall present a United States flag to the officer.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—An officer is not eligible for presentation of a flag under subsection (a) if the officer has previously been presented a flag under this section or any other provision of law providing for the presentation of a United States flag incident to release from active service for retirement.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under this section shall be at no cost to the recipient.''.

(c) NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.—The Coast and Geodetic Survey Commissioned Officers' Act of 1948 is amended by inserting after section 24 (33 U.S.C. 853u) the following new section:

''SEC. 25. (a) Upon the release of a commissioned officer from active commissioned service for retirement, the Secretary of Commerce shall present a United States flag to the officer.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—An officer is not eligible for presentation of a flag under subsection (a) if the officer has previously been presented a flag under this section or any other provision of law providing for the presentation of a United States flag incident to release from active service for retirement.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under this section shall be at no cost to the recipient.''.

(d) EFFECTIVE DATE.—Section 12605 of title 10, United States Code (as added by subsection (a)), section 413 of the Public Health Service Act (as added by subsection (b)), and section 25 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (as added by subsection (c)) shall apply with respect to releases from service described in those sections on or after October 1, 1999.

(e) CONFORMING AMENDMENTS TO PRIOR LAW.—Sections 3681(b), 6141(b), and 8681(b) of title 10, United States Code, and section 516(b) of title 14, United States Code, are each amended by striking ''under this section'' and all that follows through the period and inserting ''under this section or any other provision of law providing for the presentation of a United States flag incident to release from active service for retirement.''.

SEC. 654. ACCRUAL FUNDING FOR RETIREMENT SYSTEM FOR COMMISSIONED CORPS OF NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

(a) INCLUSION OF NOAA OFFICERS IN DOD MILITARY RETIREMENT FUND.—Section 1461 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting ''and the Department of Commerce'' after ''Department of Defense'';

(2) in subsection (b)—

(A) by inserting ''and the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853a et seq.)'' in paragraph (1) after ''this title'';

(B) by striking ''and'' at the end of paragraph (2);

(C) by striking the period at the end of paragraph (3) and inserting ''; and''; and

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

''(4) the programs under the jurisdiction of the Department of Commerce providing annuities for survivors of members and former members of the NOAA Corps.''; and

(3) by adding at the end the following new subsection:

''(c) In this chapter, the term 'NOAA Corps' means the National Oceanic and Atmospheric Administration Commissioned Corps and its predecessors.''.

(b) PAYMENTS FROM THE FUND.—Section 1463(a) of such title is amended—

(1) in paragraph (1), by striking ''and Marine Corps'' and inserting ''Marine Corps, and the NOAA Corps''; and

(2) in paragraph (4)—

(A) by inserting ''and the Department of Commerce'' after ''Department of Defense''; and

(B) by striking ''armed forces'' and inserting ''uniformed services''.

(c) REPORTS BY BOARD OF ACTUARIES.—Section 1464(b) of such title is amended by inserting ''and the Secretary of Commerce with respect to the NOAA Corps'' after ''Secretary of Defense''.

(d) DEPARTMENT OF COMMERCE CONTRIBUTIONS TO THE FUND.—Section 1465 of such title is amended as follows:

(1) Subsection (a) is amended—

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

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

''(2) Not later than January 1, 2000, the Secretary of Commerce shall provide to the Board the amount that is the present value (as of October 1, 1999) of future benefits payable from the Fund that are attributable to service in the NOAA Corps performed before October 1, 1999. That amount is the NOAA Corps original unfunded liability of the Fund. The Board shall determine the period of time over which that unfunded liability should be liquidated and shall determine an amortization schedule for the liquidation of such liability over that period. Contributions to the Fund for the liquidation of the original unfunded liability in accordance with that schedule shall be made as provided in section 1466(b) of this title.''.

(2) Subsection (b) is amended—

(A) in paragraph (1)—

(i) by inserting ''and the Secretary of Commerce'' after ''Secretary of Defense'' in the matter preceding subparagraph (A);

(ii) by inserting ''and the Department of Commerce contributions with respect to the NOAA Corps'' after ''Department of Defense contributions'' in the matter preceding subparagraph (A); and

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

''(C) The product of—

''(i) the current estimate of the value of the single level percentage of basic pay to be determined under subsection (c)(1)(C) at the time of the next actuarial valuation under subsection (c); and

''(ii) the total amount of basic pay expected to be paid during that fiscal year to members of the NOAA Corps.''; and

(B) in paragraph (2)—

(i) by inserting ''and the Department of Commerce'' after ''Department of Defense''; and

(ii) by inserting ''and shall include separate amounts for the Department of Defense and the Department of Commerce'' after ''section 1105 of title 31''.

(3) Subsection (c)(1) is amended—

(A) by inserting ''and the Secretary of Commerce with respect to the NOAA Corps'' in the first sentence after ''Secretary of Defense'';

(B) by striking ''and'' at the end of subparagraph (A);

(C) by striking the period at the end of subparagraph (B) and inserting ''; and''; and

(D) by inserting after subparagraph (B) the following new subparagraph:

''(C) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for members of the NOAA Corps.''.

(e) PAYMENTS INTO THE FUND.—Section 1466 of such title is amended—

(1) in subsection (a)—

(A) by inserting ''and the Secretary of Commerce with respect to the NOAA Corps'' after ''Secretary of Defense'';

(B) by striking ''Department of Defense'' after ''each month as the'';

(C) by inserting ''and 1465(c)(1)(C)'' in paragraph (1)(A) after ''section 1465(c)(1)(A)'';

(D) by inserting ''and by members of the NOAA Corps'' in paragraph (1)(B) before the period; and

(E) by inserting ''or members of the NOAA Corps'' before the period at the end of the last sentence of that subsection;

(2) in subsection (b)(2), by inserting ''and the NOAA original unfunded liability'' after ''original unfunded liability''; and

(3) by adding at the end the following new subsection:

''(c)(1) The Secretary of Transportation shall process, on behalf of the Fund, payments under section 1463 of this title to members on the retired list of the NOAA Corps and to survivors of members and former members of the NOAA Corps.

''(2) Payments made by the Secretary of Transportation under paragraph (1) shall be charged against the Fund.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1999.

SEC. 655. DISABILITY RETIREMENT OR SEPARATION FOR CERTAIN MEMBERS WITH PRE-EXISTING CONDITIONS.

(a) DISABILITY RETIREMENT.—(1) Chapter 61 of title 10, United States Code, is amended by inserting after section 1207 the following new section:

''§ 1207a. Members with over eight years of active service: eligibility for disability retirement for pre-existing conditions

''(a) In the case of a member described in subsection (b) who would be covered by section 1201, 1202, or 1203 of this title but for the fact that the member's disability is determined to have been incurred before the member becoming entitled to basic pay in the member's current period of active duty, the disability shall be deemed to have been incurred while the member was entitled to basic pay and shall be so considered for purposes of determining whether it was incurred in the line of duty.

''(b) A member described in subsection (a) is a member with at least eight years of active service.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1207 the following new item:

''1207a. Members with over eight years of active service: eligibility for disability retirement for pre-existing conditions.''.

(b) NONREGULAR SERVICE RETIREMENT.—(1) Chapter 1223 of such title is amended by inserting after section 12731a the following new section:

"§ 12731b. Special rule for members with physical disabilities not incurred in line of duty

''In the case of a member of the Selected Reserve of a reserve component who no longer meets the qualifications for membership in the Selected Reserve solely because the member is unfit because of physical disability, the Secretary concerned may, for purposes of section 12731 of this title, determine to treat the member as having met the service requirements of subsection (a)(2) of that section and provide the member with the notification required by subsection (d) of that section if the member has completed at least 15, and less than 20, years of service computed under section 12732 of this title.

''(b) Notification under subsection (a) may not be made if—

''(1) the disability was the result of the member's intentional misconduct, willful neglect, or willful failure to comply with standards and qualifications for retention established by the Secretary concerned; or

''(2) the disability was incurred during a period of unauthorized absence.''

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 12731a the following new item:

''12731b. Special rule for members with physical disabilities not incurred in line of duty.''.

(c) SEPARATION.—Section 1206(5) of such title is amended by inserting '', in the case of a disability incurred before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2000,'' after ''determination, and''.

Subtitle F—Eligibility to Participate in the Thrift Savings Plan

SEC. 661. AUTHORITY FOR MEMBERS OF THE UNIFORMED SERVICES TO CONTRIBUTE TO THE THRIFT SAVINGS FUND.

(a) AUTHORITY FOR MEMBERS OF THE UNIFORMED SERVICES TO CONTRIBUTE TO THE THRIFT SAVINGS FUND.—(1) Subchapter III of chapter 84 of title 5, United States Code, is amended by adding at the end the following:

"§ 8440e. Members of the uniformed services

''(a)(1) A member of the uniformed services performing active service may elect to contribute to the Thrift Savings Fund—

''(A) a portion of such individual's basic pay; or

''(B) a portion of any special or incentive pay payable to such individual under chapter 5 of title 37.

Any contribution under subparagraph (B) shall be made by direct transfer to the Thrift Savings Fund by the Secretary concerned.

''(2)(A) Except as provided in subparagraph (B), an election under paragraph (1) may be made only during a period provided under section 8432(b), subject to the same conditions as prescribed under paragraph (2)(A)–(D) thereof.

''(B)(i) Notwithstanding subparagraph (A), a member of the uniformed services performing active service on the effective date of this section may make the first such election during the 60–day period beginning on such effective date.

''(ii) An election made under this subparagraph shall take effect on the first day of the first applicable pay period beginning after the close of the 60–day period referred to in clause (i).

''(b)(1) Except as otherwise provided in this subsection, the provisions of this subchapter and subchapter VII shall apply with respect to members of the uniformed services making contributions to the Thrift Savings Fund.

''(2)(A) The amount contributed by a member of the uniformed services under subsection (a)(1)(A) for any pay period shall not exceed 5 percent of such member's basic pay for such pay period.

''(B) Nothing in this section or section 211 of title 37 shall be considered to waive any dollar limitation under the Internal Revenue Code of 1986 which otherwise applies with respect to the Thrift Savings Fund.

''(3) No contributions under section 8432(c) shall be made for the benefit of a member of the uniformed services making contributions to the Thrift Savings Fund under subsection (a).

''(4) In applying section 8433 to a member of the uniformed services who has an account balance in the Thrift Savings Fund, the reference in subsection (g)(1) or (h)(3) of section 8433 to contributions made under section 8432(a) shall be considered a reference to contributions made under any of sections 8351, 8432(a), 8432b(b), or 8440a–8440e.

''(c) For purposes of this section—

''(1) the term 'basic pay' has the meaning given such term by section 204 of title 37;

''(2) the term 'active service' means—

''(A) active duty for a period of more than 30 days, as defined by section 101(d)(2) of title 10; and

''(B) full-time National Guard duty, as defined by section 101(d)(5) of title 10;

''(3) the term 'Secretary concerned' has the meaning given such term by section 101 of title 37; and

''(4) any reference to 'separation from Government employment' shall be considered a reference to a release from active duty (not followed by a resumption of active duty, or an appointment to a position covered by chapter 83 or 84 of title 5 or an equivalent retirement system, as identified by the Executive Director in regulations) before the end of the 31-day period beginning on the day following the date of separation), a transfer to inactive status, or a transfer to a retired list pursuant to any provision of title 10.''.

(2) The table of sections at the beginning of chapter 84 of title 5, United States Code, is amended by adding after the item relating to section 8440d the following:

''8440e. Members of the uniformed services.''.

(b) AMENDMENTS RELATING TO THE EMPLOYEE THRIFT ADVISORY COUNCIL.—Section 8473 of title 5, United States Code, is amended—

(1) in subsections (a) and (b) by striking ''14 members'' and inserting ''15 members''; and

(2) in subsection (b) by striking ''and'' at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting ''; and'', and by adding at the end the following:

''(10) 1 shall be appointed to represent participants who are members of the uniformed services (within the meaning of section 8440e).''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Paragraph (11) of section 8351(b) of title 5, United States Code, is amended by redesignating such paragraph as paragraph (8).

(2) Subparagraph (B) of section 8432b(b)(2) of title 5, United States Code, is amended by striking ''section 8432(a)'' and inserting ''sections 8432(a) and 8440e, respectively,''.

(3)(A) Section 8439(a)(1) of title 5, United States Code, is amended—

(i) by inserting ''or 8432b(d)'' after ''8432(c)(1)''; and

(ii) by striking ''8351'' and inserting ''8351, 8432b(b), or 8440a–8440e''.

(B) Section 8439(a)(2)(A)(i) of title 5, United States Code, is amended by striking ''8432(a) or 8351'' and inserting ''8351, 8432(a), 8432b(b), or 8440a–8440e''.

(C) Section 8439(a)(2)(A)(ii) of title 5, United States Code, is amended by striking ''title;'' and inserting ''title (including subsection (c) or (d) of section 8432b);''.

(D) Section 8439(a)(2)(A) of title 5, United States Code, is amended by striking ''and'' at the end of clause (ii), by striking '', over'' at the end of clause (iii) and inserting ''; and'', and by adding after clause (iii) the following:

''(iv) any other amounts paid, allocated, or otherwise credited to such individual's account, over''.

SEC. 662. CONTRIBUTIONS TO THRIFT SAVINGS FUND.

(a) IN GENERAL.—(1) Chapter 3 of title 37, United States Code, is amended by adding at the end the following:

"§ 211. Contributions to Thrift Savings Fund

''A member of the uniformed services who is performing active service may elect to contribute, in accordance with section 8440e of title 5, a portion of the basic pay of the member for that service (or of any special or incentive pay under chapter 5 of this title which relates to that service) to the Thrift Savings Fund established by section 8437 of title 5.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

''211. Contributions to Thrift Savings Fund.''.

SEC. 663. REGULATIONS.

Not later than 180 days after the date of the enactment of this Act, the Executive Director (appointed by the Federal Retirement Thrift Investment Board) shall issue regulations to implement sections 8351 and 8440e of title 5, United States Code (as amended by section 661) and section 211 of title 37, United States Code (as amended by section 662).

SEC. 664. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this subtitle shall take effect one year after the date of the enactment of this Act, or on July 1, 2000, whichever is later.

(b) EXCEPTION.—Nothing in this subtitle (or any amendment made by this subtitle) shall be considered to permit the making of any contributions under section 8440e(a)(1)(B) of title 5, United States Code (as amended by section 661), before December 1, 2000.

(c) EFFECTIVENESS CONTINGENT ON OFFSETTING LEGISLATION.—(1) This subtitle shall be effective only if—

(A) the President, in the budget of the President for fiscal year 2001, proposes legislation which if enacted would be qualifying offsetting legislation; and

(B) there is enacted during the second session of the 106th Congress qualifying offsetting legislation.

(2) If the conditions in paragraph (1) are met, then, this section shall take effect on the date on which qualifying offsetting legislation is enacted or, if later, the effective date determined under subsection (a).

(3) For purposes of this subsection:

(A) The term ''qualifying offsetting legislation'' means legislation (other than an appropriations Act) that includes provisions that—

(i) offset fully the increased outlays for each of fiscal years 2000 through 2009 to be made by reason of the amendments made by this subtitle;

(ii) expressly state that they are enacted for the purpose of the offset described in clause (i); and

(iii) are included in full on the PayGo scorecard.

(B) The term ''PayGo scorecard'' means the estimates that are made with respect to fiscal years through fiscal year 2009 by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the

Balanced Budget and Emergency Deficit Control Act of 1985.

Subtitle G—Other Matters

SEC. 671. PAYMENTS FOR UNUSED ACCRUED LEAVE AS PART OF REENLISTMENT.

Section 501 of title 37, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking ''conditions or'' and inserting ''conditions,''; and

(B) by adding before the semicolon the following: '', or a reenlistment of the member (regardless of when the reenlistment occurs)''; and

(2) in subsection (b)(2), by striking '', or entering into an enlistment,''.

SEC. 672. CLARIFICATION OF PER DIEM ELIGIBILITY FOR MILITARY TECHNICIANS SERVING ON ACTIVE DUTY WITHOUT PAY OUTSIDE THE UNITED STATES.

(a) AUTHORITY TO PROVIDE PER DIEM ALLOWANCE.—Section 1002(b) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

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

''(2) If a military technician (dual status), as described in section 10216 of title 10, is performing active duty without pay while on leave from technician employment, as authorized by section 6323(d) of title 5, the Secretary concerned may authorize the payment of a per diem allowance to the military technician in lieu of commutation for subsistence and quarters under paragraph (1).''.

(b) TYPES OF OVERSEAS OPERATIONS.—Section 6323(d)(1) of title 5, United States Code, is amended by striking ''noncombat''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective as of February 10, 1996, as if included in section 1039 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 432).

SEC. 673. OVERSEAS SPECIAL SUPPLEMENTAL FOOD PROGRAM.

(a) PROGRAM REQUIRED.—Subsection (a) of section 1060a of title 10, United States Code, is amended by striking ''AUTHORITY.—The Secretary of Defense may'' and inserting ''PROGRAM REQUIRED.—The Secretary of Defense shall''.

(b) FUNDING SOURCE.—Subsection (b) of such section is amended to read as follows:

''(b) FUNDING MECHANISM.—The Secretary of Defense shall use funds available for the Department of Defense to carry out the program under subsection (a).''.

(c) PROGRAM ADMINISTRATION.—Subsection (c) of such section is amended—

(1) by striking paragraph (1)(B) and inserting the following:

''(B) In determining income eligibility standards for families of individuals participating in the program under this section, the Secretary of Defense shall, to the extent practicable, use the criterion described in subparagraph (A). The Secretary shall also consider the value of housing in kind provided to the individual when determining program eligibility.'';

(2) in paragraph (2), by adding before the period at the end the following: '', particularly with respect to nutrition education and counseling''; and

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

''(3) The Secretary of Agriculture shall provide technical assistance to the Secretary of Defense, if so requested by the Secretary of Defense, for the purpose of carrying out the program under subsection (a).''.

(d) CONFORMING AMENDMENT.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by adding at the end the following new subsection:

''(q) The Secretary of Agriculture shall provide technical assistance to the Secretary of Defense, if so requested by the Secretary of Defense, for the purpose of carrying out the overseas special supplemental food program established under section 1060a(a) of title 10, United States Code.''.

SEC. 674. SPECIAL COMPENSATION FOR SEVERELY DISABLED UNIFORMED SERVICES RETIREES.

(a) AUTHORITY.—(1) Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1413. Special compensation for certain severely disabled uniformed services retirees

''(a) AUTHORITY.—The Secretary concerned shall, subject to the availability of appropriations for such purpose, pay to each eligible disabled uniformed services retiree a monthly amount determined under subsection (b).

''(b) AMOUNT.—The amount to be paid (subject to the availability of appropriations) to an eligible disabled uniformed services retiree in accordance with subsection (a) is the following:

''(1) For any month for which the retiree has a qualifying service-connected disability rated as total, $300.

''(2) For any month for which the retiree has a qualifying service-connected disability rated as 90 percent, $200.

''(3) For any month for which the retiree has a qualifying service-connected disability rated as 80 percent or 70 percent, $100.

''(c) ELIGIBLE DISABLED UNIFORMED SERVICES RETIREE DEFINED.—In this section, the term 'eligible disabled military retiree' means a member of the uniformed services in a retired status (who is retired under a provision of law other than chapter 61 of this title) who—

''(1) completed at least 20 years of service in the uniformed services that are creditable for purposes of computing the amount of retired pay to which the member is entitled; and

''(2) has a qualifying service-connected disability.

''(d) QUALIFYING SERVICE-CONNECTED DISABILITY DEFINED.—In this section, the term 'qualifying service-connected disability' means a service-connected disability that—

''(1) was incurred or aggravated in the performance of duty as a member of a uniformed service, as determined by the Secretary concerned; and

''(2) is rated as not less than 70 percent disabling—

''(A) by the Secretary concerned as of the date on which the member is retired from the uniformed services; or

''(B) by the Secretary of Veterans Affairs within four years following the date on which the member is retired from the uniformed services.

''(e) STATUS OF PAYMENTS.—Payments under this section are not retired pay.

''(f) SOURCE OF FUNDS.—(1) Payments under this section for any fiscal year shall be paid out of funds appropriated for pay and allowances payable by the Secretary concerned for that fiscal year.

''(2) If the amount of funds available to the Secretary concerned for any fiscal year for payments under this section is less than the amount required to make such payments to all eligible disabled uniformed services retirees for that year, the Secretary shall make such payments first to retirees described in paragraph (1) of subsection (b), then (to the extent funds are available) to retirees described in paragraph (2) of that subsection, and then (to the extent funds are available) to retirees described in paragraph (3) of that subsection.

''(g) OTHER DEFINITIONS.—In this section:

''(1) The terms 'compensation' and 'service-connected' have the meanings given those terms in section 101 of title 38.

''(2) The term 'disability rated as total' means—

''(A) a disability that is rated as total under the standard schedule of rating disabilities in use by the Department of Veterans Affairs; or

''(B) a disability for which the schedular rating is less than total but for which a rating of total is assigned by reason of inability of the disabled person concerned to secure or follow a substantially gainful occupation as a result of service-connected disabilities.

''(3) The term 'retired pay' includes retainer pay, emergency officers' retirement pay, and naval pension.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''1413. Special compensation for certain severely disabled uniformed servvices retirees.''.

(b) EFFECTIVE DATE.—Section 1413 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1999, and shall apply to months that begin on or after that date. No benefit may be paid to any person by reason of that section for any period before that date.

SEC. 675. TUITION ASSISTANCE FOR MEMBERS DEPLOYED IN A CONTINGENCY OPERATION.

Section 2007(a) of title 10, United States Code, is amended—

(1) in paragraph (2), by striking ''and'';

(2) in paragraph (3), by striking the period at the end and inserting ''; and''; and

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

''(4) in the case of a member serving in a contingency operation or similar operational mission (other than for training) designated by the Secretary concerned, all of the charges may be paid.''.

TITLE VII—HEALTH CARE MATTERS

Subtitle A—Health Care Services

SEC. 701. PROVISION OF HEALTH CARE TO MEMBERS ON ACTIVE DUTY AT CERTAIN REMOTE LOCATIONS.

(a) IN GENERAL.—The Secretary of Defense shall enter into agreements with designated providers under which such providers will provide health care services in or through managed care plans to an eligible member of the Armed Forces who resides within the service area of the designated provider. The provisions in section 722(b)(2) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 1073 note) shall apply with respect to such agreements.

(b) ADHERENCE TO TRICARE PRIME REMOTE PROGRAM POLICIES.—A designated provider who provides health care to an eligible member described in subsection (a) shall, in providing such care, adhere to policies of the Department of Defense with respect to the TRICARE Prime Remote program, including policies regarding coordination with appropriate military medical authorities for specialty referrals and hospitalization.

(c) REIMBURSEMENT RATES.—The Secretary shall negotiate with each designated provider reimbursement rates that do not exceed reimbursement rates allowable under TRICARE Standard.

(d) DEFINITIONS.—In this section:

(1) The term ''eligible member'' has the meaning given that term in section 731(c) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 1074 note).

(2) The term ''designated provider'' has the meaning given that term in section 721(5) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 1073 note).

SEC. 702. PROVISION OF CHIROPRACTIC HEALTH CARE.

(a) IN GENERAL.—Section 731 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 1092 note) is amended—

(1) in the heading, by striking ''**DEMONSTRATION PROGRAM**'';

(2) in subsection (a), by adding at the end the following new paragraph:

''(4) During fiscal year 2000, the Secretary shall continue to furnish the same chiropractic care in the military medical treatment facilities designated pursuant to paragraph (2)(A) as the chiropractic care furnished during the demonstration program.'';

(3) in subsection (c)—

(A) in paragraph (3), by striking ''Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives'' and inserting ''Committees on Armed Services of the Senate and the House of Representatives''; and

(B) in paragraph (5), by striking ''May 1, 2000'' and inserting ''January 31, 2000'';

(4) in subsection (d)—

(A) in paragraph (3)—

(i) by striking ''; and'' at the end of subparagraph (C) and inserting a semicolon;

(ii) by striking the period at the end of subparagraph (D) and inserting ''; and''; and

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

''(E) if the Secretary submits an implementation plan pursuant to subsection (e), the preparation of such plan.''; and

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

''(5) The Secretary shall—

''(A) make full use of the oversight advisory committee in preparing—

''(i) the final report on the demonstration program conducted under this section; and

''(ii) the implementation plan described in subsection (e); and

''(B) provide opportunities for members of the committee to provide views as part of such final report and plan.'';

(5) by redesignating subsection (e) as subsection (f); and

(6) by inserting after subsection (d) the following new subsection:

''(e) IMPLEMENTATION PLAN.—If the Secretary of Defense recommends in the final report submitted under subsection (c) that chiropractic health care services should be offered in medical care facilities of the Armed Forces or as a health care service covered under the TRICARE program, the Secretary shall, not later than March 31, 2000, submit to the Committees on Armed Services of the House of Representatives and the Senate an implementation plan for the full integration of chiropractic health care services into the military health care system of the Department of Defense, including the TRICARE program. Such implementation plan shall include—

''(1) a detailed analysis of the projected costs of fully integrating chiropractic health care services into the military health care system;

''(2) the proposed scope of practice for chiropractors who would provide services to covered beneficiaries under chapter 55 of title 10, United States Code;

''(3) the proposed military medical treatment facilities at which such services would be provided;

''(4) the military readiness requirements for chiropractors who would provide services to such covered beneficiaries; and

''(5) any other relevant factors that the Secretary considers appropriate.''.

(b) CONFORMING AMENDMENT.—The item relating to section 731 in the table of contents at the beginning of such Act is amended to read as follows:

''731. Chiropractic health care.''.

SEC. 703. CONTINUATION OF PROVISION OF DOMICILIARY AND CUSTODIAL CARE FOR CERTAIN CHAMPUS BENEFICIARIES.

(a) CONTINUATION OF CARE.—(1) The Secretary of Defense may, in any case in which the Secretary makes the determination described in paragraph (2), continue to provide payment under the Civilian Health and Medical Program of the Uniformed Services (as defined in section 1072 of title 10, United States Code), for domiciliary or custodial care services provided to an eligible beneficiary that would otherwise be excluded from coverage under regulations implementing section 1077(b)(1) of such title.

(2) A determination under this paragraph is a determination that discontinuation of payment for domiciliary or custodial care services or transition to provision of care under the individual case management program authorized by section 1079(a)(17) of such title would be—

(A) inadequate to meet the needs of the eligible beneficiary; and

(B) unjust to such beneficiary.

(b) ELIGIBLE BENEFICIARY DEFINED.—As used in this section, the term ''eligible beneficiary'' means a covered beneficiary (as that term is defined in section 1072 of title 10, United States Code) who, before the effective date of final regulations to implement the individual case management program authorized by section 1079(a)(17) of such title, were provided domiciliary or custodial care services for which the Secretary provided payment.

SEC. 704. REMOVAL OF RESTRICTION ON USE OF FUNDS FOR ABORTIONS IN CERTAIN CASES OF RAPE OR INCEST.

Section 1093(a) of title 10, United States Code, is amended by inserting ''or in a case in which the pregnancy is the result of an act of forcible rape or incest which has been reported to a law enforcement agency'' before the period.

Subtitle B—TRICARE Program

SEC. 711. IMPROVEMENTS TO CLAIMS PROCESSING UNDER THE TRICARE PROGRAM.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1095b the following new section:

''§ 1095c. TRICARE program: facilitation of processing of claims

''(a) REDUCTION OF PROCESSING TIME.—(1) With respect to claims for payment for medical care provided under the TRICARE program, the Secretary of Defense shall implement a system for processing of claims under which—

''(A) 95 percent of all mistake-free claims must be processed not later than 30 days after the date that such claims are submitted to the claims processor; and

''(B) 100 percent of all mistake-free claims must be processed not later than 100 days after the date that such claims are submitted to the claims processor.

''(2) The Secretary may, under the system required by paragraph (1) and consistent with the provisions in chapter 39 of title 31, United States Code (commonly referred to as the 'Prompt Payment Act'), require that interest be paid on claims that are not processed within 30 days.

''(b) REQUIREMENT TO PROVIDE START-UP TIME FOR CERTAIN CONTRACTORS.—(1) The Secretary of Defense shall not require that a contractor described in paragraph (2) begin to provide managed care support pursuant to a contract to provide such support under the TRICARE program until at least nine months after the date of the award of the contract. In such case the contractor may begin to provide managed care support pursuant to the contract as soon as practicable after the award of the contract, but in no case later than one year after the date of such award.

''(2) A contractor under this paragraph is a contractor who is awarded a contract to provide managed care support under the TRICARE program—

''(A) who has not previously been awarded such a contract by the Department of Defense; or

''(B) who has previously been awarded such a contract by the Department of Defense but for whom the subcontractors have not previously been awarded the subcontracts for such a contract.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1095b the following new item:

''1095c. TRICARE program: facilitation of processing of claims.''.

(b) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on—

(1) the status of claims processing backlogs in each TRICARE region;

(2) the estimated time frame for resolution of such backlogs;

(3) efforts to reduce the number of change orders with respect to contracts to provide managed care support under the TRICARE program and to make such change orders in groups on a quarterly basis rather than one at a time;

(4) the extent of success in simplifying claims processing procedures through reduction of reliance of the Department of Defense on, and the complexity of, the health care service record;

(5) application of best industry practices with respect to claims processing, including electronic claims processing; and

(6) any other initiatives of the Department of Defense to improve claims processing procedures.

(c) DEADLINE FOR IMPLEMENTATION.—The system for processing claims required under section 1095c(a) of title 10, United States Code (as added by subsection (a)), shall be implemented not later than 6 months after the date of the enactment of this Act.

(d) APPLICABILITY.—Section 1095c(b) of title 10, United States Code (as added by subsection (a)), shall apply with respect to any contract to provide managed care support under the TRICARE program negotiated after the date of the enactment of this Act.

SEC. 712. AUTHORITY TO WAIVE CERTAIN TRICARE DEDUCTIBLES.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1095c (as added by section 711) the following new section:

''§ 1095d. TRICARE program: waiver of certain deductibles

''(a) WAIVER AUTHORIZED.—The Secretary of Defense may waive the deductible payable for medical care provided under the TRICARE program to an eligible dependent of—

''(1) a member of a reserve component on active duty pursuant to a call or order to active duty for a period of less than one year; or

''(2) a member of the National Guard on full-time National Guard duty pursuant to a call or order to full-time National Guard duty for a period of less than one year.

''(b) ELIGIBLE DEPENDENT.—As used in this section, the term 'eligible dependent' means a dependent described subparagraphs (A), (D), or (I) of section 1072(2) of this title.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1095c the following new item:

''1095d. TRICARE: program waiver of certain deductibles.''.

SEC. 713. ELECTRONIC PROCESSING OF CLAIMS UNDER THE TRICARE PROGRAM.

Section 1095c of title 10, United States Code, as added by section 711, is amended by adding at the end the following new subsection:

''(c) INCENTIVES FOR ELECTRONIC PROCESSING.—The Secretary of Defense shall require that new contracts for managed care support under the TRICARE program provide that the contractor be permitted to provide financial incentives to health care providers who file claims for payment electronically.''.

SEC. 714. STUDY OF RATES FOR PROVISION OF MEDICAL SERVICES; PROPOSAL FOR CERTAIN RATE INCREASES.

Not later than February 1, 2000, the Secretary of Defense shall submit to Congress—

(1) a study on how the maximum allowable rates charged for the 100 most commonly performed medical procedures under the Civilian Health and Medical Program of the Uniformed Services and Medicare compare with usual and customary commercial insurance rates for such procedures in each TRICARE Prime catchment area; and

(2) a proposal for increases of maximum allowable rates charged for medical procedures under the Civilian Health and Medical Program of the Uniformed Services should the study conducted under paragraph (1) find 20 or more rates which are less than or equal to the 50th percentile of the usual and customary commercial insurance rates charged for such procedures.

SEC. 715. REQUIREMENTS FOR PROVISION OF CARE IN GEOGRAPHICALLY SEPARATED UNITS.

(a) CONTRACTUAL REQUIREMENT.—The Secretary of Defense shall require that all new contracts for the provision of health care under TRICARE Prime include a requirement that the TRICARE Prime Remote network, to the maximum extent possible, provide health care concurrently to members of the Armed Forces in geographically separated units and their dependents in areas outside the catchment area of a military medical treatment facility.

(b) REPORT ON IMPLEMENTATION.—Not later than May 1, 2000, the Secretary shall submit to Congress a report on the extent and success of implementation of the requirement under subsection (a), and where concurrent implementation has not been achieved, the reasons and circumstances that prohibited implementation and a plan to provide TRICARE Prime benefits to those otherwise eligible covered beneficiaries for whom enrollment in a TRICARE Prime network is not feasible.

SEC. 716. IMPROVEMENT OF ACCESS TO HEALTH CARE UNDER THE TRICARE PROGRAM.

(a) WAIVER OF NONAVAILABILITY STATEMENT OR PREAUTHORIZATION.—In the case of a covered beneficiary under chapter 55 of title 10, United States Code, who is a TRICARE eligible beneficiary not enrolled in TRICARE Prime, the Secretary of Defense may not require with regard to authorized health care services (other than mental health services) under any new contract for the provision of health care services under such chapter that the beneficiary—

(1) obtain a nonavailability statement or preauthorization from a military medical treatment facility in order to receive the services from a civilian provider; or

(2) obtain a nonavailability statement for care in specialized treatment facilities outside the 200-mile radius of a military medical treatment facility.

(b) NOTICE.—The Secretary may require that the covered beneficiary provide appropriate notice to the primary care manager of the beneficiary.

(c) EXCEPTIONS.—Subsection (a) shall not apply if—

(1) the Secretary can demonstrate significant cost avoidance for specific procedures at the affected military treatment facilities;

(2) the Secretary determines that a specific procedure must be maintained at the affected military treatment facility to ensure the proficiency levels of the practitioners at the facility; or

(3) the lack of nonavailability statement data would significantly interfere with TRICARE contract administration.

SEC. 717. REIMBURSEMENT OF CERTAIN COSTS INCURRED BY COVERED BENEFICIARIES WHEN REFERRED FOR CARE OUTSIDE LOCAL CATCHMENT AREA.

The Secretary of Defense shall require that any new contract for the provision of health care services under chapter 55 of title 10, United States Code, shall require that in any case in which a covered beneficiary under such chapter who is enrolled in TRICARE Prime is referred by a network provider or military treatment facility to a provider or military treatment facility more than 100 miles outside the catchment area of a military treatment facility because a local provider is not available, or in any other respect not within the terms of a new managed care support contract, the beneficiary shall be reimbursed by the network provider or military treatment facility making the referral for the cost of personal automobile mileage, to be paid under standard reimbursement rates for Federal employees, or for the cost of air travel in amounts not to exceed standard contract fares for Federal employees.

SEC. 718. IMPROVEMENT OF REFERRAL PROCESS UNDER TRICARE.

(a) ELIMINATION OF PREAUTHORIZATION REQUIREMENTS FOR CERTAIN CARE.—Under regulations prescribed by the Secretary of Defense, and in all new managed care support contracts the Secretary shall eliminate requirements in certain cases under TRICARE Prime that network primary care managers preauthorize covered beneficiaries under chapter 55 of title 10, United States Code, to receive preventative health care services within the managed care support contract network without preauthorization from a primary care manager.

(b) COVERED SERVICES.—Should such a covered beneficiary choose to receive care from a provider in the network, the covered beneficiary shall not be required to have a referral from a primary care manager—

(1) for receipt of preventative obstetric or gynecological services by a network obstetrician or gynecologist;

(2) for mammograms performed by a network provider if the beneficiary is a female over the age of 35; or

(3) for provision of preventative specialty urology care from a network urologist if the beneficiary is a male over the age of 60.

(c) NOTICE.—The Secretary may require that the covered beneficiary provide appropriate notice to the primary care manager of the beneficiary.

(d) REGULATIONS.—The Secretary shall prescribe the regulations required by subsection (a) not later than May 1, 2000 and implement the regulations not later than October 1, 2000.

Subtitle C—Other Matters

SEC. 721. PHARMACY BENEFITS PROGRAM.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074f the following new section:

''§ 1074g. Pharmacy benefits program

''(a) PHARMACY BENEFITS.—(1) The Secretary of Defense, after consultation with the other administering Secretaries, shall establish an effective, efficient, integrated pharmacy benefits program under this chapter (hereinafter in this section referred to as the 'pharmacy benefits program').

''(2)(A) The pharmacy benefits program shall include a uniform formulary of pharmaceutical agents, which shall assure the availability of pharmaceutical agents in a complete range of therapeutic classes. The selection for inclusion on the uniform formulary of particular pharmaceutical agents in each therapeutic class shall be based on the relative clinical and cost effectiveness of the agents in such class.

''(B) The Secretary shall establish procedures for the selection of particular pharmaceutical agents for the uniform formulary, and shall begin to implement the uniform formulary not later than October 1, 2000.

''(C) Pharmaceutical agents included on the uniform formulary shall be available to eligible covered beneficiaries through—

''(i) facilities of the uniformed services, consistent with the scope of health care services offered in such facilities;

''(ii) retail pharmacies designated or eligible under the TRICARE program or the Civilian Health and Medical Program of the Uniformed Services to provide pharmaceutical agents to eligible covered beneficiaries; or

''(iii) the national mail order pharmacy program.

''(3) The pharmacy benefits program shall assure the availability of clinically appropriate pharmaceutical agents to members of the armed forces, including, if appropriate, agents not included on the uniform formulary described in paragraph (2).

''(4) The pharmacy benefits program may provide that prior authorization be required for certain categories of pharmaceutical agents to assure that the use of such agents is clinically appropriate. Such categories shall be the following:

''(A) High-cost injectable agents.

''(B) High-cost biotechnology agents.

''(C) Pharmaceutical agents with high potential for inappropriate use.

''(D) Pharmaceutical agents otherwise determined by the Secretary to require prior authorization.

''(5)(A) The pharmacy benefits program shall include procedures for eligible covered beneficiaries to receive pharmaceutical agents not included on the uniform formulary. Such procedures shall include peer review procedures under which the Secretary may determine that there is a clinical justification for the use of a pharmaceutical agent that is not on the uniform formulary, in which case the pharmaceutical agent shall be provided under the same terms and conditions as an agent on the uniform formulary.

''(B) If the Secretary determines that there is not a clinical justification for the use of a pharmaceutical agent that is not on the uniform formulary under the procedures established pursuant to subparagraph (A), such pharmaceutical agent shall be available through at least one of the means described in paragraph (2)(C) under terms and conditions that may include cost sharing by the eligible covered beneficiary in addition to any such cost sharing applicable to agents on the uniform formulary.

''(6) The Secretary of Defense shall, after consultation with the other administering Secretaries, promulgate regulations to carry out this subsection.

''(7) Nothing in this subsection shall be construed as authorizing a contractor to penalize an eligible covered beneficiary with respect to, or decline coverage for, a maintenance pharmaceutical that is not on the list of preferred pharmaceuticals of the contractor and that was prescribed for the beneficiary before the date of the enactment of

this section and stabilized the medical condition of the beneficiary.

''(b) ESTABLISHMENT OF COMMITTEE.—(1) The Secretary of Defense shall, in consultation with the Secretaries of the military departments, establish a pharmaceutical and therapeutics committee for the purpose of developing the uniform formulary of pharmaceutical agents required by subsection (a), reviewing such formulary on a periodic basis, and making additional recommendations regarding the formulary as the committee determines necessary and appropriate. The committee shall include representatives of pharmacies of the uniformed services facilities, contractors responsible for the TRICARE retail pharmacy program, contractors responsible for the national mail order pharmacy program, providers in facilities of the uniformed services, and TRICARE network providers. Committee members shall have expertise in treating the medical needs of the populations served through such entities and in the range of pharmaceutical and biological medicines available for treating such populations.

''(2) Not later than 90 days after the establishment of the pharmaceutical and therapeutics committee by the Secretary, the committee shall submit a proposed uniform formulary to the Secretary .

''(c) ADVISORY PANEL.—(1) Concurrent with the establishment of the pharmaceutical and therapeutics committee under subsection (b), the Secretary shall establish a Uniform Formulary Beneficiary Advisory Panel to review and comment on the development of the uniform formulary. The Secretary shall consider the comments of the panel before implementing the uniform formulary or implementing changes to the uniform formulary.

''(2) The Secretary shall determine the size and membership of the panel established under paragraph (1), which shall include members that represent nongovernmental organizations and associations that represent the views and interests of a large number of eligible covered beneficiaries.

''(d) PROCEDURES.—In the operation of the pharmacy benefits program under subsection (a), the Secretary of Defense shall assure through management and new contractual arrangements that financial resources are aligned such that the cost of prescriptions is borne by the organization that is financially responsible for the health care of the eligible covered beneficiary.

''(e) PHARMACY DATA TRANSACTION SERVICE.—Not later than April 1, 2000, the Secretary of Defense shall implement the use of the Pharmacy Data Transaction Service in all fixed facilities of the uniformed services under the jurisdiction of the Secretary, the TRICARE network retail pharmacy program, and the national mail order pharmacy program.

''(f) DEFINITION OF ELIGIBLE COVERED BENEFICIARY.—As used in this section, the term 'eligible covered beneficiary' means a covered beneficiary for whom eligibility to receive pharmacy benefits through the means described in subsection (a)(2)(C) is established under this chapter or another provision of law.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074f the following new item:

''1074g. Pharmacy benefits program.''.

(b) DEADLINE FOR ESTABLISHMENT OF COMMITTEE.—The Secretary shall establish the pharmaceutical and therapeutics committee required under section 1074g(b) of title 10, United States Code, not later than 30 days after the date of the enactment of this Act.

(c) REPORTS REQUIRED.—Not later than April 1 and October 1 of fiscal years 2000 and 2001, the Secretary of Defense shall submit to Congress a report on—

(1) implementation of the uniform formulary required under subsection (a) of section 1074g of title 10, United States Code (as added by subsection (a));

(2) the results of a confidential survey conducted by the Secretary of prescribers for military medical treatment facilities and TRICARE contractors to determine—

(A) during the most recent fiscal year, how often prescribers attempted to prescribe nonformulary or non-preferred prescription drugs, how often such prescribers were able to do so, and whether covered beneficiaries were able to fill such prescriptions without undue delay;

(B) the understanding by prescribers of the reasons that military medical treatment facilities or civilian contractors preferred certain pharmaceuticals to others; and

(C) the impact of any restrictions on access to non-formulary prescriptions on the clinical decisions of the prescribers and the aggregate cost, quality, and accessibility of health care provided to covered beneficiaries;

(3) the operation of the Pharmacy Data Transaction Service required by subsection (e) of such section 1074g; and

(4) any other actions taken by the Secretary to improve management of the pharmacy benefits program under such section.

(d) STUDY FOR DESIGN OF PHARMACY BENEFIT FOR CERTAIN COVERED BENEFICIARIES.—(1) Not later than April 15, 2001, the Secretary of Defense shall prepare and submit to Congress—

(A) a study on a design for a comprehensive pharmacy benefit for covered beneficiaries under chapter 55 of title 10, United States Code, who are entitled to benefits under part A, and enrolled under part B, of title XVIII of the Social Security Act; and

(B) an estimate of the costs of implementing and operating such design.

(2) The design described in paragraph (1)(A) shall incorporate the elements of the pharmacy benefits program required to be established under section 1074g of title 10, United States Code (as added by subsection (a)).

SEC. 722. IMPROVEMENTS TO THIRD-PARTY PAYER COLLECTION PROGRAM.

Section 1095 of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking ''the reasonable costs of'' and inserting ''reasonable charges for'';

(B) by striking ''such costs'' and inserting ''such charges''; and

(C) by striking ''the reasonable cost of'' and inserting ''a reasonable charge for'';

(2) by amending subsection (f) to read as follows:

''(f) The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations for the administration of this section. Such regulations shall provide for the computation of reasonable charges for inpatient services, outpatient services, and other health care services. Computation of such reasonable charges may be based on—

''(1) per diem rates;

''(2) all-inclusive per visit rates;

''(3) diagnosis-related groups;

''(4) rates prescribed under the regulations prescribed to implement sections 1079 and 1086 of this title; or

''(5) such other method as may be appropriate.'';

(3) in subsection (g), by striking ''the costs of''; and

(4) in subsection (h)(1), by striking the first sentence and inserting ''The term 'third-party payer' means an entity that provides an insurance, medical service, or health plan by contract or agreement, including an automobile liability insurance or no fault insurance carrier, and any other plan or program that is designed to provide compensation or coverage for expenses incurred by a beneficiary for health care services or products.''.

SEC. 723. AUTHORITY OF ARMED FORCES MEDICAL EXAMINER TO CONDUCT FORENSIC PATHOLOGY INVESTIGATIONS.

(a) IN GENERAL.—Chapter 3 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 130b. Authority of armed forces medical examiner to conduct forensic pathology investigations

''(a) IN GENERAL.—The Armed Forces Medical Examiner may conduct a forensic pathology investigation, including an autopsy, to determine the cause or manner of death of an individual in any case in which—

''(1) the individual was killed, or from any cause died an unnatural death;

''(2) the cause or manner of death is unknown;

''(3) there is reasonable suspicion that the death was by unlawful means;

''(4) the death appears to be from an infectious disease or the result of the effects of a hazardous material that may have an adverse effect on the installation or community in which the individual died or was found dead; or

''(5) the identity of the deceased individual is unknown.

''(b) LIMITATIONS ON AUTHORITY.—(1) The authority provided under subsection (a) may only be exercised with respect to an individual in a case in which—

''(A) the individual died or is found dead at an installation garrisoned by units of the armed forces and under the exclusive jurisdiction of the United States;

''(B) the individual was, at the time of death, a member of the armed forces on active duty or inactive duty for training or a member of the armed forces who recently retired under chapter 61 of this title and died as a result of an injury or illness incurred while on active duty;

''(C) the individual was a civilian dependent of a member of the armed forces and died or was found dead at a location outside the United States;

''(D) the Armed Forces Medical Examiner determines, pursuant to an authorized investigation by the Department of Defense of matters involving the death of an individual or individuals, that a factual determination of the cause or manner of the death of the individual is necessary; or

''(E) pursuant to an authorized investigation being conducted by the Federal Bureau of Investigation, the National Transportation Safety Board, or other Federal agency, an official of such agency with authority to direct a forensic pathology investigation requests that an investigation be conducted by the Armed Forces Medical Examiner.

''(2) The authority provided in subsection (a) shall be subject to the primary jurisdiction, to the extent exercised, of a State or local government with respect to the conduct of an investigation or, if outside the United States, of authority exercised under any applicable Status-of-Forces or other international agreement between the United States and the country in which the individual died or was found dead.

''(c) DESIGNATION OF PATHOLOGIST.—The Armed Forces Medical Examiner may designate any qualified pathologist to carry out the authority provided in subsection (a).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

''130b. Authority of armed forces medical examiner to conduct forensic pathology investigations.''.

SEC. 724. TRAUMA TRAINING CENTER.

(a) START-UP COSTS.—Of the funds authorized to be appropriated in section 301(22) for the Defense Health Program, $4,000,000, shall be used for startup costs for a Trauma Training Center to enhance the capability of the Army to train forward surgical teams.

(b) AMENDMENT TO EXISTING AUTHORITY.—Section 742 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2074) is amended to read as follows:

"SEC. 742. AUTHORIZATION TO ESTABLISH A TRAUMA TRAINING CENTER.

''The Secretary of the Army is hereby authorized to establish a Trauma Training Center in order to provide the Army with a trauma center capable of training forward surgical teams.''.

SEC. 725. STUDY ON JOINT OPERATIONS FOR THE DEFENSE HEALTH PROGRAM.

Not later than October 1, 2000, the Secretary of Defense shall prepare and submit to Congress a study identifying areas with respect to the Defense Health Program for which joint operations might be increased, including organization, training, patient care, hospital management, and budgeting. The study shall include a discussion of the merits and feasibility of—

(1) establishing a joint command for the Defense Health Program as a military counterpart to the Assistant Secretary of Defense for Health Affairs;

(2) establishing a joint training curriculum for the Defense Health Program; and

(3) creating a unified chain of command and budgeting authority for the Defense Health Program.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

SEC. 801. SALE, EXCHANGE, AND WAIVER AUTHORITY FOR COAL AND COKE.

(a) IN GENERAL.—Section 2404 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''petroleum or natural gas'' and inserting ''a defined fuel source'';

(B) in paragraph (1)—

(i) by striking ''petroleum market conditions or natural gas market conditions, as the case may be,'' and inserting ''market conditions for the defined fuel source''; and

(ii) by striking ''acquisition of petroleum or acquisition of natural gas, respectively,'' and inserting ''acquisition of that defined fuel source''; and

(C) in paragraph (2), by striking ''petroleum or natural gas, as the case may be,'' and inserting ''that defined fuel source'';

(3) in subsection (b), by striking ''petroleum or natural gas'' in the second sentence and inserting ''a defined fuel source'';

(4) in subsection (c), by striking ''petroleum'' and all that follows through the period and inserting ''a defined fuel source or services related to a defined fuel source by exchange of a defined fuel source or services related to a defined fuel source.'';

(5) in subsection (d)—

(A) by striking ''petroleum or natural gas'' in the first sentence and inserting ''a defined fuel source''; and

(B) by striking ''petroleum'' in the second sentence and all that follows through the period and inserting ''a defined fuel source or services related to a defined fuel source.''; and

(6) by adding at the end the following new subsection:

''(f) DEFINED FUEL SOURCES.—In this section, the term 'defined fuel source' means any of the following:

''(1) Petroleum.

''(2) Natural gas.

''(3) Coal.

''(4) Coke.''.

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 2404. Acquisition of certain fuel sources: authority to waive contract procedures; acquisition by exchange; sales authority".

(2) The item relating to such section in the table of sections at the beginning of chapter 141 of such title is amended to read as follows:

''2404. Acquisition of certain fuel sources: authority to waive contract procedures; acquisition by exchange; sales authority.''.

SEC. 802. EXTENSION OF AUTHORITY TO ISSUE SOLICITATIONS FOR PURCHASES OF COMMERCIAL ITEMS IN EXCESS OF SIMPLIFIED ACQUISITION THRESHOLD.

Section 4202(e) of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106; 10 U.S.C. 2304 note) is amended by striking ''three years after the date on which such amendments take effect pursuant to section 4401(b)'' and inserting ''January 1, 2002''.

SEC. 803. EXPANSION OF APPLICABILITY OF REQUIREMENT TO MAKE CERTAIN PROCUREMENTS FROM SMALL ARMS PRODUCTION INDUSTRIAL BASE.

Section 2473(d) of title 10, United States Code, is amended by adding at the end the following new paragraphs:

''(6) M2 machine gun.

''(7) M60 machine gun.''.

SEC. 804. REPEAL OF TERMINATION OF PROVISION OF CREDIT TOWARDS SUBCONTRACTING GOALS FOR PURCHASES BENEFITING SEVERELY HANDICAPPED PERSONS.

Section 2410d(c) of title 10, United States Code, is repealed.

SEC. 805. EXTENSION OF TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SMALL BUSINESS SUBCONTRACTING PLANS.

Subsection (e) of section 834 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 15 U.S.C. 637 note) is amended by striking ''2000.'' and inserting ''2003''.

SEC. 806. FACILITATION OF NATIONAL MISSILE DEFENSE SYSTEM.

(a) AUTHORIZATION OF WAIVER OF REQUIREMENT FOR COMPLETION OF INITIAL OT&E BEFORE PRODUCTION BEGINS.—Notwithstanding section 2399(a) of title 10, United States Code, the Secretary of Defense may make a determination to proceed with production of a national missile defense system without regard to whether initial operational testing and evaluation of the system has been completed.

(b) REQUIREMENT FOR COMPLETION OF INITIAL OT&E.—If the Secretary makes such a determination as provided by subsection (a), the Secretary shall ensure that such a national missile defense system successfully completes an adequate operational test and evaluation as soon as practicable following that determination and before the operational deployment of such system.

(c) NOTIFICATION TO CONGRESSIONAL COMMITTEES.—The Secretary shall promptly notify the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, in writing, upon making a determination that production of a national missile defense system may be carried out before initial operational testing and evaluation of that system has been completed, as authorized by subsection (a).

SEC. 807. OPTIONS FOR ACCELERATED ACQUISITION OF PRECISION MUNITIONS.

(a) FINDINGS.—Congress finds the following:

(1) Current inventories of many precision munitions of the United States do not meet the requirements of the Department of Defense for two Major Theater Wars, and with respect to some precision munitions, such requirements will not be met even after planned acquisitions are made.

(2) Production lines for certain critical precision munitions have been shut down, and the start-up production of replacement precision munitions leaves a critical gap in acquisition of follow-on precision munitions.

(3) Shortages of conventional air-launched cruise missiles and Tomahawk missiles during Operation Allied Force indicate the critical need to maintain robust inventories of precision munitions.

(b) REPORTS.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the requirements of the Department of Defense for quantities of precision munitions for two Major Theater Wars, and when such requirements will be met for each precision munition.

(2) Not later than March 15, 2000, the Secretary shall submit to the congressional defense committees a report on—

(A) the options recommended by the teams formed under subsection (c) for acceleration of acquisition of precision munitions; and

(B) a plan for implementing such options.

(c) RECOMMENDATIONS FOR OPTIONS.—The Secretary of Defense shall form teams of experts from industry and the military departments to recommend to the Secretary options for accelerating the acquisition of precision munitions in order that, with respect to any such munition for which the requirements of the Department of Defense for two Major Theater Wars are not expected to be met by October 1, 2002, such requirements may be met for such munitions by such date.

SEC. 808. PROGRAM TO INCREASE OPPORTUNITY FOR SMALL BUSINESS INNOVATION IN DEFENSE ACQUISITION PROGRAMS.

(a) REQUIREMENT TO IMPLEMENT PROGRAM.—The Secretary of Defense shall implement a program to provide for increased opportunity for small-business concerns to provide innovative technology for acquisition programs of the Department of Defense.

(b) ELEMENTS OF PROGRAM.—The program required by subsection (a) shall consist of the following elements:

(1) The Secretary shall establish procedures through which small-business concerns may submit challenge proposals to existing components of acquisition programs of the Department of Defense which shall be designed to encourage small-business concerns to recommend cost-saving and innovative ideas to acquisition program managers.

(2) The Secretary shall establish a challenge proposal review board, the purpose of which shall be to review and make recommendations on the merit and viability of the challenge proposals submitted under paragraph (1). The Secretary shall ensure that such recommendations receive active consideration for incorporation into applicable acquisition programs of the Department of Defense at the appropriate point in the acquisition cycle.

(c) REPORT.—The Secretary of Defense shall report to Congress annually on the implementation of this section and the progress of providing increased opportunity for small-business concerns to provide innovative technology for acquisition programs of the Department of Defense.

(d) SMALL-BUSINESS CONCERN DEFINED.—In this section, the term ''small-business concern'' has the same meaning as the meaning of such term as used in the Small Business Act (15 U.S.C. 631 et seq.).

SEC. 809. COMPLIANCE WITH BUY AMERICAN ACT.

(a) COMPLIANCE WITH BUY AMERICAN ACT.—No funds authorized by this Act may be expended by an entity of the Department of Defense unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a et seq.).

(b) SENSE OF CONGRESS REGARDING PURCHASE OF AMERICAN–MADE EQUIPMENT AND PRODUCTS.—It is the sense of Congress that any entity of the Department of Defense, in expending funds authorized by this Act for the purchase of equipment or products, should purchase only American-made equipment and products.

(c) DEBARMENT OF PERSONS CONVICTED OF FRAUDULENT USE OF ''MADE IN AMERICA'' LABELS.—If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a ''Made in America'' inscription, or another inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. LIMITATION ON AMOUNT AVAILABLE FOR CONTRACTED ADVISORY AND ASSISTANCE SERVICES.

(a) REDUCTION.—From amounts appropriated for the Department of Defense for fiscal year 2000, the total amount obligated for contracted advisory and assistance services may not exceed the amount equal to the sum of the amounts specified in the President's budget for fiscal year 2000 for those services for components of the Department of Defense reduced by $100,000,000.

(b) LIMITATION PENDING RECEIPT OF REQUIRED REPORT.—Not more than 90 percent of the amount available to the Department of Defense for fiscal year 2000 for contracted advisory and assistance services (taking into account the limitation under subsection (a)) may be obligated until the Secretary of Defense submits to Congress the first annual report under section 2212(c) of title 10, United States Code.

SEC. 902. RESPONSIBILITY FOR LOGISTICS AND SUSTAINMENT FUNCTIONS OF THE DEPARTMENT OF DEFENSE.

(a) UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY.—(1) The position of Under Secretary of Defense for Acquisition and Technology in the Department of Defense is hereby redesignated as the Under Secretary of Defense for Acquisition, Technology, and Logistics. Any reference in any law, regulation, document, or other record of the United States to the Under Secretary of Defense for Acquisition and Technology shall be treated as referring to the Under Secretary of Defense for Acquisition, Technology, and Logistics.

(2) Section 133 of title 10, United States Code, is amended—

(A) in subsections (a), (b), and (e)(1), by striking ''Under Secretary of Defense for Acquisition and Technology'' and inserting ''Under Secretary of Defense for Acquisition, Technology, and Logistics''; and

(B) in subsection (b)—

(i) by striking ''logistics,'' in paragraph (2);

(ii) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(iii) by inserting after paragraph (2) the following new paragraph (3):

''(3) establishing policies for logistics, maintenance, and sustainment support for all elements of the Department of Defense;''.

(b) NEW DEPUTY UNDER SECRETARY FOR LOGISTICS AND MATERIEL READINESS.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 133a the following new section:

''§ 133b. Deputy Under Secretary of Defense for Logistics and Materiel Readiness

''(a) There is a Deputy Under Secretary of Defense for Logistics and Materiel Readiness, appointed from civilian life by the President by and with the advice and consent of the Senate. The Deputy Under Secretary shall be appointed from among persons with an extensive background in the sustainment of major weapon systems and combat support equipment.

''(b) The Deputy Under Secretary is the principal adviser to the Secretary and the Under Secretary of Defense for Acquisition, Technology, and Logistics on logistics and materiel readiness in the Department of Defense and is the principal logistics official within the senior management of the Department of Defense.

''(c) The Deputy Under Secretary shall perform such duties relating to logistics and materiel readiness as the Under Secretary of Defense for Acquisition, Technology and Logistics may assign, including—

''(1) prescribing, by authority of the Secretary of Defense, policies and procedures for the conduct of logistics, maintenance, materiel readiness, and sustainment support in the Department of Defense;

''(2) advising and assisting the Secretary of Defense, the Deputy Secretary of Defense, and the Under Secretary of Defense for Acquisition and Technology, and providing guidance to and consulting with the Secretaries of the military departments, with respect to logistics, maintenance, materiel readiness, and sustainment support in the Department of Defense; and

''(3) monitoring and reviewing all logistics, maintenance, materiel readiness, and sustainment support programs in the Department of Defense.''.

(2) Section 5314 of title 5, United States Code, is amended by inserting after the paragraph relating to the Deputy Under Secretary of Defense for Acquisition and Technology the following new paragraph:

''Deputy Under Secretary of Defense for Logistics and Materiel Readiness.''.

(c) REVISIONS TO LAW PROVIDING FOR DEPUTY UNDER SECRETARY FOR ACQUISITION AND TECHNOLOGY.—Section 133a(b) of title 10, United States Code, is amended—

(1) by striking ''his duties'' in the first sentence and inserting ''the Under Secretary's duties relating to acquisition and technology''; and

(2) by striking the second sentence.

(d) CONFORMING AMENDMENTS TO CHAPTER 4.—Chapter 4 of such title is further amended as follows:

(1) Sections 131(b)(2), 134(c), 137(b), and 139(b) are amended by striking ''Under Secretary of Defense for Acquisition and Technology'' each place it appears and inserting ''Under Secretary of Defense for Acquisition, Technology, and Logistics''.

(2) The heading of section 133 is amended to read as follows:

''§ 133. Under Secretary of Defense for Acquisition, Technology, and Logistics''.

(3) The table of sections at the beginning of the chapter is amended—

(A) by striking the item relating to section 133 and inserting the following:

''133. Under Secretary of Defense for Acquisition, Technology, and Logistics.'';

and

(B) by inserting after the item relating to section 133a the following new item:

''133b. Deputy Under Secretary of Defense for Logistics and Materiel Readiness.''.

(e) ADDITIONAL CONFORMING AMENDMENTS.—Section 5313 of title 5, United States Code, is amended by striking ''Under Secretary of Defense for Acquisition and Technology'' and inserting ''Under Secretary of Defense for Acquisition, Technology, and Logistics''.

SEC. 903. MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES.

(a) REVISION TO DEFENSE DIRECTIVE RELATING TO MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES.—Not later than October 1, 2000, the Secretary of Defense shall issue a revision to Department of Defense Directive 5100.73, entitled ''Department of Defense Management Headquarters and Headquarters Support Activities'', so as to incorporate in that directive the following:

(1) A threshold specified by command (or other organizational element) such that any headquarters activity below the threshold is not considered for the purpose of the directive to be a management headquarters or headquarters support activity.

(2) A definition of the term ''management headquarters and headquarters support activities'' that (A) is based upon function (rather than organization), and (B) includes any activity (other than an operational activity) that reports directly to such an activity.

(3) Uniform application of those definitions throughout the Department of Defense.

(b) TECHNICAL AMENDMENTS TO UPDATE LIMITATION ON OSD PERSONNEL.—Effective October 1, 1999, section 143 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking ''Effective October 1, 1999, the'' and inserting ''The''; and

(B) by striking ''75 percent of the baseline number'' and inserting ''3,767''.

(2) by striking subsections (b), (c), and (f); and

(3) by redesignating subsections (d) and (e) as subsections (b) and (c), respectively.

SEC. 904. FURTHER REDUCTIONS IN DEFENSE ACQUISITION AND SUPPORT WORKFORCE.

(a) REDUCTION OF DEFENSE ACQUISITION AND SUPPORT WORKFORCE.—The Secretary of Defense shall accomplish reductions in defense acquisition and support personnel positions during fiscal year 2000 so that the total number of such personnel as of October 1, 2000, is less than the total number of such personnel as of October 1, 1999, by at least 25,000.

(b) DEFENSE ACQUISITION AND SUPPORT PERSONNEL DEFINED.—For purposes of this section, the term ''defense acquisition and support personnel'' means military and civilian personnel (other than civilian personnel who are employed at a maintenance depot) who are assigned to, or employed in, acquisition organizations of the Department of Defense (as specified in Department of Defense Instruction numbered 5000.58 dated January 14, 1992), and any other organizations which the Secretary may determine to have a predominantly acquisition mission.

SEC. 905. CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.

(a) FINDINGS.—The Congress finds the following:

(1) The strategic relationship between the United States and the People's Republic of China will be very important for future peace and security, not only in the Asia-Pacific region but around the world.

(2) The United States does not view China as an enemy, nor consider that the coming century necessarily will see a new great power competition between the two nations.

(3) The end of the cold war has eliminated what had been the one fundamental common strategic interest of the United States and China, that of containing the Soviet Union.

(4) The sustained economic rise, stated geopolitical ambitions, and increasingly confrontational actions of China cast doubt on whether the United States will be able to form a satisfactory strategic partnership with the People's Republic of China and will pose challenges that will require careful management in order to preserve peace and protect the national security interests of the United States.

(5) The ability of the Department of Defense, and the United States Government more generally, to develop sound security and military strategies is hampered by a limited understanding of Chinese strategic goals and military capabilities. The low priority accorded the study of Chinese strategic and military affairs within the Government and within the academic community has contributed to this limited understanding.

(6) There is a need for a United States national institute for research and assessment of political, strategic, and military affairs in the People's Republic of China. Such an institute should be capable of providing analysis for the purpose of shaping United States military strategy and policy with regard to China and should be readily accessible to senior leaders within the Department of Defense, but should maintain academic and intellectual independence so that that analysis is not first shaped by policy.

(b) ESTABLISHMENT OF CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.—(1) Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2166. National Defense University: Center for the Study of Chinese Military Affairs

''(a) ESTABLISHMENT.—(1) The Secretary of Defense shall establish a Center for the Study of Chinese Military Affairs (hereinafter in this section referred to as the 'Center') as part of the National Defense University. The Center shall be organized as an independent institute under the University.

''(2) The Director of the Center shall be appointed by the Secretary of Defense. The Secretary shall appoint as the Director an individual who is a distinguished scholar of proven academic, management, and leadership credentials with a superior record of achievement and publication regarding Chinese political, strategic, and military affairs.

''(b) MISSION.—The mission of the Center is to study the national goals and strategic posture of the People's Republic of China and the ability of that nation to develop, field, and deploy an effective military instrument in support of its national strategic objectives.

''(c) AREAS OF STUDY.—The Center shall conduct research relating to the People's Republic of China as follows:

''(1) To assess the potential of that nation to act as a global great power, the Center shall conduct research that considers the policies and capabilities of that nation in a regional and world-wide context, including Central Asia, Southwest Asia, Europe, and Latin America, as well as the Asia-Pacific region.

''(2) To provide a fuller assessment of the areas of study referred to in paragraph (1), the Center shall conduct research on—

''(A) economic trends relative to strategic goals and military capabilities;

''(B) strengths and weaknesses in the scientific and technological sector; and

''(C) relevant demographic and human resource factors on progress in the military sphere.

''(3) The Center shall conduct research on the armed forces of the People's Republic of China, taking into account the character of those armed forces and their role in Chinese society and economy, the degree of their technological sophistication, and their organizational and doctrinal concepts. That research shall include inquiry into the following matters:

''(A) Concepts concerning national interests, objectives, and strategic culture.

''(B) Grand strategy, military strategy, military operations, and tactics.

''(C) Doctrinal concepts at each of the four levels specified in subparagraph (B).

''(D) The impact of doctrine on China's force structure choices.

''(E) The interaction of doctrine and force structure at each level to create an integrated system of military capabilities through procurement, officer education, training, and practice and other similar factors.

''(d) FACULTY OF THE CENTER.—(1) The core faculty of the Center should comprise scholars capable of providing diverse perspectives on Chinese political, strategic, and military thought. Center scholars shall demonstrate the following competencies and capabilities:

''(A) Analysis of national strategy, military strategy, and doctrine.

''(B) Analysis of force structure and military capabilities.

''(C) Analysis of—

''(i) issues relating to weapons of mass destruction, military intelligence, defense economics, trade, and international economics; and

''(ii) the relationship between those issues and grand strategy, science and technology, the sociology of human resources and demography, and political science.

''(2) A substantial number of Center scholars shall be competent in the Chinese language. The Center shall include a core of junior scholars capable of providing linguistics and translation support to the Center.

''(e) ACTIVITIES OF THE CENTER.—The activities of the Center shall include other elements appropriate to its mission, including the following:

''(1) The Center should include an active conference program with an international reach.

''(2) The Center should conduct an international competition for a Visiting Fellowship in Chinese Military Affairs and Chinese Security Issues. The term of the fellowship should be for one year, renewable for a second.

''(3) The Center shall provide funds to support at least one trip per analyst per year to China and the region and to support visits of Chinese military leaders to the Center.

''(4) The Center shall support well defined, distinguished, signature publications.

''(5) Center scholars shall have appropriate access to intelligence community assessments of Chinese military affairs.

''(f) STUDIES AND REPORTS.—The Director may contract for studies and reports from the private sector to supplement the work of the Center.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2166. National Defense University: Center for the Study of Chinese Military Affairs.''.

(c) IMPLEMENTATION REPORT.—Not later than January 1, 2000, the Secretary of Defense shall submit to Congress a report stating the timetable and organizational plan for establishing the Center for the Study of Chinese Military Affairs under section 2166 of title 10, United States Code, as added by subsection (b).

(d) STARTUP OF CENTER.—The Secretary shall establish the Center for the Study of Chinese Military Affairs under section 2166 of title 10, United States Code, as added by subsection (b), not later than March 1, 2000, and shall appoint the first Director of the Center not later than June 1, 2000.

SEC. 906. RESPONSIBILITY WITHIN OFFICE OF THE SECRETARY OF DEFENSE FOR MONITORING OPTEMPO AND PERSTEMPO.

Section 136 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(d) The Under Secretary of Defense for Personnel and Readiness is responsible, subject to the authority, direction, and control of the Secretary of Defense, for the monitoring of the operations tempo and personnel tempo of the armed forces. The Under Secretary shall establish, to the extent practicable, uniform standards within the Department of Defense for terminology and policies relating to deployment of units and personnel away from their assigned duty stations (including the length of time units or personnel may be away for such a deployment) and shall establish uniform reporting systems for tracking deployments.''.

SEC. 907. REPORT ON MILITARY SPACE ISSUES.

(a) REPORT.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on United States military space policy. The report shall address current and projected United States efforts to fully exploit space in preparation for possible conflicts in 2010 and beyond. The report shall specifically address the following:

(1) The general organization of the Department of Defense for addressing space issues, the functions of the various Department of Defense and military agencies, components, and elements with responsibility for military space issues, the practical effect of creating a new military service with responsibility for military operations in space, and the advisability of establishing an Assistant Secretary of Defense for Space.

(2) The manner in which current national military space policy is incorporated into overall United States national space policy.

(3) The manner in which the Department of Defense is organized to develop doctrine for the military use of space.

(4) The manner in which military space issues are addressed by professional military education institutions, to include a listing of specific courses offered at those institutions that focuses on military space policy.

(5) The manner in which space control issues are incorporated into current and planned experiments and exercises.

(6) The manner in which military space assets are being fully exploited to provide support for United States contingency operations.

(7) United States policy toward the use of commercial launch vehicles and facilities for the launch of military assets.

(8) The current interagency coordination process regarding the operation of military space assets, including identification of interoperability and communications issues.

(9) Policies and procedures for sharing missile launch early warning data with United States allies and friendly countries.

(10) Issues regarding the capability to detect threats to United States space assets.

(11) The manner in which the presence of space debris is expected to affect United States military space launch policy and the future design of military spacecraft.

(12) Whether military space programs should be funded separately from other service programs and whether the Global Positioning System should be funded through a Defense-wide appropriation account.

(b) CLASSIFICATION AND DEADLINE FOR REPORT.—The report required by subsection (a) shall be prepared in both classified and unclassified form and shall be submitted not later than March 1, 2000.

SEC. 908. EMPLOYMENT AND COMPENSATION OF CIVILIAN FACULTY MEMBERS OF DEPARTMENT OF DEFENSE AFRICAN CENTER FOR STRATEGIC STUDIES.

(a) FACULTY.—Subsection (c) of section 1595 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(6) The African Center for Strategic Studies.''.

(b) DIRECTOR AND DEPUTY DIRECTOR.—Subsection (e) of such section is amended by adding at the end the following new paragraph:

''(4) The African Center for Strategic Studies.''.

SEC. 909. ADDITIONAL MATTERS FOR ANNUAL REPORT ON JOINT WARFIGHTING EXPERIMENTATION.

Section 485(b) of title 10, United States Code, is amended by adding at the end the following new paragraphs:

''(5) With respect to interoperability of equipment and forces, any recommendations that the commander considers appropriate, developed on the basis of joint warfighting experimentation, for reducing unnecessary redundancy of equipment and forces, including guidance regarding the synchronization of the fielding of advanced technologies among the armed forces to enable the development and execution of joint operational concepts.

''(6) Recommendations for mission needs statements and operational requirements related to the joint experimentation and evaluation process.

''(7) Recommendations based on the results of joint experimentation for the relative priorities for acquisition programs to meet joint requirements.''.

SEC. 910. DEFENSE TECHNOLOGY SECURITY ENHANCEMENT.

(a) REORGANIZATION OF TECHNOLOGY SECURITY FUNCTIONS OF DEPARTMENT OF DEFENSE.—The Secretary of Defense shall establish the Technology Security Directorate of the Defense Threat Reduction Agency as a separate Defense Agency named the Defense Technology Security Agency. The Agency shall be under the authority, direction, and control of the Under Secretary of Defense for Policy.

(b) DIRECTOR.—The Director of the Defense Technology Security Agency shall also serve as Deputy Under Secretary of Defense for Technology Security Policy.

(c) FUNCTIONS.—The Director shall advise the Secretary of Defense and the Deputy Secretary of Defense, through the Under Secretary of Defense for Policy, on policy issues related to the transfer of strategically sensitive technology, including the following:

(1) Strategic trade.

(2) Defense cooperative programs.

(3) Science and technology agreements and exchanges.

(4) Export of munitions items.

(5) International Memorandums of Understanding.

(6) Industrial base and competitiveness concerns.

(7) Foreign acquisitions.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2000 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the Committee on Armed Services of the House of Representatives to accompany its report on the bill H.R. 1401 of the One Hundred Sixth Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. AUTHORIZATION OF PRIOR EMERGENCY MILITARY PERSONNEL APPROPRIATIONS.

There is authorized to be appropriated the amount of $1,838,426,000 appropriated to the Department of Defense for military personnel accounts in section 2012 of the 1999 Emergency Supplemental Appropriations Act.

SEC. 1004. REPEAL OF REQUIREMENT FOR TWO-YEAR BUDGET CYCLE FOR THE DEPARTMENT OF DEFENSE.

Section 1405 of the Department of Defense Authorization Act, 1986 (31 U.S.C. 1105 note), is repealed.

SEC. 1005. CONSOLIDATION OF VARIOUS DEPARTMENT OF THE NAVY TRUST AND GIFT FUNDS.

(a) CONSOLIDATION OF NAVAL ACADEMY GENERAL GIFT FUND AND MUSEUM FUND.—(1) Subsection (a) of section 6973 of title 10, United States Code, is amended to read as follows:

''(a)(1) The Secretary of the Navy may accept, hold, administer, and spend gifts and bequests of personal property, and loans of personal property other than money, made on the condition that the personal property be used for the benefit of, or in connection with, the Naval Academy or the Naval Academy Museum, its collection, or its services.

''(2) Gifts or bequests of money, and the proceeds from the sales of property received as a gift or bequest, shall be deposited in the Treasury in the fund called 'United States Naval Academy Gift and Museum Fund'. The Secretary may disburse funds deposited under this paragraph for the benefit or use of the Naval Academy or the Naval Academy Museum subject to the terms of the gift or bequest.''.

(2) Subsection (c) of such section is amended by striking ''United States Naval Academy general gift fund'' both places it appears and inserting ''United States Naval Academy Gift and Museum Fund''.

(3) Such section is further amended by adding at the end the following new subsection:

''(d) The Secretary shall develop written guidelines to be used in determining whether the acceptance of money, personal property, or loans of personal property under subsection (a) would—

''(1) reflect unfavorably upon the ability of the Department of the Navy to carry out its responsibilities in a fair and objective manner;

''(2) reflect unfavorably upon the ability of any employee of the Department of the Navy to carry out the employee's official duties in a fair and objective manner; or

''(3) compromise the integrity, or the appearance of the integrity, of Navy programs or any employee involved in such programs.''.

(b) REPEAL OF NAVAL ACADEMY MUSEUM FUND.—Section 6974 of title 10, United States Code, is repealed.

(c) REPEAL OF NAVAL HISTORICAL CENTER FUND.—Section 7222 of such title is repealed.

(d) TRANSFER OF FUNDS.—The Secretary of the Navy shall transfer—

(1) all funds in the United States Naval Academy Museum Fund as of the date of the enactment of this Act to the United States Naval Academy Gift and Museum Fund established by section 6973(a) of title 10, United States Code, as amended by subsection (a); and

(2) all funds in the Naval Historical Center Fund as of the date of the enactment of this Act to the Department of the Navy General Gift Fund established by section 2601(b)(2) of such title.

(e) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 603 of title 10, United States Code, is amended by striking the item relating to section 6974.

(2) The table of sections at the beginning of chapter 631 of such title is amended by striking the item relating to section 7222.

SEC. 1006. SUPPLEMENTAL APPROPRIATIONS REQUEST FOR OPERATIONS IN YUGOSLAVIA.

If the President determines that it is in the national security interest of the United States to conduct combat or peacekeeping operations in the Federal Republic of Yugoslavia during fiscal year 2000, the President shall transmit to the Congress a supplemental appropriations request for the Department of Defense for such amounts as are necessary for the costs of any such operation.

Subtitle B—Naval Vessels and Shipyards

SEC. 1011. REVISION TO CONGRESSIONAL NOTICE-AND-WAIT PERIOD REQUIRED BEFORE TRANSFER OF A VESSEL STRICKEN FROM THE NAVAL VESSEL REGISTER.

Section 7306(d) of title 10, United States Code, is amended to read as follows:

''(d) CONGRESSIONAL NOTICE-AND-WAIT PERIOD.—(1) A transfer under this section may not take effect until—

''(A) the Secretary submits to Congress notice of the proposed transfer; and

''(B) 30 days of session of Congress have expired following the date on which the notice is sent to Congress.

''(2) For purposes of paragraph (1)(B)—

''(A) the period of a session of Congress is broken only by an adjournment of Congress

sine die at the end of the final session of a Congress; and

''(B) any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain, or because of an adjournment sine die at the end of the first session of a Congress, shall be excluded in the computation of such 30-day period.''.

SEC. 1012. AUTHORITY TO CONSENT TO RETRANSFER OF FORMER NAVAL VESSEL.

(a) IN GENERAL.—Subject to subsection (b), the President may consent to the retransfer by the Government of Greece of HS Rodos (ex-USS BOWMAN COUNTY (LST 391)) to the USS LST Ship Memorial, Inc., a not-for-profit organization operating under the laws of the State of Pennsylvania.

(b) CONDITIONS FOR CONSENT.—The President should not exercise the authority under subsection (a) unless the USS LST Memorial, Inc. agrees—

(1) to use the vessel for public, nonprofit, museum-related purposes; and

(2) to comply with applicable law with respect to the vessel, including those requirements related to facilitating monitoring by the United States of, and mitigating potential environmental hazards associated with, aging vessels, and has a demonstrated financial capability to so comply.

SEC. 1013. REPORT ON NAVAL VESSEL FORCE STRUCTURE REQUIREMENTS.

(a) REQUIREMENT.—Not later than February, 1, 2000, the Secretary of Defense shall submit to the Committee on Armed Service of the Senate and the Committee on Armed Services of the House of Representatives a report on naval vessel force structure requirements.

(b) MATTERS TO BE INCLUDED.— The report shall provide—

(1) a statement of the naval vessel force structure required to carry out the National Military Strategy, including that structure required to meet joint and combined warfighting requirements and missions relating to crisis response, overseas presence, and support to contingency operations; and

(2) a statement of the naval vessel force structure that is supported and funded in the President's budget for fiscal year 2001 and in the current future-years defense program.

SEC. 1014. AUXILIARY VESSELS ACQUISITION PROGRAM FOR THE DEPARTMENT OF DEFENSE.

(a) PROGRAM AUTHORIZATION.—(1) Chapter 631 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 7233. Auxiliary vessels: extended lease authority

''(a) AUTHORIZED CONTRACTS.—After September 30, 1999, the Secretary of the Navy, subject to subsection (b), may enter into contracts with private United States shipyards for the construction of new surface vessels to be long-term leased by the United States from the shipyard or other private person for any of the following:

''(1) The combat logistics force of the Navy.

''(2) The strategic sealift force of the Navy.

''(3) Other auxiliary support vessels for the Department of Defense.

''(b) CONTRACTS REQUIRED TO BE AUTHORIZED BY LAW.—A contract may be entered into under subsection (a) with respect to a specific vessel only if the Secretary is specifically authorized by law to enter into such a contract with respect to that vessel.

''(c) FUNDS FOR CONTRACT PAYMENTS.—The Secretary may make payments for contracts entered into under subsection (a) and under subsection (g) using funds available for obligation from operation and maintenance accounts during the fiscal year for which the payments are required to be made. Any such contract shall provide that the United States is not required to make a payment under the contract (other than a termination payment, if required) before October 1, 2001.

''(d) TERM OF CONTRACT.—In this section, the term 'long-term lease' means a lease, bareboat charter, or conditional sale agreement with respect to a vessel the term of which (including any option period) is for a period of 20 years or more.

''(e) OPTION TO BUY.—A contract entered into under subsection (a) may include options for the United States to purchase one or more of the vessels covered by the contract at any time during, or at the end of, the contract period (including any option period) upon payment of an amount equal to the lesser of (1) the unamortized portion of the cost of the vessel plus amounts incurred in connection with the termination of the financing arrangements associated with the vessel, or (2) the fair market value of the vessel.

''(f) DOMESTIC CONSTRUCTION.—The Secretary shall require in any contract entered into under this section that each vessel to which the contract applies—

''(1) shall have been constructed in a shipyard within the United States; and

''(2) upon delivery, shall be documented under the laws of the United States.

''(g) VESSEL OPERATION.—(1) The Secretary shall operate a vessel held by the Secretary under a long-term lease under this section through a contract with a United States domiciled corporation with experience in the operation of vessels for the United States. Any such contract shall be for a term as determined by the Secretary.

''(2) The Secretary may provide a crew for any such vessel using civil service mariners only after an evaluation and competition taking into account—

''(A) the fully burdened cost of a civil service crew over the expected useful life of the vessel;

''(B) the effect on the private sector manpower pool; and

''(C) the operational requirements of the Department of the Navy.

''(h) CONTINGENT WAIVER OF OTHER PROVISIONS OF LAW.—A contract authorized by this section may be entered into without regard to section 2401 or 2401a of this title if the Secretary of Defense makes the following findings with respect to that contract:

''(1) The need for the vessels or services to be provided under the contract is expected to remain substantially unchanged during the contemplated contract or option period.

''(2) There is a reasonable expectation that throughout the contemplated contract or option period the Secretary of the Navy (or, if the contract is for services to be provided to, and funded by, another military department, the Secretary of that military department) will request funding for the contract at the level required to avoid contract cancellation.

''(3) The use of such contract or the exercise of such option is in the interest of the national defense.

''(i) SOURCE OF FUNDS FOR TERMINATION LIABILITY.—If a contract entered into under this section is terminated, the costs of such termination may be paid from—

''(1) amounts originally made available for performance of the contract;

''(2) amounts currently available for operation and maintenance of the type of vessels or services concerned and not otherwise obligated; or

''(3) funds appropriated for those costs.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''7233. Auxiliary vessels: extended lease authority.''.

(b) DEFINITION OF DEPARTMENT OF DEFENSE SEALIFT VESSEL.—Section 2218(k)(2) of title 10, United States Code, is amended—

(1) by striking ''that is—'' in the matter preceding subparagraph (A) and inserting ''that is any of the following:'';

(2) by striking ''a'' at the beginning of subparagraphs (A), (B), and (E) and inserting ''A'';

(3) by striking ''an'' at the beginning of subparagraphs (C) and (D) and inserting ''An'';

(4) by striking the semicolon at the end of subparagraphs (A), (B), and (C) and inserting a period;

(5) by striking ''; or'' at the end of subparagraph (D) and inserting a period; and

(6) by adding at the end the following new subparagraphs:

''(F) A large medium-speed roll-on/roll-off ship.

''(G) A combat logistics force ship.

''(H) Any other auxiliary support vessel.''.

SEC. 1015. AUTHORITY TO PROVIDE ADVANCE PAYMENTS FOR THE NATIONAL DEFENSE FEATURES PROGRAM.

(a) IN GENERAL.—Section 2218 of title 10, United States Code, is amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following new subsection (k):

''(k)(1) The Secretary of Defense, after making a determination of economic soundness for any proposed offer, may provide advance payments to a contractor by lump sum or annual payments (or a combination thereof) for the following costs associated with inclusion or incorporation of defense features in a commercial vessel:

''(A) Costs to build, procure, and install the defense features in the vessel.

''(B) Costs to periodically maintain and test the defense features on the vessel.

''(C) Any increased costs of operation or any loss of revenue attributable to the inclusion or incorporation of the defense feature on the vessel.

''(D) Any additional costs associated with the terms and conditions of the contract to install and incorporate defense features.

''(2) For any contract under which the United States provides advance payments under paragraph (1) for the costs associated with incorporation or inclusion of defense features in a commercial vessel, the contractor shall provide to the United States such security interests, which may include a preferred mortgage under section 31322 of title 46, on the vessel as the Secretary may prescribe to project the interests of the United States relating to all costs associated with incorporation or inclusion of defense features in such vessel or vessels.

''(3) The functions of the Secretary under this subsection may not be delegated to an officer or employee in a position below the head of the procuring activity, as defined in section 2304(f)(6)(A) of this title.''.

(b) EFFECTIVE DATE.—Subsection (j) of section 2218 of title 10, United States Code, as added by subsection (a), shall apply to contracts entered into after September 30, 1999.

Subtitle C—Matters Relating to Counter Drug Activities

SEC. 1021. SUPPORT FOR DETECTION AND MONITORING ACTIVITIES IN THE EASTERN PACIFIC OCEAN.

(a) OPERATION CAPER FOCUS.—Of the amount authorized to be appropriated by section 301(20) for drug interdiction and counter-drug activities, $6,000,000 shall be available for the purpose of conducting the counter-drug operation known as Caper Focus, which targets the maritime movement of cocaine on vessels in the eastern Pacific Ocean.

(b) FUNDS FOR CONVERSION OF WIDE APERTURE RADAR FACILITY TO OPERATIONAL STATUS.—Of the amount authorized to be appropriated by such section, $17,500,000 shall be available for the purpose of—

(1) converting the Over-The-Horizon Radar facility known as the Wide Aperture Radar Facility in southern California from a research to operational status; and

(2) using the facility on a full-time basis to detect and track both air and maritime drug traffic in the eastern Pacific Ocean and to monitor the international border in the southwestern United States.

(c) CONTRIBUTION OF ASSETS.—The Secretary of the Air Force shall make available for use at the Wide Aperture Radar Facility described in subsection (b) two OTH-B Continental 100 KW transmitters and necessary spare parts to ensure the conversion of the facility to operational status.

(d) TEST AGAINST GO-FAST BOATS.—As part of the conversion of the Wide Aperture Radar Facility described in subsection (b) to operational status, the Secretary of Defense shall evaluate the ability of the facility to detect and track the high-speed maritime vessels typically used in the transportation of illegal drugs by water.

(e) PROGRESS REPORT.—Not later than April 15, 2000, the Secretary of Defense shall submit a report to Congress evaluating the effectiveness of the Wide Aperture Radar Facility described in subsection (b) in counter-drug detection monitoring and border surveillance.

SEC. 1022. CONDITION ON DEVELOPMENT OF FORWARD OPERATING LOCATIONS FOR UNITED STATES SOUTHERN COMMAND COUNTER-DRUG DETECTION AND MONITORING FLIGHTS.

None of the funds appropriated or otherwise made available to the Department of Defense for any fiscal year may be obligated or expended for the purpose of improving the physical infrastructure at any proposed forward operating location outside the United States from which the United States Southern Command may conduct counter-drug detection and monitoring flights until a formal agreement regarding the extent and use of, and host nation support for, the forward operating location is executed by both the host nation and the United States.

SEC. 1023. UNITED STATES MILITARY ACTIVITIES IN COLOMBIA.

Section 1033(f) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 U.S.C. 1881) is amended—

(1) by redesignating paragraph (4) as paragraph (5) and, in such paragraph, by striking ''National Security'' and inserting ''Armed Services''; and

(2) by inserting after paragraph (3) the following new paragraph:

''(4) Not later than January 1 of each year, the Secretary shall submit to the congressional committees a report detailing the number of United States military personnel deployed or otherwise assigned to duty in Colombia at any time during the preceding year, the length and purpose of the deployment or assignment, and the costs and force protection risks associated with such deployments and assignments.''.

SEC. 1024. ASSIGNMENT OF MEMBERS TO ASSIST IMMIGRATION AND NATURALIZATION SERVICE AND CUSTOMS SERVICE.

(a) ASSIGNMENT AUTHORITY OF SECRETARY OF DEFENSE.—Chapter 18 of title 10, United States Code, is amended by inserting after section 374 the following new section:

''§ 374a. Assignment of members to assist border patrol and control

''(a) ASSIGNMENT AUTHORIZED.—Upon submission of a request consistent with subsection (b), the Secretary of Defense may assign members of the Army, Navy, Air Force, and Marine Corps to assist—

''(1) the Immigration and Naturalization Service in preventing the entry of terrorists and drug traffickers into the United States; and

''(2) the United States Customs Service in the inspection of cargo, vehicles, and aircraft at points of entry into the United States to prevent the entry of weapons of mass destruction, components of weapons of mass destruction, prohibited narcotics or drugs, or other terrorist or drug trafficking items.

''(b) REQUEST FOR ASSIGNMENT.—The assignment of members under subsection (a) may occur only if—

''(1) the assignment is at the request of the Attorney General, in the case of an assignment to the Immigration and Naturalization Service, or the Secretary of the Treasury, in the case of an assignment to the United States Customs Service; and

''(2) the request of the Attorney General or the Secretary of the Treasury (as the case may be) is accompanied by a certification by the President that the assignment of members pursuant to the request is necessary to respond to a threat to national security posed by the entry into the United States of terrorists or drug traffickers.

''(c) TRAINING PROGRAM.—If the assignment of members is requested under subsection (b), the Attorney General or the Secretary of the Treasury (as the case may be), together with the Secretary of Defense, shall establish a training program to ensure that members to be assigned receive general instruction regarding issues affecting law enforcement in the border areas in which the members will perform duties under the assignment. A member may not be deployed at a border location pursuant to an assignment under subsection (a) until the member has successfully completed the training program.

''(d) CONDITIONS ON USE.—(1) Whenever a member who is assigned under subsection (a) to assist the Immigration and Naturalization Service or the United States Customs Service is performing duties at a border location pursuant to the assignment, a civilian law enforcement officer from the agency concerned shall accompany the member.

''(2) Nothing in this section shall be construed to—

''(A) authorize a member assigned under subsection (a) to conduct a search, seizure, or other similar law enforcement activity or to make an arrest; and

''(B) supersede section 1385 of title 18 (popularly known as the 'Posse Comitatus Act').

''(e) NOTIFICATION REQUIREMENTS.—The Attorney General or the Secretary of the Treasury (as the case may be) shall notify the Governor of the State in which members are to be deployed pursuant to an assignment under subsection (a), and local governments in the deployment area, of the deployment of the members to assist the Immigration and Naturalization Service or the United States Customs Service (as the case may be) and the types of tasks to be performed by the members.

''(f) REIMBURSEMENT REQUIREMENT.—Section 377 of this title shall apply in the case of members assigned under subsection (a).

''(g) TERMINATION OF AUTHORITY.—No assignment may be made or continued under subsection (a) after September 30, 2002.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 374 the following new item:

''374a. Assignment of members to assist border patrol and control.''.

Subtitle D—Other Matters

SEC. 1031. IDENTIFICATION IN BUDGET MATERIALS OF AMOUNTS FOR DECLASSIFICATION ACTIVITIES AND LIMITATION ON EXPENDITURES FOR SUCH ACTIVITIES.

(a) IN GENERAL.—(1) Chapter 9 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 229. Amounts for declassification of records

''(a) SPECIFIC IDENTIFICATION IN BUDGET.—The Secretary of Defense shall include in the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31) specific identification, as a budgetary line item, of the amounts required to carry out programmed activities during that fiscal year to declassify records pursuant to Executive Order 12958 (50 U.S.C. 435 note), or any successor Executive order, or to comply with any statutory requirement to declassify Government records.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''229. Amounts for declassification of records.''.

(b) LIMITATION ON EXPENDITURES.—The total amount expended by the Department of Defense during fiscal year 2000 to carry out activities to declassify records pursuant to Executive Order 12958 (50 U.S.C. 435 note), or any successor Executive order, or to comply with any statutory requirement to declassify Government records may not exceed $20,000,000.

SEC. 1032. NOTICE TO CONGRESSIONAL COMMITTEES OF COMPROMISE OF CLASSIFIED INFORMATION WITHIN DEFENSE PROGRAMS OF THE UNITED STATES.

(a) IN GENERAL.—The Secretary of Defense shall notify the committees specified in subsection (c) of any information, regardless of its origin, that the Secretary receives that indicates that classified information relating to any defense operation, system, or technology of the United States is being, or may have been, disclosed in an unauthorized manner to a foreign power or an agent of a foreign power.

(b) MANNER OF NOTIFICATION.—A notification under subsection (a) shall be provided, in writing, not later than 30 days after the date of the initial receipt of such information by the Department of Defense.

(c) SPECIFIED COMMITTEES.—The committees referred to in subsection (a) are the Committee on Armed Services of the Senate and the Committee on Armed Service of the House of Representatives.

(d) FOREIGN POWER.—For purposes of this section, the terms ''foreign power'' and ''agent of a foreign power'' have the meanings given those terms in section 101 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801).

SEC. 1033. REVISION TO LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

(a) REVISED LIMITATION.—Subsections (a) and (b) of section 1302 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) are amended to read as follows:

''(a) FUNDING LIMITATION.—(1) Except as provided in paragraph (2), funds available to the Department of Defense may not be obligated or expended for retiring or dismantling, or for preparing to retire or dismantle, any of the following strategic nuclear delivery systems below the specified levels:

''(A) 76 B–52H bomber aircraft.

''(B) 18 Trident ballistic missile submarines.

''(C) 500 Minuteman III intercontinental ballistic missiles.

''(D) 50 Peacekeeper intercontinental ballistic missiles.

''(2) The limitation in paragraph (1) shall cease to apply upon a certification by the President to Congress of the following:

''(A) That the effectiveness of the United States strategic deterrent will not be decreased by reductions in strategic nuclear delivery systems.

''(B) That the requirements of the Single Integrated Operational Plan can be met with a reduced number of strategic nuclear delivery systems.

''(C) That reducing the number of strategic nuclear delivery systems will not, in the judgment of the President, provide a disincentive for Russia to ratify the START II treaty or serve to undermine future arms control negotiations.

''(3) If the Presidents submits the certification described in paragraph (2), then effective upon the submission of that certification, funds available to the Department of Defense may not be obligated or expended to maintain a United States force structure of strategic nuclear delivery systems with a total capacity in warheads that is less than 98 percent of the 6,000 warhead limitation applicable to the United States and in effect under the Strategic Arms Reduction Treaty.

''(b) WAIVER AUTHORITY.—If the START II treaty enters into force, the President may waive the application of the limitation in effect under paragraph (1) or (3) of subsection (a), as the case may be, to the extent that the President determines such a waiver to be necessary in order to implement the treaty.''.

(b) COVERED SYSTEMS.—(1) Subsection (e) of such section is amended to read as follows:

''(e) STRATEGIC NUCLEAR DELIVERY SYSTEMS DEFINED.—For purposes of this section, the term 'strategic nuclear delivery systems' means the following:

''(1) B–52H bomber aircraft.

''(2) Trident ballistic missile submarines.

''(3) Minuteman III intercontinental ballistic missiles.

''(4) Peacekeeper intercontinental ballistic missiles.''.

(2) Subsection (c)(2) of such section is amended by striking ''specified in subsection (a)''.

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (c)(2), by striking ''during the strategic delivery systems retirement limitation period'' and inserting ''during the fiscal year during which the START II Treaty enters into force''; and

(2) by striking subsection (g).

SEC. 1034. ANNUAL REPORT BY CHAIRMAN OF JOINT CHIEFS OF STAFF ON THE RISKS IN EXECUTING THE MISSIONS CALLED FOR UNDER THE NATIONAL MILITARY STRATEGY.

Section 153 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) RISKS UNDER NATIONAL MILITARY STRATEGY.—(1) Not later than January 1 each year, the Chairman shall submit to the Secretary of Defense a report providing the Chairman's assessment of the nature and magnitude of the strategic and military risks associated with executing the missions called for under the current National Military Strategy.

''(2) The Secretary shall forward the report received under paragraph (1) in any year, with the Secretary's comments thereon (if any), to Congress with the Secretary's next transmission to Congress of the annual Department of Defense budget justification materials in support of the Department of Defense component of the budget of the President submitted under section 1105 of title 31 for the next fiscal year. If the Chairman's assessment in such report in any year is that risk associated with executing the missions called for under the National Military Strategy is significant, the Secretary shall include with the report as submitted to Congress the Secretary's plan for mitigating that risk.''.

SEC. 1035. REQUIREMENT TO ADDRESS UNIT OPERATIONS TEMPO AND PERSONNEL TEMPO IN DEPARTMENT OF DEFENSE ANNUAL REPORT.

(a) REPORTING REQUIREMENTS.—Chapter 23 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 486. Unit operations tempo and personnel tempo: annual report

''(a) INCLUSION IN ANNUAL REPORT.—The Secretary of Defense shall include in the annual report required by section 113(c) of this title a description of the operations tempo and personnel tempo of the armed forces.

''(b) SPECIFIC REPORTING REQUIREMENTS.—To satisfy subsection (a), the report shall include the following:

''(1) A description of the methods by which each of the armed forces measures operations tempo and personnel tempo.

''(2) A description of the personnel tempo policies of each of the armed forces and any changes to these policies since the preceding report.

''(3) A table depicting the active duty end strength for each of the armed forces for each of the preceding five years and also depicting the number of members of each of the armed forces deployed over the same period, as determined by the Secretary concerned.

''(4) An identification of the active and reserve component units of the armed forces participating at the battalion, squadron, or an equivalent level (or a higher level) in contingency operations, major training events, and other exercises and contingencies of such a scale that the exercises and contingencies receive an official designation, that were conducted during the period covered by the report and the duration of their participation.

''(5) For each of the armed forces, the average number of days a member of that armed force was deployed away from the member's home station during the period covered by the report as compared to recent previous years for which such information is available.

''(6) For each of the armed forces, the number of days that high demand, low density units (as defined by the Chairman of the Joint Chiefs of Staff) were deployed during the period covered by the report, and whether these units met the force goals for limiting deployments, as described in the personnel tempo policies applicable to that armed force.

''(c) DEFINITIONS.—In this section:

''(1) The term 'operations tempo' means the rate at which units of the armed forces are involved in all military activities, including contingency operations, exercises, and training deployments.

''(2) The term 'personnel tempo' means the amount of time members of the armed forces are engaged in their official duties, including the rate at which members are required, as a result of these duties, to spend nights away from home.

''(3) The term 'armed forces' does not include the Coast Guard when it is not operating as a service in the Department of the Navy.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''486. Unit operations tempo and personnel tempo: annual report.''.

SEC. 1036. PRESERVATION OF CERTAIN DEFENSE REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) does not apply to any report required to be submitted under any of the following provisions of law:

(1) The following sections of title 10, United States Code: sections 113, 115a, 116, 139(f), 221, 226, 401(d), 667, 2011(e), 2391(c), 2431(a), 2432, 2457(d), 2537, 2662(b), 2706(b), 2861, 2902(g)(2), 4542(g)(2), 7424(b), 7425(b), 10541, 10542, and 12302(d).

(2) Sections 301a(f) and 1008 of title 37, United States Code.

(3) Sections 11 and 14 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–2, 98h–5).

(4) Section 4(a) of Public Law 85–804 (50 U.S.C. 1434(a)).

(5) Section 10(g) of the Military Selective Service Act (50 U.S.C. App. 460(g)).

(6) Section 3134 of the National Defense Authorization Act, Fiscal Year 1991 (42 U.S.C. 7274c).

(7) Section 822(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (42 U.S.C. 6687(b)).

(8) Section 1097 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (22 U.S.C. 2751 note).

(9) Sections 208, 901(b)(2), and 1211 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1118, 1241(b)(2), 1291).

(10) Section 12 of the Act of March 9, 1920 (popularly known as the ''Suits in Admiralty Act'') (46 App. U.S.C. 752).

SEC. 1037. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 136(a) is amended by inserting ''advice and'' after ''by and with the''.

(2) Section 180(d) is amended by striking ''grade GS–18 of the General Schedule under section 5332 of title 5'' and inserting ''Executive Schedule Level IV under section 5376 of title 5''.

(3) Section 192(d) is amended by striking ''the date of the enactment of this subsection'' and inserting ''October 17, 1998''.

(4) Section 374(b) is amended—

(A) in paragraph (1), by aligning subparagraphs (C) and (D) with subparagraphs (A) and (B); and

(B) in paragraph (2)(F), by striking the second semicolon at the end of clause (i).

(5) Section 664(i)(2)(A) is amended by striking ''the date of the enactment of this subsection'' and inserting ''February 10, 1996''.

(6) Section 777(d)(1) is amended by striking ''may not exceed'' and all that follows and inserting ''may not exceed 35.''.

(7) Section 977(d)(2) is amended by striking ''the lesser of'' and all that follows through ''(B)''.

(8) Section 1073 is amended by inserting ''(42 U.S.C. 14401 et seq.)'' before the period at the end of the second sentence.

(9) Section 1076a(j)(2) is amended by striking ''1 year'' and inserting ''one year''.

(10) Section 1370(d) is amended—

(A) in paragraph (1), by striking ''chapter 1225'' and inserting ''chapter 1223''; and

(B) in paragraph (5), by striking ''the date of the enactment of this paragraph'' and inserting ''October 17, 1998,''.

(11) Section 1401a(b)(2) is amended—

(A) by striking ''MEMBERS'' and all that follows through ''The Secretary shall'' and inserting ''MEMBERS.—The Secretary shall'';

(B) by striking subparagraphs (B) and (C); and

(C) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B) and realigning those subparagraphs, as so redesignated, so as to be indented four ems from the left margin.

(12) Section 1406(i)(2) is amended by striking ''on or after the date of the enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999'' and inserting ''after October 16, 1998''.

(13) Section 1448(b)(3)(E)(ii) is amended by striking ''on or after the date of the enactment of the subparagraph'' and inserting ''after October 16, 1998,''.

(14) Section 1501(d) is amended by striking ''prescribed'' in the first sentence and inserting ''described''.

(15) Section 1509(a)(2) is amended by striking ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998'' in subparagraphs (A) and (B) and inserting ''November 18, 1997,''.

(16) Section 1513(1) is amended by striking '', under the circumstances specified in the last sentence of section 1509(a) of this title'' and inserting ''who is required by section 1509(a)(1) of this title to be considered a missing person''.

(17) Section 2208(l)(2)(A) is amended by inserting ''of'' after ''during a period''.

(18) Section 2212(f) is amended—

(A) in paragraphs (2) and (3), by striking ''after the date of the enactment of this section'' and inserting ''after October 17, 1998,''; and

(B) in paragraphs (2), (3) and (4), by striking ''as of the date of the enactment of this section'' and inserting ''as of October 17, 1998''.

(19) Section 2302c(b) is amended by striking ''section 2303'' and inserting ''section 2303(a)''.

(20) Section 2325(a)(1) is amended by inserting ''that occurs after November 18, 1997,'' after ''of the contractor'' in the matter that precedes subparagraph (A).

(21) Section 2469a(c)(3) is amended by striking ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998'' and inserting ''November 18, 1997''.

(22) Section 2486(c) is amended by striking ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998,'' in the second sentence and inserting ''November 18, 1997,''.

(23) Section 2492(b) is amended by striking ''the date of the enactment of this section'' and inserting ''October 17, 1998''.

(24) Section 2539b(a) is amended by striking ''secretaries of the military departments'' and inserting ''Secretaries of the military departments''.

(25) Section 2641a is amended—

(A) by striking '', United States Code,'' in subsection (b)(2); and

(B) by striking subsection (d).

(26) Section 2692(b) is amended—

(A) by striking ''apply to—'' in the matter preceding paragraph (1) and inserting ''apply to the following:'';

(B) by striking ''the'' at the beginning of each of paragraphs (1) through (11) and inserting ''The'';

(C) by striking the semicolon at the end of each of paragraphs (1) through (9) and inserting a period; and

(D) by striking ''; and'' at the end of paragraph (10) and inserting a period.

(27) Section 2696 is amended—

(A) in subsection (a), by inserting ''enacted after December 31, 1997,'' after ''any provision of law'';

(B) in subsection (b)(1), by striking ''required by paragraph (1)'' and inserting ''referred to in subsection (a)''; and

(C) in subsection (e)(4), by striking ''the date of enactment of the National Defense Authorization Act for Fiscal Year 1998'' and inserting ''November 18, 1997''.

(28) Section 2703(c) is amended by striking ''United States Code,''.

(29) Section 2837(d)(2)(C) is amended by striking ''the National Defense Authorization Act for Fiscal Year 1996'' and inserting ''this section''.

(30) Section 7315(d)(2) is amended by striking ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998'' and inserting ''November 18, 1997,''.

(31) Section 7902(e)(5) is amended by striking '', United States Code,''.

(32) The item relating to section 12003 in the table of sections at the beginning of chapter 1201 is amended by inserting ''in an'' after ''officers''.

(33) Section 14301(g) is amended by striking ''1 year'' both places it appears and inserting ''one year''.

(34) Section 16131(b)(1) is amended by inserting ''in'' after ''Except as provided''

(b) PUBLIC LAW 105–261.—Effective as of October 17, 1998, and as if included therein as enacted, the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1920 et seq.) is amended as follows:

(1) Section 402(b) (112 Stat. 1996) is amended by striking the third comma in the first quoted matter and inserting a period.

(2) Section 511(b)(2) (112 Stat. 2007) is amended by striking ''section 1411'' and inserting ''section 1402''.

(3) Section 513(a) (112 Stat. 2007) is amended by striking ''section 511'' and inserting ''section 512(a)''.

(4) Section 525(b) (112 Stat. 2014) is amended by striking ''subsection (i)'' and inserting ''subsection (j)''.

(5) Section 568 (112 Stat. 2031) is amended by striking ''1295(c)'' in the matter preceding paragraph (1) and inserting ''1295b(c)''.

(6) Section 722(c)(1)(D) (112 Stat. 2067) is amended by striking ''subsection (c)'' and inserting ''subsection (d)''.

(c) PUBLIC LAW 105–85.—The National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) is amended as follows:

(1) Section 557(b) (111 Stat. 1750) is amended by inserting ''to'' after ''with respect''.

(2) Section 563(b) (111 Stat. 1754) is amended by striking ''title'' and inserting ''subtitle''.

(3) Section 644(d)(2) (111 Stat. 1801) is amended by striking ''paragraphs (3) and (4)'' and inserting ''paragraphs (7) and (8)''.

(4) Section 934(b) (111 Stat. 1866) is amended by striking ''of'' after ''matters concerning''.

(d) OTHER LAWS.—

(1) Effective as of April 1, 1996, section 647(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 370) is amended by inserting ''of such title'' after ''Section 1968(a)''.

(2) Section 414 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 10 U.S.C. 12001 note) is amended—

(A) by striking ''pilot'' in subsection (a), ''PILOT'' in the heading of subsection (a), and ''**pilot**'' in the section heading; and

(B) in subsection (c)(1)—

(i) by striking ''2,000'' in the first sentence and inserting ''5,000''; and

(ii) by striking the second sentence.

(3) Sections 8334(c) and 8422(a)(3) of title 5, United States Code, are each amended in the item for nuclear materials couriers—

(A) by striking ''to the day before the date of the enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999'' and inserting ''to October 16, 1998''; and

(B) by striking ''The date of the enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999'' and inserting ''October 17, 1998''.

(4) Section 113(b)(2) of title 32, United States Code, is amended by striking ''the date of the enactment of this subsection'' and inserting ''October 17, 1998''.

(5) Section 1007(b) of title 37, United States Code, is amended by striking the second sentence.

(6) Section 845(b)(1) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) is amended by striking ''(e)(2) and (e)(3) of such section 2371'' and inserting ''(e)(1)(B) and (e)(2) of such section 2371''.

SEC. 1038. CONTRIBUTIONS FOR SPIRIT OF HOPE ENDOWMENT FUND OF UNITED SERVICE ORGANIZATIONS, INCORPORATED.

(a) GRANTS AUTHORIZED.—Subject to subsection (c), the Secretary of Defense may make grants to the United Service Organizations, Incorporated, a federally chartered corporation under chapter 2201 of title 36, United States Code, to contribute funds for the USO's Spirit of Hope Endowment Fund.

(b) GRANT INCREMENTS.—The amount of the first grant under subsection (a) may not exceed $2,000,000. The amount of the second grant under such subsection may not exceed $3,000,000, and subsequent grants may not exceed $5,000,000.

(c) MATCHING REQUIREMENT.—Each grant under subsection (a) may not be made until after the United Service Organizations, Incorporated, certifies to the Secretary of Defense that sufficient funds have been raised from non-Federal sources for deposit in the Spirit of Hope Endowment Fund to match, on a dollar-for-dollar basis, the amount of that grant.

(d) FUNDING.—Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, $25,000,000 shall be available to the Secretary of Defense for the purpose of making grants under subsection (a).

SEC. 1039. CHEMICAL DEFENSE TRAINING FACILITY.

(a) AUTHORITY TO TRANSFER AGENTS.—(1) The Secretary of Defense may transfer to the Attorney General quantities of non-stockpile lethal chemical agents required to support training at the Chemical Defense Training Facility at the Center for Domestic Preparedness in Fort McClellan, Alabama. The quantity of non-stockpile lethal chemical agents that may be transferred under this section may not exceed that required to support training for emergency first-response personnel in addressing the health, safety and law enforcement concerns associated with potential terrorist incidents that might involve the use of lethal chemical weapons or agents, or other training designated by the Attorney General.

(2) The Secretary of Defense, in coordination with the Attorney General, shall determine the amount of non-stockpile lethal chemical agents that shall be transferred under this section. Such amount shall be transferred from quantities of non-stockpile lethal chemical agents that are maintained by the Department of Defense for research, development, test, and evaluation of chemical defense material and for live-agent training of chemical defense personnel and other individuals by the Department of Defense.

(3) The Secretary of Defense may not transfer non-stockpile lethal chemical agents under this section until—

(A) the Chemical Defense Training Facility referred to in paragraph (1) is transferred from the Department of Defense to the Department of Justice; and

(B) the Secretary certifies that the Attorney General is prepared to receive such agents.

(4) Quantities of non-stockpile lethal chemical agents transferred under this section shall meet all applicable requirements for transportation, storage, treatment, and disposal of such agents and for any resulting hazardous waste products.

(b) ANNUAL REPORT.—The Secretary of Defense, in consultation with Attorney General and the Administrator of the Environmental Protection Agency, shall report annually to Congress regarding the disposition of non-stockpile lethal chemical agents transferred under this section.

(c) NON-STOCKPILE LETHAL CHEMICAL AGENTS.—In this section, the term ''non-stockpile lethal chemical agents'' includes those chemicals in the possession of the Department of Defense that are not part of the chemical weapons stockpile and that are applied to research, medical, pharmaceutical, or protective purposes in accordance with Article VI of the Conventional Weapons Convention Treaty.

SEC. 1040. ASIA-PACIFIC CENTER FOR SECURITY STUDIES.

(a) WAIVER OF CHARGES.—(1) The Secretary of Defense may waive reimbursement of the costs of conferences, seminars, courses of instruction, or similar educational activities of the Asia-Pacific Center for military officers and civilian officials of foreign nations of the Asia-Pacific region if the Secretary determines that attendance by such persons without reimbursement is in the national security interest of the United States.

(2) In this section, the term ''Asia-Pacific Center'' means the Department of Defense organization within the United States Pacific Command known as the Asia-Pacific Center for Security Studies.

(b) AUTHORITY TO ACCEPT FOREIGN GIFTS AND DONATIONS.—(1) Subject to paragraph (2), the Secretary of Defense may accept, on behalf of the Asia-Pacific Center, foreign gifts or donations in order to defray the costs of, or enhance the operation of, the Asia-Pacific Center.

(2) The Secretary may not accept a gift or donation under paragraph (1) if the acceptance of the gift or donation would compromise or appear to compromise—

(A) the ability of the Department of Defense, any employee of the Department, or members of the Armed Forces to carry out any responsibility or duty of the Department in a fair and objective manner; or

(B) the integrity of any program of the Department of Defense or of any person involved in such a program.

(3) The Secretary shall prescribe written guidance setting forth the criteria to be used in determining whether the acceptance of a foreign gift or donation would have a result described in paragraph (2).

(4) Funds accepted by the Secretary under paragraph (1) shall be credited to appropriations available to the Department of Defense for the Asia-Pacific Center. Funds so credited shall be merged with the appropriations to which credited and shall be available to the Asia-Pacific Center for the same purposes and same period as the appropriations with which merged.

(5) If the total amount of funds accepted under paragraph (1) in any fiscal year exceeds $2,000,000, the Secretary shall notify Congress of the amount of those donations for that fiscal year. Any such notice shall list each of the contributors of such amounts and the amount of each contribution in that fiscal year.

(6) For purposes of this subsection, a foreign gift or donation is a gift or donation of funds, materials (including research materials), property, or services (including lecture services and faculty services) from a foreign government, a foundation or other charitable organization in a foreign country, or an individual in a foreign country.

SEC. 1041. REPORT ON EFFECT OF CONTINUED BALKAN OPERATIONS ON ABILITY OF UNITED STATES TO SUCCESSFULLY MEET OTHER REGIONAL CONTINGENCIES.

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report describing the effect of continued operations by the Armed Forces in the Balkans region on the ability of the United States, through the period covered by the current Future-Years Defense Plan of the Department of Defense, to prosecute to a successful conclusion a major contingency in the Asia-Pacific region or to prosecute to a successful conclusion two nearly simultaneous major theater wars, in accordance with the most recent Quadrennial Defense Review.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall set forth the following:

(1) In light of continued Balkan operations, the capabilities and limitations of United States combat, combat support, and combat service support forces (at national, operational, and tactical levels and operating in a joint and coalition environment) to expeditiously respond to, prosecute, and achieve United States strategic objectives in the event of—

(A) a contingency on the Korean peninsula; or

(B) two nearly simultaneous major theater wars.

(2) The confidence level of the Secretary of Defense in United States military capabilities to successfully prosecute a Pacific contingency, and to successfully prosecute two nearly simultaneous major theater wars, while remaining engaged at current or greater force levels in the Balkans, together with the rationale and justification for each such confidence level.

(3) Identification of high-value platforms, systems, capabilities, and skills that—

(A) during a Pacific contingency, would be stressed or broken and at what point such stressing or breaking would occur; and

(B) during two nearly simultaneous major theater wars, would be stressed or broken and at what point such stressing or breaking would occur.

(4) During continued military operations in the Balkans, the effect on the ''operations tempo'', and on the ''personnel tempo'', of the Armed Forces—

(A) of a Pacific contingency; and

(B) of two nearly simultaneous major theater wars.

(5) During continued military operations in the Balkans, the required type and quantity of high-value platforms, systems, capabilities, and skills to prosecute successfully—

(A) a Pacific contingency; and

(B) two nearly simultaneous major theater wars.

(c) CONSULTATION.—In preparing the report under this section, the Secretary of Defense shall use the resources and expertise of the unified commands, the military departments, the combat support agencies, and the defense components of the intelligence community and shall consult with non-Department elements of the intelligence community, as required, and other such entities within the Department of Defense as the Secretary considers necessary.

SEC. 1042. REPORT ON SPACE LAUNCH FAILURES.

(a) REPORT REQUIRED.—The Secretary of Defense shall submit to the President and the specified congressional committees a report on the factors involved in the three recent failures of the Titan IV space launch vehicle and the systemic and management reforms that the Secretary is implementing to minimize future failures of that vehicle and future launch systems. The report shall be submitted not later than February 15, 2000. The Secretary shall include in the report all information from the reviews of those failures conducted by the Secretary of the Air Force and launch contractors.

(b) MATTERS TO BE INCLUDED.—The report shall include the following information:

(1) An explanation for the failure of a Titan IVA launch vehicle on August 12, 1998, the failure of a Titan IVB launch vehicle on April 9, 1999, and the failure of a Titan IVB launch vehicle on April 30, 1999, as well as any information from civilian launches which may provide information on systemic problems in current Department of Defense launch systems, including, in addition to a detailed technical explanation and summary of financial costs for each such failure, a one-page summary for each such failure indicating any commonality between that failure and other military or civilian launch failures.

(2) A review of management and engineering responsibility for the Titan, Inertial Upper Stage, and Centaur systems, with an explanation of the respective roles of the Government and the private sector in ensuring mission success and identification of the responsible party (Government or private sector) for each major stage in production and launch of the vehicles.

(3) A list of all contractors and subcontractors for each of the Titan, Inertial Upper Stage, and Centaur systems and their responsibilities and five-year records for meeting program requirements.

(4) A comparison of the practices of the Department of Defense, the National Aeronautics and Space Administration, and the commercial launch industry regarding the management and oversight of the procurement and launch of expendable launch vehicles.

(5) An assessment of whether consolidation in the aerospace industry has affected mission success, including whether cost-saving efforts are having an effect on quality and whether experienced workers are being replaced by less experienced workers for cost-saving purposes.

(6) Recommendations on how Government contracts with launch service companies could be improved to protect the taxpayer, together with the Secretary's assessment of whether the withholding of award and incentive fees is a sufficient incentive to hold contractors to the highest possible quality standards and the Secretary's overall evaluation of the award fee system.

(7) A short summary of what went wrong technically and managerially in each launch failure and what specific steps are being taken by the Department of Defense and space launch contractors to ensure that those errors do not reoccur.

(8) An assessment of the role of the Department of Defense in the management and technical oversight of the launches that failed and whether the Department of Defense, in that role, contributed to the failures.

(9) An assessment of the effect of the launch failures on the schedule for Titan launches, on the schedule for development and first launch of the Evolved Expendable Launch Vehicle, and on the ability of industry to meet Department of Defense requirements.

(10) An assessment of the impact of the launch failures on assured access to space by the United States, and a consideration of means by which access to space by the United States can be better assured.

(11) An assessment of any systemic problems that may exist at the eastern launch range, whether these problems contributed to the launch failures, and what means would be most effective in addressing these problems.

(12) An assessment of the potential benefits and detriments of launch insurance and the impact of such insurance on the estimated net cost of space launches.

(13) A review of the responsibilities of the Department of Defense and industry representatives in the launch process, an examination of the incentives of the Department and industry representatives throughout the launch process, and an assessment of whether the incentives are appropriate to maximize the probability that launches will be timely and successful.

(14) Any other observations and recommendations that the Secretary considers relevant.

(c) INTERIM REPORT.—Not later than December 15, 1999, the Secretary shall submit to the specified congressional committees an interim report on the progress in the preparation of the report required by this section, including progress with respect to each of the matters required to be included in the report under subsection (b).

(d) SPECIFIED CONGRESSIONAL COMMITTEES.—For purposes of this section, the term ''specified congressional committees'' means the following:

(1) The Committee on Armed Services, the Select Committee on Intelligence, and the Committee on Appropriations of the Senate.

(2) The Committee on Armed Services, the Permanent Select Committee on Intelligence, and the Committee on Appropriations of the House of Representatives.

SEC. 1043. REPORT ON AIRLIFT REQUIREMENTS TO SUPPORT NATIONAL MILITARY STRATEGY.

(a) REPORT REQUIRED.—Not later than June 1, 2000, the Secretary of Defense shall submit to Congress a report, in both classified and unclassified form, describing the airlift requirements necessary to execute the full range of missions called for under the National Military Strategy prescribed by the Chairman of the Joint Chiefs of Staff under the postures of force engagement anticipated through 2015.

(b) CONTENT OF REPORT.—The report shall address the following:

(1) The identity, size, structure, and capabilities of the airlift requirements necessary for the full range of shaping, preparing, and responding missions demanded under the National Military Strategy.

(2) The required support and infrastructure required to successfully execute the full range of missions required under the National Military Strategy, on the deployment schedules outlined in the plans of the relevant commanders-in-chief from expected and increasingly dispersed postures of engagement.

(3) The anticipated effect of enemy use of weapons of mass destruction, other asymmetrical attacks, expected rates of peacekeeping and other contingency missions, and other similar factors on the mobility force and its required infrastructure and on mobility requirements.

(4) The effect on mobility requirements of new service force structures, such as the Air Force's Air Expeditionary Force and the Army's Strike Force, and any foreseeable force structure modifications through 2015.

(5) The need to deploy forces strategically and employ them tactically using the same airlift platform.

(6) The need for an increased airlift platform capable of deploying outsize equipment or large volumes of supplies and equipment.

(7) The anticipated role of host nation, foreign, and coalition airlift support and requirements through 2015.

(8) Alternatives to the current mobility program or required modifications to the 1998 Air Mobility Master Plan update.

SEC. 1044. OPERATIONS OF NAVAL ACADEMY DAIRY FARM.

Section 6976 of title 10, United States Code, is amended—

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

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

''(c) LEASE PROCEEDS.—All money received from a lease entered into under subsection (b) shall be retained by the Superintendent of the Naval Academy and shall be available to cover expenses related to the property described in subsection (a), including reimbursing nonappropriated fund instrumentalities of the Naval Academy.''.

SEC. 1045. INSPECTOR GENERAL INVESTIGATION OF COMPLIANCE WITH BUY AMERICAN ACT IN PURCHASES OF FREE WEIGHT STRENGTH TRAINING EQUIPMENT.

(a) INVESTIGATION REQUIRED.—The Inspector General of the Department of Defense shall conduct an investigation to determine whether the purchases described in subsection (b) are being made in compliance with the Buy American Act (41 U.S.C. 10a et seq.).

(b) PURCHASES COVERED.—The investigation shall cover purchases made during the three-year period ending on the date of the enactment of this Act of free weights for use in strength training by members of the Armed Forces stationed at defense installations located in the United States (including its territories and possessions).

(c) REPORT.—The Inspector General shall prepare a report for the Secretary of Defense on the investigation. Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress such report, together with such additional comments and recommendations as the Secretary considers appropriate.

(d) DEFINITION.—For purposes of this section, the term ''free weights'' means dumbbells or solid metallic disks balanced on crossbars, designed to be lifted for strength training or athletic competition.

SEC. 1046. PERFORMANCE OF THREAT AND RISK ASSESSMENTS.

Section 1404 of the Defense Against Weapons of Mass Destruction Act of 1999 (title XIV of Public Law 105–261; 50 U.S.C. 2301 note) is amended to read as follows:

''SEC. 1404. THREAT AND RISK ASSESSMENTS.

''(a) THREAT AND RISK ASSESSMENTS.—(1) Assistance to Federal, State, and local agencies provided under the program under section 1402 shall include the performance of assessments of the threat and risk of terrorist employment of weapons of mass destruction against cities and other local areas. Such assessments shall be used by Federal, State, and local agencies to determine the training and equipment requirements under this program and shall be performed as a collaborative effort with State and local agencies.

''(2) The Department of Justice, as lead Federal agency for crisis management in response to terrorism involving weapons of mass destruction, shall conduct any threat and risk assessment performed under paragraph (1) in coordination with appropriate Federal, State, and local agencies, and shall develop procedures and guidance for conduct of the threat and risk assessment in consultation with officials from the intelligence community.

''(b) PILOT TEST.—(1) Before prescribing final procedures and guidance for the performance of threat and risk assessments under this section, the Attorney General shall conduct a pilot test of any proposed method or model by which such assessments are to be performed. The Attorney General shall conduct the pilot test in coordination with appropriate Federal, State, and local agencies.

''(2) The pilot test shall be performed in cities or local areas selected by the Attorney General in consultation with appropriate Federal, State, and local agencies.

''(3) The pilot test shall be completed not later than one month after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2000.''.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

SEC. 1101. INCREASE OF PAY CAP FOR NONAPPROPRIATED FUND SENIOR EXECUTIVE EMPLOYEES.

Section 5373 of title 5, United States Code, is amended—

(1) in the first sentence, by striking ''Except as provided'' and inserting ''(a) Except as provided in subsection (b) and''; and

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

''(b) Subsection (a) shall not affect the authority of the Secretary of Defense or the Secretary of a military department to fix the pay of a civilian employee paid from nonappropriated funds, except that the annual rate of basic pay (including any portion of such pay attributable to comparability with private-sector pay in a locality) of such an employee may not be fixed at a rate greater than the rate for level III of the Executive Schedule.''.

SEC. 1102. RESTORATION OF LEAVE FOR CERTAIN DEPARTMENT OF DEFENSE EMPLOYEES WHO DEPLOY TO A COMBAT ZONE OUTSIDE THE UNITED STATES.

Section 6304(d) of title 5, United States Code, is amended by adding at the end the following new paragraph:

''(4)(A) For purposes of this subsection, the deployment of an emergency essential employee of the Department of Defense to a combat zone outside the United States shall be deemed an exigency of the public business, and any leave that is lost by an employee as a result of such deployment (regardless of whether such leave was scheduled) shall be—

''(i) restored to the employee; and

''(ii) credited and available in accordance with paragraph (2).

''(B) For purposes of this paragraph, the term 'Department of Defense emergency essential employee'—

''(i) means a civilian employee of the Department of Defense, including a nonappropriated fund instrumentality employee (as defined by section 1587(a)(1) of title 10) whose assigned duties and responsibilities would be necessary during a period that follows the evacuation of nonessential personnel during a declared emergency or the outbreak of combat operations or war; and

''(ii) includes an employee who is hired on a temporary or permanent basis.''.

SEC. 1103. EXPANSION OF GUARD-AND-RESERVE PURPOSES FOR WHICH LEAVE UNDER SECTION 6323 OF TITLE 5, UNITED STATES CODE, MAY BE USED.

(a) IN GENERAL.—Section 6323 of title 5, United States Code, is amended in the first sentence by inserting '', inactive-duty training (as defined in section 101 of title 37),'' after ''active duty''.

(b) APPLICABILITY.—The amendment made by subsection (a) shall not apply with respect to any inactive-duty training (as defined in such amendment) occurring before the date of the enactment of this Act.

SEC 1104. TEMPORARY AUTHORITY TO PROVIDE EARLY RETIREMENT AND SEPARATION INCENTIVES FOR CERTAIN CIVILIAN EMPLOYEES.

(a) EARLY RETIREMENT INCENTIVE.—(1) An employee of the Department of Defense is entitled to an annuity under chapter 83 or 84 of title 5, United States Code, as applicable, if the employee—

(A) has been employed continuously by the Department of Defense for more than 30 days before the date that the Secretary of Defense made the determination under subparagraph (D);

(B) is serving under an appointment that is not time-limited;

(C) is not in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance;

(D) is separated voluntarily;

(E) has completed 25 years of service or is at least 50 years of age and has completed 20 years of service; and

(F) retires under this subsection before October 1, 2000.

(2) As used in this subsection, the terms ''employee'' and ''annuity'' shall have the same meaning as the meaning of those terms as used in chapters 83 and 84 of title 5, United States Code, as applicable.

(b) VOLUNTARY SEPARATION INCENTIVE.—(1) The Secretary of Defense may, to restructure the workforce to meet mission needs, correct skill imbalances, or reduce high-grade, managerial, or supervisory positions, offer separation pay to an employee under this subsection subject to such limitations or conditions as the Secretary may require. Such separation pay—

(A) shall be paid, at the option of the employee, in a lump sum or equal installment payments;

(B) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section; or

(ii) $25,000;

(C) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit;

(D) shall not be taken into account for purposes of determining the amount of any severance pay to which an individual may be entitled under section 5595 of title 5, United States Code, based on any other separation; and

(E) shall terminate, upon reemployment in the Federal Government, during receipt of installment payments.

(2) For purposes of this subsection, the term ''employee'' means an employee serving under an appointment without time limitation, who has been currently employed for a continuous period of at least 12 months, except that such term does not include—

(A) a reemployed annuitant under subchapter III of chapter 83, chapter 84, or another retirement system for employees of the Government; or

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under any of the retirement systems referred to in subparagraph (A).

(c) ADDITIONAL CONTRIBUTIONS TO RETIREMENT FUND.—(1) In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, the Department of Defense shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 26 percent of the final basic pay of each employee of the Department of Defense who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) For purposes of this subsection, the term ''final basic pay'', with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, with appropriate adjustments if the employee last served on other than a full-time basis.

(d) APPLICABILITY.—The provisions in this section shall only apply with respect to a civilian employee of the Department of Defense who—

(1) is employed at the military base designated by the Secretary of Defense under subsection (e), or who is identified by the Secretary as part of a competitive area of the civilian personnel service population of such military base, during the period beginning on October 1, 1999, and ending on October 1, 2000;

(2) is one of 300 employees designated by the Secretary of the military department with jurisdiction over the designated base; and

(3) elects to receive an annuity or separation incentive pursuant to such provisions during such period.

(e) DESIGNATION OF MILITARY BASE.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall designate a military base to which the provisions of this section shall apply. The base designated by the Secretary shall—

(1) be a base that is undergoing a major workforce restructuring to meet mission needs, correct skill imbalances, or reduce high-grade, managerial, supervisory, or similar positions; and

(2) employ the largest number of scientists and engineers of any other base of the military department that has jurisdiction over the base.

SEC. 1105. EXTENSION OF AUTHORITY TO CONTINUE HEALTH INSURANCE COVERAGE FOR CERTAIN DEPARTMENT OF DEFENSE EMPLOYEES.

(a) EXTENSION OF AUTHORITY.—Clauses (i) and (ii) of section 8905a(d)(4)(B) of title 5, United States Code, are amended to read as follows:

''(i) October 1, 2003; or

''(ii) February 1, 2004, if specific notice of such separation was given to such individual before October 1, 2003.''.

(b) OFFSET.—Of the amount authorized to be appropriated in section 301(5) for Defense-wide activities—

(1) $9,100,000 shall be available to continue health insurance coverage pursuant to the authority provided in section 8905a(d)(4)(B) of title 5, United States Code (as amended by subsection (a)); and

(2) the amount available for the Defense Contract Audit Agency shall be reduced by $9,100,000.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

SEC. 1201. REPORT ON STRATEGIC STABILITY UNDER START III.

(a) REPORT.—Not later than September 1, 2000, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Service of the House of Representatives a report, to be prepared by the Defense Science Board in consultation with the Director of Central Intelligence, on the strategic stability of the future nuclear balance between (1) the United States, and (2) Russia and other potential nuclear adversaries.

(b) MATTERS TO BE INCLUDED.—The Secretary shall include in the report the following:

(1) The policy guidance defining the military-political objectives of the United States against potential nuclear adversaries under various nuclear conflict scenarios.

(2) The target sets and damage goals of the United States against potential nuclear adversaries under various nuclear conflict scenarios and how those target sets and damage goals relate to the achievement of the military-political objectives identified under paragraph (1).

(3) The strategic nuclear force posture of the United States and of Russia that may emerge under a further Strategic Arms Reduction Treaty (referred to as ''START III'') and how capable the United States forces envisioned under that posture would be for the achievement of the damage goals and the military objectives against potential nuclear adversaries referred to in paragraphs (1) and (2).

(4) The Secretary's assessment of (A) whether Russian strategic forces under a START III treaty would, or would not, likely be smaller, more vulnerable, and less capable of launch-on-tactical-warning than at present, and (B) in light of such assessment, whether incentives for Russia to carry out a first strike against the United States during a future crisis probably would, or would not, be greater than at present under a START III treaty.

(5) The Secretary's assessment of (A) whether China and so-called nuclear rogue states probably will, or will not, remain incapable in the foreseeable future of carrying out a launch-on-tactical-warning and be more vulnerable to United States conventional or nuclear attack than at present, and (B) in light of such assessment, whether incentives for China and nuclear rogue states to carry out a first strike against the United States during a future crisis probably would, or would not, be greater than at present.

(6) The Secretary's assessment of whether asymmetries between the United States and Russia that are favorable to Russia in active and passive defenses may be a significant strategic advantage to Russia under a START III treaty.

(7) The Secretary's assessment of whether asymmetries between the United States and Russia that are highly favorable to Russia in tactical nuclear weapons might erode strategic stability.

(8) The Secretary's assessment of whether a combination of Russia and China against the United States in a nuclear conflict could erode strategic stability under a START III treaty.

(9) The Secretary's assessment of whether doctrinal asymmetries between the United States and Russia, such as the expansion by Russia of the warfighting role of nuclear weapons while the United States is de-emphasizing the utility and purpose of nuclear weapons, could erode strategic stability.

(c) CLASSIFICATION.—The report shall be submitted in classified form and, to the extent possible, in unclassified form.

SEC. 1202. ONE-YEAR EXTENSION OF COUNTERPROLIFERATION AUTHORITIES FOR SUPPORT OF UNITED NATIONS WEAPONS INSPECTION REGIME IN IRAQ.

Effective October 1, 1999, section 1505(f) of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a(f)) is amended by striking ''1999'' and inserting ''2000''.

SEC. 1203. LIMITATION ON MILITARY-TO-MILITARY EXCHANGES WITH CHINA'S PEOPLE'S LIBERATION ARMY.

(a) LIMITATION.—The Secretary of Defense may not authorize any military-to-military exchange or contact described in subsection (b) to be conducted by the Armed Forces with representatives of the People's Liberation Army of the People's Republic of China.

(b) COVERED EXCHANGES AND CONTACTS.—Subsection (a) applies to any military-to-

military exchange or contact that includes any of the following:

(1) Force projection operations.

(2) Nuclear operations.

(3) Field operations.

(4) Logistics.

(5) Chemical and biological defense and other capabilities related to weapons of mass destruction.

(6) Surveillance, and reconnaissance operations.

(7) Joint warfighting experiments and other activities related to warfare.

(8) Military space operations.

(9) Other warfighting capabilities of the Armed Forces.

(10) Arms sales or military-related technology transfers.

(11) Release of classified or restricted information.

(12) Access to a Department of Defense laboratory.

(c) EXCEPTIONS.—Subsection (a) does not apply to any search and rescue exercise or any humanitarian exercise.

(d) CERTIFICATION BY SECRETARY.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Service of the House of Representatives, not later than December 31 of each year, a certification in writing as to whether or not any military-to-miltary exchange or contact during that calandar year was conducted in violation of subsection (a).

(e) ANNUAL REPORT.—Not later than June 1 each year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Service of the House of Representatives a report providing the Secretary's assessment of the current state of military-to-military contacts with the People's Liberation Army. The report shall include the following:

(1) A summary of all such military-to-military contacts during the period since the last such report, including a summary of topics discussed and questions asked by the Chinese participants in those contacts.

(2) A description of the military-to-military contacts scheduled for the next 12-month period and a five-year plan for those contacts.

(3) The Secretary's assessment of the benefits the Chinese expect to gain from those military-to-military contacts.

(4) The Secretary's assessment of the benefits the Department of Defense expects to gain from those military-to-military contacts.

(5) The Secretary's assessment of how military-to-military contacts with the People's Liberation Army fit into the larger security relationship between United States and the People's Republic of China.

SEC. 1204. REPORT ON ALLIED CAPABILITIES TO CONTRIBUTE TO MAJOR THEATER WARS.

(a) REPORT.—The Secretary of Defense shall prepare a report, in both classified and unclassified form, on the current military capabilities of allied nations to contribute to the successful conduct of the major theater wars as anticipated in the Quadrennial Defense Review of 1997.

(b) MATTERS TO BE INCLUDED.—The report shall set forth the following:

(1) The identity, size, structure, and capabilities of the armed forces of the allies expected to participate in the major theater wars anticipated in the Quadrennial Defense Review.

(2) The priority accorded in the national military strategies and defense programs of the anticipated allies to contributing forces to United States-led coalitions in such major theater wars.

(3) The missions currently being conducted by the armed forces of the anticipated allies and the ability of the allied armed forces to conduct simultaneously their current missions and those anticipated in the event of major theater war.

(4) Any Department of Defense assumptions about the ability of allied armed forces to deploy or redeploy from their current missions in the event of a major theater war, including any role United States Armed Forces would play in assisting and sustaining such a deployment or redeployment.

(5) Any Department of Defense assumptions about the combat missions to be executed by such allied forces in the event of major theater war.

(6) The readiness of allied armed forces to execute any such missions.

(7) Any risks to the successful execution of the military missions called for under the National Military Strategy of the United States related to the capabilities of allied armed forces.

(c) SUBMISSION OF REPORT.—The report shall be submitted to Congress not later than June 1, 2000.

SEC. 1205. LIMITATION ON FUNDS FOR BOSNIA PEACEKEEPING OPERATIONS FOR FISCAL YEAR 2000.

(a) LIMITATION.—(1) Of the amounts authorized to be appropriated by section 301(24) of this Act for the Overseas Contingency Operations Transfer Fund, no more than $1,824,400,000 may be obligated for incremental costs of the Armed Forces for Bosnia peacekeeping operations.

(2) The President may waive the limitation in paragraph (1) after submitting to Congress the following:

(A) The President's written certification that the waiver is necessary in the national security interests of the United States.

(B) The President's written certification that exercising the waiver will not adversely affect the readiness of United States military forces.

(C) A report setting forth the following:

(i) The reasons that the waiver is necessary in the national security interests of the United States.

(ii) The specific reasons that additional funding is required for the continued presence of United States military forces participating in, or supporting, Bosnia peacekeeping operations for fiscal year 2000.

(iii) A discussion of the impact on the military readiness of United States Armed Forces of the continuing deployment of United States military forces participating in, or supporting, Bosnia peacekeeping operations.

(D) A supplemental appropriations request for the Department of Defense for such amounts as are necessary for the additional fiscal year 2000 costs associated with United States military forces participating in, or supporting, Bosnia peacekeeping operations.

(b) BOSNIA PEACEKEEPING OPERATIONS DEFINED.—For the purposes of this section, the term ''Bosnia peacekeeping operations'' has the meaning given such term in section 1204(e) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2112).

SEC. 1206. LIMITATION ON DEPLOYMENT OF UNITED STATES ARMED FORCES IN HAITI.

(a) LIMITATION ON DEPLOYMENT.—Except as provided in subsection (b), no funds available to the Department of Defense may be expended for the deployment of United States Armed Forces in Haiti.

(b) EXCEPTIONS.—Subsection (a) does not apply to the deployment of United States Armed Forces in Haiti for any of the following purposes:

(1) Deployment pursuant to Operation Uphold Democracy until December 31, 1999.

(2) Deployment for periodic, noncontinuous theater engagement activities on or after January 1, 2000.

(3) Deployment for a limited, customary presence necessary to ensure the security of United States diplomatic facilities in Haiti and to carry out defense liaison activities under the auspices of the United States embassy.

(c) REPORT REQUIREMENT.—Whenever there is a deployment of United States Armed Forces described in subsection (b)(2), the President shall, not later than 48 hours after the deployment, transmit a written report regarding the deployment to the Committee on Armed Services and the Committee on International Relations of the House of Representatives and the Committee on Armed Services and the Committee on Foreign Relations of the Senate.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to restrict in any way the authority of the President in emergency circumstances to protect the lives of United States citizens or to protect United States facilities or property in Haiti.

SEC. 1207. GOALS FOR THE CONFLICT WITH THE FEDERAL REPUBLIC OF YUGOSLAVIA.

(a) FINDING.—Article I, section 8 of the United States Constitution provides that: ''The Congress shall have Power To . . . provide for the common Defence . . . To declare War. . . To raise and support Armies . . . To provide and maintain a Navy . . . To make Rules for the Government and Regulation of the land and naval Forces . . .''.

(b) GOALS FOR THE CONFLICT WITH YUGOSLAVIA.—Congress declares the following to be the goals of the United States for the conflict with the Federal Republic of Yugoslavia:

(1) Cessation by the Federal Republic of Yugoslavia of all military action against the people of Kosovo and termination of the violence and repression against the people of Kosovo.

(2) Withdrawal of all military, police, and paramilitary forces of the Federal Republic of Yugoslavia from Kosovo.

(3) Agreement by the Government of the Federal Republic of Yugoslavia to the stationing of an international military presence in Kosovo to ensure the peace.

(4) Agreement by the Government of the Federal Republic of Yugoslavia to the unconditional and safe return to Kosovo of all refugees and displaced persons.

(5) Agreement by the Government of the Federal Republic of Yugoslavia to allow humanitarian aid organizations to have unhindered access to these refugees and displaced persons.

(6) Agreement by the Government of the Federal Republic of Yugoslavia to work for the establishment of a political framework agreement for Kosovo which is in conformity with international law.

(7) President Slobodan Milosevic will be held accountable for his actions while President of the Federal Republic of Yugoslavia in initiating four armed conflicts and taking actions leading to the deaths of tens of thousands of people and responsibility for murder, rape, terrorism, destruction, and ethnic cleansing.

(8) Bringing to justice through the International Criminal Tribunal of Yugoslavia individuals in the Federal Republic of Yugoslavia who are guilty of war crimes in Kosovo.

SEC. 1208. REPORT ON THE SECURITY SITUATION ON THE KOREAN PENINSULA.

(a) REPORT.—Not later than February 1, 2000, the Secretary of Defense shall submit to the appropriate congressional committees

a report on the security situation on the Korean peninsula. The report shall be submitted in both classified and unclassified form.

(b) MATTERS TO BE INCLUDED.—The Secretary shall include in the report under subsection (a) the following:

(1) A net assessment analysis of the warfighting capabilities of the Combined Forces Command (CFC) of the United States and the Republic of Korea compared with the armed forces of North Korea.

(2) An assessment of challenges posed by the armed forces of North Korea to the defense of the Republic of Korea and to United States forces deployed to the region.

(3) An assessment of the current status and the future direction of weapons of mass destruction programs and ballistic missile programs of North Korea, including a determination as to whether or not North Korea—

(A) is continuing to pursue a nuclear weapons program;

(B) is seeking equipment and technology with which to enrich uranium; and

(C) is pursuing an offensive biological weapons program.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committee on International Relations and the Committee on Armed Services of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Armed Services of the Senate.

SEC. 1209. ANNUAL REPORT ON MILITARY POWER OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) ANNUAL REPORT.—The Secretary of Defense shall prepare an annual report, in both classified and unclassified form, on the current and future military strategy and capabilities of the People's Republic of China. The report shall address the current and probable future course of military-technological development in the People's Liberation Army and the tenets and probable development of Chinese grand strategy, security strategy, and military strategy, and of military organizations and operational concepts, through 2020.

(b) MATTERS TO BE INCLUDED.—The report shall include analyses and forecasts of the following:

(1) The goals of Chinese grand strategy, security strategy, and military strategy.

(2) Trends in Chinese political grand strategy meant to establish the People's Republic of China as the leading political power in the Asia-Pacific region and as a political and military presence in other regions of the world.

(3) The size, location, and capabilities of Chinese strategic, land, sea, and air forces.

(4) Developments in Chinese military doctrine, focusing on (but not limited to) efforts to exploit a transformation in military affairs or to conduct preemptive strikes.

(5) Efforts, including technology transfers and espionage, by the People's Republic of China to develop, acquire, or gain access to information, communication, space, and other advanced technologies that would enhance military capabilities.

(c) SUBMISSION OF REPORT.—The report under this section shall be submitted to Congress not later than March 15 each year.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) SPECIFICATION OF CTR PROGRAMS.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2731; 50 U.S.C. 2362 note).

(b) FISCAL YEAR 2000 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term ''fiscal year 2000 Cooperative Threat Reduction funds'' means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to the authorization of appropriations in section 301, and any other funds appropriated after the date of the enactment of this Act, for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

SEC. 1302. FUNDING ALLOCATIONS.

(a) FUNDING FOR SPECIFIC PURPOSES.—Of the $444,100,000 authorized to be appropriated to the Department of Defense for fiscal year 2000 in section 301(23) for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $177,300,000.

(2) For strategic nuclear arms elimination in Ukraine, $43,000,000.

(3) For activities to support warhead dismantlement processing in Russia, $9,300,000.

(4) For security enhancements at chemical weapons storage sites in Russia, $24,600,000.

(5) For weapons transportation security in Russia, $15,200,000.

(6) For planning, design, and construction of a storage facility for Russian fissile material, $60,900,000.

(7) For weapons storage security in Russia, $90,000,000.

(8) For development of a cooperative program with the Government of Russia to eliminate the production of weapons grade plutonium at Russian reactors, $20,000,000.

(9) For biological weapons proliferation prevention activities in Russia, $2,000,000.

(10) For activities designated as Other Assessments/Administrative Support, $1,800,000.

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2000 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (10) of subsection (a) until 30 days after the date that the Secretary of Defense submits to Congress a report on the purpose for which the funds will be obligated or expended and the amount of funds to be obligated or expended. Nothing in the preceding sentence shall be construed as authorizing the obligation or expenditure of fiscal year 2000 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title.

(c) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any case in which the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may obligate amounts appropriated for fiscal year 2000 or any subsequent fiscal year for a purpose listed in any of the paragraphs in subsection (a) in excess of the amount specifically authorized for such purpose. However, the total amount obligated for Cooperative Threat Reduction programs for such fiscal year may not, by reason of the use of the authority provided in the preceding sentence, exceed the total amount authorized for such programs for such fiscal year.

(2) An obligation of funds for a purpose stated in any of the paragraphs in subsection (a) in excess of the specific amount authorized for such purpose may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) The Secretary may not, under the authority provided in paragraph (1), obligate amounts for the purposes stated in any of paragraphs (3) through (10) of subsection (a) in excess of 115 percent of the amount specifically authorized for such purposes.

SEC. 1303. PROHIBITION ON USE OF FUNDS FOR SPECIFIED PURPOSES.

(a) IN GENERAL.—No fiscal year 2000 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs after the date of the enactment of this Act, may be obligated or expended for any of the following purposes:

(1) Conducting with Russia any peacekeeping exercise or other peacekeeping-related activity.

(2) Provision of housing.

(3) Provision of assistance to promote environmental restoration.

(4) Provision of assistance to promote job retraining.

(b) LIMITATION WITH RESPECT TO DEFENSE CONVERSION ASSISTANCE.—None of the funds appropriated pursuant to this Act, and no funds appropriated to the Department of Defense in any other Act enacted after the date of the enactment of this Act, may be obligated or expended for the provision of assistance to Russia or any other state of the former Soviet Union to promote defense conversion.

(c) LIMITATION WITH RESPECT TO CONVENTIONAL WEAPONS.—No fiscal year 2000 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs after the date of the enactment of this Act, may be obligated or expended for elimination of conventional weapons or the delivery vehicles of such weapons.

SEC. 1304. LIMITATIONS ON USE OF FUNDS FOR FISSILE MATERIAL STORAGE FACILITY.

(a) LIMITATIONS ON USE OF FISCAL YEAR 2000 FUNDS.—No fiscal year 2000 Cooperative Threat Reduction funds may be used—

(1) for construction of a second wing for the storage facility for Russian fissile material referred to in section 1302(6); or

(2) for design or planning with respect to such facility until 15 days after the date that the Secretary of Defense submits to Congress notification that Russia and the United States have signed a written transparency agreement that provides that the United States may verify that material stored at the facility is of weapons origin.

(b) LIMITATION ON CONSTRUCTION.—No funds appropriated for Cooperative Threat Reduction programs may be used for construction of the storage facility referred to in subsection (a) until the Secretary of Defense submits to Congress the following:

(1) A certification that additional capacity is necessary at such facility for storage of Russian weapons-origin fissile material.

(2) A detailed cost estimate for a second wing for the facility.

SEC. 1305. LIMITATION ON USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION.

No fiscal year 2000 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs after the date of the enactment of this Act, may be obligated or expended for planning, design, or construction of a chemical weapons destruction facility in Russia.

SEC. 1306. LIMITATION ON USE OF FUNDS FOR BIOLOGICAL WEAPONS PROLIFERATION PREVENTION ACTIVITIES.

No fiscal year 2000 Cooperative Threat Reduction funds may be obligated or expended

for biological weapons proliferation prevention activities in Russia until the Secretary of Defense submits to the congressional defense committees the reports described in sections 1305 and 1308 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2164, 2166).

SEC. 1307. LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF REPORT AND MULTIYEAR PLAN.

No fiscal year 2000 Cooperative Threat Reduction funds may be obligated or expended until the Secretary of Defense submits to Congress—

(1) a report describing—

(A) with respect to each purpose listed in section 1302, whether the Department of Defense is the appropriate executive agency to carry out Cooperative Threat Reduction programs for such purpose, and if so, why; and

(B) for any purpose that the Secretary determines is not appropriately carried out by the Department of Defense, a plan for migrating responsibility for carrying out such purpose to the appropriate agency; and

(2) an updated version of the multiyear plan for fiscal year 2000 required to be submitted under section 1205 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2883).

SEC. 1308. REQUIREMENT TO SUBMIT REPORT.

Not later than December 31, 1999, the Secretary of Defense shall submit to Congress a report including—

(1) an explanation of the strategy of the Department of Defense for encouraging states of the former Soviet Union that receive funds through Cooperative Threat Reduction programs to contribute financially to the threat reduction effort;

(2) a prioritization of the projects carried out by the Department of Defense under Cooperative Threat Reduction programs; and

(3) an identification of any limitations that the United States has imposed or will seek to impose, either unilaterally or through negotiations with recipient states, on the level of assistance provided by the United States for each of such projects.

SEC. 1309. REPORT ON EXPANDED THREAT REDUCTION INITIATIVE.

Not later than December 31, 1999, the President shall submit to Congress a report on the Expanded Threat Reduction Initiative. Such report shall include a description of the plans for ensuring effective coordination between executive agencies in carrying out the Expanded Threat Reduction Initiative to minimize duplication of efforts.

TITLE XIV—PROLIFERATION AND EXPORT CONTROL MATTERS

SEC. 1401. REPORT ON COMPLIANCE BY THE PEOPLE'S REPUBLIC OF CHINA AND OTHER COUNTRIES WITH THE MISSILE TECHNOLOGY CONTROL REGIME.

(a) REPORT REQUIRED.—Not later than October 31, 1999, the President shall transmit to Congress a report on the compliance, or lack of compliance (both as to acquiring and transferring missile technology), by the People's Republic of China, with the Missile Technology Control Regime, and on any actual or suspected transfer by Russia or any other country of missile technology to the People's Republic of China in violation of the Missile Technology Control Regime. The report shall include a list specifying each actual or suspected violation of the Missile Technology Control Regime by the People's Republic of China, Russia, or other country and, for each such violation, a description of the remedial action (if any) taken by the United States or any other country.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall also include information concerning—

(1) actual or suspected use by the People's Republic of China of United States missile technology;

(2) actual or suspected missile proliferation activities by the People's Republic of China;

(3) actual or suspected transfer of missile technology by Russia or other countries to the People's Republic of China: and

(4) United States actions to enforce the Missile Technology Control Regime with respect to the People's Republic of China, including actions to prevent the transfer of missile technology from Russia and other countries to the People's Republic of China.

SEC. 1402. ANNUAL REPORT ON TECHNOLOGY TRANSFERS TO THE PEOPLE'S REPUBLIC OF CHINA.

(a) ANNUAL REPORT.—The President shall transmit to Congress an annual report on transfers to the People's Republic of China by the United States and other countries of technology with potential military applications, during the 1-year period preceding the transmittal of the report.

(b) INITIAL REPORT.—The initial report under this section shall be transmitted not later than October 31, 1999.

SEC. 1403. REPORT ON IMPLEMENTATION OF TRANSFER OF SATELLITE EXPORT CONTROL AUTHORITY.

Not later than August 31, 1999, the President shall transmit to Congress a report on the implementation of subsection (a) of section 1513 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2174; 22 U.S.C. 2778 note), transferring satellites and related items from the Commerce Control List of dual-use items to the United States Munitions List. The report shall update the information provided in the report under subsection (d) of that section.

SEC. 1404. SECURITY IN CONNECTION WITH SATELLITE EXPORT LICENSING.

(a) SECURITY AT FOREIGN LAUNCHES.—As a condition of the export license for any satellite to be launched outside the jurisdiction of the United States, the Secretary of State shall require the following:

(1) That the technology transfer control plan required by section 1514(a)(1) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2175; 22 U.S.C. 2778 note) be prepared by the Department of Defense, and agreed to by the licensee, and that the plan set forth the security arrangements for the launch of the satellite, both before and during launch operations, and include enhanced security measures if the launch site is within the jurisdiction of the People's Republic of China or any other country that is subject to section 1514 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999.

(2) That each person providing security for the launch of that satellite—

(A) be employed by, or under a contract with, the Department of Defense;

(B) have received appropriate training in the regulations prescribed by the Secretary of State known as the International Trafficking in Arms Regulations (hereafter in this section referred to as ''ITAR'');

(C) have significant experience and expertise with satellite launches; and

(D) have been investigated in a manner at least as comprehensive as the investigation required for the issuance of a security clearance at the level designated as ''Secret''.

(3) That the number of such persons providing security for the launch of the satellite shall be sufficient to maintain 24-hour security of the satellite and related launch vehicle and other sensitive technology.

(4) That the licensee agree to reimburse the Department of Defense for all costs associated with the provision of security for the launch of the satellite.

(b) DEFENSE DEPARTMENT MONITORS.—The Secretary of Defense shall—

(1) ensure that persons assigned as space launch campaign monitors are provided sufficient training and have adequate experience in the ITAR and have significant experience and expertise with satellite technology, launch vehicle technology, and launch operations technology;

(2) ensure that adequate numbers of such monitors are assigned to space launch campaigns so that 24-hour, 7-day per week coverage is provided;

(3) take steps to ensure, to the maximum extent possible, the continuity of service by monitors for the entire space launch campaign period (from satellite marketing to launch and, if necessary, completion of a launch failure analysis); and

(4) adopt measures designed to make service as a space launch campaign monitor an attractive career opportunity.

SEC. 1405. REPORTING OF TECHNOLOGY PASSED TO PEOPLE'S REPUBLIC OF CHINA AND OF FOREIGN LAUNCH SECURITY VIOLATIONS.

(a) MONITORING OF INFORMATION.—The Secretary of Defense shall require that space launch monitors of the Department of Defense assigned to monitor launches in the People's Republic of China maintain records of all information authorized to be transmitted to the People's Republic of China, including copies of any documents authorized for such transmission, and reports on launch-related activities.

(b) TRANSMISSION TO OTHER AGENCIES.—The Secretary of Defense shall ensure that records under subsection (a) are transmitted on a current basis to appropriate elements of the Department of Defense and to the Department of State, the Department of Commerce, and the Central Intelligence Agency.

(c) RETENTION OF RECORDS.—Records described in subsection (a) shall be retained for at least the period of the statute of limitations for violations of the Arms Export Control Act.

(d) GUIDELINES.—The Secretary of Defense shall prescribe guidelines providing space launch monitors of the Department of Defense with the responsibility and the ability to report serious security violations, problems, or other issues at an overseas launch site directly to the headquarters office of the responsible Department of Defense component.

SEC. 1406. REPORT ON NATIONAL SECURITY IMPLICATIONS OF EXPORTING HIGH-PERFORMANCE COMPUTERS TO THE PEOPLE'S REPUBLIC OF CHINA.

(a) REVIEW.—The Secretary of Energy, the Secretary of Defense, and the Secretary of State, in consultation with other appropriate departments and agencies, shall conduct a comprehensive review of the national security implications of exporting high-performance computers to the People's Republic of China. As part of the review, the Secretary shall conduct empirical testing of the extent to which national security-related operations can be performed using clustered, massively-parallel processing or other combinations of computers.

(b) REPORT.—The Secretary of Energy shall submit to Congress a report on the results of the review under subsection (a). The report shall be submitted not later than six months after the date of the enactment of this Act and shall be updated not later than the end of each subsequent 1-year period.

SEC. 1407. END-USE VERIFICATION FOR USE BY PEOPLE'S REPUBLIC OF CHINA OF HIGH-PERFORMANCE COMPUTERS.

(a) REVISED HPC VERIFICATION SYSTEM.—The President shall seek to enter into an

agreement with the People's Republic of China to revise the existing verification system with the People's Republic of China with respect to end-use verification for high-performance computers exported or to be exported to the People's Republic of China so as to provide for an open and transparent system providing for effective end-use verification for such computers and, at a minimum, providing for on-site inspection of the end-use and end-user of such computers, without notice, by United States nationals designated by the United States Government. The President shall transmit a copy of the agreement to Congress.

(b) DEFINITION.—As used in this section and section 1406, the term ''high performance computer'' means a computer which, by virtue of its composite theoretical performance level, would be subject to section 1211 of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note).

(c) ADJUSTMENT OF COMPOSITE THEORETICAL PERFORMANCE LEVELS FOR POST-SHIPMENT VERIFICATION.—Section 1213 of the National Defense Authorization Act for Fiscal Year 1998 is amended by adding at the end the following:

''(e) ADJUSTMENT OF PERFORMANCE LEVELS.—Whenever a new composite theoretical performance level is established under section 1211(d), that level shall apply for purposes of subsection (a) of this section in lieu of the level set forth in that subsection.''.

SEC. 1408. PROCEDURES FOR REVIEW OF EXPORT OF CONTROLLED TECHNOLOGIES AND ITEMS.

(a) RECOMMENDATIONS FOR PRIORITIZATION OF NATIONAL SECURITY CONCERNS.—The President shall submit to Congress the President's recommendations for the establishment of a mechanism to identify, on a continuing basis, those controlled technologies and items the export of which is of greatest national security concern relative to other controlled technologies and items.

(b) RECOMMENDATIONS FOR EXECUTIVE DEPARTMENT APPROVALS FOR EXPORTS OF GREATEST NATIONAL SECURITY CONCERN.—With respect to controlled technologies and items identified under subsection (a), the President shall submit to Congress the President's recommendations for the establishment of a mechanism to identify procedures for export of such technologies and items so as to provide—

(1) that the period for review by an executive department or agency of a license application for any such export shall be extended to a period longer than that otherwise required when such longer period is considered necessary by the head of that department or agency for national security purposes; and

(2) that a license for such an export may be approved only with the agreement of each executive department or agency that reviewed the application for the license, subject to appeal procedures to be established by the President.

(c) RECOMMENDATIONS FOR STREAMLINED LICENSING PROCEDURES FOR OTHER EXPORTS.—With respect to controlled technologies and items other than those identified under subsection (a), the President shall submit to Congress the President's recommendations for modifications to licensing procedures for export of such technologies and items so as to streamline the licensing process and provide greater transparency, predictability, and certainty.

SEC. 1409. NOTICE OF FOREIGN ACQUISITION OF UNITED STATES FIRMS IN NATIONAL SECURITY INDUSTRIES.

Section 721(b) of the Defense Production Act of 1950 (50 U.S.C. 2170(b)) is amended—

(1) by inserting ''(1)'' before ''The President'';

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

(3) by adding at the end the following:

''(2) Whenever a person engaged in interstate commerce in the United States is the subject of a merger, acquisition, or takeover described in paragraph (1), that person shall promptly notify the President, or the President's designee, of such planned merger, acquisition, or takeover. Whenever any executive department or agency becomes aware of any such planned merger, acquisition, or takeover, the head of that department or agency shall promptly notify the President, or the President's designee, of such planned merger, acquisition, or takeover.''.

SEC. 1410. FIVE-AGENCY INSPECTORS GENERAL EXAMINATION OF COUNTERMEASURES AGAINST ACQUISITION BY THE PEOPLE'S REPUBLIC OF CHINA OF MILITARILY SENSITIVE TECHNOLOGY.

Not later than January 1, 2000, the Inspectors General of the Departments of State, Defense, the Treasury, and Commerce and the Inspector General of the Central Intelligence Agency shall submit to Congress a report on the adequacy of current export controls and counterintelligence measures to protect against the acquisition by the People's Republic of China of militarily sensitive United States technology. Such report shall include a description of measures taken to address any deficiencies found in such export controls and counterintelligence measures.

SEC. 1411. OFFICE OF TECHNOLOGY SECURITY IN DEPARTMENT OF DEFENSE.

(a) ENHANCED MULTILATERAL EXPORT CONTROLS.—

(1) NEW INTERNATIONAL CONTROLS.—The President shall work (in the context of the scheduled 1999 review of the Wassenaar Arrangement and otherwise) to establish new binding international controls on technology transfers that threaten international peace and United States national security.

(2) IMPROVED SHARING OF INFORMATION.—The President shall take appropriate actions (in the context of the scheduled 1999 review of the Wassenaar Arrangement and otherwise) to improve the sharing of information by nations that are major exporters of technology so that the United States can track movements of technology and enforce technology controls and re-export requirements.

(b) OFFICE OF TECHNOLOGY SECURITY.—(1) There is hereby established in the Department of Defense an Office of Technology Security. The Office shall support United States Government efforts to—

(1) establish new binding international controls on technology transfers that threaten international peace and United States national security; and

(2) improve the sharing of information by nations that are major exporters of technology so that the United States can track movements of technology and enforce technology controls and re-export requirements.

SEC. 1412. ANNUAL AUDIT OF DEPARTMENT OF DEFENSE AND DEPARTMENT OF ENERGY POLICIES WITH RESPECT TO TECHNOLOGY TRANSFERS TO THE PEOPLE'S REPUBLIC OF CHINA.

(a) ANNUAL AUDIT.—The Inspectors General of the Department of Defense and the Department of Energy, in consultation with the Director of Central Intelligence and the Director of the Federal Bureau of Investigation, shall each conduct an annual audit of the policies and procedures of the Department of Defense and the Department of Energy, respectively, with respect to the export of technologies and the transfer of scientific and technical information, to the People's Republic of China in order to assess the extent to which the Department of Defense or the Department of Energy, as the case may be, is carrying out its activities to ensure that any technology transfer, including a transfer of scientific or technical information, will not measurably improve the weapons systems or space launch capabilities of the People's Republic of China.

(b) REPORT TO CONGRESS.—The Inspectors General of the Department of Defense and the Department of Energy shall each submit to Congress a report each year describing the results of the annual audit under subsection (a).

SEC. 1413. RESOURCES FOR EXPORT LICENSE FUNCTIONS.

(a) OFFICE OF DEFENSE TRADE CONTROLS.—

(1) IN GENERAL.—The Secretary of State shall take the necessary steps to ensure that, in any fiscal year, adequate resources are allocated to the functions of the Office of Defense Trade Controls of the Department of State relating to the review and processing of export license applications so as to ensure that those functions are performed in a thorough and timely manner.

(2) AVAILABILITY OF EXISTING APPROPRIATIONS.—The Secretary of State shall take the necessary steps to ensure that those funds made available under the heading ''Administration of Foreign Affairs, Diplomatic and Consular Programs'' in title IV of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999, as contained in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277) are made available, upon the enactment of this Act, to the Office of Defense Trade Controls of the Department of State to carry out the purposes of the Office.

(b) DEFENSE THREAT REDUCTION AGENCY.—The Secretary of Defense shall take the necessary steps to ensure that, in any fiscal year, adequate resources are allocated to the functions of the Defense Threat Reduction Agency of the Department of Defense relating to the review of export license applications so as to ensure that those functions are performed in a thorough and timely manner.

SEC. 1414. NATIONAL SECURITY ASSESSMENT OF EXPORT LICENSES.

(a) REPORT TO CONGRESS.—The Secretary of Defense, in consultation with the Joint Chiefs of Staff, shall provide to Congress a report assessing the cumulative impact of individual licenses granted by the United States for exports, goods, or technology to countries of concern.

(b) CONTENTS OF REPORT.—Each report under subsection (a) shall include an assessment of—

(1) the cumulative impact of exports of technology on improving the military capabilities of countries of concern;

(2) the impact of exports of technology which would be harmful to United States military capabilities, as well as countermeasures necessary to overcome the use of such technology; and

(3) those technologies, systems, and components which have applications to conventional military and strategic capabilities.

(c) TIMING OF REPORTS.—The first report under subsection (a) shall be submitted to Congress not later than 1 year after the date of the enactment of this Act, and shall assess the cumulative impact of exports to countries of concern in the previous 5-year period. Subsequent reports under subsection (a) shall be submitted to Congress at the end of each 1-year period after the submission of the first report. Each such subsequent report shall include an assessment of the cumulative impact of technology exports based on analyses contained in previous reports under this section.

(d) SUPPORT OF OTHER FEDERAL AGENCIES.—The Secretary of Commerce, the Secretary of State, and the heads of other departments and agencies shall make available to the Secretary of Defense information necessary to carry out this section, including information on export licensing.

(e) DEFINITION.—As used in this section, the term ''country of concern'' means—

(1) a country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979 or other applicable law, to have repeatedly provided support for acts of international terrorism; and

(2) a country on the list of covered countries under section 1211(b) of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note).

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the ''Military Construction Authorization Act for Fiscal Year 2000''.

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Redstone Arsenal	$9,800,000
Alaska	Fort Richardson	$14,600,000
	Fort Wainwright	$32,500,000
California	Fort Irwin	$32,400,000
	Presidio of Monterey	$7,100,000
Colorado	Fort Carson	$4,400,000
	Peterson Air Force Base	$25,000,000
District of Columbia	Fort McNair	$1,250,000
	Walter Reed Medical Center	$6,800,000
Georgia	Fort Benning	$48,400,000
	Fort Stewart	$71,700,000
Hawaii	Schofield Barracks	$95,000,000
Kansas	Fort Leavenworth	$34,100,000
	Fort Riley	$3,900,000
Kentucky	Blue Grass Army Depot	$6,000,000
	Fort Campbell	$39,900,000
	Fort Knox	$1,300,000
Louisiana	Fort Polk	$6,700,000
Maryland	Fort Meade	$22,450,000
Massachusetts	Westover Air Reserve Base	$4,000,000
Missouri	Fort Leonard Wood	$27,100,000
New York	Fort Drum	$23,000,000
North Carolina	Fort Bragg	$125,400,000
	Sunny Point Military Ocean Terminal	$3,800,000
Oklahoma	Fort Sill	$33,200,000
	McAlester Army Ammunition	$16,600,000
Pennsylvania	Carlisle Barracks	$5,000,000
	Letterkenny Army Depot	$3,650,000
South Carolina	Fort Jackson	$7,400,000
Texas	Fort Bliss	$52,350,000
	Fort Hood	$84,500,000
Virginia	Fort Belvoir	$3,850,000
	Fort Eustis	$43,800,000
	Fort Myer	$2,900,000
	Fort Story	$8,000,000
Washington	Fort Lewis	$23,400,000
CONUS Various	CONUS Various	$36,400,000
	Total	$967,550,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Germany	Ansbach	$21,000,000
	Bamberg	$23,200,000
	Mannheim	$4,500,000
Korea	Camp Casey	$31,000,000
	Camp Howze	$3,050,000
	Camp Stanley	$3,650,000
	Total	$86,400,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation or location	Purpose	Amount
Korea	Camp Humphreys	60 Units	$24,000,000
Virginia	Fort Lee	97 Units	$16,500,000
		Total	$40,500,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may carryout architectural and engineering services and construction design activities with respect to

the construction or improvement of family housing units in an amount not to exceed $4,300,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in sections 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $35,400,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1999, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,384,417,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $879,550,000.

(2) For the military construction projects outside the United States authorized by section 2101(b), $86,400,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $9,500,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $87,205,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $80,200,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,089,812,000.

(6) For the construction of the United States Disciplinary Barracks, Fort Leavenworth, Kansas, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1967), $18,800,000.

(7) For the construction of the force XXI soldier development center, Fort Hood, Texas, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1966), $14,000,000.

(8) For the construction of the railhead facility, Fort Hood, Texas, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2182), $14,800,000.

(9) For the construction of the cadet development center, United States Military Academy, West Point, New York, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2182), $28,500,000.

(10) For the construction of the whole barracks complex renewal, Fort Campbell, Kentucky, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal year 1999 (division B of Public Law 105–261; 112 Stat. 2182), $32,000,000.

(11) For the construction of the multi-purpose digital training range, Fort Knox, Kentucky, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2182), $16,000,000.

(12) For the construction of the power plant, Roi Namur Island, Kwajalein Atoll, Kwajalein, authorized in section 2101(b) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2183), $35,400,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $46,000,000 (the balance of the amount authorized under section 2101(a) for the construction of the whole barracks complex renewal at Schofield Barracks, Hawaii);

(3) $22,000,000 (the balance of the amount authorized under section 2101(a) for the construction of the whole barracks complex renewal at Fort Bragg, North Carolina);

(4) $10,000,000 (the balance of the amount authorized under section 2101(a) for the construction of tank trail erosion mitigation at the Yakima Training Center, Fort Lewis, Washington); and

(5) $10,100,000 (the balance of the amount authorized under section 2101(a) for the construction of a tactical equipment shop at Fort Sill, Oklahoma).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (12) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $7,750,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma	$24,220,000
	Navy Detachment, Camp Navajo	$7,560,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	$34,760,000
	Marine Corps Base, Camp Pendleton	$38,460,000
	Marine Corps Logistics Base, Barstow	$4,670,000
	Marine Corps Recruit Depot, San Diego	$3,200,000
	Naval Air Station, Lemoore	$24,020,000
	Naval Air Station, North Island	$54,420,000
	Naval Air Warfare Center, China Lake	$4,000,000
	Naval Air Warfare Center, Corona	$7,070,000
	Naval Air Warfare Center, Point Magu	$6,190,000
	Naval Hospital, San Diego	$21,590,000
	Naval Hospital, Twentynine Palms	$7,640,000
	Naval Postgraduate School	$5,100,000
Florida	Naval Air Station, Whiting Field, Milton	$5,350,000
	Naval Station, Mayport	$9,560,000
Georgia	Marine Corps Logistics Base, Albany	$6,260,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	$5,790,000
	Naval Shipyard, Pearl Harbor	$10,610,000
	Naval Station, Pearl Harbor	$18,600,000
	Naval Submarine Base, Pearl Harbor	$29,460,000
Idaho	Naval Surface Warfare Center, Bayview	$10,040,000
Illinois	Naval Training Center, Great Lakes	$57,290,000
Indiana	Naval Surface Warfare Center, Crone	$7,270,000
Maine	Naval Air Station, Brunswick	$16,890,000
Maryland	Naval Air Warfare Center, Patuxent River	$4,560,000
	Naval Surface Warfare Center, Indian Head	$10,070,000
Mississippi	Naval Air Station, Meridian	$7,280,000
	Naval Construction Battalion Center Gulfport	$19,170,000
Nevada	Naval Air Station, Fallon	$7,000,000
New Jersey	Naval Air Warfare Center Aircraft Division, Lakehurst	$15,710,000
North Carolina	Marine Corps Air Station, New River	$5,470,000
	Marine Corps Base, Camp Lejeune	$21,380,000
Pennsylvania	Navy Ships Parts Control Center, Mechanicsburg	$2,990,000
	Norfolk Naval Shipyard Detachment, Philadelphia	$13,320,000
South Carolina	Naval Weapons Station, Charleston	$7,640,000
	Marine Corps Air Station, Beaufort	$18,290,000
Texas	Naval Station, Ingleside	$11,780,000
Virginia	Marine Corps Combat Development Command, Quantico	$20,820,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Washington	Naval Air Station, Oceana	$11,490,000
	Naval Shipyard, Norfolk	$17,630,000
	Naval Station, Norfolk	$69,550,000
	Naval Weapons Station, Yorktown	$25,040,000
	Tactical Training Group Atlantic, Dam Neck	$10,310,000
	Naval Ordnance Center Pacific Division Detachment, Port Hadlock	$3,440,000
	Naval Undersea Warfare Center, Keyport	$6,700,000
	Puget Sound Naval Shipyard, Bremerton	$15,610,000
	Strategic Weapons Facility Pacific, Bremerton	$6,300,000
	Total	$751,570,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Administrative Support Unit,	$83,090,000
Diego Garcia	Naval Support Facility, Diego Garcia	$8,150,000
Greece	Naval Support Activity, Souda Bay	$6,380,000
Italy	Naval Support Activity, Naples	$26,750,000
	Total	$124,370,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation or location	Purpose	Amount
Hawaii	Marine Corps Air Station, Kaneohe Bay	100 Units	$26,615,000
	Naval Base Pearl Harbor	133 Units	$30,168,000
	Naval Base Pearl Harbor	96 Units	$19,167,000
		Total	$75,950,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriation in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $17,715,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $162,350,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1999, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,084,107,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $737,910,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $124,370,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,342,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $70,010,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $256,015,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $895,070,000.

(6) For the construction of berthing wharf, Naval Station Norfolk, Virginia, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2189), $12,690,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $13,660,000 (the balance of the amount authorized under section 2201(a) for the construction of a berthing wharf at Naval Air Station, North Island, California).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (6) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $19,300,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2205. AUTHORIZATION TO ACCEPT ELECTRICAL SUBSTATION IMPROVEMENTS, GUAM.

The Secretary of the Navy may accept from the Guam Power Authority various improvements to electrical transformers at the Agana and Harmon Substations in Guam, which are valued at approximately $610,000 and are to be performed in accordance with plans and specifications acceptable to the Secretary.

SEC. 2206. CORRECTION IN AUTHORIZED USE OF FUNDS, MARINE CORPS COMBAT DEVELOPMENT COMMAND, QUANTICO, VIRGINIA.

The Secretary of the Navy may carry out a military construction project involving infrastructure development at the Marine Corps Combat Development Command, Quantico, Virginia, in the amount of $8,900,000, using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2769) for a military construction project involving a sanitary landfill at that installation, as authorized by section 2201(a) of that Act (110 Stat. 2767).

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$10,600,000
Alaska	Eielson Air Force Base	$24,100,000
	Elmendorf Air Force Base	$32,800,000
Arizona	Davis-Monthan Air Force Base	$7,800,000
Arkansas	Little Rock Air Force Base	$7,800,000
California	Beale Air Force Base	$8,900,000
	Edwards Air Force Base	$5,500,000
	Travis Air Force Base	$11,200,000
Colorado	Peterson Air Force Base	$40,000,000
	Schriever Air Force Base	$16,100,000
	U.S. Air Force Academy	$17,500,000
CONUS Classified	Classified Location	$16,870,000
Florida	Eglin Air Force Base	$18,300,000
	Eglin Auxiliary Field 9	$18,800,000
	MacDill Air Force Base	$5,500,000
	Patrick Air Force Base	$17,800,000
	Tyndall Air Force Base	$10,800,000
Georgia	Fort Benning	$3,900,000
	Moody Air Force Base	$5,950,000
	Robins Air Force Base	$3,350,000
Hawaii	Hickam Air Force Base	$3,300,000
Idaho	Mountain Home Air Force Base	$17,000,000
Kansas	McConnell Air Force Base	$9,600,000
Kentucky	Fort Campbell	$6,300,000
Mississippi	Columbus Air Force Base	$5,100,000
	Keesler Air Force Base	$27,000,000
Missouri	Whiteman Air Force Base	$24,900,000
Nebraska	Offutt Air Force Base	$8,300,000
Nevada	Nellis Air Force Base	$18,600,000
New Jersey	McGuire Air Force Base	$11,800,000
New York	Rome Research Site	$3,002,000
New Mexico	Kirtland Air Force Base	$14,000,000
North Carolina	Fort Bragg	$4,600,000
	Pope Air Force Base	$7,700,000
North Dakota	Minot Air Force Base	$3,000,000
Ohio	Wright-Patterson Air Force Base	$35,100,000
Oklahoma	Tinker Air Force Base	$23,800,000
	Vance Air Force Base	$12,600,000
South Carolina	Charleston Air Force Base	$18,200,000
Tennessee	Arnold Air Force Base	$7,800,000
Texas	Dyess Air Force Base	$5,400,000
	Lackland Air Force Base	$13,400,000
	Laughlin Air Force Base	$3,250,000
	Randolph Air Force Base	$3,600,000
Utah	Hill Air Force Base	$4,600,000
Virginia	Langley Air Force Base	$6,300,000
Washington	Fairchild Air Force Base	$15,550,000
	McChord Air Force Base	$7,900,000
	Total	$635,272,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Guam	Andersen Air Force Base	$8,900,000
Italy	Aviano Air Base	$3,700,000
Korea	Osan Air Base	$19,600,000
Portugal	Lajes Field, Azores	$1,800,000
United Kingdom	Ascension Island	$2,150,000
	Royal Air Force Feltwell	$3,000,000
	Royal Air Force Lakenheath	$18,200,000
	Royal Air Force Mildenhall	$17,600,000
	Royal Air Force Molesworth	$1,700,000
	Total	$76,650,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State	Installation or location	Purpose	Amount
Arizona	Davis-Monthan Air Force Base	64 Units	$10,000,000
California	Beale Air Force Base	60 Units	$8,500,000
	Edwards Air Force Base	188 Units	$32,790,000
	Vandenberg Air Force Base	91 Units	$16,800,000
District of Columbia	Bolling Air Force Base	72 Units	$9,375,000
Florida	Eglin Air Force Base	130 Units	$14,080,000
	MacDill Air Force Base	54 Units	$9,034,000
Kansas	McConnell Air Force Base	Safety Improvements.	$1,363,000
Mississippi	Columbus Air Force Base	100 Units	$12,290,000
Montana	Malmstrom Air Force Base	34 Units	$7,570,000
Nebraska	Offutt Air Force Base	72 Units	$12,352,000

Air Force: Family Housing—Continued

State	Installation or location	Purpose	Amount
New Mexico	Hollomon Air Force Base	76 Units	$9,800,000
North Carolina	Seymour Johnson Air Force Base	78 Units	$12,187,000
North Dakota	Grand Forks Air Force Base	42 Units	$10,050,000
	Minot Air Force Base	72 Units	$10,756,000
Texas	Lackland Air Force Base	48 Units	$7,500,000
Portugal	Lajes Field, Azores	75 Units	$12,964,000
		Total	$197,411,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $17,093,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, Unites States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $124,492,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1999, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,874,053,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $605,272,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $76,650,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $8,741,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $32,104,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $338,996,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $821,892,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $9,602,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2305. PLAN FOR COMPLETION OF PROJECT TO CONSOLIDATE AIR FORCE RESEARCH LABORATORY, ROME RESEARCH SITE, NEW YORK.

(a) PLAN REQUIRED.—Not later than January 1, 2000, the Secretary of the Air Force shall submit to Congress a plan for the completion of multi-phase efforts to consolidate research and technology development activities conducted at the Air Force Research Laboratory located at the Rome Research Site at former Griffiss Air Force Base in Rome, New York. The plan shall include details on how the Air Force will complete the multi-phase construction and renovation of the consolidated building 2/3 complex at the Rome Research Site, by January 1, 2005, including the cost of the project and options for financing it.

(b) RELATION TO STATE CONTRIBUTIONS.—Nothing in this section shall be construed to limit or expand the authority of the Secretary of a military department to accept funds from a State for the purpose of consolidating military functions within a military installation.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization	Blue Grass Army Depot, Kentucky	$206,800,000
Defense Education Activity	Laurel Bay, South Carolina	$2,874,000
	Marine Corps Base, Camp LeJeune, North Carolina	$10,570,000
Defense Logistics Agency	Defense Distribution New Cumberland,Pennsylvania	$5,000,000
	Elmendorf Air Force Base, Alaska	$23,500,000
	Eielson Air Force Base, Alaska	$26,000,000
	Fairchild Air Force Base, Washington	$12,400,000
	Various Locations	$1,300,000
Defense Manpower Data Center	Presidio, Monterey, California	$28,000,000
National Security Agency	Fort Meade, Maryland	$2,946,000
Special Operations Command	Fleet Combat Training Center, Dam Neck, Virginia	$4,700,000
	Fort Benning, Georgia	$10,200,000
	Fort Bragg, North Carolina	$20,100,000
	Mississippi Army Ammunition Plant, Mississippi	$9,600,000
	Naval Amphibious Base, Coronado, California	$6,000,000
TRICARE Management Agency	Andrews Air Force Base, Maryland	$3,000,000
	Cheatham Annex, Virginia	$1,650,000
	Davis-Monthan Air Force Base, Arizona	$10,000,000
	Fort Lewis, Washington	$5,500,000
	Fort Riley, Kansas	$6,000,000
	Fort Sam Houston, Texas	$5,800,000
	Fort Wainwright, Alaska	$133,000,000
	Los Angeles Air Force Base, California	$13,600,000
	Marine Corps Air Station, Cherry Point, North Carolina	$3,500,000
	Moody Air Force Base, Georgia	$1,250,000
	Naval Air Station, Jacksonville, Florida	$3,780,000
	Naval Air Station, Norfolk, Virginia	$4,050,000
	Naval Air Station, Patuxent River, Maryland	$4,150,000
	Naval Air Station, Pensacola, Florida	$4,300,000
	Naval Air Station, Whidbey Island, Washington	$4,700,000
	Patrick Air Force Base, Florida	$1,750,000
	Travis Air Force Base, California	$7,500,000
	Wright-Patterson Air Force Base, Ohio	$3,900,000
	Total	$587,420,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations

and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Drug Interdiction and Counter-Drug Activities	Manta, Ecuador	$25,000,000
	Curacao, Netherlands Antilles	$11,100,000
Defense Education Activity	Andersen Air Force Base, Guam	$44,170,000
	Naval Station Rota, Spain	$17,020,000
	Royal Air Force, Feltwell, United Kingdom	$4,570,000
	Royal Air Force, Lakenheath, United Kingdom	$3,770,000
Defense Logistics Agency	Andersen Air Force Base, Guam	$24,300,000
	Moron Air Base, Spain	$15,200,000
National Security Agency	Royal Air Force, Menwith Hill Station, United Kingdom	$500,000
Tri-Care Management Agency	Naval Security Group Activity, Sabana Seca, Puerto Rico	$4,000,000
	Ramstein Air Force Base, Germany	$7,100,000
	Royal Air Force, Lakenheath, United Kingdom	$7,100,000
	Yongsan, Korea	$41,120,000
	Total	$204,950,000

SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriation in section 2405(a)(8)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $50,000.

SEC. 2403. MILITARY HOUSING IMPROVEMENT PROGRAM.

Of the amount authorized to be appropriated by section 2405(a)(8)(C), $78,756,000 shall be available for credit to the Department of Defense Family Housing Fund established by section 2883(a)(1) of title 10, United States Code.

SEC. 2404. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(6), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of $6,558,000.

SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1999, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $1,618,965,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $288,420,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $204,950,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $18,618,000.

(4) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $938,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $49,024,000.

(6) For Energy Conservation projects authorized by section 2404 of this Act, $6,558,000.

(7) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $705,911,000.

(8) For military family housing functions:

(A) For improvement of military family housing and facilities, $50,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $41,440,000 of which not more than $35,639,000 may be obligated or expended for the leasing of military family housing units worldwide.

(C) For credit to the Department of Defense Family Housing Improvement Fund as authorized by section 2403 of this Act, $78,756,000.

(9) For the construction of the Ammunition Demilitarization Facility, Anniston Army Depot, Alabama, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1758), section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1992 and 1993 (division B of Public Law 102–190; 105 Stat. 1508), section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2586); and section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337, 108 Stat. 3040), $7,000,000.

(10) For the construction of the Ammunition Demilitarization Facility, Pine Bluff Arsenal, Arkansas, authorized in section 2401 of Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the National Defense Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), $61,800,000.

(11) For the construction of the Ammunition Demilitarization Facility, Umatilla Army Depot, Oregon, authorized in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982); and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), $35,900,000.

(12) For the construction of the Ammunition Demilitarization Facility, Aberdeen Proving Ground, Maryland, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), $66,600,000.

(13) For the construction of the Ammunition Demilitarization Facility at Newport Army Depot, Indiana, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), $61,200,000.

(14) For the construction of the Ammunition Demilitarization Facility, Pueblo Army Depot, Colorado, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), as amended by section 2406 of this Act, $11,800,000.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $115,000,000 (the balance of the amount authorized under section 2401(a) for the construction of a replacement hospital at Fort Wainwright, Alaska); and

(3) $184,000,000 (the balance of the amount authorized under section 2401(a) for the construction of a chemical demilitarization facility at Blue Grass Army Depot, Kentucky).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (14) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $20,000,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2406. INCREASE IN FISCAL YEAR 1997 AUTHORIZATION FOR MILITARY CONSTRUCTION PROJECTS AT PUEBLO CHEMICAL ACTIVITY, COLORADO.

The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), is amended—

(1) in the item relating to Pueblo Chemical Activity, Colorado, under the agency heading relating to Chemical Demilitarization Program by striking ''$179,000,000'' in the amount column and inserting ''$203,500,000''; and

(2) by striking the amount identified as the total in the amount column and inserting ''$549,954,000''.

(b) CONFORMING AMENDMENT.—Section 2406(b)(2) of that Act (110 Stat. 2779) is amended by striking ''$179,000,000'' and inserting ''$203,500,000''.

SEC. 2407. CONDITION ON OBLIGATION OF MILITARY CONSTRUCTION FUNDS FOR DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.

In addition to the conditions specified in section 1022 on the development of forward operating locations for United States Southern Command counter-drug detection and monitoring flights, amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(2) for the projects set forth in the table in section 2401(b) under the heading ''Drug Interdiction and Counter-

Drug Activities'' may not be obligated until after the end of the 30-day period beginning on the date on which the Secretary of Defense submits to Congress a report describing in detail the purposes for which the amounts will be obligated and expended.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1999, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment program authorized by section 2501, in the amount of $191,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1999, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $123,878,000; and

(B) for the Army Reserve, $92,515,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $21,574,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $151,170,000; and

(B) for the Air Force Reserve, $48,564,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2002; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2003.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 2002; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2003 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1997 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2782), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2201, 2202, or 2601 of that Act and amended by section 2406 of this Act, shall remain in effect until October 1, 2000, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2001, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1997 Project Authorization

State	Installation or location	Project	Amount
Colorado	Pueblo Army Depot	Ammunition Demilitarization Facility	$203,500,000

Navy: Extension of 1997 Project Authorization

State	Installation or location	Project	Amount
Virginia	Marine Corps Combat Development Command	Infrastructure Development	$8,900,000

Navy: Extension of 1997 Family Housing Authorizations

State	Installation or location	Family Housing	Amount
Florida	Mayport Naval Station	100 units	$10,000,000
Maine	Brunswick Naval Air Station	92 units	$10,925,000
North Carolina	Camp Lejuene	94 units	$10,110,000
South Carolina	Beaufort Marine Corps Air Station	140 units	$14,000,000
Texas	Corpus Christi Naval Complex	104 units	$11,675,000
	Kingsville Naval Air Station	48 units	$7,550,000
Washington	Everett Naval Station	100 units	$15,015,000

Army National Guard: Extension of 1997 Project Authorization

State	Installation or location	Project	Amount
Mississippi	Camp Shelby	Multi-Purpose Range (Phase II)	$5,000,000

SEC. 2703. EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1996 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 541), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2202 or 2601 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2199), shall remain in effect until October 1, 2000, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2001, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Navy: Extension of 1996 Family Housing Authorization

State	Installation or location	Family Housing	Amount
California	Camp Pendleton	138 units	$20,000,000

Army National Guard: Extension of 1996 Project Authorizations

State	Installation or location	Project	Amount
Mississippi	Camp Shelby	Multipurpose Range Complex (Phase I)	$5,000,000

Army National Guard: Extension of 1996 Project Authorizations—Continued

State	Installation or location	Project	Amount
Missouri	National Guard Training Site, Jefferson City	Multipurpose Range	$2,236,000

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1999; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. CONTRIBUTIONS FOR NORTH ATLANTIC TREATY ORGANIZATIONS SECURITY INVESTMENT.

Section 2806(a) of title 10, United States Code, is amended by inserting before the period at the end the following: ‘‘, including support for the actual implementation of a military operations plan approved by the North Atlantic Council’’.

SEC. 2802. DEVELOPMENT OF FORD ISLAND, HAWAII.

(a) CONDITIONAL AUTHORITY TO DEVELOP.—(1) Subchapter I of chapter 169 of title 10, United States Code, is amended by adding at the end the following new section:

‘‘§ 2814. Special authority for development of Ford Island, Hawaii

‘‘(a) IN GENERAL.—(1) Subject to paragraph (2), the Secretary of the Navy may exercise any authority or combination of authorities in this section for the purpose of developing or facilitating the development of Ford Island, Hawaii, to the extent that the Secretary determines the development is compatible with the mission of the Navy.

‘‘(2) The Secretary of the Navy may not exercise any authority under this section until—

‘‘(A) the Secretary submits to the appropriate committees of Congress a master plan for the development of Ford Island, Hawaii; and

‘‘(B) a period of 30 calendar days has elapsed following the date on which the notification is received by those committees.

‘‘(b) CONVEYANCE AUTHORITY.—(1) The Secretary of the Navy may convey to any public or private person or entity all right, title, and interest of the United States in and to any real property (including any improvements thereon) or personal property under the jurisdiction of the Secretary in the State of Hawaii that the Secretary determines—

‘‘(A) is excess to the needs of the Navy and all of the other armed forces; and

‘‘(B) will promote the purpose of this section.

‘‘(2) A conveyance under this subsection may include such terms and conditions as the Secretary considers appropriate to protect the interests of the United States.

‘‘(c) LEASE AUTHORITY.—(1) The Secretary of the Navy may lease to any public or private person or entity any real property or personal property under the jurisdiction of the Secretary in the State of Hawaii that the Secretary determines—

‘‘(A) is excess to the needs of the Navy and all of the other armed forces; and

‘‘(B) will promote the purpose of this section.

‘‘(2) A lease under this subsection shall be subject to section 2667(b)(1) of this title and may include such others terms as the Secretary considers appropriate to protect the interests of the United States.

‘‘(3) A lease of real property under this subsection may provide that, upon termination of the lease term, the lessee shall have the right of first refusal to acquire the real property covered by the lease if the property is then conveyed under subsection (b).

‘‘(4)(A) The Secretary may provide property support services to or for real property leased under this subsection.

‘‘(B) To the extent provided in appropriations Acts, any payment made to the Secretary for services provided under this paragraph shall be credited to the appropriation, account, or fund from which the cost of providing the services was paid.

‘‘(d) ACQUISITION OF LEASEHOLD INTEREST BY SECRETARY.—(1) The Secretary of the Navy may acquire a leasehold interest in any facility constructed under subsection (f) as consideration for a transaction authorized by this section upon such terms as the Secretary considers appropriate to promote the purpose of this section.

‘‘(2) The term of a lease under paragraph (1) may not exceed 10 years, unless the Secretary of Defense approves a term in excess of 10 years for purposes of this section.

‘‘(3) A lease under this subsection may provide that, upon termination of the lease term, the United States shall have the right of first refusal to acquire the facility covered by the lease.

‘‘(4) The Secretary of the Navy may enter into a lease under this subsection only if the lease is specifically authorized by a law enacted after the date of the enactment of this section.

‘‘(e) REQUIREMENT FOR COMPETITION.—The Secretary of the Navy shall use competitive procedures for purposes of selecting the recipient of real or personal property under subsection (b) and the lessee of real or personal property under subsection (c).

‘‘(f) CONSIDERATION.—(1) As consideration for the conveyance of real or personal property under subsection (b), or for the lease of real or personal property under subsection (c), the Secretary of the Navy shall accept cash, real property, personal property, or services, or any combination thereof, in an aggregate amount equal to not less than the fair market value of the real or personal property conveyed or leased.

‘‘(2) Subject to subsection (i), the services accepted by the Secretary under paragraph (1) may include the following:

‘‘(A) The construction or improvement of facilities at Ford Island.

‘‘(B) The restoration or rehabilitation of real property at Ford Island.

‘‘(C) The provision of property support services for property or facilities at Ford Island.

‘‘(g) NOTICE AND WAIT REQUIREMENTS.—The Secretary of the Navy may not carry out a transaction authorized by this section until—

‘‘(1) the Secretary submits to the appropriate committees of Congress a notification of the transaction, including—

‘‘(A) a detailed description of the transaction; and

‘‘(B) a justification for the transaction specifying the manner in which the transaction will meet the purposes of this section; and

‘‘(2) a period of 30 calendar days has elapsed following the date on which the notification is received by those committees.

‘‘(h) FORD ISLAND IMPROVEMENT ACCOUNT.—(1) There is established on the books of the Treasury an account to be known as the ‘Ford Island Improvement Account’.

‘‘(2) There shall be deposited into the account the following amounts:

‘‘(A) Amounts authorized and appropriated to the account.

‘‘(2) Except as provided in subsection (c)(4)(B), the amount of any cash payment received by the Secretary for a transaction under this section.

‘‘(i) USE OF ACCOUNT.—(1) Subject to paragraph (2), to the extent provided in advance in appropriation Acts, funds in the Ford Island Improvement Account may be used as follows:

‘‘(A) To carry out or facilitate the carrying out of a transaction authorized by this section.

‘‘(B) To carry out improvements of property or facilities at Ford Island.

‘‘(C) To obtain property support services for property or facilities at Ford Island.

‘‘(2) To extent that the authorities provided under subchapter IV of this chapter are available to the Secretary of the Navy, the Secretary may not use the authorities in this section to acquire, construct, or improve family housing units, military unaccompanied housing units, or ancillary supporting facilities related to military housing.

‘‘(3)(A) The Secretary may transfer funds from the Ford Island Improvement Account to the following funds:

‘‘(i) The Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of this title.

‘‘(ii) The Department of Defense Military Unaccompanied Housing Improvement Fund established by section 2883(a)(2) of this title.

‘‘(B) Amounts transferred under subparagraph (A) to a fund referred to in that subparagraph shall be available in accordance with the provisions of section 2883 of this title for activities authorized under subchapter IV of this chapter at Ford Island.

‘‘(j) INAPPLICABILITY OF CERTAIN PROPERTY MANAGEMENT LAWS.—Except as otherwise provided in this section, transactions under this section shall not be subject to the following:

‘‘(1) Sections 2667 and 2696 of this title.

‘‘(2) Section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411).

‘‘(3) Sections 202 and 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483, 484).

‘‘(k) SCORING.—Nothing in this section shall be construed to waive the applicability to any lease entered into under this section of the budget scorekeeping guidelines used to measure compliance with the Balanced Budget Emergency Deficit Control Act of 1985.

‘‘(l) PROPERTY SUPPORT SERVICE DEFINED.—In this section, the term ‘property support service’ means the following:

‘‘(1) Any utility service or other service listed in section 2686(a) of this title.

‘‘(2) Any other service determined by the Secretary to be a service that supports the operation and maintenance of real property, personal property, or facilities.’’.

(2) The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

‘‘2814. Special authority for development of Ford Island, Hawaii.’’.

(b) CONFORMING AMENDMENTS.—Section 2883(c) of title 10, United States Code, is amended—

(1) in paragraph (1), by adding at the end the following new subparagraph:

‘‘(E) Any amounts that the Secretary of the Navy transfers to that Fund pursuant to

section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.''; and

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

''(E) Any amounts that the Secretary of the Navy transfers to that Fund pursuant to section 2814(i)(3) of this title, subject to the restrictions on the use of the transferred amounts specified in that section.''.

SEC. 2803. RESTRICTION ON AUTHORITY TO ACQUIRE OR CONSTRUCT ANCILLARY SUPPORTING FACILITIES FOR HOUSING UNITS.

Section 2881 of title 10, United States Code, is amended—

(1) by inserting ''(a) AUTHORITY TO ACQUIRE OR CONSTRUCT.—'' before ''Any project''; and

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

''(b) RESTRICTION.—The ancillary supporting facilities authorized by subsection (a) may not be in direct competition with any resale activities provided by the Defense Commissary Agency or the Army and Air Force Exchange Service, the Navy Exchange Service Command, Marine Corps exchanges, or any other nonappropriated fund instrumentality of the United States under the jurisdiction of the armed forces which is conducted for the morale, welfare and recreation of members of the armed forces.''.

SEC. 2804. PLANNING AND DESIGN FOR MILITARY CONSTRUCTION PROJECTS FOR RESERVE COMPONENTS.

Section 18233(f)(1) of title 10, United States Code, is amended by inserting ''design,'' after ''planning,''.

SEC. 2805. LIMITATIONS ON AUTHORITY TO CARRY OUT SMALL PROJECTS FOR ACQUISITION OF FACILITIES FOR RESERVE COMPONENTS.

(a) UNSPECIFIED MINOR CONSTRUCTION PROJECTS TO CORRECT LIFE, HEALTH, OR SAFETY THREATS.—Subsection (a)(2) of section 18233a of title 10, United States Code, is amended by adding at the end the following new subparagraph:

''(C) An unspecified minor construction project intended solely to correct a deficiency that is life-threatening, health-threatening, or safety-threatening, except that the expenditure or contribution for the project may not exceed $3,000,000.''.

(b) USE OF OPERATION AND MAINTENANCE FUNDS TO CORRECT LIFE, HEALTH, OR SAFETY THREATS.—Subsection (b) of such section is amended by inserting after ''or less'' the following: ''(or $1,000,000 or less if the project is intended solely to correct a deficiency that is life-threatening, health-threatening, or safety-threatening).''.

SEC. 2806. EXPANSION OF ENTITIES ELIGIBLE TO PARTICIPATE IN ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) DEFINITION OF ELIGIBLE ENTITY.—Section 2871 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (5) through (7) as paragraphs (6) through (8) respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

''(5) The term 'eligible entity' means any individual, corporation, firm, partnership, company, State or local government, or housing authority of a State or local government.''.

(b) GENERAL AUTHORITY.—Section 2872 of such title is amended by striking ''private persons'' and inserting ''eligible entities''.

(c) DIRECT LOANS AND LOAN GUARANTEES.—Section 2873 of such title is amended—

(1) in subsection (a)(1)—

(A) by striking ''persons in the private sector'' and inserting ''an eligible entity''; and

(B) by striking ''such persons'' and inserting ''the eligible entity''; and

(2) in subsection (b)(1)—

(A) by striking ''any person in the private sector'' and inserting ''an eligible entity''; and

(B) by striking ''the person'' and inserting ''the eligible entity''.

(d) INVESTMENTS.—Section 2875 of such title is amended—

(1) in subsection (a), by striking ''nongovernmental entities'' and inserting ''an eligible entity'';

(2) in subsection (c)—

(A) by striking ''a nongovernmental entity'' both places it appears and inserting ''an eligible entity''; and

(B) by striking ''the entity'' each place it appears and inserting ''the eligible entity'';

(3) in subsection (d), by striking ''nongovernmental'' and inserting ''eligible''; and

(4) in subsection (e), by striking ''a nongovernmental entity'' and inserting ''an eligible entity''.

(e) RENTAL GUARANTEES.—Section 2876 of such title is amended by striking ''private persons'' and inserting ''eligible entities''.

(f) DIFFERENTIAL LEASE PAYMENTS.—Section 2877 of such title is amended by striking ''private''.

(g) CONVEYANCE OR LEASE OF EXISTING PROPERTY AND FACILITIES.—Section 2878(a) of such title is amended by striking ''private persons'' and inserting ''eligible entities''.

(h) CLERICAL AMENDMENTS.—(1) The heading of section 2875 of such title is amended to read as follows:

''§ 2875. Investments''.

(2) The table of sections at the beginning of subchapter IV of chapter 169 of such title is amended by striking the item relating to such section and inserting the following new item:

''2875. Investments.''.

Subtitle B—Real Property and Facilities Administration

SEC. 2811. EXTENSION OF AUTHORITY FOR LEASE OF LAND FOR SPECIAL OPERATIONS ACTIVITIES.

Section 2680(d) of title 10, United States Code, is amended by striking ''September 30, 2000'' and inserting ''September 30, 2005''.

SEC. 2812. UTILITY PRIVATIZATION AUTHORITY.

(a) EXTENDED CONTRACTS FOR UTILITY SERVICES.—Subsection (c) of section 2688 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) A contract for the receipt of utility services as consideration under paragraph (1), or any other contract for utility services entered into by the Secretary concerned in connection with the conveyance of a utility system under this section, may be for a period not to exceed 50 years.''.

(b) DEFINITION OF UTILITY SYSTEM.—Subsection (g)(2)(B) of such section is amended by striking ''Easements'' and inserting ''Real property, easements,''.

(c) FUNDS TO FACILITATE PRIVATIZATION.—Such section is further amended—

(1) by redesignating subsections (g) and (h) as subsections (i) and (j); and

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

''(g) ASSISTANCE FOR CONSTRUCTION, REPAIR, OR REPLACEMENT OF UTILITY SYSTEMS.—In lieu of carrying out a military construction project to construct, repair, or replace a utility system, the Secretary concerned may use funds authorized and appropriated for the project to facilitate the conveyance of the utility system under this section by making a contribution toward the cost of construction, repair, or replacement of the utility system by the entity to which the utility system is being conveyed. The Secretary concerned shall consider any such contribution in the economic analysis required under subsection (e).''.

SEC. 2813. ACCEPTANCE OF FUNDS TO COVER ADMINISTRATIVE EXPENSES RELATING TO CERTAIN REAL PROPERTY TRANSACTIONS.

Section 2695(b) of title 10, United States Code, is amended—

(1) by inserting ''involving real property under the control of the Secretary of a military department'' after ''transactions''; and

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

''(4) The disposal of real property of the United States for which the Secretary will be the disposal agent.''.

SEC. 2814. STUDY AND REPORT ON IMPACTS TO MILITARY READINESS OF PROPOSED LAND MANAGEMENT CHANGES ON PUBLIC LANDS IN UTAH.

(a) UTAH NATIONAL DEFENSE LANDS DEFINED.—In this section, the term ''Utah national defense lands'' means public lands under the jurisdiction of the Bureau of Land Management in the State of Utah that are adjacent to or near the Utah Test and Training Range and Dugway Proving Ground or beneath the Military Operating Areas, Restricted Areas, and airspace that make up the Utah Test and Training Range.

(b) READINESS IMPACT STUDY.—The Secretary of Defense shall conduct a study to evaluate the impact upon military training, testing, and operational readiness of any proposed changes in land management of the Utah national defense lands. In conducting the study, the Secretary of Defense shall consider the following:

(1) The present military requirements for and missions conducted at Utah Test and Training Range, as well as projected requirements for the support of aircraft, unmanned aerial vehicles, missiles, munitions and other military requirements.

(2) The future requirements for force structure and doctrine changes, such as the Expeditionary Aerospace Force concept, that could require the use of the Utah Test and Training Range.

(3) All other pertinent issues, such as overflight requirements, access to electronic tracking and communications sites, ground access to respond to emergency or accident locations, munitions safety buffers, noise requirements, ground safety and encroachment issues.

(c) COOPERATION AND COORDINATION.—The Secretary of Defense shall conduct the study in cooperation with the Secretary of the Air Force and the Secretary of the Army and coordinate the study with the Secretary of the Interior.

(d) EFFECT OF STUDY.—Until the Secretary of Defense submits to Congress a report containing the results of the study, the Secretary of the Interior may not proceed with the amendment of any individual resource management plan for Utah national defense lands, or any statewide environmental impact statement or statewide resource management plan amendment package for such lands, if the statewide environmental impact statement or statewide resource management plan amendment addresses wilderness characteristics or wilderness management issues affecting such lands.

Subtitle C—Defense Base Closure and Realignment

SEC. 2821. CONTINUATION OF AUTHORITY TO USE DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 1990 FOR ACTIVITIES REQUIRED TO CLOSE OR REALIGN MILITARY INSTALLATIONS.

(a) DURATION OF ACCOUNT.—Subsection (a) of section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by adding at the end the following new paragraph:

''(3) The Account shall be closed at the time and in the manner provided for appropriation accounts under section 1555 of title 31, United States Code. Unobligated funds which remain in the Account upon closure shall be held by the Secretary of the Treasury until transferred by law after the congressional defense committees receive the final report transmitted under subsection (c)(2).''.

(b) EFFECT OF CONTINUATION ON USE OF ACCOUNT.—Subsection (b)(1) of such section is amended by adding at the end the following new sentence: ''After July 13, 2001, the Account shall be the sole source of Federal funds for environmental restoration, property management, and other caretaker costs associated with any real property at military installations closed or realigned under this part or such title II.''.

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (c)—

(A) by striking paragraph (2); and

(B) by redesignating paragraph (3) as paragraph (2) and, in such paragraph, by inserting after ''this part'' the following: ''and no later than 60 days after the closure of the Account under subsection (a)(3)''; and

(2) in subsection (e), by striking ''the termination of the authority of the Secretary to carry out a closure or realignment under this part'' and inserting ''the closure of the Account under subsection (a)(3)''.

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2831. TRANSFER OF JURISDICTION, FORT SAM HOUSTON, TEXAS.

(a) TRANSFER OF LAND FOR INCLUSION IN NATIONAL CEMETERY.—The Secretary of the Army may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Veterans Affairs a parcel of real property, including any improvements thereon, consisting of approximately 152 acres and comprising a portion of Fort Sam Houston, Texas.

(b) USE OF LAND.—The Secretary of Veterans Affairs shall include the real property transferred under subsection (a) in the Fort Sam Houston National Cemetery and use the conveyed property as a national cemetery under chapter 24 of title 38, United States Code.

(c) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Army. The cost of the survey shall be borne by the Secretary of Veterans Affairs.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Army considers appropriate to protect the interests of the United States.

SEC. 2832. LAND CONVEYANCE, ARMY RESERVE CENTER, KANKAKEE, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Kankakee, Illinois (in this section referred to as the ''City''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 1600 Willow Street in Kankakee, Illinois, and contains the vacant Stefaninch Army Reserve Center for the purpose of permitting the City to use the parcel for economic development and other public purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2833. LAND CONVEYANCE, FORT DES MOINES, IOWA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Fort Des Moines Black Officers Memorial, Inc., a nonprofit corporation organized in the State of Iowa (in this section referred to as the ''Corporation''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, located at Fort Des Moines, Iowa, and containing the post chapel (building #49) and Clayton Hall (building #46) for the purpose of permitting the Corporation to develop and use the parcel as a memorial and for educational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Corporation.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2834. LAND CONVEYANCE, ARMY MAINTENANCE SUPPORT ACTIVITY (MARINE) NUMBER 84, MARCUS HOOK, PENNSYLVANIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Borough of Marcus Hook, Pennsylvania (in this section referred to as the ''Borough''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 5 acres that is located at 7 West Delaware Avenue in Marcus Hook, Pennsylvania, and contains the facility known as the Army Maintenance Support Activity (Marine) Number 84, for the purpose of permitting the Borough to develop the parcel for recreational or economic development purposes.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the Borough—

(1) use the conveyed property, directly or through an agreement with a public or private entity, for recreational or economic purposes; or

(2) convey the property to an appropriate public or private entity for use for such purposes.

(c) REVERSION.—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being used for recreational or economic development purposes, as required by subsection (b), all right, title, and interest in and to the property conveyed under subsection (a), including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Borough.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2835. LAND CONVEYANCES, ARMY DOCKS AND RELATED PROPERTY, ALASKA.

(a) JUNEAU NATIONAL GUARD DOCK.—The Secretary of the Army may convey, without consideration, to the City of Juneau, Alaska, all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, located at 1030 Thane Highway in Juneau, Alaska, and consisting of approximately 0.04 acres and the appurtenant facility known as the Juneau National Guard Dock.

(b) WHITTIER DELONG DOCK.—The Secretary may convey, without consideration, to the Alaska Railroad Corporation all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, located in Whittier, Alaska, and consisting of approximately 6.13 acres and the appurtenant facility known as the DeLong Dock.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsections (a) and (b) shall be determined by surveys satisfactory to the Secretary. The cost of the surveys shall be borne by the recipient of the real property.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under subsection (a) and (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2836. LAND CONVEYANCE, FORT HUACHUCA, ARIZONA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Veterans Services Commission of the State of Arizona (in this section referred to as the ''Commission''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 130 acres at Fort Huachuca, Arizona, for the purpose of permitting the Commission to establish a State-run cemetery for veterans.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Commission.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2837. LAND CONVEYANCE, ARMY RESERVE CENTER, CANNON FALLS, MINNESOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Cannon Falls Area Schools, Minnesota Independent School District Number 252 (in this section referred to as the ''District''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 710 State Street East in Cannon Falls, Minnesota, and contains an Army Reserve Center for the purpose of permitting the District to develop the parcel for educational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the District.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional

terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2838. LAND CONVEYANCE, NIKE BATTERY 80 FAMILY HOUSING SITE, EAST HANOVER TOWNSHIP, NEW JERSEY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Township Council of East Hanover, New Jersey (in this section referred to as the ''Township''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 13.88 acres located near the unincorporated area of Hanover Neck in East Hanover, New Jersey, and was a former family housing site for Nike Battery 80, for the purpose of permitting the Township to develop the parcel for affordable housing and for recreational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Township.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2839. LAND EXCHANGE, ROCK ISLAND ARSENAL, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the City of Moline, Illinois (in this section referred to as the ''City''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately .3 acres at the Rock Island Arsenal for the purpose of permitting the City to construct a new entrance and exit ramp for the bridge that crosses the southeast end of the island containing the Arsenal.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall convey to the Secretary all right, title, and interest of the City in and to a parcel of real property consisting of approximately .2 acres and located in the vicinity of the parcel to be conveyed under subsection (a).

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels to be conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2840. MODIFICATION OF LAND CONVEYANCE, JOLIET ARMY AMMUNITION PLANT, ILLINOIS.

Section 2922(c) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 605) is amended—

(1) by inserting ''(1)'' before ''The conveyance''; and

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

''(2) The landfill established on the real property conveyed under subsection (a) may contain only waste generated in the county in which the landfill is established and waste generated in municipalities located at least in part in that county. The landfill shall be closed and capped after 23 years of operation.''.

SEC. 2841. LAND CONVEYANCES, TWIN CITIES ARMY AMMUNITION PLANT, MINNESOTA.

(a) CONVEYANCE TO CITY AUTHORIZED.—The Secretary of the Army may convey to the City of Arden Hills, Minnesota (in this section referred to as the ''City''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 4 acres at the Twin Cities Army Ammunition Plant, for the purpose of permitting the City to construct a city hall complex on the parcel.

(b) CONVEYANCE TO COUNTY AUTHORIZED.—The Secretary of the Army may convey to Ramsey County, Minnesota (in this section referred to as the ''County''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 35 acres at the Twin Cities Army Ammunition Plant, for the purpose of permitting the County to construct a maintenance facility on the parcel.

(c) CONSIDERATION.—As consideration for the conveyances under this section, the City shall make the city hall complex available for use by the Minnesota National Guard for public meetings, and the County shall make the maintenance facility available for use by the Minnesota National Guard, as detailed in agreements entered into between the City, County, and the Commanding General of the Minnesota National Guard. Use of the city hall complex and maintenance facility by the Minnesota National Guard shall be without cost to the Minnesota National Guard.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under this section shall be determined by surveys satisfactory to the Secretary. The cost of the survey shall be borne by the recipient of the real property.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

PART II—NAVY CONVEYANCES

SEC. 2851. LAND CONVEYANCE, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT NO. 387, DALLAS, TEXAS.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey to the City of Dallas, Texas (in this section referred to as the ''City''), all right, title, and interest of the United States in and to parcels of real property consisting of approximately 314 acres and comprising the Naval Weapons Industrial Reserve Plant No. 387, Dallas, Texas.

(2)(A) As part of the conveyance authorized by paragraph (1), the Secretary may convey to the City such improvements, equipment, fixtures, and other personal property located on the parcels referred to in that paragraph as the Secretary determines to be not required by the Navy for other purposes.

(B) The Secretary may permit the City to review and inspect the improvements, equipment, fixtures, and other personal property located on the parcels referred to in paragraph (1) for purposes of the conveyance authorized by this paragraph.

(b) AUTHORITY TO CONVEY WITHOUT CONSIDERATION.—The conveyance authorized by subsection (a) may be made without consideration if the Secretary determines that the conveyance on that basis would be in the best interests of the United States.

(c) CONDITION OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be subject to the condition that the City—

(1) use the parcels, directly or through an agreement with a public or private entity, for economic purposes or such other public purposes as the City determines appropriate; or

(2) convey the parcels to an appropriate public entity for use for such purposes.

(d) REVERSION.—If, during the 5-year period beginning on the date the Secretary makes the conveyance authorized by subsection (a), the Secretary determines that the conveyed real property is not being used for a purpose specified in subsection (c), all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property.

(e) LIMITATION ON CERTAIN SUBSEQUENT CONVEYANCES.—(1) Subject to paragraph (2), if at any time after the Secretary makes the conveyance authorized by subsection (a) the City conveys any portion of the parcels conveyed under that subsection to a private entity, the City shall pay to the United States an amount equal to the fair market value (as determined by the Secretary) of the portion conveyed at the time of its conveyance under this subsection.

(2) Paragraph (1) applies to a conveyance described in that paragraph only if the Secretary makes the conveyance authorized by subsection (a) without consideration.

(3) The Secretary shall cover over into the General Fund of the Treasury as miscellaneous receipts any amounts paid the Secretary under this subsection.

(f) INTERIM LEASE.—(1) Until such time as the real property described in subsection (a) is conveyed by deed under this section, the Secretary may continue to lease the property, together with improvements thereon, to the current tenant under the existing terms and conditions of the lease for the property.

(2) If good faith negotiations for the conveyance of the property continue under this section beyond the end of the third year of the term of the existing lease for the property, the Secretary shall continue to lease the property to the current tenant of the property under the terms and conditions applicable to the first three years of the lease of the property pursuant to the existing lease for the property.

(g) MAINTENANCE OF PROPERTY.—(1) Subject to paragraph (2), the Secretary shall be responsible for maintaining the real property to be conveyed under this section in its condition as of the date of the enactment of this Act until such time as the property is conveyed by deed under this section.

(2) The current tenant of the property shall be responsible for any maintenance required under paragraph (1) to the extent of the activities of that tenant at the property during the period covered by that paragraph.

(h) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2852. LAND CONVEYANCE, NAVAL AND MARINE CORPS RESERVE CENTER, ORANGE, TEXAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the Orange County Navigation and Port District of Orange County, Texas (in this section referred to as the ''District''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, at the Naval and Marine Corps Reserve Center in

Orange, Texas, which consists of approximately 2.4 acres and contains the facilities designated as Buildings 135 and 163, for the purpose of permitting the District to develop the parcel for economic development, educational purposes, and the furtherance of navigation-related commerce.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the District.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2853. LAND CONVEYANCE, MARINE CORPS AIR STATION, CHERRY POINT, NORTH CAROLINA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the State of North Carolina (in this section referred to as the ''State''), all right, title, and interest of the United States in and to a parcel of unimproved real property consisting of approximately 20 acres at the Marine Corps Air Station, Cherry Point, North Carolina, for the purpose of permitting the State to develop the parcel for educational purposes.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be subject to the condition that the State convey to the United States such easements and rights-of-way regarding the parcel as the Secretary considers necessary to ensure use of the parcel by the State is compatible with the use of the Marine Corps Air Station.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the State.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

PART III—AIR FORCE CONVEYANCES

SEC. 2861. CONVEYANCE OF FUEL SUPPLY LINE, PEASE AIR FORCE BASE, NEW HAMPSHIRE.

(a) CONVEYANCE AUTHORIZED.—In conjunction with the disposal of property at former Pease Air Force Base, New Hampshire, under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), the Secretary of the Air Force may convey to the redevelopment authority for Pease Air Force Base all right, title, and interest of the United States in and to the deactivated fuel supply line at Pease Air Force Base, including the approximately 14.87 acres of real property associated with such supply line.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized by subsection (a) may only be made if the redevelopment authority agrees to make the fuel supply line available for use by the New Hampshire Air National Guard under terms and conditions acceptable to the Secretary.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the redevelopment authority.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2862. LAND CONVEYANCE, TYNDALL AIR FORCE BASE, FLORIDA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey to Panama City, Florida (in this section referred to as the ''City''), all right, title, and interest, of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 33.07 acres in Bay County, Florida, and containing the military family housing project for Tyndall Air Force Base known as Cove Garden.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall pay to the United States an amount equal to the fair market value of the real property to be conveyed, as determined by the Secretary.

(c) USE OF PROCEEDS.—In such amounts as are provided in advance in appropriations Acts, the Secretary may use the funds paid by the City under subsection (b) to construct or improve military family housing units at Tyndall Air Force Base and to improve ancillary supporting facilities related to such housing.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2863. LAND CONVEYANCE, PORT OF ANCHORAGE, ALASKA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force and the Secretary of the Interior may convey, without consideration, to the Port of Anchorage, an entity of the City of Anchorage, Alaska (in this section referred to as the ''Port''), all right, title, and interest of the United States in and to two parcels of real property, including improvements thereon, consisting of a total of approximately 14.22 acres located adjacent to the Port of Anchorage Marine Industrial Park in Anchorage, Alaska, and leased by the Port from the Department of the Air Force and the Bureau of Land Management.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force and the Secretary of the Interior. The cost of the survey shall be borne by the Port.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force and the Secretary of the Interior may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretaries considers appropriate to protect the interests of the United States.

SEC. 2864. LAND CONVEYANCE, FORESTPORT TEST ANNEX, NEW YORK.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Town of Ohio, New York (in this section referred to as the ''Town''), all right, title, and interest, of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 164 acres in Herkimer County, New York, and approximately 18 acres in Oneida County, New York, and containing the Forestport Test Annex for the purpose of permitting the Town to develop the parcel for economic purposes and to further the provision of municipal services.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Town.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2865. LAND CONVEYANCE, MCCLELLAN NUCLEAR RADIATION CENTER, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—Consistent with applicable laws, including section 120 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620), the Secretary of the Air Force may convey, without consideration, to the Regents of the University of California, acting on behalf of the University of California, Davis (in this section referred to as the ''Regents''), all right, title, and interest of the United States in and to the parcel of real property, including improvements thereon, consisting of the McClellan Nuclear Radiation Center, California.

(b) INSPECTION OF PROPERTY.—The Secretary shall, at an appropriate time before the conveyance authorized by subsection (a), permit the Regents access to the property to be conveyed for purposes of such investigation of the McClellan Nuclear Radiation Center and the atomic reactor located at the Center as the Regents consider appropriate.

(c) HOLD HARMLESS.—(1)(A) The Secretary may not make the conveyance authorized by subsection (a) unless the Regents agree to indemnify and hold harmless the United States for and against the following:

(i) Any and all costs associated with the decontamination and decommissioning of the atomic reactor at the McClellan Nuclear Radiation Center under requirements that are imposed by the Nuclear Regulatory Commission or any other appropriate Federal or State regulatory agency.

(ii) Any and all injury, damage, or other liability arising from the operation of the atomic reactor after its conveyance under this section.

(B) The Secretary may pay the Regents an amount not exceed $17,593,000 as consideration for the agreement under subparagraph (A). Notwithstanding subsection (b) of section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), the Secretary may use amounts appropriated pursuant to the authorization of appropriation in section 2405(a)(7) to make the payment under this subparagraph.

(2) Notwithstanding the agreement under paragraph (1), the Secretary may, as part of the conveyance authorized by subsection (a), enter into an agreement with the Regents under which agreement the United States shall indemnify and hold harmless the University of California for and against any injury, damage, or other liability in connection with the operation of the atomic reactor at the McClellan Nuclear Radiation Center after its conveyance under this section that

arises from a defect in the atomic reactor that could not have been discovered in the course of the inspection carried out under subsection (b).

(d) CONTINUING OPERATION OF REACTOR.—Until such time as the property authorized to be conveyed by subsection (a) is conveyed by deed, the Secretary shall take appropriate actions, including the allocation of personnel, funds, and other resources, to ensure the continuing operation of the atomic reactor located at the McClellan Nuclear Radiation Center in accordance with applicable requirements of the Nuclear Regulatory Commission and otherwise in accordance with law.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Secretary.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

Subtitle E—Other Matters

SEC. 2871. EXPANSION OF ARLINGTON NATIONAL CEMETERY.

(a) LAND TRANSFER, NAVY ANNEX, ARLINGTON, VIRGINIA.—

(1) IN GENERAL.—The Secretary of Defense shall provide for the transfer to the Secretary of the Army of administrative jurisdiction over the following parcels of land situated in Arlington, Virginia:

(A) Certain lands which comprise approximately 26 acres bounded by Columbia Pike to the south and east, Oak Street to the west, and the boundary wall of Arlington National Cemetery to the north including Southgate Road.

(B) Certain lands which comprise approximately 8 acres bounded by Shirley Memorial Boulevard (Interstate 395) to the south, property of the Virginia Department of Transportation to the west, Columbia Pike to the north, and Joyce Street to the east.

(C) Certain lands which comprise approximately 2.5 acres bounded by Shirley Memorial Boulevard (Interstate 395) to the south, Joyce Street to the west, Columbia Pike to the north, and the cloverleaf interchange of Route 100 and Columbia Pike to the east.

(2) USE OF LAND.—The Secretary of the Army shall incorporate the parcels of land transferred under paragraph (1) into Arlington National Cemetery.

(3) REMEDIATION OF LAND FOR CEMETERY USE.—Before the transfer of administrative jurisdiction over the parcels of land under paragraph (1), the Secretary of Defense shall provide for the removal of any improvements on the parcels of land and, in consultation with the Superintendent of Arlington National Cemetery, the preparation of the land for use for interment of remains of individuals in Arlington National Cemetery.

(4) NEGOTIATION WITH LOCAL OFFICIALS.—Before the transfer of administrative jurisdiction over the parcels of land under paragraph (1), the Secretary of Defense shall enter into negotiations with appropriate State and local officials to acquire any real property, under the jurisdiction of such officials, that separates such parcels of land from each other.

(5) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report explaining in detail the measures required to prepare the land for use as a part of Arlington National Cemetery.

(6) DEADLINE.—The Secretary of Defense shall complete the transfer of administrative jurisdiction over the parcels of land under this subsection not later than the earlier of—

(A) January 1, 2010; or

(B) the date when those parcels are no longer required (as determined by the Secretary) for use as temporary office space due to the renovation of the Pentagon.

(b) MODIFICATION OF BOUNDARY OF ARLINGTON NATIONAL CEMETERY.—

(1) IN GENERAL.—The Secretary of the Army shall modify the boundary of Arlington National Cemetery to include the following parcels of land situated in Fort Myer, Arlington, Virginia:

(A) Certain lands which comprise approximately 5 acres bounded by the Fort Myer Post Traditional Chapel to the southwest, McNair Road to the northwest, the Vehicle Maintenance Complex to the northeast, and the masonry wall of Arlington National Cemetery to the southeast.

(B) Certain lands which comprise approximately 3 acres bounded by the Vehicle Maintenance Complex to the southwest, Jackson Avenue to the northwest, the water pumping station to the northeast, and the masonry wall of Arlington National Cemetery to the southeast.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Army shall submit to Congress a report describing additional parcels of land located in Fort Myer, Arlington, Virginia, that may be suitable for use to expand Arlington National Cemetery.

(3) SURVEY.—The Secretary of the Army may determine the exact acreage and legal description of the parcels of land described in paragraph (1) by a survey.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2000 for weapons activities in carrying out programs necessary for national security in the amount of $4,541,500,000, to be allocated as follows:

(1) STOCKPILE STEWARDSHIP.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2000 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $2,258,700,000, to be allocated as follows:

(A) For core stockpile stewardship, $1,763,500,000, to be allocated as follows:

(i) For operation and maintenance, $1,640,355,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $123,145,000, to be allocated as follows:

Project 00–D–103, terascale simulation facility, Lawrence Livermore National Laboratory, Livermore, California, $8,000,000.

Project 00–D–105, strategic computing complex, Los Alamos National Laboratory, Los Alamos, New Mexico, $26,000,000.

Project 00–D–107, joint computational engineering laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $1,800,000.

Project 99–D–102, rehabilitation of maintenance facility, Lawrence Livermore National Laboratory, Livermore, California, $3,900,000.

Project 99–D–103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, $2,000,000.

Project 99–D–104, protection of real property (roof reconstruction, Phase II), Lawrence Livermore National Laboratory, Livermore, California, $2,400,000.

Project 99–D–105, central health physics calibration facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

Project 99–D–106, model validation and system certification test center, Sandia National Laboratories, Albuquerque, New Mexico, $6,500,000.

Project 99–D–108, renovate existing roadways, Nevada Test Site, Nevada, $7,005,000.

Project 97–D–102, dual-axis radiographic hydrotest facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $61,000,000.

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, 2,640,000.

Project 96–D–104, processing and environmental technology laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $10,900,000.

(iii) The total amount authorized to be appropriated pursuant to clause (ii) is the sum of the amounts authorized to be appropriated in that clause, reduced by $10,000,000.

(B) For inertial fusion, $475,700,000, to be allocated as follows:

(i) For operation and maintenance, $227,600,000.

(ii) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto), $248,100,000, to be allocated as follows:

Project 96–D–111, national ignition facility, Lawrence Livermore National Laboratory, Livermore, California, $248,100,000.

(C) For technology partnership and education, $19,500,000, to be allocated for technology partnership only.

(2) STOCKPILE MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2000 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $2,046,300,000, to be allocated as follows:

(A) For operation and maintenance, $1,897,621,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $148,679,000, to be allocated as follows:

Project 99–D–122, rapid reactivation, various locations, $11,700,000.

Project 99–D–127, stockpile management restructuring initiative, Kansas City Plant, Kansas City, Missouri, $17,000,000.

Project 99–D–128, stockpile management restructuring initiative, Pantex Plant consolidation, Amarillo, Texas, $3,429,000.

Project 99–D–132, stockpile management restructuring initiative, nuclear material safeguards and security upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $11,300,000.

Project 98–D–123, stockpile management restructuring initiative, tritium facility modernization and consolidation, Savannah River Plant, Aiken, South Carolina, $21,800,000.

Project 98–D–124, stockpile management restructuring initiative, Y–12 Plant consolidation, Oak Ridge, Tennessee, $3,150,000.

Project 98–D–125, tritium extraction facility, Savannah River Plant, Aiken, South Carolina, $33,000,000.

Project 98–D–126, accelerator production of tritium, various locations, $31,000,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $4,800,000.

Project 95–D–102, chemistry and metallurgy research upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $18,000,000.

Project 88–D–123, security enhancements, Pantex Plant, Amarillo, Texas, $3,500,000.

(C) The total amount authorized to be appropriated pursuant to subparagraph (B) is the sum of the amounts authorized to be appropriated in that subparagraph, reduced by $10,000,000.

(3) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2000 for program direction in carrying out weapons activities necessary for national security programs in the amount of $236,500,000.

SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2000 for environmental restoration and waste management in carrying out programs necessary for national security in the amount of $5,652,368,000, to be allocated as follows:

(1) CLOSURE PROJECTS.—For closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7274n) in the amount of $1,092,492,000.

(2) SITE PROJECT AND COMPLETION.—For site project and completion in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,006,419,000, to be allocated as follows:

(A) For operation and maintenance, $918,129,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $88,290,000, to be allocated as follows:

Project 99–D–402, tank farm support services, F&H areas, Savannah River Site, Aiken, South Carolina, $3,100,000.

Project 99–D–404, health physics instrumentation laboratory, Idaho National Engineering Laboratory, Idaho, $7,200,000.

Project 98–D–401, H-tank farm storm water systems upgrade, Savannah River Site, Aiken, South Carolina, $2,977,000.

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $16,860,000.

Project 98–D–700, road rehabilitation, Idaho National Engineering Laboratory, Idaho, $2,590,000.

Project 97–D–450, Actinide packaging and storage facility, Savannah River Site, Aiken, South Carolina, $4,000,000.

Project 97–D–470, regulatory monitoring and bioassay laboratory, Savannah River Site, Aiken, South Carolina, $12,220,000.

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $24,441,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $11,971,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $931,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $2,000,000.

(3) POST-2006 COMPLETION.—For post-2006 project completion in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $3,005,848,000, to be allocated as follows:

(A) For operation and maintenance, $2,951,297,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $54,551,000, to be allocated as follows:

Project 00–D–401, spent nuclear fuel treatment and storage facility, Title I and II, Savannah River Site, Aiken, South Carolina, $7,000,000.

Project 99–D–403, privatization phase I infrastructure support, Richland, Washington, $13,988,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $20,516,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $4,060,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $8,987,000.

(4) SCIENCE AND TECHNOLOGY.—For science and technology in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $240,500,000.

(5) PROGRAM DIRECTION.—For program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $327,109,000.

(b) EXPLANATION OF ADJUSTMENT.—The amount authorized to be appropriated in subsection (a) is the sum of the amounts authorized to be appropriated in paragraphs (1) through (5) of that subsection reduced by $20,000,000, to be derived from environmental restoration and waste management, environment, safety, and health programs.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2000 for other defense activities in carrying out programs necessary for national security in the amount of $1,772,459,000, to be allocated as follows:

(1) NONPROLIFERATION AND NATIONAL SECURITY.—For nonproliferation and national security, $658,200,000, to be allocated as follows:

(A) For verification and control technology, $454,000,000, to be allocated as follows:

(i) For nonproliferation and verification research and development, $221,000,000, to be allocated as follows:

(I) For operation and maintenance, $215,000,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $6,000,000, to be allocated as follows:

Project 00–D–192, nonproliferation and international security center, Los Alamos National Laboratory, Los Alamos, New Mexico, $6,000,000.

(ii) For arms control, $233,000,000.

(B) For nuclear safeguards and security, $59,100,000.

(C) For international nuclear safety, $15,300,000.

(D) For security investigations, $10,000,000.

(E) For emergency management, $21,000,000.

(F) For highly enriched uranium transparency implementation, $15,750,000.

(G) For program direction, $83,050,000.

(2) INTELLIGENCE.—For intelligence, $36,059,000.

(3) COUNTERINTELLIGENCE.—For counterintelligence, $31,200,000.

(4) WORKER AND COMMUNITY TRANSITION.—For worker and community transition, $20,000,000.

(5) FISSILE MATERIALS CONTROL AND DISPOSITION.—For fissile materials control and disposition, $239,000,000, to be allocated as follows:

(A) For operation and maintenance, $168,766,000.

(B) For program direction, $7,343,000.

(C) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $62,891,000, to be allocated as follows:

Project 00–D–142, immobilization and associated processing facility, various locations, $21,765,000.

Project 99–D–141, pit disassembly and conversion facility, various locations, $28,751,000.

Project 99–D–143, mixed oxide fuel fabrication facility, various locations, $12,375,000.

(6) ENVIRONMENT, SAFETY, AND HEALTH.—For environment, safety, and health, defense, $104,000,000, to be allocated as follows:

(A) For the Office of Environment, Safety, and Health (Defense), $79,231,000.

(B) For program direction, $24,769,000.

(7) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals, $3,000,000.

(8) NAVAL REACTORS.—For naval reactors, $681,000,000, to be allocated as follows:

(A) For naval reactors development, $660,400,000, to be allocated as follows:

(i) For operation and maintenance, $636,400,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $24,000,000, to be allocated as follows:

GPN–101 general plant projects, various locations, $9,000,000.

Project 98–D–200, site laboratory/facility upgrade, various locations, $3,000,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $12,000,000.

(B) For program direction, $20,600,000.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2000 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $73,000,000.

SEC. 3105. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2000 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $228,000,000, to be allocated as follows:

Project 98–PVT–2, spent nuclear fuel dry storage, Idaho Falls, Idaho, $5,000,000.

Project 98–PVT–5, environmental management and waste disposal, Oak Ridge, Tennessee, $20,000,000.

Project 97–PVT–1, tank waste remediation system phase I, Hanford, Washington, $106,000,000.

Project 97–PVT–2, advanced mixed waste treatment facility, Idaho Falls, Idaho, $110,000,000.

Project 97–PVT–3, transuranic waste treatment, Oak Ridge, Tennessee, $12,000,000.

(b) EXPLANATION OF ADJUSTMENT.—The amount authorized to be appropriated in subsection (a) is the sum of the amounts authorized to be appropriated for the projects in

that subsection reduced by $25,000,000 for use of prior year balances of funds for defense environmental management privatization.

SEC. 3106. DEPARTMENT OF ENERGY COUNTERINTELLIGENCE CYBER SECURITY PROGRAM.

(a) INCREASED FUNDS FOR COUNTERINTELLIGENCE CYBER SECURITY.—The amounts provided in section 3103 in the matter preceding paragraph (1) and in paragraph (3) are each hereby increased by $8,600,000, to be available for Counterintelligence Cyber Security programs.

(b) OFFSETTING REDUCTIONS DERIVED FROM CONTRACTOR TRAVEL.—(1) The amount provided in section 3101 in the matter preceding paragraph (1) (for weapons activities in carrying out programs necessary for national security) is hereby reduced by $4,700,000.

(2) The amount provided in section 3102 in the matter preceding paragraph (1) of subsection (a) (for environmental restoration and waste management in carrying out programs necessary for national security) is hereby reduced by $1,900,000.

(3) The amount provided in section 3103 in the matter preceding paragraph (1) is hereby reduced by $2,000,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 60 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(2) In the computation of the 60-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $5,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $5,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same period as the authorizations of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than five percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than five percent by a transfer under such paragraph.

(c) LIMITATION.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide funds for items relating to activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(2) may not be used to provide funds for an item for which Congress has specifically denied funds.

(d) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT FOR CONCEPTUAL DESIGN.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $5,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including those funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriations Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

(b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall remain available to be expended only until the end of fiscal year 2001.

SEC. 3129. TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a

program or project under the jurisdiction of the office to another such program or project.

(b) LIMITATIONS.—(1) Only one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project under subsection (a) may not exceed $5,000,000 in a fiscal year.

(3) A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at the field office.

(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

(e) DEFINITIONS.—In this section:

(1) The term ''program or project'' means, with respect to a field office of the Department of Energy, any of the following:

(A) A program referred to or a project listed in paragraph (2) or (3) of section 3102.

(B) A program or project not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term ''defense environmental management funds'' means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 1999, and ending on September 30, 2000.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. LIMITATION ON USE AT DEPARTMENT OF ENERGY LABORATORIES OF FUNDS APPROPRIATED FOR THE INITIATIVES FOR PROLIFERATION PREVENTION PROGRAM.

(a) LIMITATION.—Not more than 25 percent of the funds appropriated for any fiscal year for the program of the Department of Energy known as the Initiatives for Proliferation Prevention Program may be spent at the Department of Energy laboratories.

(b) EFFECTIVE DATE.—The limitation in subsection (a) applies with respect to funds appropriated for any fiscal year after fiscal year 1999.

SEC. 3132. PROHIBITION ON USE FOR PAYMENT OF RUSSIAN GOVERNMENT TAXES AND CUSTOMS DUTIES OF FUNDS APPROPRIATED FOR THE INITIATIVES FOR PROLIFERATION PREVENTION PROGRAM.

Funds appropriated for the program of the Department of Energy known as the Initiatives for Proliferation Prevention Program may not be used to pay any tax or customs duty levied by the government of the Russian Federation.

SEC. 3133. MODIFICATION OF LABORATORY-DIRECTED RESEARCH AND DEVELOPMENT TO PROVIDE FUNDS FOR THEATER BALLISTIC MISSILE DEFENSE.

(a) CONDUCT OF PROGRAMS.—The Secretary of Energy shall ensure that the national laboratories carry out theater ballistic missile defense development programs in accordance with—

(1) the memorandum of understanding between the Secretary of Energy and the Secretary of Defense required by section 3131(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2034; 10 U.S.C. 2431 note); and

(2) such regulations as the Secretary of Energy may prescribe.

(b) FUNDING.—Of the funds provided by the Department of Energy to the national laboratories for national security activities, the Secretary of Energy shall provide a specific amount, equal to 3 percent of such funds, to be used by such laboratories for theater ballistic missile defense development programs.

(c) NATIONAL LABORATORIES.—For purposes of this section, the term ''national laboratories'' has the meaning given such term in section 3131(d) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2034; 10 U.S.C. 2431 note).

(d) KINETIC ENERGY WARHEAD PROGRAMS.—(1) Notwithstanding subsection (a), during fiscal year 2000 the Secretary of Energy shall use the funds required to be made available pursuant to subsection (b) for theater ballistic missile defense development programs for the purpose of the development and test of advanced kinetic energy ballistic missile defense warheads based on advanced explosive technology, the designs of which—

(A) are compatible with the Army Theater High-Altitude Area-Wide Defense (THAAD) system, the Navy Theater Wide system, the Navy Area Defense system, and the Patriot Advanced Capability–3 (PAC–3) system; and

(B) will be available for ground lethality testing not later than one year after the date of the enactment of this Act.

(2) Of the funds made available for purposes of paragraph (1), one-half shall be made available for work at Los Alamos National Laboratory and one-half shall be made available for work at Lawrence Livermore National Laboratory.

(3) If the Secretary does not use the full amount referred to in paragraph (1) for the purposes stated in that paragraph, the remainder of such amount shall be used in accordance with subsection (a).

(e) REDUCTION IN LABORATORY-DIRECTED RESEARCH AND DEVELOPMENT PROGRAMS.—Subsection (c) of section 3132 of the National Defense Authorization Act for Fiscal Year 1991 (42 U.S.C. 7257a) is amended by striking ''6 percent'' and inserting ''3 percent''.

SEC. 3134. SUPPORT OF THEATER BALLISTIC MISSILE DEFENSE ACTIVITIES OF THE DEPARTMENT OF DEFENSE.

(a) FUNDS TO CARRY OUT CERTAIN BALLISTIC MISSILE DEFENSE ACTIVITIES.—Of the amounts authorized to be appropriated to the Department of Energy pursuant to section 3101, $30,000,000 shall be available only for research, development, and demonstration activities to support the mission of the Ballistic Missile Defense Organization of the Department of Defense, including the following activities:

(1) Technology development, concept demonstration, and integrated testing to improve reliability and reduce risk in hit-to-kill interceptors for theater ballistic missile defense.

(2) Support for science and engineering teams to address technical problems identified by the Director of the Ballistic Missile Defense Organization as critical to acquisition of a theater ballistic missile defense capability.

(b) MEMORANDUM OF UNDERSTANDING.—The activities referred to in subsection (a) shall be carried out under the memorandum of understanding entered into by the Secretary of Energy and the Secretary of Defense for the use of national laboratories for ballistic missile defense programs, as required by section 3131 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2034).

(c) METHOD OF FUNDING.—Funds for activities referred to in subsection (a) may be provided—

(1) by direct payment from funds available pursuant to subsection (a); or

(2) in the case of such an activity carried out by a national laboratory but paid for by the Ballistic Missile Defense Organization, through a method under which the Secretary of Energy waives any requirement for the Department of Defense to pay any indirect expenses (including overhead and federal administrative charges) of the Department of Energy or its contractors.

Subtitle D—Commission on Nuclear Weapons Management

SEC. 3151. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the ''Commission on Nuclear Weapons Management'' (hereinafter in this subtitle referred to as the ''Commission'').

(b) COMPOSITION.—The Commission shall be composed of nine members, appointed as follows:

(1) Two members shall be appointed by the chairman of the Committee on Armed Services of the House of Representatives.

(2) Two members shall be appointed by the ranking minority party member of the Committee on Armed Services of the House of Representatives.

(3) Two members shall be appointed by the chairman of the Committee on Armed Services of the Senate.

(4) Two members shall be appointed by the ranking minority party member of the Committee on Armed Services of the Senate.

(5) One member, who shall serve as chairman of the Commission, shall be appointed by the chairman of the Committee on Armed Services of the House of Representatives and the chairman of the Committee on Armed Services of the Senate, acting jointly, in consultation with the ranking minority party member of the Committee on Armed Services of the House of Representatives and the ranking minority party member of the Committee on Armed Services of the Senate.

(c) QUALIFICATIONS.—Members of the Commission shall be appointed from among private United States citizens with knowledge and expertise in nuclear weapons policy, organization, and management matters.

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(e) INITIAL ORGANIZATION REQUIREMENTS.—(1) All appointments to the Commission shall be made not later than 30 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting not later than 30 days after the date on which all members of the Commission have been appointed.

(f) SECURITY CLEARANCES.—The Secretary of Defense shall expedite the processing of appropriate security clearances for members of the Commission.

SEC. 3152. DUTIES OF COMMISSION.

(a) IN GENERAL.—The Commission shall examine the organizational and management structures within the Department of Energy

and the Department of Defense that are responsible for the following, as they pertain to nuclear weapons:

(1) Development of nuclear weapons policy and standards.

(2) Generation of requirements.

(3) Inspection and certification of the nuclear stockpile.

(4) Research, development, and design.

(5) Manufacture, assembly, disassembly, refurbishment, surveillance, and storage.

(6) Operation and maintenance.

(7) Construction.

(8) Sustainment and development of high-quality personnel.

(b) STRUCTURES.—The organizational and management structures to be examined under subsection (a) shall include the following:

(1) The management headquarters of the Department of Energy, the Department of Defense, the military departments, and defense agencies.

(2) Headquarters support activities of the Department of Energy, the Department of Defense, the military departments, and defense agencies.

(3) The acquisition organizations in the Department of Energy and the Department of Defense.

(4) The nuclear weapons complex, including the nuclear weapons laboratories, the nuclear weapons production facilities, and defense environmental remediation sites.

(5) The Nuclear Weapons Council and its standing committee.

(6) The United States Strategic Command.

(7) The Defense Threat Reduction Agency.

(8) Policy-oriented elements of the Government that affect the management of nuclear weapons, including the following:

(A) The National Security Council.

(B) The Arms Control and Disarmament Agency.

(C) The Office of the Under Secretary of Defense for Policy.

(D) The office of the Deputy Chief of Staff of the Air Force for Air and Space Operations.

(E) The office of the Deputy Chief of Naval Operations for Plans, Policy, and Operations.

(F) The headquarters of each combatant command (in addition to the United States Strategic Command) that has nuclear weapons responsibilities.

(G) Such other organizations as the Commission determines appropriate to include.

(c) EVALUATIONS.—In carrying out its duties, the Commission shall—

(1) evaluate the rationale for current management and organization structures, and the relationship among the entities within those structures;

(2) evaluate the efficiency and effectiveness of those structures; and

(3) propose and evaluate alternative organizational and management structures, including alternatives that would transfer authorities of the Department of Energy for the defense program and defense environmental management to the Department of Defense.

(d) COOPERATION FROM GOVERNMENT OFFICIALS.—In carrying out its duties, the Commission should receive the full and timely cooperation of the Secretary of Defense, the Secretary of Energy, and any other United States Government official responsible for providing the Commission with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

SEC. 3153. REPORTS.

The Commission shall submit to Congress an interim report containing its preliminary findings and conclusions not later than October 15, 2000, and a final report containing its findings and conclusions not later than January 1, 2001.

SEC. 3154. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this title, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense, the Department of Energy, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this title.

SEC. 3155. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum other than for the purpose of holding hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission.

(c) COMMISSION.—The Commission may establish panels composed of less than full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

SEC. 3156. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—Members of the Commission shall serve without pay by reason of their work on the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The appointment of a staff director shall be subject to the approval of the Commission.

(2) The chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS–15 of the General Schedule.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

SEC. 3157. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Secretary of Defense and the Secretary of Energy shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

SEC. 3158. FUNDING.

(a) SOURCE OF FUNDS.—Funds for activities of the Commission shall be provided from—

(1) amounts appropriated for the Department of Defense for operation and maintenance for Defense-wide activities for fiscal year 2000; and

(2) amounts appropriated for the Department of Energy for program direction for weapons activities and for defense environmental restoration and waste management for fiscal year 2000.

(b) DISBURSEMENT.—Upon receipt of a written certification from the Chairman of the Commission specifying the funds required for the activities of the Commission, the Secretary of Defense and the Secretary of Energy shall promptly disburse to the Commission, from such amounts, the funds required by the Commission as stated in such certification.

SEC. 3159. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the date of the submission of its final report under section 3153.

Subtitle E—Other Matters

SEC. 3161. PROCEDURES FOR MEETING TRITIUM PRODUCTION REQUIREMENTS.

(a) ACCELERATOR PRODUCTION PLAN.—Not later than January 15, 2000, the Secretary of Energy shall submit to the congressional defense committees a plan (in this section referred to as an ''accelerator production plan'') to meet the requirements in the Nuclear Weapons Stockpile Memorandum relating to tritium production by expediting the completion of the design and the initiation of the construction of a particle accelerator for the production of tritium.

(b) TECHNOLOGY FOR TRITIUM PRODUCTION.—If the Nuclear Regulatory Commission does not grant to the Tennessee Valley Authority the amended licenses described in subsection (c) by December 31, 2002, the Secretary of Energy shall on January 1, 2003—

(1) designate particle accelerator technology as the primary technology for the production of tritium;

(2) designate commercial light water reactor technology as the backup technology for the production of tritium; and

(3) implement the accelerator production plan.

(c) AMENDED LICENSES.—The amended licenses referred to in subsection (b) are the amended licenses for the operation of each of the following commercial light water reactors:

(1) Watts Bar reactor, Spring City, Tennessee.

(2) Sequoya reactor, Daisy, Tennessee.

SEC. 3162. EXTENSION OF AUTHORITY OF DEPARTMENT OF ENERGY TO PAY VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) EXTENSION.—Notwithstanding subsection (c)(2)(D) of section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law

104–208; 110 Stat. 3009–383; 5 U.S.C. 5597 note), the Department of Energy may pay voluntary separation incentive payments to qualifying employees who voluntarily separate (whether by retirement or resignation) before January 1, 2002.

(b) EXERCISE OF AUTHORITY.—The Department shall pay voluntary separation incentive payments under subsection (a) in accordance with the provisions of such section 663.

(c) REPORT.—(1) Not later than March 15, 2000, the Secretary of Energy shall submit to the recipients specified in paragraph (3) a report describing how the Department has used the authority to pay voluntary separation incentive payments under subsection (a).

(2) The report under paragraph (1) shall include the occupations and grade levels of each employee paid a voluntary separation incentive payment under subsection (a) and shall describe how the use of the authority to pay voluntary separation incentive payments under such subsection relates to the restructuring plans of the Department.

(3) The recipients specified in this paragraph are the following:

(A) The Office of Personnel Management.

(B) The Committee on Armed Services of the House of Representatives.

(C) The Committee on Armed Services of the Senate.

(D) The Committee on Government Reform of the House of Representatives.

(E) The Committee on Governmental Affairs of the Senate.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—For purposes of this section, the requirement of an agency remittance of an amount equal to 15 percent in paragraph (1) of section 663(d) of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–383; 5 U.S.C. 5597 note) shall be deemed to be a requirement of an agency remittance of an amount equal to 26 percent.

SEC. 3163. FELLOWSHIP PROGRAM FOR DEVELOPMENT OF SKILLS CRITICAL TO THE DEPARTMENT OF ENERGY NUCLEAR WEAPONS COMPLEX.

(a) IN GENERAL.—Subsection (a) of section 3140 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 621; 42 U.S.C. 2121 note) is amended—

(1) by striking ''the Secretary'' in the second sentence and all that follows through ''provide educational assistance'' and inserting ''the Secretary shall provide educational assistance'';

(2) by striking the semicolon after ''complex'' in the second sentence and inserting a period; and

(3) by striking paragraphs (2) and (3).

(b) ELIGIBLE INDIVIDUALS.—Subsection (b) of such section is amended by inserting ''are United States citizens who'' in the matter preceding paragraph (1) after ''program''.

(c) COVERED FACILITIES.—Subsection (c) of such section is amended by adding at the end the following new paragraphs:

''(5) The Lawrence Livermore National Laboratory, Livermore, California.

''(6) The Los Alamos National Laboratory, Los Alamos, New Mexico.

''(7) The Sandia National Laboratory, Albuquerque, New Mexico.''.

(d) AGREEMENT REQUIRED.—Subsection (f) of such section is amended to read as follows:

''(f) AGREEMENT.—(1) The Secretary may allow an individual to participate in the program only if the individual signs an agreement described in paragraph (2).

''(2) An agreement referred to in paragraph (1) shall be in writing, shall be signed by the participant, and shall include the participant's agreement to serve, after completion of the course of study for which the assistance was provided, as a full-time employee in a position in the Department of Energy for a period of time to be established by the Secretary of Energy of not less than one year, if such a position is offered to the participant.''.

(e) PLAN.—(1) Not later than January 1, 2000, the Secretary of Energy shall submit to the congressional defense committees a plan for the administration of the fellowship program under section 3140 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 42 U.S.C. 2121 note), as amended by this section.

(2) The plan shall include the criteria for the selection of individuals for participation in such fellowship program and a description of the provisions to be included in the agreement required by subsection (f) of such section (as amended by this section), including the period of time established by the Secretary for the participants to serve as employees.

(f) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101, $5,000,000 shall be available only to conduct the fellowship program under section 3140 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 42 U.S.C. 2121 note), as amended by this section.

SEC. 3164. DEPARTMENT OF ENERGY RECORDS DECLASSIFICATION.

(a) IDENTIFICATION IN BUDGET.—The Secretary of Energy shall include in the budget justification materials submitted to Congress in support of the Department of Energy budget for national security programs for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31) specific identification, as a budgetary line item, of the amounts necessary for programmed activities during that fiscal year to declassify records to carry out Executive Order 12958 (50 U.S.C. 435 note), or any successor Executive order, or to comply with any statutory requirement to declassify Government records.

(b) LIMITATION.—The total amount expended by the Department of Energy during fiscal year 2000 to carry out activities to declassify records pursuant to Executive Order 12958 (50 U.S.C. 435 note), or any successor Executive order, or to comply with any statutory requirement to declassify Government records may not exceed $8,500,000.

SEC. 3165. MANAGEMENT OF NUCLEAR WEAPONS PRODUCTION FACILITIES AND NATIONAL LABORATORIES.

(a) AUTHORITY AND RESPONSIBILITY OF ASSISTANT SECRETARY FOR DEFENSE PROGRAMS.—The Secretary of Energy, in assigning functions under section 203 of the Department of Energy Organization Act (42 U.S.C. 7133), shall assign direct authority over, and responsibility for, the nuclear weapons production facilities and the national laboratories in all matters relating to national security to the Assistant Secretary assigned the functions under section 203(a)(5) of that Act.

(b) COVERED FUNCTIONS.—The functions assigned to the Assistant Secretary under subsection (a) shall include, but not be limited to, authority over, and responsibility for, the national security functions of those facilities and laboratories with respect to the following:

(1) Strategic management.

(2) Policy development and guidance.

(3) Budget formulation and guidance.

(4) Resource requirements determination and allocation.

(5) Program direction.

(6) Administration of contracts to manage and operate nuclear weapons production facilities and national laboratories.

(7) Environment, safety, and health operations.

(8) Integrated safety management.

(9) Safeguard and security operations.

(10) Oversight.

(11) Relationships within the Department of Energy and with other Federal agencies, the Congress, State, tribal, and local governments, and the public.

(c) REPORTING OF NUCLEAR WEAPONS PRODUCTION FACILITIES AND NATIONAL LABORATORIES.—In all matters relating to national security, the nuclear weapons production facilities and the national laboratories shall report to, and be accountable to, the Assistant Secretary.

(d) DELEGATION BY ASSISTANT SECRETARY.—The Assistant Secretary may delegate functions assigned under subsection (a) only within the headquarters office of the Assistant Secretary, except that the Assistant Secretary may delegate to a head of a specified operations office functions including, but not limited to, supporting the following activities at a nuclear weapons production facility or a national laboratory:

(1) Operational activities.

(2) Program execution.

(3) Personnel.

(4) Contracting and procurement.

(5) Facility operations oversight.

(6) Integration of production and research and development activities.

(7) Interaction with other Federal agencies, State, tribal, and local governments, and the public.

(e) REPORTING OF OPERATIONS OFFICES.—For each delegation made under subsection (d) to a head of a specified operations office, that head of that specified operations office shall shall directly report to, and be accountable to, the Assistant Secretary.

(f) DEFINITIONS.—As used in this section:

(1) The term ''nuclear weapons production facility'' means any of the following facilities:

(A) The Kansas City Plant, Kansas City, Missouri.

(B) The Pantex Plant, Amarillo, Texas.

(C) The Y-12 Plant, Oak Ridge, Tennessee.

(D) The tritium operations at the Savannah River Site, Aiken, South Carolina.

(E) The Nevada Test Site, Nevada.

(2) The term ''national laboratory'' means any of the following laboratories:

(A) The Los Alamos National Laboratory, Los Alamos, New Mexico.

(B) The Lawrence Livermore National Laboratory, Livermore, California.

(C) The Sandia National Laboratories, Albuquerque, New Mexico, and Livermore, California.

(3) The term ''specified operations office'' means any of the following operations offices of the Department of Energy:

(A) Albuquerque Operations Office, Albuquerque, New Mexico.

(B) Oak Ridge Operations Office, Oak Ridge, Tennessee.

(C) Oakland Operations Office, Oakland, California.

(D) Nevada Operations Office, Nevada Test Site, Las Vegas, Nevada.

(E) Savannah River Operations Office, Savannah River Site, Aiken, South Carolina.

SEC. 3166. NOTICE TO CONGRESSIONAL COMMITTEES OF COMPROMISE OF CLASSIFIED INFORMATION WITHIN NUCLEAR ENERGY DEFENSE PROGRAMS.

(a) IN GENERAL.—The Secretary of Energy shall notify the committees specified in subsection (c), notwithstanding Rule 6(e) of the Federal Rules of Criminal Procedure, that the Secretary has received information indicating that classified information relating to military applications of nuclear energy is

being, or may have been, disclosed in an unauthorized manner to a foreign power or an agent of a foreign power.

(b) MANNER OF NOTIFICATION.—A notification under subsection (a) shall be provided, in writing, not later than 30 days after the date of the initial receipt of such information by the Department of Energy.

(c) SPECIFIED COMMITTEES.—The committees referred to in subsection (a) are the following:

(1) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(d) FOREIGN POWER.—For purposes of this section, the terms ''foreign power'' and ''agent of a foreign power'' have the meanings given those terms in section 101 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801).

SEC. 3167. DEPARTMENT OF ENERGY REGULATIONS RELATING TO THE SAFEGUARDING AND SECURITY OF RESTRICTED DATA.

(a) IN GENERAL.—Chapter 18 of title I of the Atomic Energy Act of 1954 (42 U.S.C. 2271 et seq.) is amended by inserting after section 234A the following new section:

''SEC. 234B. CIVIL MONETARY PENALTIES FOR VIOLATIONS OF DEPARTMENT OF ENERGY REGULATIONS REGARDING SECURITY OF CLASSIFIED OR SENSITIVE INFORMATION OR DATA.—

''a. Any person who has entered into a contract or agreement with the Department of Energy, or a subcontract or subagreement thereto, and who violates (or whose employee violates) any applicable rule, regulation, or order prescribed or otherwise issued by the Secretary pursuant to this Act relating to the safeguarding or security of Restricted Data or other classified or sensitive information shall be subject to a civil penalty of not to exceed $100,000 for each such violation.

''b. The Secretary shall include in each contract with a contractor of the Department provisions which provide an appropriate reduction in the fees or amounts paid to the contractor under the contract in the event of a violation by the contractor or contractor employee of any rule, regulation, or order relating to the safeguarding or security of Restricted Data or other classified or sensitive information. The provisions shall specify various degrees of violations and the amount of the reduction attributable to each degree of violation.

''c. The powers and limitations applicable to the assessment of civil penalties under section 234A, except for subsection d. of that section, shall apply to the assessment of civil penalties under this section.''.

(b) CLARIFYING AMENDMENT.—The section heading of section 234A of such Act (42 U.S.C. 2282a) is amended by inserting ''SAFETY'' before ''REGULATIONS''.

(c) CLERICAL AMENDMENT.—The table of sections for that Act is amended by inserting after the item relating to section 234 the following new items:

''Sec. 234A. Civil Monetary Penalties for Violations of Department of Energy Safety Regulations.

''Sec. 234B. Civil Monetary Penalties for Violations of Department of Energy Regulations Regarding Security of Classified or Sensitive Information or Data.''.

SEC. 3168. DEPARTMENT OF ENERGY COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Energy, acting through the Director of the Office of Counterintelligence of the Department of Energy, shall carry out a counterintelligence polygraph program for the defense-related activities of the Department. The counterintelligence polygraph program shall consist of the administration of counterintelligence polygraph examinations to each covered person who has access to high-risk programs or information.

(b) COVERED PERSONS.—For purposes of this section, a covered person is one of the following:

(1) An officer or employee of the Department.

(2) An expert or consultant under contract to the Department.

(3) An officer or employee of any contractor of the Department.

(c) HIGH-RISK PROGRAMS OR INFORMATION.—For purposes of this section, high-risk programs or information are any of the following:

(1) The programs identified as high risk in the regulations prescribed by the Secretary and known as—

(A) Special Access Programs;

(B) Personnel Security And Assurance Programs; and

(C) Personnel Assurance Programs.

(2) The information identified as high risk in the regulations prescribed by the Secretary and known as Sensitive Compartmented Information.

(d) INITIAL TESTING AND CONSENT.—The Secretary may not permit a covered person to have any access to any high-risk program or information unless that person first undergoes a counterintelligence polygraph examination and consents in a signed writing to the counterintelligence polygraph examinations required by this section.

(e) ADDITIONAL TESTING.—The Secretary may not permit a covered person to have continued access to any high-risk program or information unless that person undergoes a counterintelligence polygraph examination—

(1) not less frequently than every five years; and

(2) at any time at the direction of the Director of the Office of Counterintelligence.

(f) COUNTERINTELLIGENCE POLYGRAPH EXAMINATION.—For purposes of this section, the term ''counterintelligence polygraph examination'' means a polygraph examination using questions reasonably calculated to obtain counterintelligence information, including questions relating to espionage, sabotage, unauthorized disclosure of classified information, and unauthorized contact with foreign nationals.

SEC. 3169. REPORT ON COUNTERINTELLIGENCE AND SECURITY PRACTICES AT NATIONAL LABORATORIES.

(a) IN GENERAL.—Not later than March 1 of each year, the Secretary of Energy shall submit to the Congress a report for the preceding year on counterintelligence and security practices at the facilities of the national laboratories (whether or not classified activities are carried out at the facility).

(b) CONTENT OF REPORT.—The report shall include, with respect to each national laboratory, the following:

(1) The number of full-time counterintelligence and security professionals employed.

(2) A description of the counterintelligence and security training courses conducted and, for each such course, any requirement that employees successfully complete that course.

(3) A description of each contract awarded that provides an incentive for the effective performance of counterintelligence or security activities.

(4) A description of the services provided by the employee assistance programs.

(5) A description of any requirement that an employee report the foreign travel of that employee (whether or not the travel was for official business).

(6) A description of any visit by the Secretary or by the Deputy Secretary of Energy, a purpose of which was to emphasize to employees the need for effective counterintelligence and seurity practices.

SEC. 3170. TECHNOLOGY TRANSFER COORDINATION FOR DEPARTMENT OF ENERGY NATIONAL LABORATORIES.

(a) TECHNOLOGY TRANSFER COORDINATION.—Within 90 days after the date of the enactment of this Act, the Secretary of Energy shall ensure, for each national laboratory, the following:

(1) Consistency of technology transfer policies and procedures with respect to patenting, licensing, and commercialization.

(2) That the contractor operating the national laboratory make available to aggrieved private sector entities a range of expedited alternate dispute resolution procedures (including both binding and nonbinding procedures) to resolve disputes that arise over patents, licenses, and commercialization activities, with costs and damages to be provided by the contractor to the extent that any such resolution attributes fault to the contractor.

(3) That the expedited procedure used for a particular dispute shall be chosen—

(A) collaboratively by the Secretary and by appropriate representatives of the contractor operating the national laboratory and of the private sector entity; and

(B) if an expedited procedure cannot be chosen collaboratively under subparagraph (A), by the Secretary.

(4) That the contractor operating the national laboratory submit an annual report to the Secretary, as part of the annual performance evaluation of the contractor, on technology transfer and intellectual property successes, current technology transfer and intellectual property disputes involving the laboratory, and progress toward resolving those disputes.

(5) Training to ensure that laboratory personnel responsible for patenting, licensing, and commercialization activities are knowledgeable of the appropriate legal, procedural, and ethical standards.

(b) DEFINITION OF NATIONAL LABORATORY.—As used in this section, the term ''national laboratory'' means any of the following laboratories:

(1) The Los Alamos National Laboratory, Los Alamos, New Mexico.

(2) The Lawrence Livermore National Laboratory, Livermore, California.

(3) The Sandia National Laboratories, Albuquerque, New Mexico, and Livermore, California.

Subtitle F—Protection of National Security Information

SEC. 3181. SHORT TITLE.

This subtitle may be cited as the ''National Security Information Protection Improvement Act''.

SEC. 3182. SEMI-ANNUAL REPORT BY THE PRESIDENT ON ESPIONAGE BY THE PEOPLE'S REPUBLIC OF CHINA.

(a) REPORTS REQUIRED.—The President shall transmit to Congress a report, not less often than every six months, on the steps being taken by the Department of Energy, the Department of Defense, the Federal Bureau of Investigation, the Central Intelligence Agency, and all other relevant executive departments and agencies to respond to espionage and other intelligence activities by the People's Republic of China, particularly with respect to the theft of sophisticated United States nuclear weapons design information and the targeting by the People's Republic of China of United States nuclear weapons codes and other national security information of strategic concern.

(b) INITIAL REPORT.—The first report under this section shall be transmitted not later than January 1, 2000.

SEC. 3183. REPORT ON WHETHER DEPARTMENT OF ENERGY SHOULD CONTINUE TO MAINTAIN NUCLEAR WEAPONS RESPONSIBILITY.

Not later than January 1, 2000, the President shall transmit to Congress a report regarding the feasibility of alternatives to the current arrangements for controlling United States nuclear weapons development, testing, and maintenance within the Department of Energy, including the reestablishment of the Atomic Energy Commission as an independent nuclear agency. The report shall describe the benefits and shortcomings of each such alternative, as well as the current system, from the standpoint of protecting such weapons and related research and technology from theft and exploitation. The President shall include with such report the President's recommendation for the appropriate arrangements for controlling United States nuclear weapons development, testing, and maintenance outside the Department of Energy if it should be determined that the Department of Energy should no longer have that responsibility.

SEC. 3184. DEPARTMENT OF ENERGY OFFICE OF FOREIGN INTELLIGENCE AND OFFICE OF COUNTERINTELLIGENCE.

(a) IN GENERAL.—The Department of Energy Organization Act is amended by inserting after section 212 (42 U.S.C. 7143) the following new sections:

''OFFICE OF FOREIGN INTELLIGENCE

''SEC. 213. (a) There shall be within the Department an Office of Foreign Intelligence, to be headed by a Director, who shall report directly to the Secretary.

''(b) The Director shall be responsible for the programs and activities of the Department relating to the analysis of intelligence with respect to nuclear weapons and materials, other nuclear matters, and energy security.

''(c) The Secretary may delegate to the Deputy Secretary of Energy the day-to-day supervision of the Director.

''OFFICE OF COUNTERINTELLIGENCE

''SEC. 214. (a) There shall be within the Department an Office of Counterintelligence, to be headed by a Director, who shall report directly to the Secretary.

''(b) The Director shall carry out all counterintelligence activities in the Department relating to the defense activities of the Department.

''(c) The Secretary may delegate to the Deputy Secretary of Energy the day-to-day supervision of the Director.

''(d)(1) The Director shall keep the intelligence committees fully and currently informed of all significant security breaches at any of the national laboratories.

''(2) For purposes of this subsection, the term 'intelligence committees' means the Permanent Select Committee of the House of Representatives and the Select Committee on Intelligence of the Senate.''.

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act is amended by inserting after the item relating to section 212 the following new items:

''Sec. 213. Office of Foreign Intelligence.
''Sec. 214. Office of Counterintelligence.''.

SEC. 3185. COUNTERINTELLIGENCE PROGRAM AT DEPARTMENT OF ENERGY NATIONAL LABORATORIES.

(a) PROGRAM REQUIRED.—The Secretary of Energy shall establish and maintain at each national laboratory a counterintelligence program for the defense-related activities of the Department of Energy at such laboratory.

(b) HEAD OF PROGRAM.—The Secretary shall ensure that, for each national laboratory, the head of the counterintelligence program of that laboratory—

(1) has extensive experience in counterintelligence activities within the Federal Government; and

(2) with respect to the counterintelligence program, is responsible directly to, and is hired with the concurrence of, the Director of Counterintelligence of the Department of Energy and the director of the national laboratory.

SEC. 3186. COUNTERINTELLIGENCE ACTIVITIES AT OTHER DEPARTMENT OF ENERGY FACILITIES.

(a) ASSIGNMENT OF COUNTERINTELLIGENCE PERSONNEL.—(1) The Secretary of Energy shall assign to each Department of Energy facility, other than a national laboratory, at which Restricted Data is located an individual who shall assess security and counterintelligence matters at that facility.

(2) An individual assigned to a facility under this subsection shall be stationed at the facility.

(b) SUPERVISION.—Each individual assigned under subsection (a) shall report directly to the Director of the Office of Counterintelligence of the Department of Energy.

SEC. 3187. DEPARTMENT OF ENERGY POLYGRAPH EXAMINATIONS.

(a) COUNTERINTELLIGENCE POLYGRAPH PROGRAM REQUIRED.—The Secretary of Energy, acting through the Director of Counterintelligence of the Department of Energy, shall carry out a counterintelligence polygraph program for the defense activities of the Department of Energy. The program shall consist of the administration on a regular basis of a polygraph examination to each covered person who has access to a program that the Director of Counterintelligence and the Assistant Secretary assigned the functions under section 203(a)(5) of the Department of Energy Organization Act determine requires special access restrictions.

(b) COVERED PERSONS.—For purposes of subsection (a), a covered person is any of the following:

(1) An officer or employee of the Department.

(2) An expert or consultant under contract to the Department.

(3) An officer or employee of any contractor of the Department.

(c) ADDITIONAL POLYGRAPH EXAMINATIONS.—In addition to the polygraph examinations administered under subsection (a), the Secretary, in carrying out the defense activities of the Department—

(1) may administer a polygraph examination to any employee of the Department or of any contractor of the Department, for counterintelligence purposes; and

(2) shall administer a polygraph examination to any such employee in connection with an investigation of such employee, if such employee requests the administration of a polygraph examination for exculpatory purposes.

(d) REGULATIONS.—(1) The Secretary shall prescribe any regulations necessary to carry out this section. Such regulations shall include procedures, to be developed in consultation with the Director of the Federal Bureau of Investigation, for identifying and addressing ''false positive'' results of polygraph examinations.

(2) Notwithstanding section 501 of the Department of Energy Organization Act (42 U.S.C. 7191) or any other provision of law, the Secretary may, in prescribing regulations under paragraph (1), waive any requirement for notice or comment if the Secretary determines that it is in the national security interest to expedite the implementation of such regulations.

(e) NO CHANGE IN OTHER POLYGRAPH AUTHORITY.—This section shall not be construed to affect the authority under any other provision of law of the Secretary to administer a polygraph examination.

SEC. 3188. CIVIL MONETARY PENALTIES FOR VIOLATIONS OF DEPARTMENT OF ENERGY REGULATIONS RELATING TO THE SAFEGUARDING AND SECURITY OF RESTRICTED DATA.

(a) IN GENERAL.—Chapter 18 of title I of the Atomic Energy Act of 1954 (42 U.S.C. 2271 et seq.) is amended by inserting after section 234A the following new section:

''SEC. 234B. CIVIL MONETARY PENALTIES FOR VIOLATIONS OF DEPARTMENT OF ENERGY REGULATIONS REGARDING SECURITY OF CLASSIFIED OR SENSITIVE INFORMATION OR DATA.—

''a. Any individual or entity that has entered into a contract or agreement with the Department of Energy, or a subcontract or subagreement thereto, and that commits a gross violation or a pattern of gross violations of any applicable rule, regulation, or order prescribed or otherwise issued by the Secretary pursuant to this subtitle relating to the safeguarding or security of Restricted Data or other classified or sensitive information shall be subject to a civil penalty of not to exceed $500,000 for each such violation.

''b. The Secretary shall include, in each contract entered into after the date of the enactment of this section with a contractor of the Department, provisions which provide an appropriate reduction in the fees or amounts paid to the contractor under the contract in the event of a violation by the contractor or contractor employee of any rule, regulation, or order relating to the safeguarding or security of Restricted Data or other classified or sensitive information. The provisions shall specify various degrees of violations and the amount of the reduction attributable to each degree of violation.

''c. The powers and limitations applicable to the assessment of civil penalties under section 234A shall apply to the assessment of civil penalties under this section.''.

(b) CLARIFYING AMENDMENT.—The section heading of section 234A of that Act (42 U.S.C. 2282a) is amended by inserting ''SAFETY'' before ''REGULATIONS''.

(c) CLERICAL AMENDMENT.—The table of sections in the first section of that Act is amended by inserting after the item relating to section 234 the following new items:

''234A. Civil Monetary Penalties for Violations of Department of Energy Safety Regulations.
''234B. Civil Monetary Penalties for Violations of Department of Energy Regulations Regarding Security of Classified or Sensitive Information or Data.''.

SEC. 3189. INCREASED PENALTIES FOR MISUSE OF RESTRICTED DATA.

(a) COMMUNICATION OF RESTRICTED DATA.—Section 224 of the Atomic Energy Act of 1954 (42 U.S.C. 2274) is amended—

(1) in clause a., by striking ''$20,000'' and inserting ''$400,000''; and

(2) in clause b., by striking ''$10,000'' and inserting ''$200,000''.

(b) RECEIPT OF RESTRICTED DATA.—Section 225 of such Act (42 U.S.C. 2275) is amended by striking ''$20,000'' and inserting ''$400,000''.

(c) DISCLOSURE OF RESTRICTED DATA.—Section 227 of such Act (42 U.S.C. 2277) is amended by striking ''$2,500'' and inserting ''$50,000''.

SEC. 3190. RESTRICTIONS ON ACCESS TO NATIONAL LABORATORIES BY FOREIGN VISITORS FROM SENSITIVE COUNTRIES.

(a) BACKGROUND REVIEW REQUIRED.—The Secretary of Energy may not admit to any facility of a national laboratory any individual who is a citizen or agent of a nation that is named on the current sensitive countries list unless the Secretary first completes a background review with respect to that individual.

(b) MORATORIUM PENDING CERTIFICATION.—(1) During the period described in paragraph (2), the Secretary may not admit to any facility of a national laboratory any individual who is a citizen or agent of a nation that is named on the current sensitive countries list.

(2) The period referred to in paragraph (1) is the period beginning 30 days after the date of the enactment of this Act and ending on the later of the following:

(A) The date that is 90 days after the date of the enactment of this Act.

(B) The date that is 45 days after the date on which the Secretary submits to Congress a certification described in paragraph (3).

(3) A certification referred to in paragraph (2) is a certification by the Director of Counterintelligence of the Department of Energy, with the concurrence of the Director of the Federal Bureau of Investigation, that all security measures are in place that are necessary and appropriate to prevent espionage or intelligence gathering by or for a sensitive country, including access by individuals referred to in paragraph (1) to classified information of the national laboratory.

(c) WAIVER OF MORATORIUM.—(1) The Secretary of Energy may waive the prohibition in subsection (b) on a case-by-case basis with respect to any specific individual or any specific delegation of individuals whose admission to a national laboratory is determined by the Secretary to be in the interest of the national security of the United States.

(2) Not later than the seventh day of the month following a month in which a waiver is made, the Secretary shall submit a report in writing providing notice of each waiver made in that month to the following:

(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

(3) Each such report shall be in classified form and shall contain the identity of each individual or delegation for whom such a waiver was made and, with respect to each such individual or delegation, the following information:

(A) A detailed justification for the waiver.

(B) For each individual with respect to whom a background review was conducted, whether the background review determined that negative information exists with respect to that individual.

(C) The Secretary's certification that the admission of that individual or delegation to a national laboratory is in the interest of the national security of the United States.

(4) The authority of the Secretary under paragraph (1) may be delegated only to the Director of Counterintelligence of the Department of Energy.

(d) EXCEPTION TO MORATORIUM FOR CERTAIN INDIVIDUALS.—The moratorium under subsection (b) shall not apply to any person who—

(1) is, on the date of the enactment of this Act, an employee or assignee of the Department of Energy, or of a contractor of the Department; and

(2) has undergone a background review in accordance with subsection (a).

(e) EXCEPTION TO MORATORIUM FOR CERTAIN PROGRAMS.—In the case of a program undertaken pursuant to an international agreement between the United States and a foreign nation, the moratorium under subsection (b) shall not apply to the admittance to a facility that is important to that program of a citizen of that foreign nation whose admittance is important to that program.

(f) SENSE OF CONGRESS REGARDING BACKGROUND REVIEWS.—It is the sense of Congress that the Secretary of Energy, the Director of the Federal Bureau of Investigation, and the Director of Central Intelligence should ensure that background reviews carried out under this section are completed in not more than 15 days.

(g) DEFINITIONS.—For purposes of this section:

(1) The term ''background review'', commonly known as an indices check, means a review of information provided by the Director of Central Intelligence and the Director of the Federal Bureau of Investigation regarding personal background, including information relating to any history of criminal activity or to any evidence of espionage.

(2) The term ''sensitive countries list'' means the list prescribed by the Secretary of Energy known as the Department of Energy List of Sensitive Countries.

SEC. 3191. REQUIREMENTS RELATING TO ACCESS BY FOREIGN VISITORS AND EMPLOYEES TO DEPARTMENT OF ENERGY FACILITIES ENGAGED IN DEFENSE ACTIVITIES.

(a) SECURITY CLEARANCE REVIEW REQUIRED.—The Secretary of Energy may not allow unescorted access to any classified area, or access to classified information, of any facility of the Department of Energy engaged in the defense activities of the Department to any individual who is a citizen of a foreign nation unless—

(1) the Secretary, acting through the Director of Counterintelligence, first completes a security clearance investigation with respect to that individual in a manner at least as comprehensive as the investigation required for the issuance of a security clearance at the level required for such access under the rules and regulations of the Department; or

(2) a foreign government first completes a security clearance investigation with respect to that individual in a manner that the Secretary of State, pursuant to an international agreement between the United States and that foreign government, determines is equivalent to the investigation required for the issuance of a security clearance at the level required for such access under the rules and regulations of the Department.

(b) EFFECT ON CURRENT EMPLOYEES.—The Secretary shall ensure that any individual who, on the date of the enactment of this Act, is a citizen of a foreign nation and an employee of the Department or of a contractor of the Department is not discharged from such employment as a result of this section before the completion of the security clearance investigation of such individual under subsection (a) unless the Director of Counterintelligence determines that such discharge is necessary for the national security of the United States.

SEC. 3192. ANNUAL REPORT ON SECURITY AND COUNTERINTELLIGENCE STANDARDS AT NATIONAL LABORATORIES AND OTHER DEFENSE FACILITIES OF THE DEPARTMENT OF ENERGY.

(a) REPORT ON SECURITY AND COUNTERINTELLIGENCE STANDARDS AT NATIONAL LABORATORIES AND OTHER DOE DEFENSE FACILITIES.—Not later than March 1 of each year, the Secretary of Energy, acting through the Director of Counterintelligence of the Department of Energy, shall submit a report on the security and counterintelligence standards at the national laboratories, and other facilities of the Department of Energy engaged in the defense activities of the Department, to the following:

(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

(b) CONTENTS OF REPORT.—The report shall be in classified form and shall contain, for each such national laboratory or facility, the following information:

(1) A description of all security measures that are in place to prevent access by unauthorized individuals to classified information of the national laboratory or facility.

(2) A certification by the Director of Counterintelligence of the Department of Energy as to whether—

(A) all security measures are in place to prevent access by unauthorized individuals to classified information of the national laboratory or facility; and

(B) such security measures comply with Presidential Decision Directives and other applicable Federal requirements relating to the safeguarding and security of classified information.

(3) For each admission of an individual under section 3190 not described in a previous report under this section, the identity of that individual, and whether the background review required by that section determined that information relevant to security exists with respect to that individual.

SEC. 3193. REPORT ON SECURITY VULNERABILITIES OF NATIONAL LABORATORY COMPUTERS.

(a) REPORT REQUIRED.—Not later than March 1 of each year, the National Counterintelligence Policy Board shall prepare a report, in consultation with the Director of Counterintelligence of the Department of Energy, on the security vulnerabilities of the computers of the national laboratories.

(b) PREPARATION OF REPORT.—In preparing the report, the National Counterintelligence Policy Board shall establish a so-called ''red team'' of individuals to perform an operational evaluation of the security vulnerabilities of the computers of the national laboratories, including by direct experimentation. Such individuals shall be selected by the National Counterintelligence Policy Board from among employees of the Department of Defense, the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, and of other agencies, and may be detailed to the National Counterintelligence Policy Board from such agencies without reimbursement and without interruption or loss of civil service status or privilege.

(c) SUBMISSION OF REPORT TO SECRETARY OF ENERGY AND TO FBI DIRECTOR.—Not later than March 1 of each year, the report shall be submitted in classified and unclassified form to the Secretary of Energy and the Director of the Federal Bureau of Investigation.

(d) FORWARDING TO CONGRESSIONAL COMMITTEES.—Not later than 30 days after the report is submitted, the Secretary and the Director shall each separately forward that report, with the recommendations in classified and unclassified form of the Secretary or the Director, as applicable, in response to the findings of that report, to the following:

(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 3194. GOVERNMENT ACCESS TO CLASSIFIED INFORMATION ON DEPARTMENT OF ENERGY DEFENSE-RELATED COMPUTERS.

(a) PROCEDURES REQUIRED.—The Secretary of Energy shall establish procedures to govern access to classified information on DOE defense-related computers. Those procedures shall, at a minimum, provide that each employee of the Department of Energy who requires access to classified information shall be required as a condition of such access to

provide to the Secretary written consent which permits access by an authorized investigative agency to any DOE defense-related computer used in the performance of the defense-related duties of such employee during the period of that employee's access to classified information and for a period of three years thereafter.

(b) EXPECTATION OF PRIVACY IN DOE DEFENSE-RELATED COMPUTERS.—Notwithstanding any other provision of law (including any provision of law enacted by the Electronic Communications Privacy Act of 1986), no user of a DOE defense-related computer shall have any expectation of privacy in the use of that computer.

(c) DEFINITIONS.—For purposes of this section:

(1) The term 'DOE defense-related computer'' means a computer of the Department of Energy or a Department of Energy contractor that is used, in whole or in part, for a Department of Energy defense-related activity.

(2) The term ''computer'' means an electronic, magnetic, optical, electrochemical, or other high-speed data processing device performing logical, arithmetic, or storage functions, and includes any data storage facility or communications facility directly related to, or operating in conjunction with, such device.

(3) The term ''authorized investigative agency'' means an agency authorized by law or regulation to conduct a counterintelligence investigation or investigations of persons who are proposed for access to classified information to ascertain whether such persons satisfy the criteria for obtaining and retaining access to such information.

(4) The term ''classified information'' means any information that has been determined pursuant to Executive Order No. 12356 of April 2, 1982, or successor orders, or the Atomic Energy Act of 1954, to require protection against unauthorized disclosure and that is so designated.

(5) The term ''employee'' includes any person who receives a salary or compensation of any kind from the Department of Energy, is a contractor of the Department of Energy or an employee thereof, is an unpaid consultant of the Department of Energy, or otherwise acts for or on behalf of the Department of Energy.

(d) ESTABLISHMENT OF PROCEDURES.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Energy shall prescribe such regulations as may be necessary to implement this section.

SEC. 3195. DEFINITION OF NATIONAL LABORATORY.

For purposes of this subtitle, the term ''national laboratory'' means any of the following:

(1) The Lawrence Livermore National Laboratory, Livermore, California.

(2) The Los Alamos National Laboratory, Los Alamos, New Mexico.

(3) The Sandia National Laboratories, Albuquerque, New Mexico.

(4) The Oak Ridge National Laboratories, Oak Ridge, Tennessee.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2000, $17,500,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. DEFINITIONS.

In this title:

(1) The term ''National Defense Stockpile'' means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term ''National Defense Stockpile Transaction Fund'' means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2000, the National Defense Stockpile Manager may obligate up to $78,700,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)), including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3303. ELIMINATION OF CONGRESSIONALLY IMPOSED DISPOSAL RESTRICTIONS ON SPECIFIC STOCKPILE MATERIALS.

Sections 3303 and 3304 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 629) are repealed.

TITLE XXXIV—MARITIME ADMINISTRATION

SEC. 3401. SHORT TITLE.

This title may be cited as the ''Maritime Administration Authorization Act for Fiscal Year 2000''.

SEC. 3402. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2000.

Funds are hereby authorized to be appropriated, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $79,764,000 for fiscal year 2000.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), $34,893,000 for fiscal year 2000, of which—

(A) $31,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) $3,893,000 is for administrative expenses related to loan guarantee commitments under the program.

SEC. 3403. AMENDMENTS TO TITLE XI OF THE MERCHANT MARINE ACT, 1936.

(a) AUTHORITY TO HOLD OBLIGATION PROCEEDS IN ESCROW.—Section 1108(a) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1279a(a)) is amended by striking so much as precedes ''guarantee of an obligation'' and inserting the following:

''(a) AUTHORITY TO HOLD OBLIGATION PROCEEDS IN ESCROW.—(1) If the proceeds of an obligation guaranteed under this title are to be used to finance the construction, reconstruction, or reconditioning of a vessel that will serve as security for the guarantee, the Secretary may accept and hold, in escrow under an escrow agreement with the obligor—

''(A) the proceeds of that obligation, including such interest as may be earned thereon; and

''(B) if required by the Secretary, an amount equal to 6 month's interest on the obligation.

''(2) The Secretary may release funds held in escrow under paragraph (1) only if the Secretary determines that—

''(A) the obligor has paid its portion of the actual cost of construction, reconstruction, or reconditioning; and

''(B) the funds released are needed—

''(i) to pay, or make reimbursements in connection with payments previously made for work performed in that construction, reconstruction, or reconditioning; or

''(ii) to pay for other costs approved by the Secretary, with respect to the vessel or vessels.

''(3) If the security for the''.

(b) AUTHORITY TO HOLD OBLIGOR'S CASH AS COLLATERAL.—Title XI of the Merchant Marine Act, 1936 is amended by inserting after section 1108 the following:

''SEC. 1109. DEPOSIT FUND.

''(a) ESTABLISHMENT OF DEPOSIT FUND.—There is established in the Treasury a deposit fund for purposes of this section. The Secretary may, in accordance with an agreement under subsection (b), deposit into and hold in the deposit fund cash belonging to an obligor to serve as collateral for a guarantee under this title made with respect to the obligor.

''(b) AGREEMENT.—

''(1) IN GENERAL.—The Secretary and an obligor shall enter into a reserve fund or other collateral account agreement to govern the deposit, withdrawal, retention, use, and reinvestment of cash of the obligor held in the deposit fund established by subsection (a).

''(2) TERMS.—The agreement shall contain such terms and conditions as are required under this section and such additional terms as are considered by the Secretary to be necessary to protect fully the interests of the United States.

''(3) SECURITY INTEREST OF UNITED STATES.—The agreement shall include terms that grant to the United States a security interest in all amounts deposited into the deposit fund.

''(c) INVESTMENT.—The Secretary may invest and reinvest any part of the amounts in the deposit fund established by subsection (a) in obligations of the United States with such maturities as ensure that amounts in the deposit fund will be available as required for purposes of agreements under subsection (b). Cash balances of the deposit fund in excess of current requirements shall be maintained in a form of uninvested funds and the Secretary of the Treasury shall pay interest on these funds.

''(d) WITHDRAWALS.—

''(1) IN GENERAL.—The cash deposited into the deposit fund established by subsection (a) may not be withdrawn without the consent of the Secretary.

''(2) USE OF INCOME.—Subject to paragraph (3), the Secretary may pay any income earned on cash of an obligor deposited into the deposit fund in accordance with the terms of the agreement with the obligor under subsection (b).

''(3) RETENTION AGAINST DEFAULT.—The Secretary may retain and offset any or all of the cash of an obligor in the deposit fund, and any income realized thereon, as part of the Secretary's recovery against the obligor in case of a default by the obligor on an obligation.''.

SEC. 3404. EXTENSION OF WAR RISK INSURANCE AUTHORITY.

Section 1214 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1294) is amended by striking ''June 30, 2000'' and inserting ''June 30, 2005''.

SEC. 3405. OWNERSHIP OF THE JEREMIAH O'BRIEN.

Section 3302(l)(1)(C) of title 46, United States Code, is amended by striking ''owned by the United States Maritime Administration'' and inserting ''owned by the National Liberty Ship Memorial, Inc.''.

TITLE XXXV—PANAMA CANAL COMMISSION

SEC. 3501. SHORT TITLE.

This title may be cited as the ''Panama Canal Commission Authorization Act for Fiscal Year 2000''.

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to use amounts in the Panama Canal Revolving Fund to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, improvement, and administration of the Panama Canal for fiscal year 2000 until the termination of the Panama Canal Treaty of 1977.

(b) LIMITATIONS.—Until noon on December 31, 1999, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $100,000 for official reception and representation expenses, of which—

(1) not more than $28,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $14,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $58,000 may be used for official reception and representation expenses of the Administrator of the Commission.

SEC. 3503. PURCHASE OF VEHICLES.

Notwithstanding any other provision of law, the funds available to the Panama Canal Commission shall be available for the purchase and transportation to the Republic of Panama of passenger motor vehicles built in the United States, the purchase price of which shall not exceed $26,000 per vehicle.

SEC. 3504. OFFICE OF TRANSITION ADMINISTRATION.

(a) EXPENDITURES FROM PANAMA CANAL COMMISSION DISSOLUTION FUND.—Section 1305(c)(5) of the Panama Canal Act of 1979 (22 U.S.C. 3714a(c)(5)) is amended by inserting ''(A)'' after ''(5)'' and by adding at the end the following:

''(B) The office established by subsection (b) is authorized to expend or obligate funds from the Fund for the purposes enumerated in clauses (i) and (ii) of paragraph (2)(A) until October 1, 2004.''.

(b) OPERATION OF THE OFFICE OF TRANSITION ADMINISTRATION.—

(1) IN GENERAL.—The Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) shall continue to govern the Office of Transition Administration until October 1, 2004.

(2) PROCUREMENT.—For purposes of exercising authority under the procurement laws of the United States, the director of such office shall have the status of the head of an agency.

(3) OFFICES.—The Office of Transition Administration shall have offices in the Republic of Panama and in the District of Columbia. Section 1110(b)(1) of the Panama Canal Act of 1973 (22 U.S.C. 3620(b)(1)) does not apply to such office in the Republic of Panama.

(4) EFFECTIVE DATE.—This subsection shall be effective on and after the termination of the Panama Canal Treaty of 1977.

(c) OFFICE OF TRANSITION ADMINISTRATION DEFINED.—In this section the term ''Office of Transition Administration'' means the office established under section 1305 of the Panama Canal Act of 1979 (22 U.S.C. 3714a) to close out the affairs of the Panama Canal Commission.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid upon the table.

A similar House bill (H.R. 1401) was laid on the table.

PERSONAL EXPLANATION

Mr. KENNEDY of Rhode Island. Mr. Speaker, last Thursday, June 10, I was unavoidably detained. I missed rollcall numbers 202 and 203. Had I been present, I would have voted ''yes'' on rollcall 202 and ''no'' on rollcall 203.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. PEASE). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WELCOME ACTION ON REMOVING SANCTIONS AGAINST INDIA, BUT BAN ON MILITARY TRANSFERS TO PAKISTAN SHOULD BE MAINTAINED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, last week in the other body, the Senate, an amendment to the fiscal year 2000 defense appropriations bill was approved that would suspend for 5 years certain sanctions against India and Pakistan. The sanctions were imposed pursuant to the Glenn amendment to the Arms Export Control Act, more than a year ago, after the two south Asian nations conducted nuclear tests.

I want to express my support for the approval of this amendment which was offered by Senator BROWNBACK of Kansas. I have introduced similar legislation to lift the sanctions, although my proposals would permanently repeal the sanctions as opposed to the 5-year suspension provided for by Senator BROWNBACK's amendment.

There is one other critical difference between the legislation I have introduced and the provision approved in the Senate last week, and that is the Senate bill includes language to repeal the Pressler amendment which bans U.S. military assistance to Pakistan. I support retaining the Pressler amendment which was adopted in the 1980s and was invoked by President Bush in response to Pakistan's nuclear proliferation activities. Nothing has changed to justify repeal of the Pressler amendment. Thus, I will work for the Pressler amendment to be retained and will urge my House colleagues to maintain this vital provision of law.

Mr. Speaker, in the past few weeks, we were again reminded of why the Pressler amendment should remain in effect, as we have seen Pakistani support for the militants who have infiltrated territory on India's side of the line of control in Kashmir. It is clear that Pakistan is the country that is promoting instability in this current conflict as they have often done so in the past.

Pakistan's involvement in supporting the militants who continually infiltrate India's territory is an example of how Pakistan promotes regional instability and commits or supports aggression against its neighbors. India is not involved in these kinds of hostile destabilizing activities.

This is no time to be renewing military cooperation with Pakistan. Indeed, the Cox report, whose recommendations were implemented last week in this House as an amendment to the defense authorization bill, contain several references to transfers of nuclear technology and missile technology between China and Pakistan. India's nuclear program, on the other hand, is an indigenous program, and India has not been involved in sharing this technology with unstable regimes. This is an extremely, an extremely important distinction.

But, Mr. Speaker, I want to stress that our priorities should be to do what we can to promote stability and economic opportunities in south Asia. The best way we can do that is to lift the sanctions imposed under the Glenn amendment as the Senate has done.

Mr. Speaker, I would also like to mention that the Senate amendment has an important sense of the Congress provision stating that the export controls should be applied only to those Indian and Pakistani entities that make direct and material contributions to weapons of mass destruction and missile programs and only those items that can contribute to such programs. I have long been critical of the so-called ''entities list'' which has targeted a wide range of private and government entities in India that have no bearing on nuclear proliferation concerns, but which have been prohibited from contacts with U.S. entities. As the Senate language states, and I quote, ''The broad application of export controls to nearly 300 Indian and Pakistani entities is inconsistent with specific national security interests of the United States, and that this entities list requires refinement.''

I hope we can enact a similar provision here on this side of the Capitol and that the administration will respond in a meaningful way by removing entities from this list that really

do not belong there; thereby reopening important bilateral contacts that benefit both sides. To that end, I am drafting a sense of the Congress resolution which I hope to introduce this week.

Mr. Speaker, repealing the sanctions would have a positive impact on the people of India. But I also want to stress that the remaining sanctions are causing American companies to lose opportunities to do business in India, while our economic competitors in Europe and Japan gain a major foothold in this great emerging market.

Finally, Mr. Speaker, we must get beyond the unproductive approach of confrontation and work towards policies that will promote improved opportunities for cooperation between the world's two largest democracies. Last week's action in the Senate, in the other body, certainly will contribute to that process.

HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. FLETCHER) is recognized for 5 minutes.

Mr. FLETCHER. Mr. Speaker, I rise this evening to speak on a very important issue: health care. It is an issue that we will be discussing as we begin to look at the markup of some bills this week and I think it is very important as we address these bills that we do so and try to get the politics as much out of it as we possibly can.

Mr. Speaker, when we talk to people across the United States, the number one problem that we have now is the number of uninsured: 43.4 million people are uninsured at this time. That number will rise to about 60 million over the next 10 or 15 years. So I think it is imperative, Mr. Speaker, that as we pass legislation, as we look at health care legislation, that we realize that the number one problem we have is the number of uninsured. That number of uninsured is driven by costs. That is a direct correlation as increasing costs of health insurance drives up the number of uninsured.

Mr. Speaker, we could make sure that we pass some patient protection that does a whole lot of things, but if it raises the cost substantially we are going to have some of our people and some of our patients that are going to see the physician too late after the cancer has already spread. They are going to see the physician too late or go to the emergency room too late after the heart attack has already occurred when it could have been prevented. They are also going to go too late when the stroke has occurred when they could have had treatment for blood pressure. This is what is going to happen if we drive up the cost of insurance and we continue to drive up the cost of the number of the uninsured.

Not only is cost a factor, but it is morally the right thing to do. We need to make sure that we try to cover more individuals in this country, that we provide more provisions to make sure that there is more health coverage and not less.

A number two concern I hear from people and patients is the fact that they are concerned about making sure that they get the kind of treatment that they need, that they and their physician make that decision, and it is not insurance companies or lawyers or judges that are making the decisions, and to make sure that those decisions are made by providers.

Another major concern is that they want to make sure that they can choose a physician that they trust, one that they have established a relationship with, that they have the kind of choice of choosing those physicians, and that is very important to them.

This next week, Mr. Speaker, or this week, actually, we will begin to hear the debate on this bill that talks about external review, ensuring that there is a grievance process if care is denied, that they can go to objective, independent authorities in the area that they are concerned about to make sure that physicians make those decisions; that if they need emergency room care, they can be assured that if it is a layperson's definition of emergency, they can get that care paid for when they get there; making sure that there are no gag rules to prevent physicians from talking about all of the treatment options that are necessary; making sure that they have the kind of information so that they can have the benefit of informed choice so that they can compare one insurance plan with the next, making sure that they know exactly what the grievance processes are, all of the things that the insurance company covers.

Another thing we are going to be looking at is associated health plans. The gentleman from New York (Mr. TOWNS) has introduced this, and this will allow for small companies, which about 60 percent of the small companies now are not able to afford, or very small companies are not able to provide insurance because of cost, the number one factor. Yet, this bill should hopefully reduce the cost to those companies by about 10 to 12 percent. For each 1 percent that we increase health care, we lose about 300,000 to 400,000 people off of health insurance, strictly because of the cost.

Lastly, we are going to be looking at a commission that will establish some guidelines to help again to take the politics out of health care reform. We say when we get to do things, I get disappointed in many folks that try to come and demagogue on this issue and are not truly concerned about the patients that we are talking about.

One of the things I would like to introduce and will introduce, and I hope that we are able to pass, is what is called a point of service. This is a provision where one can choose the physician that one has established a relationship with, and that trust, and I think it is very important that we do that.

Mr. Speaker, I appreciate the opportunity to speak tonight, as we begin to debate this issue which is very important to the American people. I hope we can take the politics out and the demagoguery, making sure that we do not raise the cost of insurance, that we can have patients get the access to the care that they need, and not only that, but we allow them to choose the physician that they have trust in.

STOPPING SCHOOL VIOLENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut (Mrs. JOHNSON) is recognized for 5 minutes.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise to address an issue that concerns every parent in America and every child: school violence. The tragedy in Littleton, Colorado was a national wakeup call to all of us. Whether it is a form of rebellion, a means of revenge, intentional brutality and viciousness, or simply a way to make their voices heard, more and more students are resorting to acts of astounding violence and brutality, taking the lives of their fellow students and teachers.

Fortunately, some students are trying to do something about this. Last week, I had the pleasure of visiting the Clara T. O'Connell School in Bristol, Connecticut. What I found there gave me a sense of hope that our children do not want to live in a world of guns and violence.

□ 1845

Students at the O'Connell school recently completed a 10-week program entitled ''Bullyproofing,'' the purpose of which was to teach them ways of combatting bullying and avoiding violence.

As part of this program, students conducted a survey of their classmates in grades 1 through 5, asking two important questions: First, do you watch scary or violent movies; and second, do your parents know you watch scary and violent movies? The results of this survey are unsettling. What the students did with them with you truly encouraging.

Those kids wrote an open letter to their parents asking them for help: ''Dear parents and guardians: Do you know what your children are going through? We would like to talk about being afraid. Do you know what your children are watching? Do you want your children to watch scary movies? Do you know how late they are staying up? Do you think your children will get ideas from scary movies? Why do you let them watch scary movies? Do you make sure they are doing the right things?''

These are the questions we and our children might want to answer.

One student says, ''Don't let your children watch scary movies. Please

help us guard what we watch on TV, movies and videos. Our O'Connell survey shows 89 percent of CTO kids watch scary movies and 75 percent of O'Connell parents know they watch scary movies. We think these results are scary! Yours Truly, Mrs. Brooks' 4th Grade Class. P.S. Could you please guide us and pay attention to what we are watching?''

These children and so many more throughout America are crying out for help. They want guidance. They want to be told what is right and what is wrong. We parents have an obligation to give our children this guidance. We need to do a better job of watching what our children watch, talking to them about what they are seeing, and providing them with positive alternatives to watching scary shows.

We need to follow the Ten Commandments as laid down by one of the grade schools in my district. These are their Ten Commandments: ''Read, read, read, read, read, read, read, read, read, read.'' They have those Ten Commandments posted throughout that school.

I will tell the Members, instead of fear, instead of the stuff of nightmares, those kids are going to sleep thinking about the story they have read with their parents, the conversations that it has spawned, the adventures life offers to us all, the world and the exploration of that world through which they gain so much in knowledge and spirit.

Yes, it is through reading together that we and our children can talk about bullying, about violence, about love, about opportunity, about freedom, and responsibility. Listen to these fourth grade kids of Mrs. Brooks' class. They are talking to all of us today.

TO BE A FEMINIST MEANS TO BE PRO-LIFE

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, at one time or another we have all seen the bumper sticker which reads: ''Pro-Women = Pro-Choice,'' and it is presumed that feminists and defenders of equity and rights for women are defenders of abortion.

But in fact, what most feminists do not wish to acknowledge is that the early suffragists who are responsible for today's women's movement actually were staunchly pro-life.

Over a century ago, Susan B. Anthony tirelessly campaigned for suffrage for women's employment rights and for the abolition of slavery. She voted illegally, took part in the underground railroad, and yes, Susan B. Anthony, a mother of the feminist movement, opposed abortion.

In The Revolution, the radical women's paper which she published, along with Elizabeth Cady Stanton, Anthony strongly editorialized against abortion. She referred to the bloody act as child murder and infanticide, and addressed its root causes in women's oppression and in the abdication of family planning. She argued that laws pertaining to abortion victimized women while absolving men of all responsibility.

Susan B. Anthony was not alone in her thinking. Other early feminists also opposed abortion. For example, Elizabeth Cady Stanton proclaimed that ''If it is degrading to treat a woman as property, it is no better for a woman to treat her own child as property.'' Suffragist Margaret Sanger stated that abortion was a disowning of feminine values.

The first female presidential candidate, Victoria Woodhull, was likewise strongly against abortion. She stated that every woman knows that if she were free, she would never bear an unwished-for child nor think of murdering one before its birth.

Astonishingly enough, most feminists prefer to ignore that Alice Paul, the original author of the Equal Rights Amendment, the ERA, of 1923, said: ''Abortion is the ultimate exploitation of women.'' Naturally, Paul opposed the later trend of linking abortion with the ERA movement.

Like the early suffragists who fought to give women's rights, a feminist should believe in the right to protect her own body, and in the likeness of Susan B. Anthony, the feminist, should stand up to defend the poor, oppressed, and rejected. She should fight for all human beings, whether they are black or white, born or unborn.

The phrase, ''It's a man's world'' is often used to describe today's society, a society which tends to view unplanned pregnancy and motherhood as an inconvenience. But many of today's feminists, rather than focusing on a woman's financial distress, the problems she may be facing at school, work, or at home, choose to give in to the pressures of a man's world.

Rather than fight for acceptance and protection for women facing unexpected pregnancies, many feminists suggest a dangerous, potentially fatal abortion as the remedy to all conditions. What would the suffragists have to say about giving in to this cruel society? Early feminist Susan Norton said, ''Perhaps there will come a time when an unmarried mother will not be despised because of her motherhood, when the right of the unborn to be born will not be denied or interfered with.''

As one of six pro-life women in Congress and a mother of two daughters, I believe that abortion is not a sign that women are free to choose. On the contrary, it is a sign that women incorrectly feel desperate and feel that they have no choice. Susan B. Anthony and the early defenders of the women's rights would agree that the slogan ''pro-choice'' is by no means to be equated with being pro-women. Perhaps if the early feminists were alive today, they would be fighting to amend those bumper stickers to instead read, ''Pro-Women = Pro-Life.''

I would like to thank the tireless pro-life advocate, Jane Abraham, president of the Susan B. Anthony List, for her inspiration. Jane has dedicated her time to enlighten persons on the feminist movement in America and to educate and train pro-life women for successful political careers.

Tonight I congratulate Jane and the many pro-life organizations and the countless volunteers who persevere in their hopes for finding a cure to our Nation's abortion rates.

INAUGURATION OF NEW SLOVAK PRESIDENT, THE HONORABLE RUDOLF SCHUSTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MICA) is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, on behalf of Members of Congress, I wish to extend sincere congratulations to the Honorable Rudy Schuster, who will be inaugurated as Slovakia's first popularly-elected president.

In just a few short hours, on June 15 in Bratislava, the capital of Slovakia, a dynamic new leader will assume the presidency of one of Eastern Europe's most promising democracies. This is a significant step for the Slovak Republic, a country that only gained its independence in January of 1993.

For nearly 1,000 years the Slovak people have been dominated by others, so the popular election of Rudy Schuster and his inauguration is a special milestone in the history of this newly-emerging independent Nation.

It has been my great pleasure to personally know this man, who will assume the Slovak presidency. Rudy Schuster has been an outstanding mayor of Slovakia's second largest city, Kosice. In that city, Rudy Schuster has worked to spur economic and community development. He championed historic preservation and restoration. He provided minority housing and promoted privatization.

I have had the opportunity to see firsthand both the achievements of this dynamic leader and observe his ability to effectively govern. How fortunate the people of Slovakia and the West are to have such a capable and visionary individual helping to lead this new Nation at this time.

The people of Slovakia are to be commended for looking to the future with Rudy Schuster's election. Working with the new progressive parliamentary coalition, the potential for solving some of Slovakia's difficult challenges holds great promise.

As Mr. Schuster assumes the office of president, it is critical that he and his country's other leaders work together to address the problems of unemployment, privatization, and alignment with Western and European economic and security organizations.

It is essential that Slovakia, which borders five European nations, now

take its rightful place as a full participant in the European and Western marketplace. It is critical that in the future, Slovakia be admitted to NATO, as it now shares 87 percent of its borders with this Western security alliance. It is vital to American interests that this new democracy of 5 million people strategically located in the very heart of Europe succeeds as it makes the difficult transition from socialism to free enterprise.

With the popular election of Rudy Schuster as president, Slovakia has a golden opportunity to prosper and set an example for other former Soviet bloc countries. The Slovaks have survived domination by other people, monarchies, other countries, communism, and Hitler. These resilient people have waited a long time to elect their own president.

How pleased I am, as the grandson of a Slovak immigrant, to congratulate my friend and a great leader on the occasion of his inauguration, the Honorable Rudy Schuster, the first popularly elected president of the Slovak Republic. June 15 will be a great day for those who respect and promote democracy, for without intervention, without the pain and the agony that we have seen in other parts of the world recently, the people of Slovakia have demonstrated that even those who have been the most oppressed can never have the spirit of freedom and self-determination permanently separated from their souls.

PAUL HARVEY'S LETTER TO THE EDITOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, later this week this House will take up the explosive issue of youth violence and guns.

I would like to read from a column by Paul Harvey. I quote:

For the life of me, I cannot understand what could have gone wrong in Littleton, Colorado. If only the parents had kept their children away from guns, we wouldn't have had such a tragedy.

Yeah, it must have been the guns. It couldn't have been because half of our children are being raised in broken homes. It couldn't have been because our children get to spend an average of 30 seconds in meaningful conversation with their parents each day. After all, we give our children quality time.

It couldn't have been because we treat our children as pets and our pets as children. It couldn't have been because we place our children in day care centers where they learn their socialization skills from their peers under the law of the jungle while employees who have no vested interest in the children look on and make certain that no blood is spilled.

It couldn't have been because we allow our children to watch, on average, 7 hours of television every day, filled with the glorification of sex and violence that is not fit for adult consumption. It couldn't have been because we allow our children to enter into virtual worlds in which, to win the game, one must kill as many opponents as possible in the most sadistic way possible.

It couldn't have been because we sterilized and contracepted our families down to sizes so small that the children that we do have are so spoiled with material things that they come to equate the receiving of material with love. It couldn't have been because our children, who historically have been seen as a blessing from God, are now being viewed as either a mistake created when contraception fails or inconveniences that parents try to raise in their spare time.

□ 1900

It could not have been because our Nation has become the world leader in developing a culture of death in which 20 to 30 million babies have been killed by abortion. It could not have been because we give 2-year prison sentences to children who kill their newborns. It could not have been because our school systems teach children that they are nothing but glorified apes who have evolutionized out of some primordial soup of mud by teaching them that evolution is a fact and by handing out condoms as if they were candy.

It could not have been because we teach our children that there are no laws of morality that transcend us; that everything is relative and that actions do not have consequences. What the heck. The President gets away with it. Nah, it must have been the guns, closed quote.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore (Mr. REYNOLDS). Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, campaign finance reform is once again being painted as the solution to political corruption in Washington. Indeed, that is a problem, but today's reformers hardly offer a solution. The real problem is that government has too much influence over our economy and lives, creating tremendous incentive to protect one's own interest by investing in politicians.

The problem is not a lack of Federal laws or rules regulating campaign spending. Therefore, more laws will not help. We hardly suffer from too much freedom. Any effort to solve the campaign finance problem with more laws will only make things worse by further undermining the principles of liberty and private property ownership.

There is tremendous incentive for every special interest group to influence government. Every individual, bank or corporation that does business with government invests plenty in influencing government. Lobbyists spend over $100 million per month trying to influence Congress. Taxpayers' dollars are endlessly spent by bureaucrats in their effort to convince Congress to protect their own empires. Government has tremendous influence over the economy and financial markets through interest rate controls, contracts, regulations, loans and grants. Corporations and others are forced to participate in the process out of greed, as well as self defense, since that is the way the system works.

Equalizing competition and balancing powers such as between labor and business is a common practice. As long as this system remains in place, the incentive to buy influence will continue.

The reformers argue only that the fault is those who are trying to influence government and not the fault of the members who yield to the pressure of the system that generates the abuse. This allows Members of Congress to avoid assuming responsibility for their own acts and instead places the blame on those who exert pressure on Congress through the political process, which is a basic right bestowed on all Americans.

The reformers' argument is to stop us before we capitulate and before we capitulate to the special interest groups. Politicians unable to accept this responsibility clamor for a system that diminishes the need for politicians to persuade individuals and groups to donate money to their campaigns. Instead of persuasion, they endorse coercing taxpayers to finance campaigns. This only changes the special interest groups that control government policy. Instead of voluntary groups making their own decisions with their own money, politicians and bureaucrats dictate how political campaigns will be financed and run.

Not only will politicians and bureaucrats gain influence over elections, other nondeservers will benefit. Clearly incumbents will greatly benefit by more controls over campaign spending, a benefit to which the reformers will never admit.

The quasi two-party system will become more entrenched by limiting the huge expenditures required to oust an incumbent. Alternative choices and third party candidates will be further handicapped if all the reforms proposed are passed. The media become a big winner. Their influence grows as the private money is regulated. It becomes more difficult to refute media propaganda, both print and electronic, when directed against a candidate if funds are limited. The wealthy gain a significant edge since it is clear candidates can spend unlimited personal funds in elections. This is a big boost for the independently wealthy candidates over the average challenger who needs to raise and spend large funds to compete.

Celebrities will gain an even greater benefit than they already enjoy. Celebrity status is money in the bank, and

by limiting the resources to counterbalance this advantage works against the noncelebrity who might be an issue-oriented challenger. The current reform effort ignores the legitimate and moral Political Action Committees that exist only for good reasons and do not ask for any special benefit from government.

More regulation of political speech through control of private money without addressing the subject of influential government only drives the money underground, further giving a select group an advantage over the honest candidate who only wants smaller government.

True, reform probably is not possible without changing the role of government, which now exists to regulate, tax, subsidize and show preferential treatment.

Only changing the nature of government will eliminate the motive for so many to invest so much in the political process, but we should not make a bad situation worse by passing more laws. We should demand disclosure so voters can decide if their representatives in Congress are duly influenced or unduly influenced, but the best thing we could do is to encourage competition, which will be made worse if the reformers have their way.

The majority of Americans are turned off with the system and do not vote because they do not believe they have a real choice. Signature requirements, filing fees and rules written by the two major parties make it virtually impossible for alternative parties to compete if not independently rich or a celebrity. We should change these obstructive rules to encourage the majority of Americans who now sit out the elections to participate in the electoral process.

Campaign finance reform is once again being painted as the solution to political corruption in Washington. Indeed, that is a problem, but today's reformers hardly offer a solution. The real problem is that government has too much influence over our economy and lives, creating a tremendous incentive to protect one's own interests by ''investing'' in politicians. The problem is not a lack of federal laws, or rules regulating campaign spending, therefore more laws won't help. We hardly suffer from too much freedom. Any effort to solve the campaign finance problem with more laws will only make things worse by further undermining the principles of liberty and private property ownership.

The reformers are sincere in their effort to curtail special interest influence on government, but his cannot be done while ignoring the control government has assumed over our lives and economy. Current reforms address only the symptoms while the root cause of the problem is ignored. Since reform efforts involve regulating political speech through control of political money, personal liberty is compromised. Tough enforcement of spending rules will merely drive the influence underground since the stakes are too high and much is to be gained by exerting influence over government—legal or not. The more open and legal campaign expenditures are, with disclosure, the easier it is for voters to know who's buying influence from whom.

There's tremendous incentive for every special interest group to influence government. Every individual, bank or corporation that does business with government invests plenty in influencing government. Lobbyists spend over a hundred million dollars per month trying to influence Congress. Taxpayers dollars are endlessly spent by bureaucrats in their effort to convince Congress to protect their own empires. Government has tremendous influence over the economy, and financial markets through interest rate controls, contracts, regulations, loans, and grants. Corporations and others are ''forced'' to participate in the process out of greed as well as self defense—since that's the way the system works. Equalizing competition and balancing power such as between labor and business is a common practice. As long as this system remains in place, the incentive to buy influence will continue.

Many reformers recognize this and either like the system or believe that it's futile to bring about changes and argue that curtailing influence is the only option left even if it involves compromising political speech through regulating political money.

It's naive to believe stricter rules will make a difference. If enough honorable men and women served in Congress and resisted the temptation to be influenced by any special interest group, of course this whole discussion would be unnecessary. Because Members do yield to the pressure, the reformers believe that more rules regulating political speech will solve the problem.

The reformers argue that it's only the fault of those trying to influence government and not the fault of the Members who yield to the pressure or the system that generates the abuse. This allows Members of Congress to avoid assuming responsibility for their own acts and instead places the blame on those who exert pressure on Congress through the political process which is a basic right bestowed on all Americans. The reformer's argument is ''stop us before we capitulate to the special interest groups.''

Politicians unable to accept this responsibility clamor for a system that diminishes the need for politicians to *persuade* individuals and groups to donate money to their campaign. Instead of persuasion they endorse coercing taxpayers to finance campaigns. This only changes the special interest groups that control government policy. Instead of voluntary groups making their own decisions with their own money, politicians and bureaucrats dictate how political campaigns will be financed.

Not only will politicians and bureaucrats gain influence over elections, other nondeservers will benefit. Clearly, incumbents will greatly benefit by more controls over campaign spending—a benefit to which the reformers will never admit.

The quasi-two party system will become more entrenched by limiting the huge expenditures required to oust an incumbent. Alternative choices and third-party candidates will be further handicapped if all the reforms proposed are passed. They will never qualify for equal treatment since all campaign laws are written by Republicans and Democrats. The same will be true when it comes to divvying up taxpayer's money for elections.

The media becomes a big winner. Their influence grows as private money is regulated. It becomes more difficult to refute media propaganda, both print and electronic, when directed against a candidate if funds are limited. Campaigns are more likely to reflect the conventional wisdom and candidates will strive to avoid media attacks by accommodating their views.

The wealthy gain a significant edge since it's clear candidates can spend unlimited personal funds in elections. This is a big boast for the independently wealthy candidates over the average challenger who needs to raise and spend large funds to compete.

Celebrities will gain even a greater benefit than they already enjoy. Celebrity status is money in the bank and by limiting the resources to counter-balance this advantage, works against the non-celebrity who might be an issue-oriented challenger.

This current reform effort ignores the legitimate and moral Political Action Committees that exist only for good reasons and do not ask for any special benefit from government. The immoral Political Action Committees that work only to rip-off the taxpayers by getting benefits from government may deserve our condemnation but not the heavy hand of government anxious to control this group along with all the others. The reformers see no difference between the two and are willing to violate all personal liberty. Since more regulating doesn't address the basic problem of influential government, now out of control, neither groups deserves more coercive government rules. All the rules in the world can't prevent Members from yielding to political pressure of the groups that donate to their campaigns. Regulation cannot instill character.

More regulation of political speech through control of private money, without addressing the subject of influential government only drives the money underground, further giving a select group an advantage over the honest candidate who only wants smaller government.

True reform probably is not possible without changing the role of government, which now exists to regulate, tax, subsidize, and show preferential treatment. Only changing the nature of government will eliminate the motive for so many to invest so much in the political process. But we should not make a bad situation worse by passing more bad laws.

We should demand disclosure so voters can decide if their Representatives in Congress are unduly influenced. But the best thing we could do is to encourage competition, which will be made worse if the reformers have their way. The majority of Americans are turned off with the system and don't vote because they don't believe they have a real choice. Signature requirements, filing fees, and rules written by the two major parties make it virtually impossible for alternative parties to compete if not independently rich or a celebrity. We should change these obstructive rules to encourage the majority of Americans, who now sit out the elections, to participate in the electoral process. Restricting political money and speech will only further hamper competition and discourage citizens from voting.

THERE ARE HEROES IN OUR MIDST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. THUNE) is recognized for 5 minutes.

Mr. THUNE. Mr. Speaker, a couple of weeks ago today, I had the opportunity to present the Medal of Jubilee of Liberty to those South Dakota men who were among those men who stormed, held and kept the beaches of Normandy 55 years ago. From June 6, 1944 until August 31, 1944 these men fought in one of the most historic and pivotal military engagements in American and European history.

Winston Churchill called D-Day the greatest thing that we have ever attempted. Viewed with the benefit of 55 years of history, historians rank the invasion of Normandy as one of the greatest military actions ever on par with the battle of Actium in 31 B.C. that marked the beginning of the Roman Empire, and with the English defeat of the Spanish Armada in 1588. It is considered one of the half dozen greatest battles in human history.

I asked someone from my staff to call the men that we were going to be presenting medals to try and get more information about them and their involvement in the Normandy invasion so I could present it at the Memorial Day ceremony.

My staffer made several phone calls and talked to many of the men who were honored at that event but none of them really wanted to talk about their experience. They said that war is a horrible experience and they hoped that no one ever has to go through what they went through on the shores of Normandy.

They also said that really they did not do all that much. They said there were so many others who did so much more, so many buddies who never came home from those beaches. My staffer was amazed at their humility and their reticence.

Humility and reticence are two qualities in rare supply in America today. My staffer has been raised in the TV talk show America where people talk about everything that has ever happened to them all the time, all over the place, over and over again until everyone everywhere knows literally everything about them, and somehow this is considered healthy.

The men who fought in Normandy were raised in a different America. They were raised to do their duty, quietly, humbly, without question or rancor, and then come home again, marry the girl who waited for them, get a job, raise a family and live their lives.

Mr. Speaker, there is a lot of talk in America today about a lack of role models. We have shootings in our schools and people say it is because our young people have no one to look up to. They say that our young people have no heroes. If our young people have no heroes it is because we are looking for heroes in all the wrong places. We are looking for heroes among sports figures and on Hollywood sound stages and in the soldout amphitheaters of pop music concerts. We should be looking for the heroes who sit across the kitchen table from us. We should be looking for our heroes in the men who read to us and raised us and taught us right from wrong.

The men who fought at Normandy are heroes. They may not be rich and they may not be famous and they would never claim that title for themselves but they are heroes in the truest sense of the word. Many of their friends never came home. Nine thousand men lost their lives in the invasion; 2,500 at Omaha Beach alone; another 2,500 among the American Airborne division; 1,100 Canadians and 3,000 British.

But by the evening of June 6, 1944, Allied power had prevailed all across the Normandy beachhead. More than 100,000 men had come ashore, the first of millions more who would follow.

It is hard to describe horror to those who have never been there. It is hard for those of us who have never been in battle to imagine smoke and death and screaming tracers and the roar of cannon fire. We cannot imagine the horrors that these men have witnessed. We can only see the outcome.

These are the men who freed a continent. These are the men who won a war. These men knew that some things are worth dying for; that democracy is worth dying for; that America is worth dying for. They believed that someone had to stop Hitler. They did it because they had orders to do so. They did it because it was their job.

Webster defines a hero as, quote, a man admired for his achievements or qualities; one that shows great courage, unquote.

These men, the men of the summer of 1944, stormed and secured a beachhead. These men toppled a regime. These men rushed in to save democracy at that crucial moment in history when someone almost succeeded in taking it away. These men are heroes, though they will not admit it.

So the next time, America, that you think your kids do not have any role models and there is no one left to look up to, turn off the TV and look across the kitchen table at your father, your grandfather or your great grandfather and ask them about the war. Ask them what they did. Hear their stories. There are heroes walking in our midst. We need to open our eyes and see them before us and thank them for their courage.

It is my great privilege and honor to be able to recognize those men from my home State of South Dakota who served our country so nobly and so bravely in the summer of 1944 and helped secure the freedom that we enjoy in America today and hope that we will be able to pass it on to the next generation.

SCHOOL CONSTRUCTION LEGISLATION

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from New York (Mr. CROWLEY) is recognized for 60 minutes as the designee of the minority leader.

Mr. CROWLEY. Mr. Speaker, I am not so sure I will use all the 60 minutes but we will give it our best.

Mr. Speaker, I rise this evening to discuss the issue of school modernization and construction. I have led the freshman class in fighting for school construction. This past winter we hosted a series of one minutes and a special order like this evening for freshmen to talk about the conditions of our schools in our districts.

Recently, I hosted an education roundtable in my district on this very topic, with our very special guest assistant secretary for education Scott Fleming, and the gentlewoman from New York (Mrs. LOWEY) to whom I am very grateful for her work in the area of school construction and modernization.

I intend to continue my fight to bring school construction legislation to this floor this year, Mr. Speaker.

Last week, the freshman class sent a letter to the gentleman from Illinois (Mr. HASTERT) asking for school construction to be brought up this year. We had Secretary Riley endorsing our request. We had the Democratic leadership and many members of the education community on our side. We are asking for a broad bipartisan support this evening for school modernization and construction.

☐ 1915

Our schools need our help. We need an effective and comprehensive school modernization package that is a Federal, State, and local partnership—a Federal, State and local partnership.

Schools, as part of our Nation's infrastructure, are in desperate need of repair and modernization. If these were our Nation's highways that I was talking about, we probably would not be having this discussion this evening. Well, Mr. Speaker, our schools are our educational highways.

Let me just give my colleagues some examples of some of the problems I am experiencing in my district, and I am sure many of my colleagues around the country are experiencing similar difficulties. Enrollment in the County of Queens in New York City is increasing by 30,000, 30,000 enrollments every 5 years. In 1999, the enrollment is 270,850 students. In the year 2004, that number will rise to 300,000. By year 2007, it is estimated that Queens County will have over 330,000 new students.

In the 7th Congressional District, I represent the most overcrowded school district in the City of New York. School District 24 is operating at over 119 percent of capacity. I have three of the top 10 most overcrowded school districts in the City of New York, District 24, District 30, and District 11 in the Bronx operating at 119, 109 and 107 percent respectively.

By 2007, three of the five most overcrowded schools and school districts will be in the 7th Congressional District, my district. Nearly every school

in Queens will be operating at or over capacity. This is almost unbelievable.

But the average age of a school in New York City is 55 years of age. One out of every five schools in the City of New York is over 75 years of age. Now, when they built these schools back in the 1920s and 1930s, they were built to last; and that is why we have them today. But any school with any normal wear and tear would have to begin to show that wear and tear at least maybe 20 to 30 years after being built.

But our students are going to schools that were built 55 and 75 and some even 100 years ago in the City of New York. They are simply falling apart. These schools need new heating systems to replace unsafe older models. Structural repairs are needed, such as retaining walls, windows, and outside black top, and inside modernization repair such as lights and toilet fixtures.

Let me just add a little point here. That is in schools that maybe 55 to 75 years of age. Some schools will put on additions. Some schools have temporary classrooms, and that space is taking up the space where there once was a school yard where children would have the opportunity to play in recess or to gather before and after school.

The school where I attended kindergarten is PS 229 in Woodside, Queens. Woodside, Queens right now has no playground. Where I played hockey and basketball and grew up, that playground no longer exists. What has taken its place is modular classrooms and now a brand-new wing. It is only my hope that, when the brand-new wing is completed, that they will have a small portion of that playground to be restored to the children so they can use it for recreational purposes.

We need to assist local education agencies, those who know best, whether they need construction, modernization, or technical upgrades. So those who say that the Federal Government should not be in brick and mortars, fine. I think we ought to be involved in brick and mortars. But fine. Let us let the State and local governments handle that. We certainly could be there to help them with financing.

It is interest-free bonds, which will provide the flexibility and cost-effective approach to assist our crumbling schools. Mr. Speaker, I support the Public School Modernization Act of the gentleman from New York (Mr. RANGEL) and the School Construction Act of the gentleman from North Carolina (Mr. ETHERIDGE). Both these acts will drive millions of dollars to New York State and to my congressional district.

The Public School Modernization Act will provide $22 billion over 2 years in zero interest school modernization bonds. These bills would give 50 percent of the bonds to the 100 school districts with the largest number of low-income students and would give the remaining 50 percent directly to the States.

The Rangel bill would extend Davis-Bacon provisions, which would require payment of prevailing wage rates on all Federal construction projects, to projects funded through school modernization bond tax credits. I would say this bill would bring over $2.8 billion in funds to the State of New York and to the City of New York.

The School Construction bill of the gentleman from North Carolina (Mr. ETHERIDGE) will provide $7.2 billion nationally in school construction bonds to States suffering from rapid school-age population growth and provide the funds needed by States and cities experiencing high rates of growth in suburban and urban school districts. This will bring $540 million in school construction assistance to the State of New York.

I have been talking about New York State, but obviously the numbers we are talking about here extend across this great land in other areas that are experiencing high growth, and other school districts of high levels of impoverished children would also receive a great share of the assistance provided through school modernization bonds.

Both of these bills will help reduce the heavy burden on our local property taxpayers by offering school districts tax-free bonds.

Let me just give my colleagues a couple of national facts. One-third of the Nation's schools were built before World War II and are still in operation. One-third were built before World War II. There is currently a $112 billion backlog in school construction and modernization needs, $112 billion. Sixty percent of our Nation's schools have at least one major building feature in need of extensive repair. Think about that, 60 percent of our schools in this Nation have at least one major building feature in need of extensive repair.

Fifty-eight percent of the Nation's schools have at least one unsatisfactory environmental condition such as poor ventilation or poor heating. In fact, in some schools in Queens County and in my district and in the City of New York, they are still burning coal, still burning coal. We are going into the 21st Century still burning coal. Amazing.

In my home district and in many of our schools, we are heading into the 21st Century, and we are facing an enormous lack of seats. If we do nothing, if we do not help our local government, Queens County will be facing between 20,000 and 60,000 seats that they will be shy by the year 2007, between 20,000 and 60,000 seats shy.

The City of New York and the State of New York are doing all they can to provide funds for school construction and modernization, making schools and classrooms ready for the 21st Century, providing computers, providing access to the Internet, providing cable-ready classrooms. They simply cannot keep up with the pace.

Ellis Island no longer exists in terms of welcoming new immigrants to this great country. What has taken its place is Queens County. My borough has seen a tremendous growth in the past few years, and that is going to continue to take plates in the coming century. In fact, while most of the rest of the city and the other boroughs will be seeing a decline in student growth population, Queens County will be seeing a massive, massive growth. Much of that is due to the baby boom era. Due to the baby boom echo, school enrollment has now reached an all-time record high of 52.7 million in this Nation.

To meet rising school enrollments, 6,000 new schools will be needed to be built over the next 10 years in order to meet that challenge. I ask my colleagues, if this is not crisis, what is? If this issue does not ring with them, what will?

I urge Speaker HASTERT to bring school construction legislation such as the bills of the gentleman from New York (Mr. RANGEL) or the gentleman from North Carolina (Mr. ETHERIDGE) to the floor for debate as soon as possible.

As we ready ourselves for the 21st Century, we have to ask ourselves, have we done all we can do to prepare our students for the next millennium. In fact, not the next millennium, the next century? In fact, have we done all we can do, not for the next century, but for the next decade? Are we really doing all we can do to help prepare our students just for the next decade?

Our schools can no longer wait for that answer. Mr. Speaker, we must act today.

ENCOURAGING FAIR AND OPEN DEBATE ON PATIENT PROTECTION LITIGATION

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes as the designee of the majority leader.

Mr. GANSKE. Mr. Speaker, another week has gone by, and this House of Representatives has done nothing again to address the abuses in the HMO industry. I have been coming to the well of this House for 4 years to encourage the leadership of Congress to allow a fair and open debate on patient protection legislation.

Every time, I point out the HMO abuses, like the HMO abuse that cost this woman her life, or the HMO decision that cost this little boy both his hands and both his feet, like the HMO decisions that a child born with a birth defect like this, complete cleft lip and palate is a cosmetic defect, and they will not cover the cost of repair.

Every week I talk about patients like this, this woman who fell off a 40-foot cliff, and her HMO refused to pay for her hospitalization even though she had a broken skull, broken arm, broken pelvis, because she had not phoned ahead for prior authorization.

Mr. Speaker, these are not just isolated anecdotes. The victims of managed care are our friends, our neighbors, our fellow workers, our own family members. That is why audiences cheered when Helen Hunt described with blistering language her HMO's abominable treatment of her asthmatic son in the movie ''As Good As It Gets.''

□ 1930

Mr. Speaker, that is also why the polls show that 85 percent of the public think that Congress should do something to stop HMO abuses like the ones that I have just shared.

So, Mr. Speaker, what is happening on Capitol Hill? Well, for weeks the Committee on Commerce has had a draft of patient protection legislation that the gentleman from Oklahoma (Mr. COBURN), the gentleman from Georgia (Mr. NORWOOD) and I provided the chairman, and we still have no firm commitment on a date for subcommittee action, much less full committee action. There are rumors on Capitol Hill that because the majority of the committee probably would vote for a strong bill, the rumors are that our committee may not even get a chance to vote on the issue, just like a repeat of last year.

This week the Subcommittee on Employer-Employee Relations will begin voting on what can only charitably be called a series of protections for the HMOs, not for patients.

I urge my colleagues to look at the fine print of those many bills. Most of those ''limited'' bills that are going to be taken up in the Subcommittee on Employer-Employee Relations are taken from language of last year's bill which passed the House that was crafted in the middle of the night by the industry and that I would charitably describe as the HMO Protection Act of 1998.

So why is the Subcommittee of the Committee on Education and the Workforce not using a comprehensive bill as a markup vehicle? Why are they not using the bill offered by the gentleman from Georgia (Mr. NORWOOD)? After all, he is a Republican member of that committee. Why are they not using my bill, the Managed Care Reform Act of 1999, which has the endorsement of many consumer groups like the American Cancer Society and professional groups like the American Academy of Family Physicians and the American College of Surgeons?

Well, the answer is clear. Last year the House rules were used to limit debate on this important issue, and the HMO industry is pulling strings again. I only hope that enough of my fellow Republicans on the House Committee on Education and the Workforce will say enough is enough. Let us do this right. And if they do not, let us hope that their constituents will flood their offices with pleas that they sign the committee petition that would make a real, comprehensive reform bill the vehicle for the markup.

Most of us are in Congress to try to make a difference. We feel that public service is important. As a Republican, I do not want bigger government, but I do want better government. And there are many big problems confronting us like securing the future of Medicare and Social Security and providing for our Nation's defense, but there are many problems that are less nationally portentous, but equally grave for individuals that many of us as Republicans want to help solve.

I am proud that I have contributed to helping pass legislation in the past few years to help make food safer, to help make water cleaner, to provide more life-saving drugs. And I am proud to come from a Midwest Republican tradition of common-sense government. It was Midwest Republicans like Bob LaFollette who called for minimum safety and health standards that work. It was Republican populists who called for the prohibition of child labor and for 1 day's rest in 7 for all wage-earners.

Republicans took up the causes of the muckrakers and helped pass the first food safety laws. It was the Bull Moosers who called for a system of social insurance for those who were injured on the job. It was Midwest Republicans who encouraged rural education and agricultural extension.

An Iowan, Carrie Chapman Catt, a Mason City, Iowa, high school principal, organized the National Women's Suffrage Association in 1905. Now, I do not know if Carrie Chapman Catt was a Republican or Democrat, but I do know that Midwest Republicans called for suffrage of women in 1913.

Mr. Speaker, it was Republican Teddy Roosevelt that broke up the trusts and stood up for the little guy, stood up for farmers who had battled the railroad trusts and the railroad robber barons.

I call on my Republican colleagues to remember our compassionate conservative heritage. I call on my Republican colleagues to tell our leadership and committee chairmen that we are not in the pockets of the HMOs. Teddy Roosevelt knew that the little guy could not stand up alone to the railroad barons without help from the government. The little guy today cannot stand up to an HMO with the way the deck is stacked against him.

So what does the HMO industry now want? They want the Federal Government to spend $60 billion a year for tax subsidies for their industry; but, of course, with no strings attached, nobody telling them how to run their business, nobody telling them to stop abusing patients. They do not want any State insurance oversight, and they do not want any Federal requirements either. ''Just give us the money.''

These are the same people, Mr. Speaker, who are spending millions of dollars lobbying here in Washington against the Patients' Bill of Rights. Last year, Mr. Speaker, the industry spent more than $100,000 per Congressman lobbying against patient protection legislation.

It is time for my Republican colleagues to remember our Teddy Roosevelt and our Bob LaFollette tradition and back a bill that would give the little guy some say over his medical care.

In 1993, the HMO industry told us we would lose our choice in health care and we would not get the coverage we needed if the Clinton health plan passed and became law, and it was true. Unfortunately, those same insurance companies went ahead and did the same thing they opposed in the Clinton health plan in order to increase their profits.

However, just as many of us were against a government bureaucrat running roughshod over patients, we should be equally outraged over an insurance bureaucrat doing exactly the same. $60 billion a year of taxpayer money without real patient protection reform like my Managed Care Reform Act of 1999 would be to reward the HMOs for their patient abuses.

Do not get me wrong. I strongly support increasing tax deductibility for health care, I just think that the health care companies should not get something for nothing. It would make Teddy Roosevelt and Bob LaFollette roll over in their graves.

Mr. Speaker, I say to my colleagues on both sides of the aisle: Join me, fight the big money HMO special interests. Let us show our constituents that we cannot be bought or intimidated by special interests any more than Teddy Roosevelt could be. Let us pass strong patient protection legislation for all Americans this summer.

RECESS

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 43 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2103

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. MYRICK) at 9 o'clock and 3 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1000, AVIATION INVESTMENT AND REFORM ACT FOR 21ST CENTURY (AIR21)

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 106–185) on the resolution (H. Res. 206) providing for consideration of the bill (H.R. 1000) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes, which was referred to the House Calendar and ordered to be printed.

COST OF PHARMACEUTICAL DRUGS AT RECORD HIGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. KENNEDY) is recognized for 5 minutes.

Mr. KENNEDY of Rhode Island. Madam Speaker, the cost of prescription drugs is certainly at a record high.

Prescription drugs represent the highest out-of-pocket medical care cost for 75 percent of the elderly. Only long-term care costs more than these prescription drugs. And approximately 37 percent of seniors do not have the drug coverage necessary for them to be able to buy these drugs and afford them.

But here in the Congress, a bill has been introduced that will further, I repeat, further increase the cost. That is right, not lower cost, not reduce the burden on our senior citizens, but a bill that will actually increase the cost to consumers and to market monopolies.

H.R. 1598, the Patent Fairness Act, is anything but fair. What the bill would do is simple. It allows a back door for multi-billion-dollar patent extensions to go to seven pharmaceutical companies, possibly more. It continues monopolies for these drugs for more than 3 years and, therefore, deprives senior citizens as well as other consumers the choice of selecting a more affordable generic version.

The estimated windfall for pharmaceutical companies for the extension will be at minimum $6 billion.

The bill ignores a compromise reached in 1984 that gave those drugs under review by the FDA a 2-year extension and gave a future eligibility for extensions to drugs that have been filed at the FDA.

In order to be fair, however, they still received an additional 2 years of patent protection in order to foster their growth. These extensions have added up and have had the effect of giving these companies a monopoly on the marketplace. As a matter of fact, one of these drugs, Claritin, had a 1998 U.S. sales total of $1.8 billion.

There is no need to continue the monopoly and, therefore, to continue the market exclusivity of these drugs and the high cost.

In the meantime, however, several companies that are gearing up to provide more affordable generic versions of these drugs are being stifled because of these patent extensions. These patent extensions subvert the drug patent system and turn it into an anti-competitive shield to protect profits.

And while the companies suffer, so do the average American citizens who are trying to afford these prescription drugs. The monopolies allow increased prices for their drugs and, therefore, the consumers pay more.

Prescription drug costs have risen 85 percent in the last 5 years. Every day we hear more and more about the fact that many seniors and their families are forced to choose between dinner on the table and medicine in their bodies.

As my colleagues can see from this graph here to my right, the average prescription drug price to consumers in the past 5 years has risen nearly $18 per prescription. Given the fact that generic drugs are usually priced between 30 and 60 percent less than the brand name drugs, we are seeing this monopoly raise prices and profits for these companies.

Conservative groups like Citizens for a Sound Economy and Citizens Against Government Waste have criticized this proposal in the past. The Consumer Federation of America said that ''this is yet another attempt to slip a special-interest provision into an appropriations bill which will prove very costly to consumers.''

Public Citizen called it the ''greedy special-interest grab at the expense of consumers and the health care industry.''

This year we will let this issue be brought up and we will make sure that the affordability of prescription drugs will be paramount amongst our side, on the Democratic side, to make sure that we will not extend this drug monopoly and block generic drug competition.

H.R. 1598 continues this high prescription drug prices, which we intend to fight every step of the way and make sure that we have more affordable generic medicines to provide our senior citizens with a choice.

Prescription drug costs have skyrocketed. Senior citizens' cost for out-of-pocket expenses for these prescription drugs are occupying an ever increasing percentage of their out-of-pocket expenses. And if my colleagues think about it, we will actually save money by covering prescription drugs and reducing these drug prices by going for generic brands, as well.

Because if senior citizens can afford these drugs, guess what, they do not end up in the hospital sick because they are not able to take the medications that their doctors tell them they must take if they are to remain well.

This is a classic case of an ounce of prevention is worth a pound of cure. I would ask my colleagues to keep in mind that this is an important issue that we need to keep alive so that we focus our attention on this issue and preserve generic drugs for the consumers in this country.

Mr. PALLONE. Madam Speaker, will the gentleman yield?

Mr. KENNEDY of Rhode Island. I yield to the gentleman from New Jersey.

Mr. PALLONE. Madam Speaker, I just want to thank my colleague the gentleman from Rhode Island (Mr. KENNEDY) for organizing this special order.

I want to add my voice to his tonight because we share the view that H.R. 1598 is a misguided and bad piece of legislation.

One of the most pressing issues on Congress' agenda this year, if not the most pressing issue, has been looking for a way to make prescription drugs more for all Americans, and seniors in particular. It is unfortunate, however, that there is a movement in this body to do just the opposite. And let there be no mistake about it, the ''Patent Fairness Act of 1999'' is an attempt by some in the pharmaceutical industry to protect market share, and force consumers to continue to pay the highest possible price for prescription drugs.

The brand name industry is well aware that generic competition has a dramatic impact on pharmaceutical costs. When a generic comes to market, it typically costs 30 percent less than the brand name version. After two years on the market, the prices drop further to 60 or 70 percent of the brand name drug. The price of some generic drugs drop by as much as 90 percent.

While these competitively priced alternatives are good for consumers, employers, government purchasers, and particularly the elderly, they are not good for the brand name producer trying to maintain monopolistic pricing. If there is no generic alternative available, consumers who need medicine have no choice but to buy the available brand drug and pay whatever it costs. It is for precisely this reason that a few brand name drug companies have been working so hard to get the so called ''Patent Fairness Act of 1999'' signed into law. A patent extension is the only way to protect the windfall profits these blockbuster drugs have been generating.

In addition to keeping low cost, generic alternatives out of the reach of consumers, the ''Patent Fairness Act'' of 1999 is bad public policy for two other reasons. The first is that it turns the whole intent of the drug patent system on its head.

The purpose of the patent system is to promote the research and development of new drugs. By granting patent extension above and beyond what is called for in current law, the Patent Fairness Act would create an anti-competitive environment, which is precisely opposite the intention of the 1984 Hatch-Waxman bill. That bill, which is in part named after my colleague from California, HENRY WAXMAN, was designed to lower drug prices through competition, not to protect monopolies. It has been enormously successful in achieving that objective and Congress should not carve out a special exemption for a few companies seeking to squeeze a few more billion dollars out of American consumers.

Secondly, it would also affect the federal government's ability to control health care costs. There are a number of legislative proposals that have been introduced to add a prescription drug benefit to Medicare, which is essential to modernizing the program. Indeed, the President is expected to unveil his plan to achieve this goal before the month is out. Carving out special exemptions for companies seeking to extend patents on blockbuster drugs for no good reason will complicate efforts to include a prescription drug benefit by driving up costs for the federal government. If the ''Patent Fairness Act'' becomes law, every major drug producer in America will be knocking on Congress' door for a patent extension, and the fight Democrats are already waging to include a meaningful prescription drug benefit in Medicare will get that much harder.

Congress' energy would be much spent trying to make prescription drugs more affordable, not more expensive. I urge all of my colleagues in the House to recognize the Patent Fairness Act of 1999 for what is and oppose this misguided and ill-conceived effort to charge the American people billions of dollars

to line the pockets of a few pharmaceutical companies.

Mr. KENNEDY of Rhode Island. Madam Speaker, reclaiming my time, that these drugs are so costly; and we need to do everything in our power in this Congress to make sure seniors and other consumers are not overburdened by the cost of prescription drugs.

Mr. PALLONE. Madam Speaker, if the gentleman would continue to yield, I appreciate that; and I agree.

Mr. WAXMAN. Mr. Speaker, I rise to join my colleagues in speaking against the ill advised, anti-consumer legislation, H.R. 1598, ''The Patent Fairness Act of 1999.''

My first observation is that, having reviewed this bill, I would suggest it deserves a more appropriate title, like ''The Claritin Monopoly Extension Act'' or ''The Patently Unfair to Consumers Act of 1999.''

This proposal is a multibillion dollar assault on consumers. By keeping out competition, the drug companies which benefit from H.R. 1598 can rake in money out of the pockets of Americans who already find it hard to pay for their medicines.

The best estimates of this bill's cost to consumers range in the billions of dollars. We have no idea as yet of its potential costs to the Federal government, but it will undoubtedly line the pockets of a handful of companies with money taken directly from the pockets of American taxpayers, including the indigent and the elderly.

H.R. 1598 is nothing more than a recycled versions of the patent extension which the pharmaceutical manufacturer, Schering-Plough, has attempted on repeated occasions to sneak into law. For many years, Schering has sought to extend its patent protections for Claritin, a prescription antihistamine with over $900 million in annual U.S. sales.

Let me share with my colleagues the sordid history of this bill. Last year, Schering tried to sneak this patent extension into the omnibus appropriations bill. You may recall this is the legislation renowned for having been enacted into law with scarcely any Member claiming to have read it in its entirely. Only through vigorous opposition and publicity was this effort defeated.

The year before, Schering lobbied the Senate for an amendment to omnibus patent reform legislation granting outright five-year patent term extensions for a number of drugs, including Claritin. And in 1996, Schering tried unsuccessfully to attach Charitin patent extensions to the omnibus appropriations bill, the continuing resolution and the agriculture appropriations bill. In the first half of that year alone, Schering spent over $1 million in lobbying the Congress.

This year, H.R. 1598 has been introduced. I have reviewed this legislation and can state unequivocally that, owing to many serious problems this legislation should not be enacted into law.

First, I am deeply concerned by the misreading of legislative history which has characterize the introduction of H.R. 1598. As the coauthor of the 1984 Waxman-Hatch Act, I want to set the record straight about the legislative history of the Act.

It has been alleged that Schering and the five other companies which would benefit from this special-interest, pork barrel legislation—Smith Kline Beecham, Bristol Myers Squibb, Bayer, Rhone Poulenc Rhorer and Hoechst Marion Roussell—somehow were arbitrarily or unexpectedly penalized by the Waxman-Hatch Act. Because these companies were the sponsors of drugs in the ''pipeline'' seeking approval at the time of the Act's enactment in 1984, those products are only eligible for a 2-year patent extension, and not the 5-year patent extension available to products approved after 1984.

The proponents of H.R. 1598 have called this provision in the Act ''arbitrary'' and unfair. It is no such thing. It is eminently fair and motivated by sound public policy. The pipeline drugs were not made eligible for 5 years of patent extension precisely because the point of the patent extensions was to encourage the research and development of future products. All products which had not yet undergone teasing or review by the Food and Drug Administration (FDA) were judged to be appropriately eligible for the full 5 years of patent extension.

I seriously doubt that Schering has told anyone that it already received a 2-year patent extension under this law. The company just wants another pass at the trough. But to make clear why the Act's intent in this regard is precise and fair, I want to quote the legislative history from the 1984 House committee report on this point:

By extending patents for up to five years for products developed in the future . . . the Committee expects that research intensive companies will have the necessary inventive to increase their research and development activities.

This is the clear policy which motivated this provision—to encourage additional research, not to simply increase profits on existing products. Only now, faced with their imminent patent expirations, are a handful of companies lobbying vigorously to defeat this policy. They have no interest in research or feature products. Their sole concern is preserving their existing monopoly at the expense of consumers.

Let me make a final point about H.R. 1598. If this patent extension bill is snuck into law, it will create a huge loophole which will allow other drug companies to come and use it for other patent extensions at the Patent Office, a bad policy and worse precedent.

As consumer groups have made clear, H.R. 1598 is a back-door for drug companies to lucrative patent extensions. The bill creates a stacked deck in favor of drug companies. It forces the burden of proof into opponents of pork-barrel patent extensions. It creates a rebuttable presumption in favor of the drug companies. It restricts the FDA from providing input about the scientific judgments it had to make about safety and effectiveness. And it puts the Patent Office in the categorically inappropriate role of second-guessing the FDA about those scientific issues. As I've said before, this is like putting the IRS in charge of reviewing how NIH grants biomedical research funding.

This bill creates a terrible precedent of second guessing our public health agencies, which protect the public by ensuring drug safety and efficacy. What Schering calls ''regulatory delay'' may well be the result of its own delays through miscalculations, complications in its research and safety problems with its product. Schering conveniently never mentions that Claritin's ''regulatory delay'' resulted in no small part from the need to be sure that Claritin was not linked to cancer, as scientific data suggested during its review by FDA.

One of the points of the Waxman-Hatch Act was to stop companies like Schering from lobbying Congress for patent extensions. It has been generally successful, with the exception of rogue companies like Schering. If Schering believes it was unduly delayed, we have only to await the General Accounting Office's review of the circumstances surrounding the approval of Claritin. The introduction of H.R. 1598 leads me to believe that Schering is simply afraid of what the GAO will find.

Mr. Speaker, H.R. 1598 is a terrible deal for consumers. It creates a blatantly unfair administrative process which undercuts the public health. It does violence to the 1984 Waxman-Hatch Act. And it fulfills the public's worst expectations of Congress as a body motivated by the interests of lucrative industries, like the prescription drug industry, and not of average Americans struggling to afford their medicines.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GREEN of Texas (at the request of Mr. GEPHARDT) for today on account of weather delay.

Mr. KIND (at the request of Mr. GEPHARDT) for today on account of airport weather delay.

Mr. STUPAK (at the request of Mr. GEPHARDT) for today on the account of weather delay.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. PALLONE) to revise and extend his remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Mr. FLETCHER, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, on June 16.

Mrs. JOHNSON of Connecticut, for 5 minutes, today.

Ms. ROS-LEHTINEN, for 5 minutes each day, on today and June 15.

Mr. BILIRAKIS, for 5 minutes, on June 17.

Mr. MICA, for 5 minutes, today.

Mr. MORAN of Kansas, for 5 minutes, on June 15.

Mr. JONES of North Carolina, for 5 minutes, on June 15.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. PAUL, for 5 minutes, today.

Mr. THUNE, for 5 minutes, today.

ADJOURNMENT

Mr. KENNEDY of Rhode Island. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 11 minutes

p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, June 15, 1999, at 9 a.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2576. A letter from the Under Secretary, Department of the Navy, transmitting notification of the Department's decision to study certain functions performed by military and civilian personnel in the Department of the Navy for possible performance by private contractors, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2577. A letter from the Secretary of Defense, transmitting the approval of the retirement of Admiral Joseph W. Prueher, United States Navy, and his advancement to the grade of admiral on the retired list; to the Committee on Armed Services.

2578. A letter from the Secretary of Defense, transmitting approval of the retirement of Lieutenant General Martin R. Steele, United States Marine Corps, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

2579. A letter from the Secretary of Defense, transmitting approval of the retirement of General Charles C. Krulak, United States Marine Corps, and his advancement to the grade of general on the retired list; to the Committee on Armed Services.

2580. A letter from the Assistant General Counsel for Regulations, Special Education and Rehabilitative Services, Department of Education, transmitting notice of Final Funding Priorities for Fiscal Years 1999–2000 for Certain Centers and Projects, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

2581. A letter from the Assistant Secretary, Department of Education, transmitting notice of Final Funding Priorities for Fiscal Years 1999–2000 for Certain Centers and Projects, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

2582. A letter from the Acting Assistant General Counsel for Regulatory Law, Office of Safeguards and Security, Department of Energy, transmitting the Manual for Nuclear Materials Management and Safeguards System Reporting and Data Submission, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2583. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Indirect Food Additives: Adhesives and Components of Coatings [Docket No. 98F–0823] received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2584. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers; Technical Amendment [Docket No. 97F–0421] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2585. A letter from the CFO and Plan Administrator, PCA Retirement Committee, First South Production Credit Association, transmitting the annual report of the Production Credit Association Retirement Plan for the year ending December 31, 1998, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform.

2586. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Office of Law Enforcement, Department of the Interior, transmitting the Department's final rule—Migratory Bird Hunting: Regulations Regarding Baiting and Baited Areas (RIN: 1018–AD74) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2587. A letter from the Fisheries Biologist, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Shrimp Trawling Requirements [Docket No. 950427117–8275–04; I.D. No. 100598B] (RIN: 0648–AH97) received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2588. A letter from the Fisheries Biologist, Office of Protected Resources, National Oceanic Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Shrimp Trawling Requirements [I.D. 102098A] (RIN: 0648–AH97) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2589. A letter from the President, American Academy of Arts and Letters, transmitting the annual report of the activities of the American Academy of Arts and Letters during the year ending December 31, 1997, pursuant to section 4 of its charter (39 Stat. 51); to the Committee on the Judiciary.

2590. A letter from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney JT8D–200 Series Turbofan Engines [Docket No. 98–ANE–43–AD; Amendment 39–11188; AD–99–12–04] (RIN: 2120–AA64) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2591. A letter from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney JT8D–1, –1A, –1B, –7, –7A, –7B, –9, –9A, –11, –15, –15A, –17, –17A, –17R, and –17AR Series Turbofan Engines [Docket No. 98–ANE–48–AD; Amendment 39–11187; AD 99–12–03] (RIN: 2120–AA64) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2592. A letter from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Santa Rosa, CA [Airspace Docket No. 99–AWP–3] received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2593. A letter from the Chief, Regs and Admin Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Marblehead, MA to Halifax, Nova Scotia Ocean Race [CGD01–99–062] (RIN: 2115–AA97) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2594. A letter from the Chief, Regs and Admin Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Regulations; Grand Canal, Florida [CGD07–98–048] (RIN: 2115–AE47) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2595. A letter from the Chief, Regs and Admin Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Hospitalized Veterans Cruise, Boston Harbor, Boston, MA [CGD01–99–055] (RIN: 2115–AA97) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2596. A letter from the Chief, Regs and Admin Law, USGC, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Independence Day Celebration, Cumberland River mile 190.0–191.0, Nashville, TN [CGD08–99–036] (RIN: 2115–AE46) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2597. A letter from the Governor, State of North Dakota, transmitting a request for assistance in bringing some relief to the people of the Devils Lake basin; to the Committee on Transportation and Infrastructure.

2598. A letter from the Deputy Director, National Institute of Standards and Technology, Department of Commerce, transmitting the Department's final rule—Community Alliance for Math, Science, and Technology Literacy (CASTL) [Docket No. 990517136–9136–01] (RIN: 0693–ZA30) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

2599. A letter from the Director, Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting the Department's final rule—Service Connection of Dental Conditions for Treatment Purposes (RIN: 2900–AH41) received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2600. A letter from the Director, Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting Department's final rule—Surviving spouse's benefit for month of veteran's death (RIN: 2900–AJ64) received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2601. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Section 6621.—-Determination of Interest Rate [Rev. Rul. 99–27] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2602. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Secured Employee Benefits Settlement Initiative [Revenue Ruling 99–26] received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under Clause 2 of the rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Omitted from the Record of June 10, 1999]

Mr. ARCHER: Committee on Ways and Means. H.R. 1802. A bill to amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, and for other purposes; with an amendment (Rept. 106–182 Pt. 1). Ordered to be printed.

[Submitted June 14, 1999]

Mr. GILMAN: Committee on International Relations. H.R. 17. A bill to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo on agricultural commodities, to provide a termination date for the embargo, to provide greater assurance for contract sanctity, and for other purpose (Rept. 106–154 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEACH: Committee on Banking and Financial Services. H.R. 629. A bill to amend the Community Development Banking and Financial Institutions Act of 1994 to reauthorized the Community Development Financial Institutions Fund and to more efficiently and effectively promote economic revitalization, community development, and community development financial institutions, and for other purposes (Rept. 106–183). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEACH: Committee on Banking and Financial Services. H.R. 413. A bill to authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes; referred to the Committee on Small Business for a period ending not later than July 2, 1999, for consideration of such provisions of the bill as fall within the jurisdiction of that committee pursuant to clause 1(o), rule X. (Rept 106–184, Pt. 1).

Mr. REYNOLDS: Committee on Rules. House Resolution 206. Resolution providing for consideration of the bill (H.R. 1000) to amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes (Rept. 106–185). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

[The following occurred on June 11, 1999]

Pursuant to clause 5 of rule X, the Committees on the Budget and Rules discharged. H.R. 1000 referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

[Omitted from the Record of June 10, 1999]

H.R. 1802. Referral to the Committee on Commerce extended for a period ending not later than June 25, 1999.

[The following occurred on June 11, 1999]

H.R. 10. Referral to the Committee on Commerce extended for a period ending not later than June 15, 1999.

H.R. 17. Referral to the Committee on International Relations extended for a period ending not later than June 14, 1999.

H.R. 434. Referral to the Committees on Ways and Means and Banking and Financial Services extended for a period ending not later than June 15, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ANDREWS (for himself and Mr. BOEHNER):

H.R. 2183. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to provide for the preemption of State law in certain cases relating to certain church plans; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 2184. A bill to amend the Immigration and Nationality Act to provide for the removal of aliens who aid or abet a terrorist organization or an individual who has conducted, is conducting, or is planning to conduct a terrorist activity; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 2185. A bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance through a pooling arrangement; to the Committee on Ways and Means, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BECERRA:

H.R. 2186. A bill to suspend temporarily the duty on Rhinovirus drugs; to the Committee on Ways and Means.

By Mr. BRADY of Texas:

H.R. 2187. A bill to prohibit reconstruction assistance (other than humanitarian assistance) for the Federal Republic of Yugoslavia (other than Kosovo) until Slobodan Milosevic and the four other officials of the Government of the Federal Republic of Yugoslavia named in the indictment of the International Criminal Tribunal for the former Yugoslavia have been arrested and placed in custody of the Tribunal; to the Committee on International Relations.

By Ms. HOOLEY of Oregon (for herself, Mr. GREENWOOD, Mr. LEVIN, Mrs. JOHNSON of Connecticut, and Mrs. MALONEY of New York):

H.R. 2188. A bill to amend the Public Health Service Act to provide for a public response to the public health crisis of pain, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HUNTER:

H.R. 2189. A bill to compensate certain former American hostages held in Lebanon and certain members of their families; to the Committee on International Relations.

By Mrs. JOHNSON of Connecticut (for herself and Mr. POMEROY):

H.R. 2190. A bill to amend the Internal Revenue Code of 1986 to provide small business employees with a simple, secure, and fully portable defined benefit plan; to the Committee on Ways and Means.

By Mr. MCGOVERN:

H.R. 2191. A bill to require that jewelry imported from another country be indelibly marked with the country of origin; to the Committee on Ways and Means.

H.R. 2192. A bill to require that jewelry boxes imported from another country be indelibly marked with the country of origin; to the Committee on Ways and Means.

By Mr. MCINTYRE (for himself, Mr. SPRATT, and Ms. KAPTUR):

H.R. 2193. A bill to amend the Harmonized Tariff Schedule of the United States to clarify that certain footwear assembled in beneficiary countries is excluded from duty-free treatment, and for other purposes; to the Committee on Ways and Means.

By Mrs. MYRICK:

H.R. 2194. A bill to suspend temporarily the duty on Butralin; to the Committee on Ways and Means.

By Mr. NORWOOD (for himself and Mr. GRAHAM):

H.R. 2195. A bill to provide for the establishment of a national cemetery on a portion of Fort Gordon, Georgia; to the Committee on Armed Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHAYS:

H.R. 2196. A bill to suspend temporarily the duty on slide fasteners, with chain scoops of base metal die-cast onto strips of textal material; to the Committee on Ways and Means.

H.R. 2197. A bill to suspend temporarily the duty on slide fasteners fitted with polished edge chain scoops of base metal; to the Committee on Ways and Means.

H.R. 2198. A bill to suspend temporarily the duty on branched dodecylbenzene; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 2199. A bill to amend title XVIII of the Social Security Act to promote the efficient use of capital by hospitals under the Medicare Program; to the Committee on Ways and Means.

By Mr. SWEENEY:

H.R. 2200. A bill to establish a national policy of basic consumer fair treatment for airline passengers; to the Committee on Transportation and Infrastructure.

By Mr. TRAFICANT:

H.R. 2201. A bill to amend the independent cousel provisions of title 28, United States Code, to authorize the appointment of an independent counsel when the Attorney General determines that Department of Justice employees have engaged in certain conduct; to the Committee on the Judiciary.

By Mr. BROWN of Ohio:

H. Con. Res. 132. A concurrent resolution expressing the sense of the Congress in opposition to the use of proceeds from gold sales by the International Monetary Fund for structural adjustment programs in developing countries; to the Committee on Banking and Financial Services.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mrs. WILSON.

H.R. 17: Mr. SCHAFFER.

H.R. 21: Mr. SCARBOROUGH and Mr. MOLLOHAN.

H.R. 346: Mr. STEARNS.

H.R. 347: Mr. PETERSON of Minnesota and Mr. WICKER.

H.R. 354: Mr. BEREUTER and Mr. HUTCHINSON.

H.R. 371: Mr. LEVIN and Mr. OBERSTAR.

H.R. 372: Mr. EVANS.

H.R. 405: Mr. MANZULLO, Mr. LUCAS of Oklahoma, Mr. ROTHMAN, Ms. MCKINNEY, and Mr. DOOLEY of California.

H.R. 486: Mr. COOKSEY, Mr. MOORE, Mr. ETHERIDGE, Ms. KAPTUR, Mr. GRAHAM and Mr. DOOLEY of California.

H.R. 488: Mr. FILNER.

H.R. 629: Mr. GUTIERREZ.

H.R. 632: Ms. PRYCE of Ohio, Mr. PASCRELL, and Ms. HOOLEY of Oregon.

H.R. 637: Mr. WEINER, Mr. HYDE, Mr. LIPINSKI, and Mrs. BONO.

H.R. 670: Mr. ROTHMAN, Mrs. JONES of Ohio, Mrs. EMERSON, Mr. WATKINS, Mr. VENTO, Mr. SCARBOROUGH, Mr. QUINN, Mr. SMITH of Washington, Mr. DOOLEY of California, Mr. THOMPSON of California, and Mr. HOLT.

H.R. 710: Mr. OSE, Ms. ESHOO, Ms. BERKLEY, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. FLETCHER.

H.R. 735: Mr. SCHAFFER and Mr. PETERSON of Pennsylvania.

H.R. 742: Mr. ABERCROMBIE, Mr. TIERNEY, and Mr. CLEMENT.

H.R. 771: Mr. BLAGOJEVICH and Mr. ROTHMAN.

H.R. 776: Mr. BRADY of Pennsylvania and Mr. WEYGAND.

H.R. 860: Mr. PICKETT.

H.R. 864: Mr. GONZALEZ, Mr. PICKERING, Mr. GILCHREST, Ms. VELÁZQUEZ, Mr. REYES, Mr.

RAHALL, Mrs. MORELLA, Ms. WATERS, Mr. OWENS, Mr. BRYANT, Mr. HOLT, Mr. CANADY of Florida, Mr. REYNOLDS, Mr. BAKER, Mr. RODRIGUEZ, Mr. BARTLETT of Maryland, Mr. DEUTSCH, Mr. BONILLA, and Mr. LATHAM.

H.R. 894: Mr. SPENCE and Mr. MCCRERY.

H.R. 922: Mr. PICKERING, Mr. BOUCHER, and Mr. HOSTETTLER.

H.R. 1044: Mr. MCCRERY and Mr. LUCAS of Kentucky.

H.R. 1070: Mr. BARRETT of Nebraska.

H.R. 1071: Mr. CLEMENT.

H.R. 1080: Mr. KIND and Mr. MASCARA.

H.R. 1082: Ms. VELÁZQUEZ and Mr. FATTAH.

H.R. 1098: Mr. PETERSON of Pennsylvania.

H.R. 1102: Mr. WATKINS, Mr. SWEENEY, Mr. SHAW, and Mr. KUCINICH.

H.R. 1109: Mr. FROST, Mr. MCNULTY, and Ms. NORTON.

H.R. 1111: Mr. BACHUS.

H.R. 1168: Ms. BERKLEY, Mr. PETERSON of Pennsylvania, Mr. FRELINGHUYSEN, and Mr. CONDIT.

H.R. 1180: Mr. LANTOS, Mr. GEJDENSON, and Mr. BEREUTER.

H.R. 1221: Ms. PRYCE of Ohio and Mr. SMITH of New Jersey.

H.R. 1248: Mr. BRADY of Pennsylvania.

H.R. 1283: Mr. SMITH of Texas, Mr. SHUSTER, and Mr. DAVIS of Virginia.

H.R. 1303: Mr. WELLER and Mr. MATSUI.

H.R. 1344: Mr. COOKSEY, Mr. BRADY of Pennsylvania, Mr. COSTELLO, and Mrs. CLAYTON.

H.R. 1358: Mr. PICKETT.

H.R. 1381: Mr. NORWOOD.

H.R. 1389: Mr. GARY MILLER of California, Mr. ROEMER, Mr. COSTELLO, and Mr. HOEKSTRA.

H.R. 1514: Mr. HINCKEY and Ms. VELÁZQUEZ.

H.R. 1532: Mr. GANSKE, Mr. BONIOR, Mr. PORTER, Ms. RIVERS, and Mrs. KELLY.

H.R. 1631: Ms. MCKINNEY.

H.R. 1645: Mr. WAXMAN.

H.R. 1658: Mr. BRADY of Pennsylvania and Mrs. BONO.

H.R. 1690: Mr. VENTO and Mr. FILNER.

H.R. 1710: Mr. SESSIONS.

H.R. 1731: Ms. DUNN and Mr. POMBO.

H.R. 1765: Mr. REYES and Mr. THOMPSON of California.

H.R. 1768: Ms. CARSON.

H.R. 1776: Ms. DUNN, Mr. BAKER, Mr. MOORE, Mr. MINGE, Mr. CASTLE, Ms. BROWN of Florida, Mr. CAMPBELL, Mr. REYES, Mr. PETERSON of Pennsylvania, Mr. DIAZ-BALART, Mr. BARTLETT of Maryland, Mrs. NORTHUP, Mr. GREEN of Wisconsin, Mr. HORN, Mr. LUCAS of Oklahoma, Mr. FRELINGHUYSEN, Mrs. CLAYTON, Mr. CUNNINGHAM, Mr. TAYLOR of Mississippi, Mr. MCHUGH, Mr. FLETCHER, Mr. SHOWS, Mr. WICKER, Mr. BEREUTER, Mr. GARY MILLER of California, Mr. FROST, Mr. SHIMKUS, and Mr. BOUCHER.

H.R. 1777: Mr. BOEHLERT.

H.R. 1824: Mr. GOODE, Mr. KUCINICH, and Mr. PASTOR.

H.R. 1827: Mr. SHAYS, Mr. WALDEN of Oregon, Mr. GOODLING, Mr. LATOURETTE, and Mrs. KELLY.

H.R. 1848: Mr. MCDERMOTT, Mr. ENGEL, Ms. LOFGREN, Mr. NADLER, and Mr. KENNEDY of Rhode Island.

H.R. 1869: Mr. KUYKENDALL and Mr. FOLEY.

H.R. 1881: Mr. BERMAN, Mr. ORTIZ, Mr. PASTOR, Mr. BILBRAY, and Mr. GREEN of Texas.

H.R. 1884: Mr. WU.

H.R. 1885: Mr. HOEKSTRA.

H.R. 1895: Ms. BERKLEY, Mr. WEINER, Mr. INSLEE, and Mr. HOEFFEL.

H.R. 1899: Mr. BRADY of Pennsylvania, Mr. CAPUANO, Mr. BORSKI, Mr. VENTO, Mr. ABERCROMBIE, Mr. WAXMAN, Mr. NEAL of Massachusetts, Mr. SHERMAN, Mr. MCHUGH, Ms. DELAURO, Mr. KLINK, Mr. DOYLE, Mr. FARR of California, and Mr. FROST.

H.R. 1907: Mr. CANNON and Mrs.MORELLA.

H.R. 1967: Mr. BROWN of California, Mr. STUPAK, Mr. QUINN, and Mr. PALLONE.

H.R. 2025: Mr. BARRETT of Wisconsin and Ms. ROYBAL-ALLARD.

H.R. 2028: Mr. SCHAFFER and Mr. TIAHRT.

H.R. 2094: Ms. MILLENDER-MCDONALD, Mr. BLILEY, Mr. BARRETT of Wisconsin, Mr. HOEKSTRA, Mr. SANDLIN, Mr. BEREUTER, Mr. TURNER, Mr. FOLEY, Mr. MEEHAN, Mr. ISTOOK, Mr. BISHOP, Mr. CANADY of Florida, Ms. DELAURO, Mr. RAMSTAD, Mr. SHOWS, Mr. WICKER, Mr. MALONEY of Connecticut, Mrs. KELLY, Mr. BARCIA, Mr. ENGLISH, Mr. BRADY of Pennsylvania, Ms. MCCARTHY of Missouri, Mr. FROST, Mr. GOODLATTE, and Mr. LATOURETTE.

H.R. 2172: Mrs. KELLY, Mr. BENTSEN, Mrs. MORELLA, and Mr. GUTIERREZ.

H.J. Res. 41: Mr. PAYNE and Ms. RIVERS.

H. Con. Res. 60: Mr. HASTINGS of Florida, Mr. SANDERS, and Mrs. MCCARTHY of New York.

H. Con. Res. 116: Mr. KUCINICH, Mr. SAWYER, Mr. BARCIA, Mr. WU, and Mr. BERMAN.

H. Con. Res. 118: Mr. CROWLEY, Mr. MORAN of Virginia, Mr. GREEN of Texas, Mr. GOODLING, and Mr. HOSTETTLER.

H. Con. Res. 128: Mr. PRICE of North Carolina, Mr. DIAZ-BALART, Ms. SCHAKOWSKY, Mr. SCARBOROUGH, Mr. PORTER, Mrs. KELLY, Mrs. THURMAN, Mr. ENGEL, Mr. FORBES, Mr. PALLONE, Mr. CARDIN, Mr. FROST, Mrs. MORELLA, Mr. RODRIGUEZ, Mr. SHIMKUS, Mr. DAVIS of Florida, Mr. CRANE, and Ms. BERKLEY.

H. Con. Res. 130: Mr. THOMPSON of Mississippi, Mr. WYNN, Mr. ENGEL, Mr. FROST, Mr. TURNER, Mr. MCDERMOTT, Mr. DELAHUNT, and Mrs. MEEK of Florida.

H. Res. 41: Mr. LEVIN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1604: Mr. OWENS.

PETITIONS, ETC.

Under clause 3 of rule XII,

19. The SPEAKER presented a petition of County Legislature of Suffolk, New York, relative to Sense Resolution No. 9–1999 petitioning the United States Congress to establish Cold War Victory Day as a national holiday on November 9, 2000; which was referred to the Committee on Government Reform.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

OFFERED BY: MR. FORBES

AMENDMENT NO. 1: At the end of the bill, insert the following:

SEC. . INCREASE IN ENHANCED PENALTIES FOR POSSESSING, BRANDISHING, OR DISCHARGING A FIREARM IN A CRIME OF VIOLENT OR DRUG TRAFFICKING CRIME; NEW ENHANCED PENALTY IF BODILY INJURY RESULTS.

Section 924(c)(1) of title 18, United States Code, is amended—

(1) in subparagraph (A)—

(A) in clause (i), by striking ''5'' and inserting ''10'';

(B) in clause (ii)—

(i) by striking ''7'' and inserting ''20''; and

(ii) by striking ''and'';

(C) in clause (iii)—

(i) by striking ''10'' and inserting ''25''; and

(ii) by striking the period and inserting ''; and''; and

(D) by adding at the end the following:

''(iv) if bodily injury to another person results, be sentenced to a term of imprisonment of not less than 30 years or to imprisonment for life.'';

(2) in subparagraph (B)—

(A) in clause (i), by striking ''10'' and inserting ''15''; and

(B) in clause (ii), by striking ''30'' and inserting ''35'';

(3) in subparagraph (C)(i), by striking ''25'' and inserting ''50''; and

(4) in subparagraph (D)—

(A) by striking ''and'' at the end of clause (i);

(B) by striking the period at the end of clause (ii); and

(C) by adding at the end the following:

''(iii) a person sentenced under this subsection shall not be released for any reason whatsoever during a term of imprisonment imposed under this subsection.''.

H.R. 1501

OFFERED BY: MR. FORBES

AMENDMENT NO. 2: At the end of the bill, insert the following:

SEC. __. ENHANCED PENALTIES FOR POSSESSING, BRANDISHING, OR DISCHARGING A FIREARM, OR USING A FIREARM TO CAUSE BODILY INJURY IN A FELONY.

Section 924(c) of title 18, United States Code, is amended to read as follows:

''(c)(1)(A) Except to the extent that a greater minimum sentence is otherwise provided by this subsection or by any other provision of law, any person who, during and in relation to any felony (including a felony that provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device) for which the person may be prosecuted in a court of the United States, uses or carries a firearm, or who, in furtherance of any felony, possesses a firearm, shall, in addition to the punishment provided for the felony—

''(i) be sentenced to a term of imprisonment of not less than 10 years;

''(ii) if the firearm is brandished, be sentenced to a term of imprisonment of not less than 20 years;

''(iii) if the firearm is discharged, be sentenced to a term of imprisonment of not less than 25 years; and

''(iv) if bodily injury to another person results, be sentenced to a term of imprisonment of not less than 30 years or to imprisonment for life.

''(B) If the firearm possessed by a person convicted of a violation of this subsection—

''(i) is a short-barreled rifle, short-barreled shotgun, or semiautomatic assault weapon, the person shall be sentenced to a term of imprisonment of not less than 15 years; or

''(ii) is a machinegun or a destructive device, or is equipped with a firearm silencer or firearm muffler, the person shall be sentenced to a term of imprisonment of not less than 35 years.

''(C) In the case of a second or subsequent conviction under this subsection, the person shall—

''(i) be sentenced to a term of imprisonment of not less than 50 years; and

''(ii) if the firearm involved is a machinegun or a destructive device, or is equipped with a firearm silencer or firearm muffler, be sentenced to imprisonment for life.

'(D) Notwithstanding any other provision of law—

''(i) the court shall not impose a probationary sentence on any person convicted of a violation of this subsection, nor shall a term of imprisonment imposed under this subsection run concurrently with any other term of imprisonment imposed on the person, including any term of imprisonment imposed for the felony during or in relation to

which the firearm was used, carried, or possessed; and

''(ii) a person sentenced under this subsection shall not be released for any reason whatsoever during a term of imprisonment imposed under this subsection.

''(2) For purposes of this subsection:

''(A) The term 'felony' means any crime punishable under Federal or State law by imprisonment for more than 1 year.

''(B) The term 'brandish' means, with respect to a firearm, to display all or part of the firearm, or otherwise make the presence of the firearm known to another person, in order to intimidate that person, regardless of whether the firearm is directly visible to that person.''.

H.R. 1501

OFFERED BY: MR. PORTER

AMENDMENT NO. 3: At the end of the bill, insert the following:

SEC. __. ESTABLISHMENT OF MINIMUM 72-HOUR HANDGUN PURCHASE WAITING PERIOD.

Section 922(t) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''before the completion of the transfer, the licensee'' and inserting ''after the most recent proposal of the transfer by the transferee, the licensee, as expeditiously as is feasible,''; and

(ii) by inserting ''and the chief law enforcement officer of the place of residence of the transferee'' after ''Act'';

(B) in subparagraph (B)(ii)—

(i) by striking ''3'' and inserting ''5''; and

(ii) by striking ''and'' at the end;

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

(D) by adding at the end the following:

''(D) if the firearm is a handgun—

''(i) not less than 72 hours have elapsed since the licensee contacted the system;

''(ii) the transferee has presented to the transferor a written statement, issued by the chief law enforcement officer of the place of residence of the transferee during the 10-day period ending on the date of the most recent proposal of such transfer by the transferee, stating that the transferee requires access to a handgun because of a threat to the life of the transferee or of a member of the household of the transferee; or

''(iii) the law of the State in which the proposed transfer will occur requires, before any licensed importer, licensed manufacturer, or licensed dealer completes the transfer of a handgun to an individual who is not licensed under section 923, that an authorized State or local official verify that the information available to the official does not indicate that possession of a handgun by the transferee would be in violation of the law, and the authorized State or local official has provided such verification is accordance wit that law.''; and

(2) by adding at the end the following:

''(7) In this subsection, the term 'chief law enforcement officer' means the chief of police, the sheriff, or an equivalent officer of a law enforcement agency, or the designee of any such officer.

''(8) A chief law enforcement officer who is contacted under paragraph (1)(A) with respect to the proposed transfer of a firearm shall, not later than 20 business days after the date on which the contact occurs, destroy any statement or other record containing information derived from the contact, unless the chief law enforcement officer determines that the transfer would violate Federal, State, or local law.

''(9) The Secretary of the Treasury shall promulgate regulations regarding the manner in which information shall be transmitted by licensees to the national instant criminal background check system under paragraph (1)(A).''.

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Senate

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, help us to see the invisible movement of Your Spirit in people and in events. Beyond our everyday world of ongoing responsibilities and the march of secular history with its sinister and frightening possibilities, You call us to another world, a world of suprasensible reality which is the mainspring of the universe, the environment of everyday existence and our very life and strength at this moment. Help us to know that You are present, are working Your purposes out, and have plans for us. Give us eyes to see Your invisible presence working through people, arranging details, solving complexities, and bringing good out of whatever difficulties we commit to You.

We begin this week on Flag Day affirming our loyalty to You, dear God, and to our great Nation. Grant the Senators eyes to see You as the unseen but ever-present Sovereign. Then help them to claim Your promise: ''Call to me, and I will answer you and show you great and mighty things which you do not know'' (Jer. 33:3). Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

FLAG DAY

Mr. LOTT. Mr. President, I thank the Chaplain, as always, for his beautiful prayer and for recognizing this is Flag Day, June 14. It is a day in which we should all take a moment to be proud and thankful for the country that we live in because the flag is the symbol of our country, and it is appropriate that we honor it on this day, June 14.

(Mrs. HUTCHISON assumed the Chair.)

SCHEDULE

Mr. LOTT. Madam President, today the Senate will be in a period of morning business until 1 p.m. Following morning business, the Senate will begin consideration of the energy and water appropriations bill with amendments expected to be offered throughout the day. Votes were scheduled to occur at 5:30 p.m. However, we expect to reach an agreement, hopefully within the next few minutes, requiring Senators to file amendments to the energy and water appropriations bill by 5 o'clock today. Assuming that is agreed to, then there would be no votes today.

As a reminder, a series of votes will occur on Tuesday beginning at 2:15 p.m., and the first votes in the series will be on the completion of the Y2K legislation, to be followed by cloture votes on the Social Security lockbox issue and the oil, gas, and steel appropriations bill.

So we will have three votes at 2:15, and we may even have additional votes at that time because we could have amendments that will have to be voted on with regard to the energy and water appropriations bill and even, hopefully, final passage.

For the remainder of the week, we expect to complete the energy and water appropriations bill no later than the close of business Tuesday. Today, I will file cloture on the House-passed Social Security lockbox bill, with that cloture vote occurring on Wednesday. We also expect to continue with the appropriations bills process when they become available, hopefully disposing of all that would be available to us. That could include the military construction appropriations bill, legislative branch, transportation, and State-Justice-Commerce.

I realize we can't do all those this week, but we will work with the Democratic leadership to see if we can maybe do one or more of those bills in a short period of time. We also have entered into an agreement with regard to State Department authorization, with a limited amount of time and, I presume, a limited number of amendments. We will try to find an opportunity to do that this week. Perhaps Friday morning we could take up that bill and complete action on it by noon, and that would be the final vote of the week.

Therefore, I think Members should be aware now votes will occur on Friday. This will be a very busy week with votes occurring every day, and we probably will go into the evening at least on Thursday. But it will depend on how things proceed.

Let me take a moment now to express, frankly, my disappointment in the Senate at the number of Senators who have indicated they will not be here or would not be here for a vote late this afternoon. Senator DASCHLE and I have discussed the dates on Mondays or Fridays when we knew we would not have votes. We have advised Members of that. That was true last month, and we have indicated a couple dates here in the next month or so. But unless we say there will not be votes, Members should expect to have votes occur sometime after 5 o'clock on Mondays and up until 12 o'clock on Fridays.

Because of the large number of Senators who were not going to be able to be here this afternoon, we have decided to defer the votes until tomorrow. But that inconveniences other Senators, some of whom came all the way back across the country to be ready to vote at 5 o'clock, only to find that because of the number of Senators who say they are not coming back, we are not going to have a vote.

So I am very disappointed in that. I have to assume some of the responsibility because we could go ahead and say we are going to vote at 5:30. But I

do have to take into consideration that we do have a large number of Senators who would not be present for a vote.

So I am taking this opportunity to publicly admonish the Senate as a whole. Last week, I had Senators who said, well, we shouldn't vote on Tuesday morning. I had some Senators say we can't be here at Thursday noon. If it continues at this pace, we will have votes stacked in sequence on Wednesday afternoon at 3 o'clock, which would suit me fine, but I don't think it is a very good way to do business. I do intend to have votes on Fridays so we can complete our work. It is not that I necessarily want them; it is because we have to have them in order to complete our work. So I hope Senators will plan on being here on Mondays and Fridays because we do assure them that there will be no votes before 5 and no votes after 12. But I was very disappointed in what the whip check looked like for today.

SENATE LEGAL COUNSEL

Mr. LOTT. Madam President, I do want to note that for the first time in history, within the last month, the Senate leadership has selected our first woman to be the Senate legal counsel, and she is Pat Bryan. She has served at the Justice Department and at the White House in the past. She is highly capable, and we are delighted to have her joining the Senate in this very important position. But my reason for wanting to comment this morning is to talk a moment about the position and to talk about her predecessor who served as legal counsel.

Among the officers of the Senate, one of the least known is the Senate Legal Counsel. There is a reason for that.

The Legal Counsel usually works out of the limelight, away from publicity, serving the Senate with a certain anonymity that is appropriate for the very important responsibilities of the office.

The Office of the Legal Counsel is, in effect, the Senate's own law firm. Its staff handles any litigation concerning the Senate or its Members acting in their official capacity.

The Senate Legal Counsel also advises the Senate, not about legislation, but about legal matters of all sorts. The most recent and most dramatic instance, of course, was the impeachment trial of President Clinton.

Throughout that extraordinary experience, our Legal Counsel, Thomas B. Griffith, played a crucial role in shaping our procedures.

He assured the legal propriety of everything we did, keeping us, along with the Parliamentarian, true to the Senate's rules and precedents.

The meticulousness he brought to our labors was characteristic of Tom's work, as was the unflappable demeanor and unwavering courtesy he showed throughout the impeachment ordeal.

With gratitude for Tom's service to the Senate for the last four years, and yet with deep regret at the prospect of losing him, I must report that he will be rejoining his former law firm of Wiley, Rein, and Fielding.

It is customary on occasions like this to say that we all wish him well. In this case, that is an understatement.

We wish Tom the best, as he deserves, for that is what he has given to the Senate.

One example of his dedication should suffice. Tom lives quite a distance away from Washington, considerably outside the Beltway even, in Lovettsville, Virginia.

During the weeks of the impeachment proceedings, Tom left his family there and moved closer to the Capitol, to be always available to us here, spending perhaps one day a week with Susan and the children.

I want all of them—Chelsea, Megan, Robbie, Erin, Torre, and Tanne—to know that, during those weeks when they must have sorely missed their dad, he was serving his country in a very important way.

That kind of selfless service has always been a part of Tom's life, from his days as a missionary in Zimbabwe with the Church of Jesus Christ of Latter-day Saints through his activities with the Federalist Society.

His example of integrity and commitment to the highest ideals of the law has brought honor to the Senate. He leaves us now with our affection and our enduring gratitude.

WELCOME TO THE NEW SENATE PAGES

Mr. LOTT. Madam President, I take note that we have a new group of pages that are joining us today. We look forward to having their presence and their assistance as we carry out our duties on behalf of the American people. They will be playing an important role in how the Senate conducts itself. We are delighted to have them here and we welcome them aboard.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

FLAG DAY

Mr. HATCH. Mr. President, today is Flag Day. Utahns, and indeed Americans all across our great country, revere the flag as the unique symbol of the United States and of the principles, ideals, and values for which our country stands. Who can forget the majestic image of the Marines raising Old Glory on the island of Iwo Jima during World War II or of school children pledging their allegiance to the American flag?

Over the years, the love and devotion our diverse people have for the American flag has been reflected in the actions of our legislatures. During the Civil War, for example, Congress awarded the Medal of Honor to Union soldiers who rescued the flag from falling into rebel hands.

During World War I, the National Conference of Commissioners on Uniform State Laws adopted the Uniform Flag Act that numerous state legislatures adopted to prohibit flag desecration.

Congress declared the ''Star Spangled Banner'' to be our national anthem.

In 1949, Congress expressed the love the American people for their flag by establishing June 14 as Flag Day. Congress also adopted ''The Pledge of Allegiance to the Flag'' and the manner of its recitation which millions of school children observe each school day.

In 1968, Congress adopted a federal statute to prohibit flag desecration. More recently, Congress designated John Philip Sousa's ''The Stars and Stripes Forever'' as the national march.

As with numerous societal interests that affect free speech, legislatures of 48 States and the federal government and the courts also have long respected society's interest in protecting the flag by balancing this interest against the individual's interest in conveying a message through the means of destruction of the flag instead of through the means of oral or written speech.

The Supreme Court continues to strike the balance in favor of society's interests in public safety, national security, protection from obscenity, libel, and the protection of children even though these interests can and do implicate the First Amendment.

In the 1989 case of Texas v. Johnson, however, the Supreme Court abandoned the traditional balance in favor of society's interest in protecting the flag and adopted an absolute protection for the individual's interest in communicating through the means of physically destroying the American flag.

Congress responded to the Johnson decision with a statutory attempt to restore balanced protection to the physical integrity of the American flag—the Flag Protection Act of 1989. However, in the 1990 case of United States v. Eichman, the Supreme Court relied on the new rule it created in Johnson to reject statutory protection of the flag.

The recent reintroduction of another flag protection statute, which has been introduced in prior Congresses, is also clearly unenforceable under the Johnson and Eichman precedents. Even Professor Lawrence Tribe, a defender of the statute struck down in Eichman, has stated that the reintroduced statute cannot be upheld under the new rule of Johnson and Eichman.

Moreover, in the 1992 case of R.A.V. v. City of St. Paul, the Supreme Court clearly stated that it will no longer uphold statutory protection of the flag from desecration. Accordingly, the only realistic way to restore traditional balanced protection for the flag is with a constitutional amendment.

In March of this year, Senator CLELAND and I introduced Senate Joint Resolution 14, a constitutional amendment to protect the American flag.

This amendment restores balanced protection to the flag by allowing Congress to prohibit only the physical desecration of the flag, while retaining the full existing freedoms for oral and written speech.

Thus, a would-be flag burner would still be able to convey his particular message by speaking at a rally, writing to a newspaper, and voting at the ballot box. He would not, however, be able to burn a flag or to stuff a flag into a toilet, as has been done since the Johnson and Eichman decisions.

Nearly 80 percent of the American people and 49 state legislatures support the constitutional amendment to restore balanced protection to the American flag. By sending this amendment to the States for ratification, Congress would help restore traditional balanced protection for the flag while protecting the robust freedom of expression that Americans enjoyed when the Marines raised the flag over Iwo Jima and when Congress created Flag Day.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that during consideration of S. 1186, the fiscal year 2000 energy and water development appropriations bill, Bob Perret, a fellow in my office, and Sue Fry, a detailee from the U.S. Army Corps of Engineers serving with the Energy and Water Development Subcommittee, be provided floor privileges.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2000

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 1186, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1186) making appropriations for energy and water development for the fiscal year ending September 30, 2000, and for other purposes.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that all first-degree amendments in order to S. 1186 must be filed at the desk by 5 this evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized.

Mr. DOMENICI. Mr. President, I have a parliamentary inquiry: What is the subject matter before the Senate?

The PRESIDING OFFICER. The Senate is considering S. 1186.

Mr. DOMENICI. That is the energy and water appropriations bill.

Mr. President, I understand—is this correct—Senator REID has procured a unanimous consent agreement that all amendments will be filed to this bill by 5 this afternoon?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. I thank the Chair.

Let me thank Senator REID very much for doing that. We have all been working to try to make sure that as this week fills up with other kinds of votes, on everything from Y2K to the lockbox and other things, we be given ample opportunity to get this bill passed.

We worked very hard under the leadership and direction of our chairman, Senator TED STEVENS, chairman of the full committee, to get this bill ready and to get it out here as soon as possible. This will be the second full Appropriations Committee bill that will be before the Senate. If it passes in the next few days, we will be on some kind of a record in terms of our ability to get a large number of the appropriation bills done in a very timely manner.

For that, I am grateful to the chairman and ranking member of the full committee for the amount of resources that were given to this committee. I will begin with an explanation of how we tried to respond to the allocation of resources.

First of all, this is an interesting bill, interesting in the sense that it is not very rational in that you have two things mixed that are about as far apart in the spectrum of prioritizing and need as you could get. All of the nuclear weapons research and development for all of our bombs and all of our safeguards and all of our great research is in this bill. That has been and is still defense work. It is work for the defense of our country. We get money for this because it is a defense function. When we had the walls up wherein you could not spend defense money for anything else, the money that came into this bill for that purpose came right out of the defense total.

There is another piece of this bill that has to do with water and water resources, not as they relate to anything nuclear, just water and water resources, various inland waterways, various dams, various dikes, Corps of Engineers, Bureau of Reclamation, those kinds of activities, and a myriad of flood protection projects, because the Federal Government, over time, has been a major player with the States in a matching program with reference to flood protection.

Then sitting kind of in the middle but aligned with those water projects are things that the Department of Energy does that are not defense oriented. We call those the nondefense energy projects, research of various types that is not necessarily or even required to be related to the defense activities I have just described.

So in a very real sense, it is kind of comprehensive and a mix of various funding requirements of our country that do not mesh.

We started from the beginning saying there are certain resources that come to this committee from the full Appropriations Committee that are clearly for the purposes of the defense of our Nation. We have taken those resources and said that all of the resources we are getting from the Appropriations Committee which have historically been for defense will be used for defense only. To the best of our ability, we have not used any defense money; that is, defense nuclear money, and defense having safe weapons, the nuclear stockpile, the stewardship stockpile—we have used defense money for that—we have not in any case taken some of that money or any of that money and used it for water projects or used it for nondefense Department of Energy work.

I would like to keep it that way. I have no power of the Budget Committee or points of order to keep it that way, because we, in compromising, when we put the 5-year Balanced Budget Act together, bipartisan, and executive branch with the President, had walls between defense and nondefense for 3 years, and then it was discretionary for the last 2. We are in the last 2 now.

I have, nonetheless, with the assistance of my ranking member, kept defense money for defense programs and not put it into nondefense domestic energy programs or in water projects.

On nondefense energy projects—I will just mention one—there is an amendment pending to do more with solar and renewable energy. That is not a defense activity. We have done the best we could, but we have not used any defense money for that. I hope when we see the amendment, since one is going to be forthcoming, that they followed that pattern and have not taken it out of the defense activities, because with what we know about the world, with what we know about Russia and the

hard feelings that exist, what we know about the Chinese and their moving as quickly as they can toward a nuclear empire of their own with reference to weapons—and we have agreed that we are not going to do any underground testing whether or not we pass the treaty on nuclear testing or not; we have agreed not to do any—it is absolutely important and imperative we prove we can maintain our nuclear stockpile with adequate safeguards and that it is standing the test of time.

What we need to do that with is the new program called science-based stockpile stewardship. The occupant of the Chair is an expert in some of these areas and has worked long and hard in the House. I thank him for a lot of the help he gave in trying to reorganize the Department of Energy, which will continue to come up even after the Rudman report today. I am sure it will be before us again. I believe the occupant of the Chair, the distinguished Senator from Arizona, has constantly raised the question, Will stockpile stewardship work? Will science-based stockpile stewardship work? Will substituting computers and new kinds of systems that can take x ray-type pictures of what is going on inside one of our nuclear weapons, even far more sophisticated than that, that knows what is going on—that is the substitute for testing in an underground mode that we have done for many decades in getting our weapons to be the best and most safe in the world—if that isn't working, then obviously everybody has to rethink where we are with reference to underground testing.

So I don't want to shortchange science-based stockpile stewardship. There are three or four aspects of it that are very expensive—the development of certain buildings and certain technology. We are not finished with them yet. We are maybe halfway finished. We have about half more to go, including the gigantic, new process we are building at Lawrence Livermore National Laboratory, which has the initials NIF, National Ignition Facility.

The Senate is now considering Calendar No. 128, the Energy and Water Act for Fiscal Year 2000. As we begin, there is a technical error in the bill as reported by the committee. I will send to the desk, with the full understanding of my ranking member, a correction to that error. It has been cleared by both sides. I ask unanimous consent that, after I send it to the desk for reading, it be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 625

Mr. DOMENICI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 625.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 28, line 5, strike $39,549,000 and insert: ''$28,000,000''.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 625) was agreed to.

Mr. DOMENICI. Mr. President, on June 2 the Committee on Appropriations reported Senate bill 1186, the Energy and Water Development Act for the year 2000.

As reported by the Appropriations Committee, the recommendation would provide $21.2 billion in new budget authority, $12.6 billion within defense, and $8.6 billion within nondefense. In the defense accounts, that amounts to a $220 million increase over the request; in the nondefense accounts—that is including the water project—it amounts to a $608 million reduction from the request.

For the first time in memory, the recommendation before us provides less money for water projects than was requested. We have reduced some energy research, nondefense environment management, science, and the Department of Energy's administration accounts.

In fact, in order to accommodate some serious shortfalls in the President's request and some very legitimate requests from Members, we have cut a significant amount more than $608 million that we are short from that request. For example, the recommendation before us restores the $81 million for the Power Marketing Administration to provide power to their customers. That was left out of the President's request, and we had to cut other programs, above the $608 million, to provide these funds.

As we have made these reductions, we have tried to follow certain criteria. In the water accounts, for example:

Where the President fully funded or provided advance appropriations for special projects, such as the Everglades, Columbia River Fish Migration, and the CALFED project, we have brought those programs back down in line with other accounts, but we have funded them.

Second, projects included in the budget at the capability level, in this year when we will not be able to fund projects at their full capability, have been reduced to no more than 85 percent of capability.

Third, items where the budget request was significantly increased over the current year's level of funding have been reduced to bring them back in line with the fiscal year 1999 levels.

We have not included unauthorized projects or projects contained in the water resources development bill, called WRDA 99, which is still in conference.

Finally, a significant amount of previously appropriated and unused funding has been used to finance the fiscal year 2000 program or recommended for rescission in order to save outlays.

Having said that, the recommendation for the U.S. Army Corps of Engineers is still at $3.723 billion. That is $182.6 million below the budget request and $374.1 million below the fiscal year 1999 enacted level.

Moving on to the Bureau of Reclamation, the recommendation before the committee totals $756.2 million. This is $100 million below the budget request and $24 million below the current year level. Within this account, the largest single reduction is from the request for the bay delta restoration Program, and we can go into more details on other projects.

From the Department of Energy's nondefense accounts, we have proposed—because we don't have sufficient money—some substantial reductions from the President's request.

For example, the recommendation for solar and renewable energy is $348.9 million. That is $3.4 million over the level the committee recommended a year ago, but it is less than the President asked for.

We have also gone through all of the DOE accounts and found $41 million in unobligated balances from old projects and programs, and we have gone so far as to rescind $1,000 from an old program that hasn't been around in years, to make those funds available for this act.

Within the defense allocation, we have been able to add some funds, because we were given a slight increase by the Appropriations Committee from that account. To the extent possible, we have tried to recognize the needs of Members with environmental management sites. We have provided increases at Savannah River and the Hanford site as well as Rocky Flats where DOE is on track to complete this cleanup by 2006. Let's hope we can stay on track and celebrate that event soon. I am well aware that more funds could be justified to increase the pace of cleanup at those sites, but we simply don't have the necessary resources.

Within weapons activities, we have begun a major realignment among the defense laboratories. As we have taken some nuclear weapons designs out of the stockpile, an imbalance has been created between Livermore and Los Alamos in my State. To ensure that balance is retained between them, we have transferred responsibility for one warhead design from Los Alamos to Lawrence Livermore. We have also expanded certain operations at the Nevada Test Site and initiated a microelectronics capability, a new technology which will make our weapons safer in the future, and at the same time may make some breakthroughs for American industry and for future uses that may bring microengineering and microelectronics into our everyday lives in a very big way.

The Defense Authorization Act was recently passed by the Senate, and the

Intelligence Authorization Act will come to the floor next week, perhaps. It is my hope that is where issues related to the Cox Commission report and allegations of espionage at our laboratories will be addressed. The recommendation before you does not include any broad effort in that regard. It is an appropriations bill, not an authorizing bill.

Now, obviously, I am hopeful that nobody will offer broad changes to the structure of DOE and moving toward better security within DOE. As I say, it is not an authorizing bill; it is an appropriations bill. The extent to which we can predict the action taken on the authorizing bill so far will necessitate funding in this regard. We have made some adjustments.

We have increased funding for security investigations from $30 million to $45 million. We have increased funding for counter-intelligence from the requested level of $31 million to $39 million—we are proposing to more than double the funding of $15.6 million the Committee provided last year. Finally, because some have raised concerns about materials security, the recommendation provides an increase of $10 million for physical security.

In summary, the recommendation before you is for $21.2 billion, a reduction of $380.8 million from the request.

It is our intention to work, if we have to, late tonight, but with the unanimous consent agreement that was entered into, obviously we will know by 5 o'clock the extent to which we will be working on the floor handling various amendments. We will be here all afternoon.

I personally urge colleagues on my side—I hope that Senator REID will urge his on his side—to bring any amendments they may have to the floor so we can consider them today.

It is my intention to shortly—after all amendments have been filed—act on a package of managers' amendments. We will not do that immediately. We will wait a while.

I yield the floor and turn the podium over to my distinguished ranking member, Senator REID. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, the State of California has 35 million people. It is a State of great contrast. It is an agricultural producer, to say the least. It produces more agricultural products than any State in the Union. Yet it is also heavy into tourism. It is heavy into recreational endeavors, and also has these huge cities—Los Angeles, San Francisco, Sacramento, San Jose. It is very difficult to develop a balance between these various competing interests.

One of the things in this legislation that we have been asked to do is to step into this delicate balance. The California Bay Delta—or CALFED, as it is called—is a project that is going to have a tremendous impact on these competing interests in the State of California.

This program, as I have indicated, has environmental interests, urban interests, agricultural interests, and tourism interests. We have been asked as a subcommittee to provide hundreds of millions of dollars for the bay delta system, which provides potable water for two-thirds of this huge State.

I don't know the latest numbers, but California as a country would be the eighth largest country in the world. I think that is the number.

We have been asked in this subcommittee to step in and provide huge amounts of money for this bay delta project, which, as I have indicated, provides water for two-thirds of California's homes, businesses, and irrigation for more than 7 million acres of farmland.

Additionally, this system provides habitat for at least 120 different species of fish and wildlife. Some are already listed as threatened or endangered.

CALFED has been tasked with the development of long-term solutions for the complex system that we call bay delta, including certain water supplies, aging levies, and threatened water quality. Our bill has $50 million for this project. This isn't enough. It needs more.

Those are some of the responsibilities that we have.

I say to my friend, the chairman of the full Budget Committee, and chairman of this subcommittee, the senior Senator from New Mexico, that we have worked hard on this bill. I appreciate his consideration on the issues that have been developed.

The problem is that with all 13 appropriations bills we simply just do not have enough money. This has been a very tough year. But we have worked within the constraints of what we have been given to come up with the best possible bill that we could.

I mentioned the California Bay Delta project as an example of how important this subcommittee is.

There are 13 subcommittees. We have already passed the defense appropriations bill. This will be the second bill, leaving 11 bills. I don't know what is going to happen in the future with all of the bills. Some of them are extremely difficult, if not impossible, to get passed.

The HUD-independent agencies is really a difficult bill with the 302(b) allocations that they have. The bill dealing with Health and Human Services is a very difficult bill dealing with issues that affect the health and safety of this country.

We, the senior Senator from New Mexico and I, cannot be prospective in nature about other subcommittees. We can only do the best we can with our subcommittee. We have done the very best we could with our subcommittee.

I support this bill. I have already indicated that we don't have enough money. But I would like to see anyone do a better job than we have done. It has taken tremendous amounts of our time, and, of course, the staff has worked day and night for many weeks. If you look at the responsibilities that we have with this subcommittee, they are really significant.

The manager of the bill has talked about the Army Corps of Engineers. It is very important. It does things that only the Corps of Engineers can do.

Take the State of Nevada. The Corps of Engineers used to be very important for water projects. Now the Corps of Engineers, with the rapidly growing Las Vegas area, is extremely integral to developing a system so people do not drown, so they don't lose personal property when these floods hit this metropolitan area.

The Bureau of Reclamation in the early years in Nevada—it was the same all over the western part of the United States—was concerned about Boulder Dam and Hoover Dam. Now the Bureau of Reclamation has other responsibilities that are just as important.

The Department of Energy, the atomic energy defense activities, the Power Marketing Administration, the Federal Energy Regulatory Commission, the Appalachian Regional Commission, the Defense Nuclear Facilities Safety Board, the Nuclear Regulatory Commission, the Nuclear Waste Technical Review Board, the Tennessee Valley Authority—these are the responsibilities that the senior Senator from New Mexico and I have with this bill.

Every one of these issues for the States in which the facilities are found will be most important as we deal with this bill this year.

We recognize how important this legislation is. There is no secret that the budget caps have a devastating effect on the Army Corps of Engineers and the Bureau of Reclamation. But that is the way it is. Water projects have an impact on communities around the United States.

The point I want to make is that with this bill people start to talk about pork. Try to explain to the people of the State of California, with 35 million people, where pork is involved in this CALFED project. Remember, it deals with competing interests, all of which support our bill.

The question is, Can we provide them with enough money to make sure this project stays on line?

This bill affects individuals and projects—people and States. It is important for their lives and for the safety and health of communities. The decisions that we have made have been extremely difficult decisions, because we realize that the decisions we make put people out of work, put people to work, and change priorities in different communities.

I have mentioned briefly the CALFED project. The State of Nevada is not much into dredging ports and harbors. The fact of the matter is that the two managers from the State of New Mexico and the State of Nevada have responsibilities to make sure there is appropriate money for dredging ports and harbors along both the

Atlantic and Pacific coastlines as well as the Gulf of Mexico. This is the project for the Corps of Engineers.

It is important on an annual basis for U.S. ports and harbors to handle hundreds of billions of dollars—approaching $1 trillion—in international cargo, generating to this country and local and State entities over $150 billion in tax revenues every year.

Even though the State of Nevada is basically a desert State, the State of New Mexico, while not as much desert as Nevada, is also a State that has its share of desert. This is important for us; it is important for the Senate; it is important for the country that we do what is right regarding dredging ports and harbors.

Navigational improvements in New York and New Jersey include things called the Arthur Kill Channel and the Howland Hook Marine Terminal project. This project includes deepening, widening, and selective realignments of the channel to allow deep draft container vessels access to this marine terminal.

This is an ongoing problem. Once you dredge a port, it doesn't mean you are not going to have to dredge it again. This is an ongoing problem, and this subcommittee is responsible for making sure that these ports can compete with the rest of the world.

The New Jersey and New York ports account for 34 percent of the Nation's trade in petroleum, automobiles, many food products, and import goods bound for all of the Northeast and upper Midwest, supporting nearly 170,000 jobs. When we cut back, when these ports are not dredged properly, when we do not do the things that need to be done to make sure these ports are capable of handling this cargo, people lose their jobs.

The ports of the Northeast are not alone. There are 25 ports around the coast of the United States that take in over 26 million tons of cargo annually. Fourteen of these ports have total trades of over $50 million in cargo. That says a lot.

Continuing to maintain the ports and harbors requires a long-term commitment in the budget process, as does shoreline protection on which so many communities around the country rely. In the city of Virginia Beach, VA—I have never been to Virginia Beach, VA—this year we are attempting to fund a program at $17 million because a hurricane hit Virginia Beach and almost destroyed the beach. The construction of Virginia Beach began 3 years ago. Benefits have already been realized because the damage from Hurricane Bonnie was minimal to the unfinished portions of the project. The project was not in the budget request sent to Congress, but a $247 million project needs to be completed in a city that has invested over $100 million in infrastructure over the last 5 years, and that has been matched by $100 million in private investment. The Federal Government doesn't do all this all alone, but it should do its share.

Additionally, the U.S. Navy megaport, Naval Air Station Oceana, directly benefits from the project at Virginia Beach with its personnel increased by as many as 6,000 sailors and family members recently being transferred to the base.

I personally recently voted for the base closure amendment before this body. I did it because I think if we are going to save money, we are going to have to do some of the things the military says need to be done. The military has stated a large amount of money can be saved by eliminating bases around the world and certainly in the United States. One way we can do this is to make sure we take care of those businesses that we know are lasting in nature. Naval Air Station Oceana is one of those. As a result of the additional work there, which we participated in, we have had 6,000 additional sailors and family members transferred to that base.

Who would think that the Corps of Engineers would be involved in anything in Nebraska? There are a number of important projects in Nebraska. I could point to every State in the Union, although I have been somewhat selective. The Corps of Engineers has been given the responsibility of environmental restoration in various parts of the country, not the least of which is Nebraska.

One of the projects I want to discuss today is the Ponca State Park in Nebraska. This park lies on a 59-mile stretch of the Missouri River. We are spending a relatively small amount on Ponca, $1 million, but it is very important. Education is a primary component of gaining support for additional environmental activities that people believe need to be done. Through efforts of Ponca State Park, the public will be able to understand the environmental and water management problems of the Missouri River basin and potential solutions to its problems.

The Corps is also playing an integral role in the multiagency effort to restore segments of the Missouri River to something resembling what Lewis and Clark saw as they searched for the Northwest River Passage, the Pacific Ocean.

Working with Senators, particularly BOB KERREY, the Corps expects to propose a plan this fall for managing the Missouri River with more emphasis in protecting native wildlife and their habitat and facilitating outdoor recreation, while not compromising traditional downstream uses of the river.

We need to also talk about Nevada. We have had Law Review articles written about this project in Nevada. There have been seminars held using the model we used in Nevada for how to solve water problems in the western part of the United States. President Bush signed a bill of his Presidency where we put to rest a 100-year water war between the States of California and Nevada in the Truckee and Carson Rivers. We settled problems that had been outstanding for many years, including problems between two Indian tribes, and there were two endangered species involved—a wetlands had gone from 100,000 very nice acres of marshlands with all kinds of birds, fish, and other animals to about 1,000 very toxic acres where fish were all but dead and birds could no longer nest there.

We solved problems in the agricultural area, also, in the cities of Reno and Sparks. The reason I mention this, money for solving this problem for so many years came from the Bureau of Reclamation, the Corps of Engineers. We have put money in this project over the years and have generally resolved these issues that have been so difficult.

Remember, the Federal Government is not the only one involved. The State legislature this year appropriated $4 million to help with some projects along the river; the private sector agreed to come up with $3 million.

As I have indicated with the situation in Nevada, Nebraska, California, the port areas in New Jersey, New York, and Virginia, they are essential to the well-being—commercial well-being, the financial well-being, and the economic well-being—of this country. These are not projects in the sense that somebody is getting something for nothing. These projects are vital to the interests of the communities they serve.

I am very gratified with the work we have been able to do in this bill with so little money. There is much more that needs to be done and should be done. We don't have the money. However, we are doing so much good for the country in this legislation that it is important Members of the Senate and the American public understand how important this relatively small subcommittee is.

As the manager of the bill indicated, we not only deal with these programs which I have talked about that are nondefense in nature, but there are other nondefense programs that deal with our energy supply. We have been cut here. We are not going to be able to supply these programs, these alternate energy programs that I am such a strong believer in, unless money comes from the defense programs, which it should not. I think that would not be the right thing to do.

We have to have priorities and make decisions. Energy supply programs are reduced by $12 million from the current year, and from within this program we fund science, such as fusion research which is conducted at universities and labs around the country. Also funded in energy supply are solar and renewable technologies, which I believe are a key to the future energy sources in our society.

For Members who say we should spend more on solar and renewable energies, what will we offset? It has to be offset. Finding an offset will be very difficult to do.

We all know how important it is to provide for a secure and cheap supply

of acceptable energy. For continued economic growth, the maintenance of our current business climate and global environment depend on cheap energy. The research and development investments in this bill are certainly far more meager than they should be but still focus on providing affordable and enduring energy supply. This bill provides funds to maintain our known and existing energy resources while aggressively investing in new technology options for future resource development.

I repeat for at least the third time that we were unable to do as much as we would have liked to do. We did the best we could under the allocation we were given.

I counsel my colleagues that with the allocation mandated, the framework which we determined for these funding levels, any amendments need to be reasonable in their approach to emphasizing one program over another. It is very tough to choose.

As to atomic energy defense activities, my friend, the manager of this bill, I think, did a very good job in pointing out why these programs today are so important. We know what is going on in the world is so important. We have a very fractured situation in the land that separates India and Pakistan—Kashmir. Two nuclear powers are looking at each other, threatening each other with war.

We had the situation with the Soviet Union, which has disintegrated, but Russia still has huge numbers of nuclear devices. We have to make sure our nuclear weapons are safe and reliable and that we have the ability to help the rest of the world with its nuclear weapons.

The atomic energy defense activities include, among other things, a number of very important national security programs. Maintenance of a safe, secure, and reliable nuclear weapons stockpile; support for and verification of global nonproliferation of nuclear weapons; support for and verification of nuclear international arms control agreements and domestic and foreign nuclear safeguards and security; technical analysis of nuclear intelligence information; and domestic environmental restoration and defense of nuclear waste management are all activities that are necessary in our conduct of the cold war and for other reasons. These activities are important because they are essential elements of our comprehensive national security strategy whereby we will deter any actual or possible adversary from relying on nuclear threats to our security interests.

The key ingredient of our strategy is to ensure the safety and reliability of our nuclear stockpile. The so-called science-based stockpile stewardship program has been developed and is supposed to provide that assurance. It is important that this new program is active and is making progress. But the critically needed facilities and capabilities are still being developed. Some of them are still concepts. So it is critically important we stay the course and maintain the necessary funding to allow this program to succeed.

We have no choice, literally. To not allow this to happen would set us back significantly. Let's assume we found a problem with one of our nuclear warheads. How are we going to test this? What are we going to do? We can no longer take it to the underground caverns in Nevada, the underground tunnels or shafts in Nevada, and set it off. We need the greatest minds in the world to be able to tell us what we can do to make sure these weapons systems are safe and reliable. At the same time, we must continue making investments directed at containing and reducing the international threat of nuclear proliferation. Success here, also, is vital.

It is just as important to reduce the expense, the burden, and risk of maintaining a stockpile of weapons that is far larger than necessary. I am convinced all the elements of the Department of Energy's defense activities will provide for our security, now and in the future, more effectively and with less cost than will be the case if any one of these activities is reduced. By reducing moneys here, the costs in the outyears will increase tremendously. So I recommend this bill to my colleagues.

This bill provides for national needs and addresses regional, interstate, and local concerns as well, ranging from nondefense energy and water interests to the highest priority maintenance of international peace and security.

So I hope, as we proceed through this bill, we keep our eye on the prize, what this subcommittee is all about. It is about making sure the ports and harbors of this country are able to handle the goods and commerce that come here. It is making sure urban areas are now safe from flooding. It is making sure the Bureau of Reclamation is allowed to continue its projects so water supplies are good—good in the sense of being plentiful, and good in the sense of being pure.

I end this statement where I started. Using the State of California as an example, 35 million people are depending on this bill. They are depending on it because two-thirds of their water comes from a project we have in this bill. It meets the inconsistent but very vital demands of the agricultural interests, the recreational interests, environmental interests, and urban interests of this huge State.

I hope we can move through here without a lot of mischievous amendments, move to the merits of this legislation, and complete it as quickly as possible.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I commend Senator REID for his comprehensive statement. I tell him and the Senate how pleased I am that I have a ranking member who understands the importance of the work of the Department of Energy in our nuclear weapons development, maintenance, and safekeeping, because sometimes it is rather lonely.

Many people fail to understand the relationship between not having any more underground testing and the decision to have a new science-based stockpile stewardship of nuclear weapons. Without underground testing, with various scientific approaches and new kinds of scientific instrumentation, we are going to produce the atmosphere and environment surrounding what would have taken place in a real underground test, and we will be able to say what is happening to our nuclear weapons—their safety, well-being, maintenance, and reliability.

That is a big undertaking. For those who come to the floor regularly and eloquently urge we put plenty of money in our defenses, it is high time they understand we have to put plenty of money into this area because, although the regular military of our primary military adversary in the world is getting depleted and its strength is being greatly diminished, the country remains a huge owner and developer of nuclear weapons. They do not build their weapons as we build our weapons. They are far less sophisticated. That is their choice. We chose another approach. Our approach requires we regularly understand what is going on in the wear and tear and longevity of our nuclear weapons as they stand ready, continuing to be the great deterrent they are. That has a fancy name. My good friend from Nevada explained it very well. It is tied inextricably to our decision not to do any underground testing.

Frankly, there are some in this body, including the occupant of the Chair, who are not quite sure we should have abandoned underground testing, and there are some who maintain we ought to do science-based stockpile stewardship and nuclear testing. I heard Dr. Schlesinger testify about that at a committee hearing. Perhaps Senator KYL has heard them say that. The policy of our country is not to do that. It is to substitute for nuclear testing, scientific knowledge, and scientific technology, first simulating and then acquiring information regarding the reliability of nuclear weapons—a huge undertaking.

Our scientists approached it with great trepidation. There are still some great nuclear scientists who are not sure it is sufficient and who are not sure at some point we will not have to go back and think it all through again. But for now, three basic laboratories are doing this. One of the lead laboratories is Lawrence Livermore, with reference to a great big project called the National Ignition Facility. Los Alamos has a piece of it, both in computer technology and in a new building and new instrumentation called the DARP program. And Sandia, the engineering part of our laboratory structure, is heavily engaged in developing the kind of computer capacity to do the simulating and make sure we are getting

the right answers in these new, sophisticated tests of the validity and consistence and well-being of nuclear weapons.

That is all in this bill. So Senators who are worried about defense should know a big portion of this bill is defense, unless they perceive we now live in a world when we can have defense all in the defense appropriation bill, all those subjects, and not have a nuclear deterrent and a nuclear maintenance function within our Nation's priorities.

If some feel that, then this is not defense. But who would dare say that to the American people? Who would even suggest we ought to be underfunding this kind of activity?

Frankly, the Senator from New Mexico was greatly concerned upon hearing, in the last 3, 4, 5 months, so much about the lack of security because clearly I do not want, nor should the Senate, that fear and that concern to have an impact on the maintenance of the scientific effort that we all know we have to do so long as we will not and do not intend to test any of our weapons, either old or new.

This is a good bipartisan bill. This is a bill that has had a lot of input from Senator HARRY REID. Of that I am proud. He has listened to our concerns; we have listened to his. There are many Senators' States that have projects in this bill that are very important to them on that side of the aisle and on this side of the aisle.

I believe we are going to have less money to spend, and I say this to all the Senators. We are going to have less money for this bill. Even if we wait around until the end of the year and think we can make some kind of deal with the President, we are going to have less money in this bill than we had last year. That is just the way it has to be under the Balanced Budget Act. I think we have done a good job in allocating that money, which is short, to the various functions of Government within this bill. We have not shortchanged our defense preparedness, as it pertains to nuclear weapons, in the process.

I understand that my friend, Senator REID, concurs with this unanimous consent request I will propound.

UNANIMOUS CONSENT AGREEMENT

Mr. President, I ask unanimous consent that when the Senate receives from the House the companion bill to S. 1186, the Senate immediately proceed to consideration thereof; that all after the enacting clause be stricken and the text of S. 1186, as passed, be inserted in lieu thereof; that the House bill, as amended, be read for a third time and passed; that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees on the part of the Senate; and that the foregoing occur without any intervening action or debate.

I further ask unanimous consent that the bill, S. 1186, not be engrossed and it remain at the desk pending receipt of the House companion bill; and that upon passage of the House bill, as amended, the passage of S. 1186 be vitiated and the bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 628

Mr. DOMENICI. Mr. President, I send a technical amendment to the desk. It is clearly technical, and I ask it be adopted.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 628.

On page 12, line 24, insert the following after the figure ''204'':

''of the Water Resources Development Act of 1986, as amended (Public Law 99–662); section 206''

Mr. DOMENICI. Mr. President, I ask unanimous consent that the amendment be set aside, and that we move on to other business, leaving it pending.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I have sought recognition to discuss with the managers of this bill a matter relating to the 1992 Water Resources Development Act which authorizes the construction of flood protection facilities along the Lackawanna River in Olyphant and Scranton.

I can personally attest to the serious situation, because when the flooding occurred, I went there one Saturday night late to see the ravage of that water problem and have been there on quite a number of occasions, to know firsthand the very severe problem which is involved there.

The appropriated account has $42 million, and this bill removes some $25 million from that account. I know that the $17 million remaining will be sufficient to take care of the expenditures for the next fiscal year which amount to some $6 million, leaving $11 million in the account.

I want to discuss with the distinguished chairman of the subcommittee a couple of factors.

One is if my representation is correct that the $17 million left in the account will be more than enough to take care of the expenditure line for the next fiscal year.

The second question I want to be sure about is that there will be adequate funding to complete this project so that when the schedule arises that we need all of the $42 million, or whatever the amount is, that we will have the cooperation of the Appropriations Subcommittee, the distinguished chairman, and the distinguished ranking member in providing that funding, up to $42 million, which it has now. I understand the plight the chairman is under because 302(b) allocations are not sufficient. I have seen that firsthand. I chair the Subcommittee on Labor, Health and Human Services and Education, and we are unable to go to a markup with the figure we have because of the very tight restrictions.

The second aspect is, I am looking for the assurance that the remainder of the $42 million will be appropriated when the need arises to meet the ensuing fiscal year requirements of the Army Corps of Engineers.

The third factor that I want to be sure about on the record is that there could be an analysis which will segregate this flood control into three projects.

There you start, again, to get into the complexities of the cost-benefit ratio. But as it has been structured very carefully, the arrangement, in its present form, as a unit, satisfies the cost-benefit relationship. There are a lot of concerns and a lot of battles about that. But we are, as a unit, covered under that cost-benefit ratio.

I want to be cooperative, obviously, with the chairman as he is moving through this bill. I understand, as I say, the need for taking some of these funds for other projects, but if the chairman would respond to those three inquiries to be sure my constituents will have the adequacy of the funding. I know Senator SANTORUM, who could not be here at the moment, has a similar concern. Congressman SHERWOOD has a similar concern. We have all been very close to this issue and the very important constituent interest involved here.

I direct those questions to my colleague from New Mexico.

Mr. DOMENICI. I say to the Senator, may I suggest the absence of a quorum for a moment and make an inquiry of my staff, and then I will return and answer all these questions.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. VOINOVICH). The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, in discussing the issue related to the 1992 Water Resources Development Act on the Lackawanna River in Olyphant and Scranton, it is obvious that my first preference, the delegation's first preference, is to have the $25 million restored.

We have a second program in south-central Pennsylvania, the Environmental Improvements Program, where $20 million has been rescinded. This is

in line with a large sequence of rescissions which have been put into effect by the subcommittee under the same problem where there is simply insufficient money on 302(b) allocations. Again, I understand that, because I have the problem on the appropriations subcommittee which I chair.

I am advised that the $20 million rescission as to south-central Pennsylvania can be worked out in the House, and all of this is subject to compromise in the House, where we may have a larger figure for this subcommittee. So it is possible that the $25 million for the Scranton-Olyphant projects may be restored fully as well as the $20 million for south-central Pennsylvania.

Before this bill is closed out, I want to be absolutely sure that we are protecting these projects so that whatever funding they need for the next fiscal year will be provided. That is the context in which I have made the request to the distinguished manager.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. First, I thank Senator SPECTER for raising this issue and suggest to him that the same issue has been raised by his distinguished colleague, the junior Senator from Pennsylvania, Mr. SANTORUM. Senator SPECTER and I have been speaking about that the last few minutes.

Let me say, in answer to the questions that the Senator asked with reference to the Lackawanna project, I will answer them as best I can, maybe not in the same order in which they were asked, but I believe I will answer all of them.

First, we have had to go through this bill and where we found unfunded obligations that were not going to be needed for a substantial period of time, in some instances well beyond a year, and that the project or projects would continue at full pace exactly as planned, we have decided, since we have some desperate projects that are not going to get any money, to move the money around, but that does not mean we do not intend to fully fund the project. If you will note in my remarks, I said we are not funding any unauthorized projects. The projects in Pennsylvania, including the one I just mentioned, are authorized and proceeding. They do not need any work by any other committee. They are ongoing.

All I can do is give you assurance that there is no intention to take these projects off of their natural course of completion. That is what the Corps says we need each year and can spend each year, and there will be $17 million left in this account, only $6 million of which is needed for the year 2000. Nobody should be concerned about that project not proceeding at full speed ahead.

I can assure you that is what I have been informed. I believe that is what you would have in a letter from the Corps, if you wanted it. I can further commit to you that we continue each year with these water projects, and clearly we always have substantial amounts of money.

Last year, the President very much underfunded projects. We had to find money to fund them. This year, because the nondefense portion of this bill is squeezed some and because the President cut some things we can't cut, we have had to squeeze some of these other accounts, some in the manner we are discussing. But there is no reason to be concerned about the projects getting funded. As a matter of fact, we may find ourselves in conference with the House, which would make available more money for the water projects because of the way they will fund things. It may very well be that they won't want to do it this way, that they want to save money some other way. We will work on that.

If, before we are finished here on the floor, this was unsatisfactory for any reason that you or Senator SANTORUM or you together find, I will be willing to discuss it again and see what we could do to assure you that these projects are going to be fully funded.

In reference to the fact that last year three projects were put together in a technical manner but in a manner that is acceptable in terms of analyzing the benefits versus the costs, sometimes called a cost-benefit ratio, that has been done. There is no change in this bill. They fit together, and they are evaluated together, and they meet the criteria. There is no effort on the part of the Appropriations Committee I chair that I am aware of that would want to change that so as to demean in priority and effectiveness one versus the other two or two versus one or the like.

I do not know if we can do anything more to be sure of that than what I am telling you now and what is in the law as it is now. Somebody would have to change it, not just come along and say we are not going to do it. They would have to change something. You would know; I would know. Everybody in Pennsylvania would know. It would not be easy to do.

Mr. SPECTER. I thank my distinguished colleague for those assurances. I am glad to hear, with respect to these three projects joined together, that they are being viewed as one integrated whole so that they do satisfy the requirements of the cost-benefit ratio, and further, that the rescissions on the two Pennsylvania projects, as to the Lackawanna River in Olyphant and Scranton and also the south-central Pennsylvania rescission, that those projects will move forward with sufficient funding, as Senator DOMENICI has pointed out, $17 million being left in the Lackawanna River project for Olyphant and Scranton and only $6 million needed in the next fiscal year. If it is possible, as Senator DOMENICI and Senator REID work through the bill, to increase the funding, to eliminate the rescissions, that certainly would be appreciated.

I think on this state of the record, these projects are protected. I will await further developments as we move through the bill to see if some of those funds might be restored and even the $25 million not rescinded.

I thank Senator DOMENICI and I thank the Chair. I thank my colleague from Massachusetts for waiting until we finish this item of business.

Mr. DOMENICI. I thank the Senator.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

WORK INCENTIVES IMPROVEMENT ACT

Mr. KENNEDY. Mr. President, as all of us understand, we are considering a very important appropriations bill. The floor managers, Senator DOMENICI and Senator REID, have a responsibility to see that we meet the responsibilities of the Senate and the appropriations procedures by making sure this legislation is considered and that Members have an opportunity to address it and move towards conclusion. I respect that, and I have great respect and friendship for the two Members.

I rise today to raise an issue which is not related to the underlying measure but is related to a very significant issue that is affecting many individuals across this country, and that is the issue of whether we are going to free members of our community, referred to as the disability community, who are facing some physical or mental challenge, whether or not we are going to free them from the kinds of governmental policies that discourage them from employment but really, beyond employment, from living a full and constructive and positive and independent existence, which I think all of us want to be able to achieve.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. KENNEDY. Yes.

Mr. DOMENICI. Mr. President, I know the bill. I am a cosponsor. I hope it gets passed soon this year. I understand you are going to file a bill but not call it up because meetings are taking place and we will want to pursue those.

Mr. KENNEDY. The Senator is correct. I have talked to the majority leader today, as well as our own leaders, Senator DOMENICI and Senator REID, and Senator GRAMM of Texas, who had effectively put a hold on the legislation and had indicated that request, that we file the legislation so it would conform to the request of the floor managers. It would be at the desk.

It is at least my impression that, given the agenda that has been announced by the majority leader, we would not conclude this legislation today and we will be moving on to the Y2K, and what they call the Social Security lockbox, later in the week, and we would have an opportunity and a good-faith effort to see if there could

be an agreement to consider this legislation independently—which, as the Senator from New Mexico understands, is desirable for a number of different reasons—but to do it with a precise time for the scheduling. That, I believe, is the preferable way to do it. But we didn't want to foreclose our opportunity, if we were unable to do so, to at least be able to exercise some judgment and move ahead with the legislation.

Mr. REID. Will the Senator yield?

Mr. KENNEDY. Yes, I am glad to yield to the Senator.

Mr. REID. The possibility is not remarkably good, but there is a possibility that we can finish this before the Y2K vote tomorrow morning, according to what happens with amendments coming in today.

Mr. KENNEDY. I would like to take this one step at a time, and I think there is very little reason, given the expressions of the majority leader and the Senator from Texas, why the Senate—not only the Senator from Massachusetts, but Senator ROTH, Senator JEFFORDS and Senator MOYNIHAN, and myself, who are the principal cosponsors, be given assurance that this would be ready. We are quite available through the afternoon to be able to take that. I want to say at this time that I would like to proceed in that way, without indicating exactly what our course of action would be.

There is no reason why we should be denied further opportunity to consider this legislation. I personally would be inclined to move ahead with a short timeframe for consideration of the amendment. But I am hopeful, as I said, that we may be able to work this out. So that is my intention. I am going to file this, if I may, at the desk and conform to the request of the floor managers.

Mr. President, I raise this issue, and it is a rather unusual process and procedure. I know the Senate has its responsibilities, but there is also a responsibility to the millions of Americans with disabilities. They have been waiting for some period of time as well. The fact is that this legislation has 78 cosponsors. I don't know of a piece of legislation that is before the Senate that has that degree of support from Republican and Democrat alike, and from over 300 organizations. We have a variety of different important pieces of legislation, but for my money, this legislation was more important to consider than Y2K or, with respect, the legislation that we have before us even at the present time, because it has such overwhelming support. There is no reason why we should not move ahead on this legislation. Millions of Americans are waiting for us to take action. The overwhelming majority of the Members of this body feels strong support for this, and that is a compelling reason to move forward with the legislation.

Mr. President, we have seen this legislation pass out of the Finance Committee 16–2, and one of the Members who had expressed opposition has since indicated that the changes that have been made in the legislation sent to the desk have effectively addressed those concerns. So here we have the overwhelming, overwhelming, overwhelming sentiment of those on the Finance Committee in favor of it. It is virtually unanimous in the House Commerce Committee. We don't have pieces of legislation like this. We have had differences on some pieces of legislation between Republicans and Democrats but not on this one, because the legislation is so compelling. We ought to be moving forward, and we ought to be moving forward now.

There are 175 cosponsors in the House of Representatives. The reason this legislation has such incredible support is because the legislation, perhaps more than any legislation I have seen in recent times, is really a reflection of the grassroots efforts to address this problem. The overwhelming majority of Americans who have some disability want to work and have the ability to work. But because of the way that the support systems are set up in terms of health insurance, they are prohibited from doing so because they will lose the health benefits they so desperately need. They are effectively disincentivized from going to work. This legislation understands that particular dilemma and addresses it. It is one of the most important pieces of legislation we are going to have in this Congress.

At the outset, I want to pay tribute to my friend and colleague, the Senator from Vermont, Senator JEFFORDS. He has been an enormously important leader in this body on issues involving the disabled. I welcome the opportunity to work with him on this and other legislation. We have a number of members on our committee who have taken special interest in the care of the needy and disabled; Senator HARKIN and Senator FRIST come to mind, as do others. We have had the overwhelming support of the members of our committee, most of whom were very much involved 9 years ago in the passage of the Americans with Disabilities Act to strike down the walls of discrimination which had existed and exist even today in our society against those who have some disability. We have made monumental progress in terms of knocking down the walls of discrimination.

As I will show in a few moments, even though we have had some success in knocking down the walls of discrimination, we still see that many of those who have disabilities are unable to go back to work because of the loss of any health insurance, and it has been because of that particular dilemma that this legislation was developed. We will get into the sound reasons for doing so, and the most compelling reason; and that is to let all Americans know that if someone has a disability it does not mean that they are not able to perform and live independently in so many instances, and be constructive, positive, and contributing members of our society. We will go through why and how this legislation does that.

I want to indicate at this time that the leadership of our colleagues—Senator ROTH on the Finance Committee and Senator MOYNIHAN on the Finance Committee—was essential in getting that legislation through. We worked very closely together. The legislation itself is really a reflection of their strong work and their strong commitment, as well as that of Senator JEFFORDS.

It seems to me this is the time to act. We will hopefully get some agreement by the leadership to call this legislation up. The appropriate way to have this legislation called up would be with our good colleagues and friends, Senator ROTH and Senator JEFFORDS, to offer this as independent legislation. We will move forward and pass it at that time. That is what I am hopeful we will be able to do. But quite frankly, we have been unable to get those kinds of assurances.

I think the delay in bringing this legislation to the floor has gone on long enough. We ought to be about the business of the substance of this legislation. We know there can be those who are opposed to it, or are concerned about it. But I believe we need a time for accounting. We need a time for yeas and nays. That is what this business is ultimately about. It is about choices. It is about priorities. It is about whether we are going to take action.

We strongly believe we should take action, and we should take action now. We have waited now some 2½ weeks since we had the understanding that this was going to be called up. Then it was temporarily shelved and put aside.

We have waited and waited for those who have been concerned about it to express their concern. We have tried to work through some of their concern. One of their concerns is about the offsets. We tried to work through that, but it is time to take action. This is the vehicle by which we can at least get action by the Senate of the United States. I believe we should move ahead.

Former majority leader Bob Dole stated in eloquent testimony before the Finance Committee that this issue is about people going to work—''it is about dignity and opportunity and all of the things we talk about when we talk about being Americans.'' Senator Dole has been a strong supporter of this legislation, and we welcome his support for this program.

We know a large portion of the 54 million disabled men and women in this country want to work and are able to work. But they are denied the opportunity to do so. The Nation is denied their talents and their contributions to our community.

These are the results of a Lou Harris 1998 poll of the 54 million Americans with disabilities:

Seventy-two percent of working-age people with disabilities who are not

working now say they want to work. There is a great desire for work by those individuals, but still they are effectively denied in a practical way the opportunity to do so.

Removing these barriers to work will help large numbers of disabled Americans to achieve self-sufficiency. We are a better and stronger and fairer country when we open the golden door of opportunity to all and enable them to be equal partners in the American dream. For millions of Americans with disabilities, this bill can make the American dream come true. When we say ''equal opportunity for all,'' it will be clear that we truly mean all.

How large are the gaps? This chart is the comparison between persons with and without disabilities on ''indicator'' measures in 1998.

Employment: Working either full time or part time, persons with disabilities, 29 percent. Persons with no disabilities, approximately 80 percent. The gap between those with disabilities and without disabilities who work is some 50 percent.

If we look at the income for households, you will see that of those persons with disabilities who are working, many of them are working in low-income jobs—34 percent have incomes of $15,000 or less compared to only 12 percent of those persons with no disabilities. Again we find the extraordinary disparity.

It is long past time to banish the mind-set that the disabled are unable. In fact, they have enormous talents and abilities, and America cannot afford to waste an ounce of it.

For too long, Americans with disabilities have faced a series of unbearable penalties if they take jobs or go to work. They are in danger of losing their medical coverage, which can mean the difference between life and death. They are in danger of losing their cash benefits, even if they earn only modest amounts from work. No disabled American should face the harsh choice between buying a decent meal and buying the medication they need.

The Work Incentives Improvement Act will begin to remove these unfair barriers facing people with disabilities who are able to work and who want to work.

It will continue to make health insurance available and affordable when a disabled person goes to work or develops a significant disability while working.

It will gradually phase out the loss of cash benefits as income rises—instead of the unfair sudden cut-off that so many workers with disabilities face today. We have the important demonstration program in here that will effectively see the phasing out of the kind of income these individuals are entitled to—the phasing out of 50 cents for every new dollar they make over a period of time. They would be able to increase their income, and we would see a diminution of the amounts actually being contributed by the States and Federal Government as they continue in the employment.

This would, obviously, be an incentive for them to move ahead on the economic ladder, rather than being the disincentive that it is now, which would have a termination of benefits which they receive once they move above $500, which effectively locks the disabled into part-time jobs and jobs that pay very little.

It makes a good deal of common sense. It places work incentive planners in communities rather than in bureaucracies, and helps workers with disabilities learn how to access employment services and support the services by help and assistance to the States and communities. The States and communities themselves would have some flexibility in being able to raise some fees in the administration of these programs. We provide a very modest amount for that.

Finally, all Americans get a fiscally responsible bill. This is based on the Joint Committee on Taxation estimates which incorporate CBO estimates that S. 331 would cost $838 million over 5 years, to be offset by the bill's revenue provisions totaling $906 million, for a net savings of $68 million over the 5 years. This does not even begin to take into consideration two very important factors; that is, what will actually be paid in, in terms of taxes to the Federal Treasury, in terms of revenues that the taxpayers will pay, and also the basic savings that will be there under the Social Security trust fund.

This chart shows where we are. We have 7.5 million individuals that qualify for Federal participation in some disability program—individuals who are eligible for some kind of payment. One-half of 1 percent now are. If, out of the 7.5 million, we are able to get 210,000 working, we would save the trust fund $1 billion a year. That does not come through CBO or OMB because of the way the Budget Act works. This is the extrapolation we have in terms of working with the Social Security agency. It represents $1 billion saved with 210,000 working instead of the 70,000 that are working a year. Ours is $800 million over 5 years.

This makes a good deal of sense. We believe it is economically sound. These are savings we will have. When we hear about costs of the bill, these are the savings we will have. As I mentioned, it does not even take into consideration what will actually be paid in, in terms of taxes for those individuals, which will be certainly more than those figures.

We worked very assiduously with a lot of the different groups on this program. When we think of citizens with disabilities, we tend to think of men, women and children who are disabled from birth. However, fewer than 15 percent of all people with disabilities are born with their disabilities. A bicycle accident or a serious fall or a serious illness can suddenly disable the healthiest and most physically capable person. This is enormously important. This legislation is not just for our fellow Americans that may be born with some disability, but for all Americans.

In the long run, this legislation may be more important than any other action we will take in this Congress. It offers a new and better life to large numbers of our fellow citizens. Disability need no longer end the American dream. That was the promise of the Americans with Disabilities Act a decade ago, and this legislation dramatically strengthens our fulfillment of that promise.

I will not take the time this afternoon to go through a diary I have, ''A Day in the Life of People Who Want To Work.'' We have broken down by States and included letters from individuals who have written about what this particular legislation means in terms of their lives today, how their lives would be changed, how their lives would be altered with this particular legislation. It is enormously powerful and moving.

If necessary, if we have to convince our colleagues about this legislation, I will take some time and go through some of the letters.

I will mention very briefly the human aspect of this legislation. This legislation is for Alice in Oklahoma who is disabled because of multiple sclerosis and receives SSDI benefits. She needs personal assistance to live and work in her community. But to do so, she must use all of her savings and half or all of her wages to pay for personal assistance and prescription drugs. As a result, she is left in poverty.

This bill is for Tammy in Indiana who has cerebral palsy and uses a wheelchair. She works part-time at Wal-Mart, but her hours are restricted because if she works too much she will lose her health benefits. Her goal of becoming a productive citizen is denied by the unfair danger of losing the health care she needs.

This is for Jay in Minnesota on SSDI who wants to work. However, the job he is qualified for offers no health care. If he accepts the job, he will join the ranks of the uninsured.

This bill is for Abby in Massachusetts who is only 6 years old and has mental retardation. Her parents are very concerned about her future and her ability to work and still have health insurance. Already she has been denied coverage by two insurance firms because of the diagnosis of mental retardation. Without Medicaid, her parents would be bankrupted by her medical bills today. If Abby eventually enters the workforce, she will have to live in poverty or lose Medicaid coverage under current law. Under this bill, all that would change. She and her parents will have a chance to dream of a future that includes work and prosperity, rather than a future of government handouts.

This bill is for many other citizens whose stories are told in this diary.

This diary alone should be enough to shock and shame the Senate into action.

Our goal in this legislation is to banish the stereotypes, to reform and improve the existing disability programs so that they genuinely encourage and support every disabled person's dream to work and live independently and be a productive and contributing member of the community. That goal should be the birthright of all Americans. With this legislation, we are taking a giant step toward that goal.

A story from the debate on the Americans With Disabilities Act illustrates the point. A postmaster in a town was told he must make his post office accessible. The building had 20 steps leading to a revolving door at the entrance. The postmaster questioned the need to make such costly changes. He said, ''I've been here for 35 years and in all that time I have yet to see a single customer come in here in a wheelchair.'' As the Americans With Disabilities Act shows, if you build the ramp, people will come and they will find their field of dreams. This bill expands the field.

The road to economic prosperity and the right to a decent wage must be more accessible to all Americans, no matter how many steps stand in the way. That is our goal in this legislation. It is the right thing to do. It is the cost-effective thing to do, and now is the time to do it. For too long, our fellow disability citizens have felt left out and left behind. A new and brighter day is on the horizon for them and today we finally will make it a reality.

I will describe a few other reasons for the importance of this legislation, including the cost of this legislation and what is happening currently. I will refer to the work in the Work Incentive Improvement Act and a report.

7.5 million disabled receive cash payments from SSI and SSDI. Disability benefit spending totals $73 billion a year. That is what we are spending at the present time under this program—$73 billion a year, making disability programs the fourth largest entitlement expenditure in the Federal Government. If only 1 percent, or 75,000, of the 7.5 million were to become employed, Federal savings in disability programs would total $3.5 billion over the worklife of the beneficiaries.

Do we hear that? If we get to 1 percent, we will be effectively saving $3.5 billion over the life of those beneficiaries. That is if we just get to 1 percent, let alone the goal of those of us who believe in independent living.

I will quote from the General Accounting Office:

> The two largest Federal programs providing cash and medical assistance for people with disabilities grew rapidly between 1985 and 1994, with the enrollment of working age people increasing 59 percent from 4 million to 6.3 million.

The figures I just read are the most current figures—7.5.

> . . . the inflation-adjusted cost of cash benefits growing by 66 percent. Administered by SSA, DI and SSI paid over $50 billion in cash benefits to people with disabilities in 1994.

So we are up now to $77 billion. In 1994 it was $50 billion. Now, this last year, in a period of 4 years it is up to $77 billion. That is a $27 billion increase. The flow line of these expenditures is going right up through the roof without any further indication of effectively reducing their unemployment, improving the ability of these individuals—who want to work and who have the ability to work if they are able to continue with their health insurance—to be contributing members of the community. It can have a dramatic, significant impact in lowering the continued escalation in expenditures under this fund.

For those individuals here who fail to understand what we are doing, what is happening, I hope they will refer to an excellent GAO report.

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

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

SOCIAL SECURITY: DISABILITY PROGRAMS LAG IN PROMOTING RETURN TO WORK

Mr. Chairman and Members of the Committee: You asked us to discuss today ways to improve the Disability Insurance (DI) and Supplemental Security Income (SSI) programs by helping people with disabilities return to work. Each week the Social Security Administration (SSA) pays over $1 billion in cash payments to people with disabilities on DI and SSI. While providing a measure of income security, these payments for the most part do little to enhance the work capacities and promote the economic independence of these DI and SSI recipients. Yet societal attitudes have shifted toward goals, as embodied in the Americans With Disabilities Act (ADA), of economic self-sufficiency and the right of people with disabilities to full participation in society.

At one time, the common business people was to encourage someone with a disability to leave the workforce. Today, however, a growing number of private companies have been focusing on enabling people with disabilities to return to work. Moreover, medical advances and new technologies provide more opportunities than ever for people with disabilities to work.

We found that the DI and SSI programs are out of sync with these trends. The application process places a heavy emphasis on work incapacity, and it presumes that medical impairments preclude employment. And SSA does little to provide the support and assistance that many people with disabilities need to work. Our April 1996 report shows, in fact, that program design and implementation weaknesses hinder maximizing beneficiary work potential.[1] Not surprisingly, these weaknesses also yield poor return-to-work outcomes. Other work we are doing for you highlights strategies from the private sector and other countries that SSA could use to develop administrative and legislative solutions to improve return-to-work outcomes. Indeed, if an additional 1 percent of the 6.3 million working-age SSI and DI beneficiaries were to leave SSA's disability rolls by returning to work, lifetime cash benefits would be reduced by an estimated $2.9 billion.[2]

With this in mind, today I would like to focus on how the current program structure impedes return to work and how strategies from other disability systems could help restructure DI and SSI to improve return-to-work outcomes. To develop this information, we surveyed people in the private sector generally recognized as leaders in developing disability management programs that focus on return-to-work efforts. We also interviewed officials in Germany and Sweden because the experiences of their social insurance programs show that return-to-work strategies are applicable to a broad and diverse population with a wide range of work histories, job skills, and disabilities. We also conducted focus groups with people receiving disability benefits and convened a panel of disability experts.

BACKGROUND

DI and SSI the two largest federal programs providing cash and medical assistance to people with disabilities—grew rapidly between 1985 and 1994, with the enrollment of working-age people increasing 59 percent, from 4 million to 6.3 million, and the inflation-adjusted cost of cash benefits growing by 66 percent. Administered by SSA, DI and SSI paid over $50 billion in cash benefits to people with disabilities in 1994. To be considered disabled by either program, an adult must be unable to engage in any substantial gainful activity because of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last at least 1 year. Moreover, the impairment must be of such severity that a person not only is unable to do his or her previous work, but, considering his or her age, education, and work experience, is unable to do any other kind of substantial work that exists in the national economy.

Both programs use the same definition of disability but differ in important ways. DI, established in 1956, is an insurance program funded by payroll taxes paid by workers and their employers into a Social Security trust fund. The program is for workers who, having worked long enough and recently enough to become insured under DI, have lost their source of income because of disability. Medicare coverage is provided to DI beneficiaries after they have received cash benefits for 24 months. Almost 4 million working-age people (aged 18 to 64) received about $34 billion in DI cash benefits in 1994.[3]

In contrast, SSI is a means-tested income assistance program for disabled, blind, or aged individuals regardless of their participation in the labor force. Established in 1972 for individuals with low income and limited resources, SSI is financed from general revenues.[4] In most states, SSI entitlement ensures an individual's eligibility for Medicaid benefits. In 1994, about 2.36 million working-age people with disabilities received SSI benefits. Federal SSI benefits paid to SSI beneficiaries with disabilities in 1994 equaled $18.9 billion.[5]

CASELOADS HAVE CHANGED SINCE THE MID-1980'S

The composition of the DI and SSI caseloads has undergone many changes during the last decade. Between 1985 and 1994, DI and SSI experienced an increase in the proportion of beneficiaries with impairments—especially mental impairments—that keep them on the rolls longer than in the past. By 1994, 31 percent of DI beneficiaries and 57 percent of SSI working-age beneficiaries had mental impairments—conditions that have one of the longest anticipated entitlement periods (about 16 years for DI). In addition, the beneficiary population has become, on average, modestly but steadily younger since the mid-1980s. The proportion of working-age beneficiaries who are middle aged (aged 30 to 49) has steadily increased—from 30 to 40 percent for DI, and from 36 to 46 percent for

See footnotes at end of article.

SSI—as the proportion who are older has declined.

STATUTE PROVIDES FOR RETURNING BENEFICIARIES TO WORK

The Social Security Act states that as many individuals applying for disability benefits as possible should be rehabilitated into productive activity. To this end, people applying for disability benefits are to be promptly referred to state vocational rehabilitation (VR) agencies for services intended to prepare them for work opportunities. To reduce the risk a beneficiary faces in trading guaranteed monthly income and premium-free medical coverage for the uncertainties of competitive employment, the Congress also established various work incentives to safeguard cash and medical benefits while a beneficiary tries to return to work.

Dispite congressional attention to employment as a way to reduce dependence, few beneficiaries leave the rolls to return to work. During each of the past several years, not more than 1 of every 500 DI beneficiaries has been terminated from the rolls because they returned to work.

TECHNOLOGICAL ADVANCES AND SOCIAL CHANGE FOSTER RETURN TO WORK

While DI and SSI return-to-work outcomes have been poor, many technological and medical advances have created more opportunities for some individuals with disabilities to engage in work. Electronic communications and assistive technologies—such as scanners, synthetic voice systems, standing wheelchairs, and modified automobiles and vans—have given greater independence to some people with disabilities, allowing them to tap their work potential. Advances in the management of disability—like medication to control mental illness or computer-aided prosthetic devices—have helped reduce the functional limitations associated with some disabilities. These advances may have opened new opportunities, particularly for some people with physical impairments, in the growing service sector of the economy.

Social change has promoted greater inclusion of and participation by some people with disabilities in the mainstream of society, including children in school and adults at work. For instance, over the past 2 years, people with disabilities have sought to remove environmental barriers that impede them from fully participating in their communities. Moreover, ADA supports the full participation of people with disabilities in society and fosters the expectation that people with disabilities can and have the right to work. ADA prohibits employers from discriminating against qualified individuals with disabilities and requires employers to make reasonable workplace accommodations, unless it would impose an undue hardship on the business.

CURRENT PROGRAM STRUCTURE IMPEDES RETURN TO WORK

The cumulative impact of weaknesses in the design and implementation of the disability programs is to understate beneficiaries' work capacity and impede efforts to improve return-to-work outcomes. Despite a changing beneficiary population and advances in technology and medicine that have increased the potential for some beneficiaries to work, the disability programs have remained essentially frozen in time. Weaknesses in the design and implementation of the DI and SSI programs, summarized in table 1, have impeded identifying and encouraging the productive capacities of those who might benefit from rehabilitation and employment assistance.

TABLE 1.—SUMMARY OF PROGRAM DESIGN AND IMPLEMENTATION WEAKNESSES

Program area	Weakness
Disability determination	"Either/or" decision gives incentive to promote inabilities and minimize abilities.
	Lengthy application process to prove one's disability can erode motivation and ability to return to work.
Benefit structure	Cash and medical benefits themselves can reduce motivation to work and receptivity to VR and work incentives, especially when low-wage jobs are the likely outcome.
	People with disabilities may be more likely to have less time available to work, further influencing a decision to opt for benefits over work.
Work incentives	"All-or-nothing" nature of DI cash benefits can make work at low wages financially unattractive.
	Risk of losing medical coverage when returning to work is high for many beneficiaries.
	Loss of other federal and state assistance is a risk for some beneficiaries who return to work.
	Few beneficiaries are aware that work incentives exist.
	Work incentives are not well understood by beneficiaries and program staff alike.
VR	Access to VR services through Disability Determination Service (DDS) referrals is limited: restrictive state policies severely limit categories of people referred by DDSs; the referral process is not monitored, reflecting its low priority and removing incentive to spend time on referrals; VER counselors perceive beneficiaries as less attractive VR candidates than other people with disabilities, making them less willing to accept beneficiaries as clients; and the success-based reimbursement system is ineffective in motivating VR agencies to accept beneficiaries as clients.
	Applicants are generally uninformed about VR and beneficiaries are not encouraged to seek VR, affording little opportunity to opt for rehabilitation and employment.
	Studies have questioned the effectiveness of state VR agency services since long-term, gainful work is not necessarily the focus of VR agency services.
	Delayed VR intervention can cause a decline in receptiveness to participate in rehabilitation and job placement activities, as well as a decline in skills and abilities.
	The monopolistic state VR structure can contribute to lower quality service at higher prices, and recent regulations allowing alternative VR providers may not be effective in expanding private sector VR participation.

WORK CAPACITY OF DI AND SSI BENEFICIARIES MAY BE UNDERSTATED

The Social Security Act requires that the assessment of an applicant's work incapacity be based on the presence of medically determinable physical and mental impairments. SSA maintains a Listing of Impairments for medical conditions that are, according to SSA, ordinarily severe enough in themselves to prevent an individual from engaging in any gainful activity. About 70 percent of new awardees are eligible for disability because their impairments meet or equal the listings. But findings of studies we reviewed generally agree that medical conditions are a poor predictor of work incapacity.[6] As a result, the work capacity of DI and SSI beneficiaries may be understated.

While disability decisions may be more clear-cut in the case of people whose impairments inherently and permanently prevent them from working, disability determinations may be much more difficult for those who may have a reasonable chance of work if they receive appropriate assistance and support. Nonmedical factors may play a crucial role in determining the extent to which people in this latter group can work.

PROGRAM WEAKNESSES IMPEDE EFFORTS TO IMPROVE RETURN-TO-WORK OUTCOMES

The "either/or" nature of the disability determination process creates an incentive for applicants to overstate their disabilities and understate their work capacities. Because the result of the decision is either full award of benefits or denial of benefits, applicants have a strong incentive to promote their limitations to establish their inability to work and thus qualify for benefits. Conversely, applicants have a disincentive to demonstrate any capacity to work because doing so may disqualify them for benefits. Furthermore, the documentation involved in establishing one's disability can, many believe, create a "disability mind-set," which weakens motivation to work. Compounding this negative process, the length of time required to determine eligibility can erode skills, abilities, and habits necessary to work.

* * * * *

Intervene as soon as possible after a disabling event;

Identify and provide necessary return-to-work services and manage cases; and

Structure cash and medical benefits to encourage return to work.

The practices underlying these strategies are summarized in table 2.

Disability managers we interviewed emphasized that these return-to-work strategies are not independent of each other and work most effectively when integrated into a comprehensive return-to-work program. Return-to-work strategies and practices may hold potential both for improving federal disability programs by helping people with disabilities return to productive activity in the workplace and, at the same time, for reducing program costs.

TABLE 2: STRATEGIES AND PRACTICES IN THE DESIGN OF RETURN-TO-WORK PROGRAMS OF THE U.S. PRIVATE SECTOR AND OTHER COUNTRIES

Strategies	Practices
Intervene as early as possible after an actual or potentially disabling event.	Address return-to-work goals from the beginning of an emerging disability.
	Provide return-to-work services at the earliest appropriate time.
	Maintain communication with workers who are hospitalized or recovering at home.
Identify and provide necessary return-to-work assistance effectively	Assess each individual's return-to-work potential and needs.
	Use case management techniques when appropriate to help workers with disabilities return to work
	Offer transitional work opportunities that enable workers with disabilities to ease back into the workplace.
	Ensure that medical service providers understand the essential job functions of workers with disabilities.
Structure cash and medical benefits to encourage return to work	Structure cash benefits to encourage workers with disabilities to rejoin the workforce.
	Maintain medical benefits for workers with disabilities who return to work.
	Include a contractual provision that can require the worker with disabilities to cooperate with return-to-work efforts.

EARLY INTERVENTION CRITICAL TO RETURN TO WORK

Disability managers we surveyed stressed the importance of early intervention in returning workers with disabilities to the workplace. Advocates of early intervention believe that the longer an individual stays away from work, the less likely return to work will be. Studies show that only one in two workers with recently acquired disabilities who are out of work 5 months or more will ever return to work. Disability managers believe that long absences from the workplace can reduce motivation to attempt work.

Setting return-to-work goals soon after the onset of disability and providing timely rehabilitation services are believed to be critical in encouraging workers with disabilities to return to the workplace as soon as possible. Contacting a hospitalized worker soon after an injury or illness and then continuing to communicate with the worker recovering at home, for instance, helps reassure the worker that there is a job to return to and that the employer is concerned about his or her recovery.

IDENTIFYING AND PROVIDING RETURN-TO-WORK SERVICES EFFECTIVELY

Another common strategy is to effectively identify and provide return-to-work services. This approach involves investing in services tailored to individual circumstances that help achieve return-to-work goals for workers with disabilities while avoiding unnecessary expenditures.

In an effort to provide appropriate services, many in the private sector strive to identify the individuals who are likely to be able to return to work and then identify the specific services they need. In doing so, each individual should be functionally evaluated after his or her medical condition has stabilized to assess potential for returning to work. When appropriate, the private sector uses case management techniques to coordinate the identification, evaluation, and delivery of disability-related services to individuals deemed to need such services to return to work. Transitional work allows workers with disabilities to ease back into the workplace in jobs that are less physically or mentally demanding than their regular jobs.

The private sector also stresses the need to ensure that physicians and other medical service providers understand the essential job functions of workers with disabilities. Without this understanding, the worker's return to work could be delayed unnecessarily. Also, if an employer is willing to provide transitional work opportunities or other job accommodations, the treating physician must be aware of and understand these accommodations.

WORK INCENTIVES FACILITATE RETURN TO WORK

Finally, disability managers responding to our survey generally offered incentives through their programs' cash and medical benefit structure to encourage workers with disabilities to return to work. Disability managers believe that a program's incentive structure can affect return-to-work decisions. The level of cash benefits paid to workers with disabilities can affect their attitudes toward returning to work because, if disability benefits are too generous, the benefits can create a disincentive for participating in return-to-work efforts. Disability managers also believe employer-sponsored medical benefits can provide an incentive to return to work if returning is the way that workers with disabilities in the private sector can best ensure that they retain medical benefits.

Although the structure of benefits plays a role in return-to-work decisions, disability managers emphasized that well-structured incentives are not sufficient in themselves for a successful return-to-work program. Incentives must be integrated with other return-to-work practices. Disability managers also generally advocated including a contractual requirement for cooperation with a return-to-work plan as a condition of eligibility for benefits. They believed such a requirement helps motivate individuals with disabilities to try to return to work.

RETURN-TO-WORK OUTCOMES COULD BE IMPROVED THROUGH RESTRUCTURING

Return-to-work strategies used in the U.S. private sector and other countries reflect expectations that people with disabilities can and do return to work. The DI and SSI programs, however, are out of sync with this return-to-work focus. Improving the DI and SSI return-to-work outcomes requires restructuring these programs to better identify and enhance beneficiary return-to-work capacities. While there is opportunity for improvement, it should be acknowledged that many beneficiaries will be unable to return to work. In fact, almost half of the people receiving benefits are not likely to become employed because of their age or because they are expected to die within several years. For others, work potential is unknown; but research suggests that successful transitions to work may be more likely for younger people with disabilities and for those who have greater motivation and more education.[7]

Studies have shown that a meaningful portion of DI and SSI beneficiaries possess such characteristics. The DI and SSI disability rolls have been increasingly composed of a significant number of younger individuals. Among working-age SSI and DI beneficiaries, one out of three is under the age of 40[8] In addition, in 1993, 35 percent of 84,000 DI beneficiaries expressed an interest in receiving rehabilitation or other services that could help them return to work, an indication of motivation. Moreover, a substantial portion—almost one in two—of a cohort of DI beneficiaries had a high school degree or some years of education beyond high school.[9] The literature also suggests that lack of work experience is a significant barrier to employability.[10] A promising sign is that about one-half of DI and one-third of SSI working-age beneficiaries had some attachment to the labor force during the 5 years immediately preceding the year of benefit award.[11]

Even those who may be able to return to work will face challenges. For example, some may need to learn basic skills and work habits and build self-esteem to function in the workplace. Moreover, the nature of some disabilities may limit full-time work, while others may cause logistical obstacles, such as transportation difficulties. Finally, employer resistance to hiring people with disabilities and tight labor market conditions, particularly for low-wage positions, could constrain employment opportunities.

Nevertheless, there are compelling reasons to try new approaches. As mentioned, our review of the disability determination process shows that the work capacity of an individual found eligible for DI and SSI benefits may be understated. And this country has experienced medical, technological, and societal advances over the past several years that foster return to work. But weaknesses in the design and implementation of the DI and SSI programs mean that little has been done to identify and encourage the productive capacities of beneficiaries who might be able to benefit from these advances.

Restructuring of the DI and SSI programs should consider the return-to-work strategies employed by the U.S. private sector and social insurance programs in Germany and Sweden. Lessons from these other disability programs argue for placing greater priority on assessing return-to-work potential soon after individuals apply for disability benefits. The priority in the DI and SSI programs, however, is to determine the eligibility of applicants to receive cash benefits, not to assess their return-to-work potential. In conjunction with making an early assessment of return-to-work potential, the programs should place greater priority on identifying and providing, at the earliest appropriate time, the medical and vocational rehabilitation services needed to return to work. But under the current program design, medical and vocational rehabilitation services are provided too late in the process. Finally, the programs should be designed to ensure that cash and medical benefits encourage beneficiaries to return to work. Presently, however, cash and medical benefits can make it financially advantageous to remain on the disability rolls, and many beneficiaries fear losing their premium-free Medicare or Medicaid benefits if they return to work.

Although SSA faces constraints in applying the return-to-work strategies of other disability programs, opportunities exist for better identifying and providing the return-to-work assistance that could enable more of SSA's beneficiaries to return to work. Even relatively small gains in return-to-work successes offer the potential for significant savings in program outlays.

CONCLUSIONS

In our April 1996 report, we recommended that the Commissioner take immediate action to place greater priority on return to work, including designing a more effective means to identify and expand beneficiaries' work capacities and better implementing existing return-to-work mechanisms. In line with placing greater emphasis on return to work, we believe that the Commissioner needs to develop a comprehensive return-to-work strategy that integrates, as appropriate, earlier intervention, earlier identification and provision of necessary return-to-work assistance for applicants and beneficiaries, and changes in the structure of cash and medical benefits. As part of that strategy, the Commissioner needs to identify legislative changes that would be required to implement such a program.

[1] This testimony is based on *SSA Disability: Program Redesign Necessary to Encourage Return to Work*(GAO/HEHS–96–62, Apr. 24, 1996) and a forthcoming GAO report on return-to-work strategies in the U.S. private sector, Germany, and Sweden.

[2] The estimated reductions are based on fiscal year 1994 data provided by SSA's actuarial staff and represent the discounted present value of the cash benefits that would have been paid over a lifetime if the individual had not left the disability rolls by returning to work.

[3] Included among the 3.96 million DI beneficiaries are 671,000 who were dually eligible for SSI disability benefits because of the low level of their income and resources.

[4] Reference to the SSI program throughout this testimony addresses blind or disabled, not aged recipients. General revenues include taxes, customs duties, and miscellaneous receipts collected by the federal government but not earmarked by law for a specific purpose.

[5] The 2.36 million SSI beneficiaries do not include individuals who were dually eligible for SSI and DI benefits. The $18.9 billion consists of payments to all SSI blind and disabled beneficiaries regardless of age.

[6] For example, S.O. Okpaku and others, ''Disability Determinations for Adults With

Mental Disorders: Social Security Administration vs. Independent Judgments.'' *American Journal of Public Health,* Vol. 84, No. 11 (Nov. 1994), pp. 1791–95; and H.P. Brehm and T.V. Rush, ''Disability Analysis of Longitudinal Health Data: Policy Implications for Social Security Disability Insurance,'' *Journal of Aging Studies,* Vol. 2, No. 4 (1988), pp. 379–99.

[7] For example, J.C. Hennessey and L.S. Muller, ''The effect of Vocational Rehabilitation and Work Incentives on Helping the Disabled Worker Beneficiary Back to Work,'' *Social Security Bulletin,* Vol. 58, No. 1 (spring 1995), pp. 15–28; R.J. Butler, W.G. Johnson, and M.L. Baldwin, ''Managing Work Disability: Why First Return to Work Is Not a Measure of Success,'' *Industrial and Labor Relations Review,* Vol. 48, No. 3 (Apr. 1995), pp. 452–67; and R.V. Burkhauser and M.C. Daly, ''Employment and Economic Well-Being Following the Onset of a Disability: The Role for Public Policy,'' paper presented at the National Academy of Social Insurance and the National Institute for Disability and Rehabilitation Research Workshop on Disability, Work, and Cash Benefits (Santa Monica, Calif.: Dec. 1994).

[8] *Annual Statistical Supplement, 1995 to the Social Security Bulletin* (Aug. 1995).

[9] J.C. Hennessey and L.S. Muller, ''Work Efforts of Disabled Worker Beneficiaries: Preliminary Findings From the New Beneficiary Followup Survey,'' *Social Security Bulletin,* Vol. 57, No. 3 (fall 1994), pp. 42–51.

[10] Berkeley Planning Associates and Harold Russell Associates, ''Private Sector Rehabilitation: Lessons and Options for Public Policy,'' prepared for the U.S. Department of Education. Office of Planning, Budget, and Evaluation (Dec. 31, 1987).

[11] M.C. Daly, ''Characteristics of SSI and SSDI Recipients in the Years Prior to Receiving Benefits: Evidence From the PSID,'' presented at SSA's conference on Disability Programs: Explanations of Recent Growth and Implications for Disability Policy (Sept. 1995).

Mr. KENNEDY. In the GAO report is an analysis of this program. But they also looked at U.S. private and social insurance programs to find out, are there American companies that are trying to deal with this with employees, and are there other States trying to do it?

Look at this. We can look at the percentages of working-age persons with disabilities. We will see West Virginia is 12.6; then 11, in Louisiana; 10 in Maine; Oklahoma, 10.2; Oregon, 10.

Now, take the percent working and the percent not working. The percent working is 20 percent—24, 28, 23, 23. Maine has 37 percent working; Oklahoma, 34; and Oregon has 42 percent working—42 percent working.

Then we look at the percent not working—57 percent. Some other States are almost 80 percent.

Don't you think we ought to look at the States that have large numbers of people with disabilities who are working and find out how they are getting people to work? And find out what is not happening in States where they are not getting them to work? That is what we did in this legislation. What we are finding out is, in those States, in the private sector, they are maintaining the insurance aspects of the health care and also providing the financial incentives to be able to go to work. That is just in some of our States.

We are hopeful we can move with these incentives to get to every State. Some States are making dramatic improvements, and others are not. The lessons are very clear, and we have included that in the legislation. If we look at what is happening in other countries, in two countries we find the absolutely extraordinary results they have from having similar incentives and disincentives that we have tried to incorporate in this legislation and that are referred to by the GAO as being very successful.

I would like to believe the importance of this is to make sure those Americans with some disability are going to be included in the great American dream, that we decided as a nation we not only are not going to discriminate but we are going to encourage policies that will make it possible for those with disabilities to be part of the American dream. What we are attempting is to do it in ways that have demonstrated effectiveness.

The principal reasons they have been effective are along these lines. They have been happening because we have seen new medical technology which has been very helpful when carefully and effectively pursued. I think we all understand the costs of medical technology. In this particular area, there are some great opportunities for people, by the use of medical technology, to get back to work. It is working, and it is effective; it is cost effective.

We are also finding, for one reason or another—I will not take the time now—a number of those going on the disability rolls have been younger individuals than we were considering probably 20 years ago.

Another interesting corollary is, most of those individuals have a higher achievement in completion of high school and college, for reasons I will not bother taking up the time of the Senate with at this time. We are talking about younger individuals who are more adaptable for these training programs, newer kinds of technology out there, and where that is accessible, more effective training programs such as we passed last year with our one-stop shopping and incentive programs, with financial incentives in the private sector that are going to be effective programs getting people working. We have brought all of these elements together. We followed the examples that have been pointed out to us as effective and incorporated those in this legislation.

We believe this will have a dramatic and positive impact, most importantly on the ability of individuals to go to work and be useful and productive, constructive members of our society and live happier lives in their own personal situations and the members of their family, be more productive in the general economy, in what they are able to add to the economy, without these false disincentives out there, reducing the financial burden on the trust funds which are paying out to the community, and ultimately seeing a dramatic reduction in burden to the States' financial situation for funding as well as to the Federal Government. This, we believe, is a win-win-win situation all the way along the line.

I could take further time. I know there are others who want to speak to the underlying measure. But we believe very deeply in this legislation, which has been carefully thought through by individuals who will be most affected by it. That has been enormously important. Very often we draft and shape legislation in a way we think is best, but this is legislation that has emerged from the grassroots level. We understand the difficulty of getting everyone to agree to different proposals.

We have harmony among the community that represents 300 different organizations. It is an extraordinary initiative, an extraordinary result that is so powerful in terms of what we hope to achieve.

This is really a service to the country. We want the kind of America that is going to say to those individuals who are faced with some physical or mental challenges that we will make sure they will be able to participate to the extent their abilities, their interest, their courage, and their determination permit them. We want to eliminate or knock down those barriers which one way or the other inhibit their ability to move forward.

We have been attempting to do that in a number of ways, but there is nothing that is going to do more in opening up the dreams and the hopes of these individuals and their families than this piece of legislation.

The Americans With Disabilities Act is important in trying to eliminate discrimination against the disabled. The Work Incentives Improvement Act will do the job in terms of eliminating the significant financial disincentives out there that basically inhibit so many of our fellow citizens, who have the ability and dedication and commitment and desire, from moving forward. That is why this legislation is so important.

At another time, I will go through some of the other provisions of the legislation.

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. I ask unanimous consent that Connie Garner be given the privilege of the floor during the consideration of the energy and water appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Will the Senator yield for a question?

Mr. KENNEDY. I will be glad to yield.

Mr. REID. In listening to the remarks of the Senator from Massachusetts, I am struck by the fact that the people this legislation is attempting to help are people who do not have voices here to represent their interests; is that not generally the case?

Mr. KENNEDY. The Senator is correct. I like to believe there is a greater understanding and awareness of the challenges that disabled Americans have faced in more recent years than there had been for the first 200 years of our country. Over the last 8 or 10 years, we have had some important changes in attitude on these issues.

By and large, the Senator is correct that this has not been an issue that has been in the forefront of legislative or executive action.

Mr. REID. I also say there have been some people of good will joining together around the country attempting to advocate for the disabled, but the people we deal with on a daily basis are usually people who come representing institutions or entities and who are, in effect, well paid. They are people who have vast amounts of money tied up in Federal programs.

The disabled people the Senator is attempting to help with this legislation are people who have—the Senator is absolutely right—joined together in the last decade recognizing the disabled need help. But these are volunteer groups and people, as I said, of good will around the country trying to help people who have no representation; is that basically true?

Mr. KENNEDY. The Senator is correct. It was not that long ago when we had 5.5 million children who were disabled who never went to schools in our country. We have made some progress in opening up the schools of our country. We debated the issue of trying to give help and assistance to local communities. I am a strong supporter of it. I know the Senator from Nevada is. I know there are others on both sides of the aisle who feel that way as well.

We have made some progress on other issues. I cannot speak further without recognizing the good work of the Senator from New Mexico in regard to mental illness. For many years, those afflicted by the challenges of mental illness were kept aside in our own communities, and in terms of debate and discussion, there has been a general reluctance to talk about some of their special needs.

The Senator is quite correct. The willingness to talk about these issues has been in a more recent time. I can even speak of that with regard to my own family with a sister who is mentally retarded and having seen the evolution and the changes which have taken place in how people react and respond to those who are mentally retarded.

We have come a long way, but the Senator is quite correct, by and large, these individuals and the communities are hard pressed with the day-to-day activities and do not have a great deal of time to come here, although I note both Senator REID and Senator DOMENICI would say that when they do come here and when they do speak, there are a few more eloquent voices and compelling voices for the cause of social justice.

Mr. REID. I want to say one additional thing while the Senator is on the floor, and that is, the community of disabled persons around the country have been very fortunate to have Senator KENNEDY as a spokesperson on their behalf. But I also want to mention something in which your family has been involved. It certainly has shown to me, having been involved in a number of Special Olympic programs in my own State, how the disabled enjoy life just as much as anyone else. There is no example better than athletics. I commend and applaud the Senator and his family for the great work they have done with the Special Olympics program, which is now a worldwide program.

Mr. KENNEDY. I thank the Senator. I appreciate that. As a matter of fact, they are having the International Special Olympics on June 27 and 28 in North Carolina this year. There will be more than 130 countries participating in those games. That cause still goes on.

It is a great tribute not only to the athletes but to the parents, the teachers, to the volunteers, and States all over the country that have been supportive of that program. I know the Senator has been a supporter of the program, and I think any of those individuals who watch those programs cannot leave the field without feeling an extraordinary sense of inspiration. That is, I believe, enormously moving.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Is the Senator from Massachusetts finished?

Mr. KENNEDY. I am finished. I thank the Senator.

Mr. DOMENICI. I say to Senator KENNEDY, I commend him for what he is doing. I remind the Senate that the last time I looked, this bill had 33 Republicans on it and was led on the Senate side by the chairman of the Finance Committee. He is one of the leaders, not just Senator JEFFORDS from the Health, Education, Labor, and Pensions Committee.

Frankly, what has happened is, though we pass laws with reference to helping people who are disabled, either because of physical disabilities or mental disabilities, a lot of our terribly mentally handicapped do participate in disability programs. What they do not participate in very well is the training programs for them. We are just getting that started.

But essentially we pass laws saying let's help them. Then we forget about them for about 15 or 20 years, which is what happened here. We find that in many respects the law has arbitrary finalization of benefit dates that hurt instead of help. Instead of encouraging that a person who is disabled go to work, if anybody is experienced with the old law, before we change it, what the people will be telling them is: Be careful, because if you try to go to work and get off, they take you off so quick and for such a tiny amount of earnings that sometimes that job finishes because the disabled do not have the propensity to have 6-year-long jobs; sometimes it is 6 months, 5 months.

In the case of the mentally ill, sometimes a schizophrenic works 1 month. This program, unless we change it, does not work for them, because they get taken off the benefit list too quickly. Then it is hard to get back on. So a parent may say: Let's just not ask Jimmy to go to the Green Door and get trained over here to get a job. They say: Let's just leave that alone and talk to him about volunteering, not earning money. But I tell you, to the extent we are encouraging that, we are doing a very bad thing for disabled people.

You will find across the board, for the disabled people, young or old, the most important thing going is for them to get a job. You cannot imagine how important it is for them to get a paycheck. It is among the most intriguing psychological things that happens to a disabled person—when they earn their own money—that you have ever seen.

Why should we have laws that help them but at the same time discourage them from getting a job because they may get kicked off the rolls too quickly, or they cannot get on quickly enough after they get unemployed? Let's change that and make it common sense.

I understand these laws are good laws, the ones we are changing. They put America in the vanguard when we passed them. They are good. But in the meantime, we are finding that nothing is as good as a job. These jobs do not pay a lot but pay just enough to qualify people under the old law to get off the rolls. So it is not as if it is rich people who are getting on and off the rolls, people earning $100,000; it is people earning minimum wage. In some instances, they even have youth jobs that are at less than minimum wage, and all of a sudden they qualify—no more aid—and they are worse off than they were before. That is what this is; the essence of it is to try to fix those things. We ought to fix them.

It does not belong on this bill that Senator REID and I are managing. Senator KENNEDY has not said it does. But, look, if you cannot resolve it, we are going to do what has to happen here. I hope the Republican leadership would get together—actually, they are in the forefront. I am assuming that the chairman of the Finance Committee is not here today. He would probably be here. He wants to make sure it is done right. He has to find offsets, does he not? There are offsets.

This bill is going to be neutral budgetwise. We are going to pay for it. It is not that we are going to add to the debt, or use up the surplus or use the Social Security trust fund—none of those.

Frankly, I am very hopeful that our bill has served a purpose. There has been a nice debate. There is nobody here who needs the Senate any more

than we do right now. Nobody is offering amendments. We are waiting. It is all right with me if they do not. It is a fine discussion.

I thank the Senator. It is good to get an opportunity to comment.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I will not take much time.

The Senator has it absolutely right. We built in the program the ability to provide the medical and some income for people who have the disabilities and said that if they make over $500, they lose the insurance and they lose the additional kind of insurance, that they would be able to receive income, and they are just dropped out.

Very few of the families can be assured they can get a job after a training program where they would be able to offset their total medical expenses if they are able to get health insurance. They probably are not able to get it because they have a disability. The fact of the matter is, the insurance companies, by and large, do not include them.

I have a son who lost his leg to cancer and is a very healthy young person, but there is not a chance in the world he can get insurance. He has insurance only as a part of a much larger group. That happens to individuals who have any kind of disability. So they are out behind the 8-ball.

What we are saying is, continue their health care. OK, we can phase out or eliminate their income. They would be willing to take a chance on that. They will go out and try to pull their own weight. They are glad to do it. They will do it, and they will do it very well.

They have a desire to do it and the ability to do it. We have provided these incentives and training programs to enable them to be more creative to do it. There are more examples in a number of the States about how to do it. There are a number of examples in different countries on how to do it. We are going to do it in ways that are financially responsible.

The Senator made an excellent statement. I thank him for his sponsorship, as well as the Senator from Nevada.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, before Senator KENNEDY leaves the floor, I will just make a comment. He mentioned those disabled because of severe mental illnesses: manic depression, schizophrenia, severe chronic depression.

I say to the Senator, I introduced the parity bill with Senator WELLSTONE to try to get more insurance coverage resources applied to these serious illnesses. I want to share with the Senator, since we are talking about disabilities, a notion that came to me with reference to severely mentally ill people.

I said, what would happen if the United States, by definition, had decided we would not cover, under health insurance, illnesses of the heart because we did not want to cover illnesses of the brain? The complicated vessels are the heart and the brain. What if 30 years ago, as we produced the list of coverable illnesses, we said no coverage for heart conditions. Guess what would have happened. None of the breakthroughs in treating the heart would have ever occurred because there would not have been enough resources going into it for the researchers and the doctors to make the breakthroughs.

As a matter of fact, we would not have invented angioplasty and all those other significant techniques. What would have happened in the meantime is that hundreds of thousands of Americans would be dying earlier than they should. That would be along with what I just said.

When we say insurance companies should not cover schizophrenics, who have a brain disease, diagnosable and treatable, that we should not cover them, then are we not saying the same thing about a very serious physical frailty that hits between 5 and 15 million Americans during any given year, from the very young to the very old, with the highest propensity between 17 and 25 years of age for schizophrenia, manic depression, and the like?

It seems to me that sooner or later, if we are going to call something ''health insurance,'' it ought to cover those who are sick, wouldn't you think?

Mr. KENNEDY. Absolutely.

Mr. DOMENICI. Why do we call health insurance ''health insurance'' and leave out a big chunk of the American population? Because the definition chooses to will away an illness. You define it so it does not exist, right? No. It exists. Families go broke. Their kids are in jails instead of hospitals. Because once they get one of these diseases, there is no way to help them, because there are no systems, because there are not enough resources. The resources come from the mass coverage by insurance. That is what puts resources into illnesses and cures.

So I just want to assure you, we are going to proceed this year. We are going to proceed with this parity bill. We are going to have a vote here. I do not know which bill yet, but we are going to have a good debate. We are asking the business community to get the price tag. We do not want to hear any of this business that it is going to break us.

We want to know, based on history, what is it going to cost? Then we are going to let the Senators and the public decide: Is that too much? What if it isn't too much in the minds of most Americans and Senators? Then it seems to me the marketplace will have to adjust to it.

Obviously, if I have a chance, I would like to talk about this. I would like to do it on the floor of the Senate so a lot of other Americans hear about it. I would like to do it when somebody is here to talk about the significance of this.

This is important business, the disabled in this country, whether they are disabled physically or disabled mentally. If we are going to have a real society that is proud of being free—and we have put so much emphasis on that—then we cannot leave out big chunks of the public with arbitrary laws or a failure to have insurance companies take care of the responsibilities of health coverage for disabled Americans.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. As the good Senator knows, we have such coverage for all Members of the Senate. Federal employees have it, over 11 million have it, and other groups have that as well. We find that it is suitable for Members of Congress and for the administration, other Federal employees.

I underline that I do not think we have health insurance worth its name if it doesn't meet the standard that the Senator from New Mexico has outlined here. I think it is basic and fundamental. There may have been troubles with the Clinton health insurance program, but the President has recently announced that he will issue an executive order to provide mental health parity.

I say to the good Senator, my friend—I have heard him speak eloquently, as well as our friend Senator WELLSTONE, and others speak on this issue—I pledge to him that I look forward to working with him. I think it is enormously important. I commend the Senator for what was initiated previously when we were dealing with this issue in related form on the Kassebaum-Kennedy legislation a few years ago. We want to see that and other legislation actually implemented. I commend him and look forward to working with him.

Finally, I would like to state my support for the efforts of my good friend and colleague from Nevada, Senator REID, who has long been a champion of the need for better and more comprehensive approaches to suicide prevention. Suicide claims over 30,000 lives each year in this country; it is the eighth leading cause of death overall and the third major cause of death amongst teenagers from 15–19. It is an issue clearly associated with mental health parity. If better access to mental health services were available for all persons who have psychiatric conditions, the suicide rate would be dramatically reduced. It is time to provide mental health parity and to prevent these unnecessary family tragedies.

I thank the Senator.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, even though this is the energy and water

bill, I am glad we are going to have this conversation this afternoon about mental health.

An area I have worked on that is now receiving more attention is suicide. Thirty-one thousand people each year in the United States kill themselves. What if 31,000 people were killed in some other manner? We would focus a lot of attention on it.

There are almost as many people killed in car wrecks every year. We have airbags and we have speed limits. We do all kinds of things to prevent people from being killed in automobile accidents. We have even done a much better job in recent years trying to stop people from driving under the influence of alcohol.

Suicide is a very difficult problem in America today. During the time we have been on this bill—it is now 3:30 eastern time; we started at 1—about 12 people in the United States have killed themselves. So it is an issue I hope we will spend more time on.

For the first time in the history of the country we are spending money to find out why people commit suicide. We don't know why. An interesting fact is that the 10 leading States in the United States for suicide are western United States, States west of the Mississippi. We don't know why this is, but it is now being studied by the Centers for Disease Control. We appropriated money last year to try to focus on this.

Not only is this, of course, terrible for the person who dies, but what it does to the victims, the people who are the survivors.

I am happy to hear the discussion this afternoon about mental health generally. I want to talk about suicide specifically. It is an area that we really have to focus some attention on and get Members of the Congress to agree that we have to do something about this. It is an issue that is crying for an answer. I hope that in the years to come we can do much more than we have done in the past, which wouldn't take very much, but it is an area in which we need to do much more. I hope we can do that.

Madam President, I suggest the absence of a quorum.

Mr. DOMENICI. Will the Senator withhold?

Mr. REID. I will withhold.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I say to my good friend, the ranking member on this subcommittee, we have a good, bipartisan bill. I hope we can make the point that we worked together to make it bipartisan, because I think that is the way we get a bill that we can get through here and can sustain.

Commenting on your last statement and your efforts with reference to suicide, that is not unrelated to what I was discussing at all.

Mr. REID. That is right.

Mr. DOMENICI. I don't know the numbers, but I am going to guess that 60 to 70 percent of the suicides are probably found to be caused by a mental illness, most of them by severe depression. Frankly, one of the reasons we have so many suicides is because we have not created a culture among our medical people and among those who help our medical people of properly diagnosing such things as depression.

One of the reasons we don't have a culture that does the diagnosis right is because it is not covered by insurance. As a consequence, there are not enough resources put in at the grassroots where doctors are getting paid for this and universities can do research on it, because it is worthwhile to the doctors to become experts in this. We are doing a little more than we did in the past but not enough from the standpoint of real mass involvement.

Young people in particular are the majority victims of the suicide numbers, which is such a shame. Many of those 21,000 are kids; right?

Mr. REID. Thirty-one thousand.

Mr. DOMENICI. Teenagers, 31,000; they are not in the senior citizen numbers. There is a small percentage, but the big percentage are in the absolute throes of starting a great life. If we could do a better job with diagnosing depression, we would have medication and therapy preventing many of those 31,000.

Mr. REID. Will the Senator yield?

Mr. DOMENICI. Yes, indeed.

Mr. REID. I think one of the reasons we have made more progress on suicide and other mental health problems in recent years is because people who have problems with depression, people who are survivors of suicides are willing to talk about it. It wasn't many years ago——

Mr. DOMENICI. That is true.

Mr. REID.—For example, my father, who committed suicide, wouldn't have been able to be buried in the cemetery. My father would have to have been buried someplace else because suicide was considered sinful, wrong.

Mr. DOMENICI. Right.

Mr. REID. So I believe clearly that the Senator is absolutely right. The Senator and I, as an example, are willing to talk about some of our experiences with mental health problems. As a result of that, it is not something people tend to hide as much as they used to. We recognize that depression is a medical condition.

Mr. DOMENICI. You have it.

Mr. REID. It is no different than if you have pneumonia. Depression is like pneumonia. We are learning how to cure depression. We learned some time ago how to cure pneumonia. So the more that we talk about this, the more people are willing to say: I think I am just depressed. I need some help. Is there somebody who can help me.

The fact of the matter is, as the Senator said, we did some hearings on depression and suicide. With suicide, they had really an interesting program in the State of Washington where one city developed an outreach program with mail carriers. When someone would go to deliver mail, especially in areas where there were senior citizens—sometimes the only contact a senior would have was with the mail carrier—the mail carrier was trained to recognize symptoms of depression and, consequently, suicide and saved a lot of people.

I remember a hearing we had in the Aging Committee; a woman who wrote poems came in. She showed us a poem she wrote when she was depressed and when she wanted to kill herself and a poem she wrote afterwards. I can't remember the poem—I am not like Senator BYRD—but I can remember parts of it where she talked about the snow was like diamonds in her hair.

If we could do a better job of recognizing depression, talk about that one, mental illness, depression, think of the money we would save. We would have a much more productive society. The workforce would be more productive. The gross national product would go up as a result of that.

Mr. DOMENICI. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. WELLSTONE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

Madam President, having just returned from Minnesota, I want to speak on the floor for a few short minutes, first of all, in support of the amendment that my colleague, Senator KENNEDY, introduced, which is really the Work Incentives Improvement Act, S.331, which he has done so much work on, along with Senator JEFFORDS.

My understanding is—it could be that my colleague, Senator REID of Nevada, spoke about this—Senator KENNEDY came to the floor and said: ''Listen, we want some action on this bill.'' We do want action on this. We have 78 Senators who are cosponsors of the Work Incentives Improvement

Seventy-eight consponsors means, by definition, that this is a strong bipartisan effort.

The reason for this bill, with all of its support, is really all about dignity. For Senators who talk about self-sufficiency and self-reliance and people being able to live lives with dignity, that is what this is about.

I am sure the Chair has experienced this, when you are back home and you talk to people in the disabilities community over and over again, you hear people telling you that they are ready to go to work if only they could be sure they wouldn't lose their health insurance—insurance they literally need to live. I don't know, but I think the unemployment rate among people with disabilities is well above 50 percent; the poverty rate is also above 50 percent. The problem is, when people in the disabilities community work, they

lose the medical assistance they have now.

What this piece of legislation says is that we want people to be able to live at home in as near a normal circumstance as possible, with dignity. That is what the Work Incentives Improvement Act is all about.

I come to the floor to say to my colleague, Senator KENNEDY, that if he wants to force the issue on this bill that we have before us, the Energy and Water Appropriations bill, I am all for that. If we can get some kind of a commitment from Senators as to whether we can bring this piece of legislation up freestanding, have an up-or-down vote—78 Senators are cosponsors—then I am for that.

Those of us who feel strongly about this issue and have met with people back home and heard their pleas really want to respond to the concerns and circumstances of their lives. It is very moving to meet with people in the disabilities community, to have people say to you: If you could do this, it would help us so much.

We are running out of patience; we really are. For colleagues who are blocking this and getting in the way of our being able to bring this to the floor and having a vote on this, be it unanimous consent, or be it 78 to 22, or 99 to 1 or whatever the case might be, so be it. I do not mind the 1; I have been on the losing end of a couple 99 to 1 votes in the last two months. If a Senator feels strongly about that, and it is his or her honest opinion that this legislation shouldn't pass, fine. He or she has the right to speak out, to try to persuade others and to vote his or her conscience. What I don't like is the way in which this piece of legislation has been held up so that it is not possible to debate it and vote on it at all. That, I think, is unconscionable.

Mr. REID. Will the Senator yield?

Mr. WELLSTONE. I will be pleased to yield.

Mr. REID. As the Senator was traveling here from Minnesota by air, Senator KENNEDY gave a very moving presentation about the necessity for this legislation, which, when he finished, caused the two managers of this legislation to talk about some of the work you and Senator KENNEDY and Senator DOMENICI and this Senator joined in, dealing with mental health parity. It was a very good discussion, stimulated by Senator KENNEDY's presentation on this legislation, which is so badly needed.

Senator KENNEDY has indicated that he filed this amendment on this legislation in the hope of focusing attention on this issue. If we have so much support—we have almost 80 Senators supporting this legislation—it would seem that we should figure out a way to pay for it. That is the problem. I think that will come to be, as Senator KENNEDY has talked to the majority leader and other people who recognize that they control the ebb and flow of legislation on this floor. In short, I say to the Senator, I think Senator KENNEDY did the right thing in filing this amendment on this legislation, or any other legislation. If it doesn't work out on this bill, he might have to do it on the next bill, but I support the efforts of the Senator from Minnesota.

Mr. WELLSTONE. Madam President, again, I appreciate the comments of Senator REID of Nevada. I think all of us feel strongly about this and are prepared to fight it out. We have waited long enough for the men and women, the young people and the elderly people with disabilities who want to work and who will lose health care coverage. We ought to pass this legislation, and the sooner the better.

I will yield the floor in a moment. I wasn't here for the colloquy or the suggestion about our mental health parity legislation. I am looking forward to this journey with Senators DOMENICI, REID, and KENNEDY—and maybe I am really being presumptuous, but I hope Senator COLLINS and others as well, because I think the time has come for this idea. I think you can make a pretty strong case there that there is entirely too much discrimination when it comes to coverage for those struggling with mental illness. This cuts across a broad section of the population.

I am extremely hopeful that we will be able to pass this legislation, which would make a huge positive difference in the lives of so many people. I want to say on the floor that I am also committed to trying to do more when it comes to substance abuse treatment. We have the same problem there, where people have pretty good coverage for physical illnesses, but for somebody struggling with alcoholism, it is a detox center 2 or 3 days each time a year, and that is it. You know, a lot of these diseases are brain diseases with biochemical connections and neurological connections and people's health insurance should cover the disease of addiction just like it covers heart disease or diabetes.

Our policy is way behind; it is outdated and discriminatory. The tragedy of it is that so many people in the recovery community can talk about the ways in which, when they received treatment, they have been able to rebuild their lives and contribute at their place of work, to their families, and to their communities. This is nonsensical. So these will be separate pieces of legislation on the Senate side. But I am very excited about this effort with Senator DOMENICI, Senator REID, Senator KENNEDY, and others as well. I believe we can pass this mental health parity legislation. I think what we did in 1996 was a small step forward. Now I think we have to do something that will really provide people with much more coverage.

Having said that, let me just make one other point. When we talk about this whole issue of parity and trying to end discrimination in health insurance coverage, one issue we still don't deal with is what happens if people have no coverage at all. When we are saying you ought to treat these illnesses the same way we treat physical illnesses, what we are not doing is dealing with those that have no coverage whatsoever. I still think that a front-burner issue in American politics is universal health care coverage and comprehensive health care reform.

I have introduced legislation called the Healthy Americans Act. Sometime I would like to bring it out on the floor and have an up-or-down vote on it. I think we ought to be talking about universal coverage. The insurance industry took it off the table a few years ago; I think we should put it back on the table and I am going to work as hard as I can to do that.

But right now, I wanted to come to the floor and support Senator KENNEDY's effort. Hopefully, we will soon have an up-or-down vote on the Work Incentives Improvement Act. I hope we don't have to keep bringing it out as an amendment on other bills so it gets the attention it needs. This is a piece of legislation that deserves an up-or-down vote now.

Finally, also in the spirit of amendments, I will keep bringing back the welfare tracking amendment, because the more I look at the studies that are coming out and the more I talk to people in the field, the more strongly I feel that as policymakers we ought to at least have some evaluation of what we have done. I think it is a terrible mistake not to do so. My amendment lost by one vote last time. I will bring it back, and I hope to get a couple more votes. It does nothing more than just say to Health and Human Services let's get from the States data every year so we know what is happening to the women and children, so we can have a sense of what kind of jobs they have, at what wages, and whether there is child care for children. We need to do that. It is a terrible mistake not to have that knowledge.

I want to mention to colleagues that I will be bringing this amendment out within the next week—if not this week, next week—and I am hoping this time to somehow get a majority vote for it. I think it is reasonable and we should do it. I don't think we should turn away from this. It is important to know, especially because in the next couple of years, by 2002, in every State in the country, benefit reductions will have been fully felt. I think we ought to know how we are doing before that happens.

I yield the floor.

Mr. DOMENICI. I thank the Senator.

Mr. WELLSTONE. I say to Senator DOMENICI, I look forward to this work on the Mental Health Equitable Treatment Act.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2000

The Senate continued with the consideration of the bill.

Mr. DOMENICI. Mr. President, I need to get amendments filed.

Madam President, we have a series of amendments in a managers' package. They have been cleared on both sides. When I send them to the desk to be considered en bloc, it is for adoption, not just for sending to the desk.

AMENDMENTS NOS. 651 THROUGH 660, EN BLOC

Mr. DOMENICI. Madam President, I send a managers' package of amendments to the desk and ask that they be considered en bloc.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes amendments numbered 651 through 660, en bloc.

The amendments are as follows:

AMENDMENT NO. 651

On page 5, line 18, insert the following before the colon:

''*: Provided further,* That $100,000 of the funding appropriated herein for section 107 navigation projects may be used by the Corps of Engineers to produce a decision document, and, if favorable, signing a project cost sharing agreement with a non-Federal project sponsor for the Rochester Harbor, New York (CSX Swing Bridge), project''.

AMENDMENT NO. 652

On page 16, line 7, insert the following before the period.

''*: Provided further,* That $500,000 of the funding appropriated herein is provided for the Walker River Basin, Nevada project, including not to exceed $200,000 for the Federal assessment team for the purpose of conduction a comprehensive study of Walker River Basin issues.''

AMENDMENT NO. 653

On page 5, line 18, insert the following before the colon:

''*: Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, may use $1,500,000 of funding appropriated herein to initiate construction of shoreline protection measures at Assateague Island, Maryland''.

AMENDMENT NO. 654

Insert at page 22, line 7, following ''expended'':

''*: Provided further,* That of the amount provided, $2,000,000 may be available to the Natural Energy Laboratory of Hawaii, for the purpose of monitoring ocean climate change indicators''.

AMENDMENT NO. 655

On page 20, line 24, following ''Fund'', insert the following:

''*: Provided,* That $15,000,000, of which $10,000,000 shall be derived from reductions in contractor travel balances, shall be available for civilian research and development''.

AMENDMENT NO. 656

On page 25, line 14, following ''Energy'', insert the following:

''*Provided further,* That, $10,000,000 of the amount provided for stockpile stewardship shall be available to provide laboratory and facility capabilities in partnership with small businesses for either direct benefit to Weapons Activities or regional economic development''.

AMENDMENT NO. 657

On page 8, line 12, insert the following before the period.

''*: Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, shall use $100,000 of available funds to study the economic justification and environmental acceptability, in accordance with section 509(a) of Public Law 104–303, of maintaining the Matagorda Ship Channel, Point Comfort Turning Basin, Texas, project, and to use available funds to perform any required maintenance in fiscal year 2000 once the Secretary determines such maintenance is justified and acceptable as required by Public Law 104–303''.

AMENDMENT NO. 658

(Purpose: To reallocate funding of certain water resource projects in the state of Florida)

On page 4, between lines 7 and 8, insert the following:

Brevard County, Florida, Shore Protection, $1,000,000;

Everglades and South Florida Ecosystem Restoration, Florida, $14,100,000;

St. John's County, Florida, Shore Protection, $1,000,000.

AMENDMENT NO. 659

(Purpose: To modify provisions relating to funds of the United States Enrichment Corporation)

Beginning on page 41, strike line 6 and all that follows through page 42, line 14, and insert the following:

(b) INVESTMENT OF AMOUNTS IN THE USEC FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the United States Enrichment Corporation Fund as is not, in the judgment of the Secretary, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

(2) ACQUISITION OF OBLIGATIONS.—For the purpose of investments under paragraph (1), obligations maybe acquired—

(A) on original issue at the issue price; or

(B) by purchase of outstanding obligations at the market price.

(3) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

(4) CREDITS TO FUND. The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the Fund.

AMENDMENT NO. 660

(Purpose: To require the Corps of Engineers to conduct a general reevaluation report on the project for flood control, Park River, Grafton, North Dakota)

On page 2, strike line 22 and insert the following: New Jersey, $226,000;

Project for flood control, Park River, Grafton, North Dakota, general reevaluation report, using current data, to determine whether the project is technically sound, environmentally acceptable, and economically justified, $50,000:

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 651 through 660) were agreed to.

Mr. DOMENICI. Madam President, I thank the ranking minority member for his cooperation. This package includes some amendments that are from his side of the aisle and some from our side, which continues to make this a very bipartisan bill.

I yield the floor.

Mr. REID. Madam President, it is my understanding that the unanimous consent request of my friend has been agreed to.

The PRESIDING OFFICER. The Senator is correct.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Madam President, I ask unanimous consent to proceed as in morning business for not more than 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

KOSOVO

Mr. BENNETT. Madam President, as one who voted against the air war and called for the suspension of bombing on the grounds that it was not working, I rise to acknowledge clearly, and indeed even joyfully, that we have reached a significant milestone and have turned a significant and most welcome corner in our humanitarian effort to stop the butchery in the Balkans. I congratulate President Clinton, Secretary Cohen and, of course, the men and women of all ranks in the U.S. military for their ability to project American military power for good in a distant land.

I also congratulate Secretary Albright for her ability to hold together an occasionally fractious coalition. With the bombing stopped and NATO troops moving unopposed into Kosovo, it is certainly a time for celebration. It is not, however, a time to suggest that the problems of the Balkans are at an end, or even that the end is in sight. There have been many mentions of Winston Churchill in the last few months. I am reminded of one of Churchill's comments from World War II, made as he celebrated America's entry into that war:

It is not the end of the war. It is not even the beginning of the end. But it is the end of the beginning.

Let us review where we have been, where we are, and what we still have to do before there is peace in the Balkans.

First, where we have been. As happy as we are with today's headlines, let us remember that we failed to meet our initial objectives. Secretary Albright told us that we had to bomb to prevent widespread atrocities in Kosovo and a flood of refugees over its borders into neighboring countries. The bombing failed to do that, and the resultant human suffering has been immense and is continuing.

Even at this point, let us not deceive ourselves about the effectiveness of the bombing. One of the reasons I was wrong in suggesting that the bombing would not work was that I did not know that the Kosovar Liberation Army would mount a serious offensive on the ground. It failed. But it caused the Serbian military to leave its hidden sanctuaries in order to repulse the Kosovars. Only then, while the Serbian military was engaged in ground action,

was the force of NATO air power able to inflict heavy damage in the field. Prior to that, the results of our bombing on Serb military capacity were frustratingly meager. I find it interesting that the KLA offensive was neither foreseen in advance, nor now, in our jubilant mood, widely reported after the fact. Those who claim that the bombing worked all by itself need to take a second look at what really happened.

Next, where are we now? The refugees are still not back in their homes, in their villages. Their homes are still not rebuilt. Their economy, which will permit them to feed themselves, is still in shambles. Further, the Kosovar Serbs, as opposed to the Kosovar Albanians, are now in fear of their lives, and a new flood of refugees is flowing north. Their numbers are far fewer than those of the returnees, but the Serbian refugees entering that part of Yugoslavia will swell the ranks of the still-unsettled refugees that came there from Bosnia, where any form of long-term peace is still elusive. The Yugoslav economy—indeed, the regional economy—including neighboring countries such as Romania, is in shambles in no small part because of our attacks on the infrastructure in and around Belgrade.

Winter comes early in the Balkans and the prospects of widespread suffering remains high. So what do we still have to do? Our first priority should be the humanitarian relief required to alleviate the suffering in both parts of Yugoslavia, Serbia as well as Kosovo. Hand in hand should be efforts to repair the damage the bombing has done so that the economic activity that is the only hope for self-sufficiency can begin. But our hardest challenge is to keep the killing from breaking out again on both sides. It may be easy for some to say that the Serbs deserve whatever revenge the Kosovar Albanians will mete out, and that they only get what they asked for simply by being Serbs.

That is the attitude held by most ethnic groups in the region that got us into this mess in the first place. It should be repugnant to all Americans. All of them should celebrate the ethnic diversity from which each one of us comes.

The biggest long-term burden NATO's occupying force bears is the responsibility to see that no new round of ethnic hatred and retaliation takes place, whoever initiates it and whatever its supposed justification.

In sum, this is the time to be glad, because, with an unexpected and strong assist from the Kosovar Liberation Army, we made a deal whereby the bombing has been stopped and the rebuilding can start. It is not a time to cry, ''Hurrah, we won,'' and then walk away from the immense humanitarian tragedy we were unable to prevent and to which in some degree our bombing contributed.

Above all, it is not a time for us to think there are any easy answers or short-term solutions or that the antagonisms of the region are easily divided into good guys and bad guys. Americans must recognize that we are in Kosovo for a very long haul now and working against very long odds if we are ever going to help the various factions achieve any hope of living peacefully side by side. In our time of congratulations, let us recognize that we are only ''at the end of the beginning.''

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HAGEL). The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. REED. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WORK INCENTIVES IMPROVEMENT ACT

Mr. REED. Mr. President, I rise today to join a bipartisan chorus of Senators who have requested we take up action on Senate bill S. 331, the Work Incentives Improvement Act.

As my colleagues know, this legislation would remove a significant barrier that individuals with disabilities face when they are trying to return to the workforce. The significant barrier is continued access to health care if they leave SSDI or SSI programs. Currently, individuals with disabilities who are eligible for Social Security disability insurance, SSDI, or supplemental security income, SSI, face the dilemma of losing their Medicare and Medicaid health benefits simply because they return to work.

This is regrettable. According to surveys, about three-quarters of individuals with disabilities in the United States who enroll in SSI or SSDI want to work. Sadly, less than one-half of 1 percent are actually able to make the transition because—this is a major reason—they are afraid once they lose their health care they will be unable to support themselves. Whatever they earn by working they lose by forfeiting their health care.

We can correct this situation by simply extending eligibility to Medicare and Medicaid for these individuals. We can provide them a helping hand to move from unemployment to contributing to our economy and to our society.

With the Americans With Disabilities Act, we passed legislation to combat discrimination and remove physical barriers from the workplace. Now we have a chance to lift a health care roadblock which is stopping many people from moving from a place of unemployment to one in which they are fully participating in our economy.

In my home State of Rhode Island, there are more than 40,000 individuals with disabilities who are eligible for SSI or SSDI. These individuals could benefit immediately from this work incentives bill. Across the country, there are about 9.5 million people who are similarly situated who could benefit from this legislation.

In addition to the simple argument about fairness and giving everyone the chance to fully use their talents to benefit not only themselves but their community, there is another compelling reason. We are all familiar with the solvency crisis with respect to Social Security but what is less familiar is that with respect to our disability insurance fund—which is part of Social Security—there is also a crisis. Indeed, while the old age and survivors portion of Social Security will be able to pay full benefits until the year 2036, the disability insurance portion becomes insolvent 16 years earlier, in 2020.

If we help disabled workers return to the workforce, we will, in effect, also be reducing the cash payments out of this disability insurance fund which will give it longer solvency, which will be a way to address a problem that is lurking just over the horizon in the year 2020.

For economic reasons, as well as our commitment to the basic ideal of allowing Americans to use all of their talents, this legislation makes a great deal of sense.

Now, we have seen this legislation proposed under the able leadership of Senator JEFFORDS and Senator KENNEDY. This Work Incentives Improvement Act was nearly adopted at the end of last Congress because of their effort. I was a very proud cosponsor of that version. This year, Senators ROTH and MOYNIHAN have also stepped up to take major leadership roles. Indeed, we have more than 70 cosponsors. This is a piece of legislation that is bipartisan, with strong support in both caucuses. Because of this support, because of the efforts of the leadership of Senator ROTH and Senator MOYNIHAN, this bill passed the Finance Committee on March 4, 1999, but we have been waiting for several months to bring it to the floor, to get it passed, and to give disabled Americans a chance at better employment.

In March, we were able to take another bill with bipartisan support, the Ed-Flex bill, and work through the problems. The reason we were able to do that was we decided to act, we decided not to let legislation be bottled up, but to move it to this floor, and from this floor to the President for his signature.

We have today with respect to this disability legislation twice the inherent support in terms of numbers of Senators, and it also has grassroots support with more than 100 groups endorsing this bill. This support runs the gamut from advocacy groups for disabled Americans all the way to the insurance industry. With this type of support, both within this Chamber and across the country, we should be able to move this just as we moved the Ed-Flex legislation a few months ago.

Also, I was pleased to note that in a May 28 edition of the Washington Post,

the majority leader indicated he was satisfied with the status of this bill and ready to move to the floor. It is my hope we can adopt this legislation, that we can bring it here, that we can debate it, and we can move it forward. If we do so, we will be providing an opportunity for disabled Americans all across this country to use their talents for their own benefit and to contribute to the communities and to this Nation. That, I think, is the essence of why we are here—for wise legislative policies that allow Americans to use their talents to benefit themselves and this country.

I hope we adopt this very quickly. That means, of course, we schedule this legislation; that we will, in fact, bring to the floor the Work Incentives Improvement Act for a vote. If we do so, we will be doing the work we were sent here to do by our constituents.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2000

The Senate continued with the consideration of the bill.

Mr. DOMENICI. Senator REID is on his way.

Mr. President and fellow Senators, the ranking member and I have decided that it won't do us any good to remain any longer on the energy and water appropriations bill, because we are now in the process of working out a number of amendments and apparently there is one that may have to be voted on; we just got it, and participants would not be ready this evening in any event. Everyone understood that they needed some time at the earliest convenience tomorrow, or when we can get back on the bill.

Let me say to the Senator from Nevada, the ranking member, we are ready to get off the bill tonight and wait our turn as early as possible in the process tomorrow. We are working on a number of amendments. There is probably one that is going to require a vote tomorrow. But they won't be ready this evening in any event. We knew that.

Mr. REID. Mr. President, I only say to my friend, the manager of this bill, that the amendments are now in. We, together with our staff, have worked very hard to see what we can do to accept amendments. Some of them are just not acceptable. We have tried every way possible. But some of them are not authorized, and there are various other reasons we can't accept a number of the amendments. I hope people will understand that some of these we can't accept. There may be votes required on them.

Frankly, with all the work we have done on the bill, I suggest it would be very hard to get some of these amendments agreed to that we haven't been able to work out with their staff, our staff, and the two managers of the bill.

We have worked very hard on this for the last couple of weeks. I hope that, with the two leaders, we can find some time so we can wrap this up. I think we can do it in a couple of hours at the most.

MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that we now proceed to morning business with statements allowed by each Senator for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIREMENT OF GENERAL DENNIS J. REIMER

Mr. THURMOND. Mr. President, I rise today to recognize the service, sacrifices, and numerous contributions to the security of our nation that United States Army Chief of Staff, General Dennis J. Reimer has made throughout his career as a soldier and a leader.

As have many of our nation's greatest warriors, General Reimer began his Army career as a Cadet at the United States Military Academy. Leaving his hometown of Medford, Oklahoma and arriving on the banks of the Hudson River on what must certainly have been a hot day in July of 1958, I suspect that the last thought that crossed the mind of a young Dennis Reimer was that he would one day hold the highest job a soldier in the United States Army can hold. Yet that is just what destiny had in store for this tall, unassuming, and plain speaking westerner.

In 1962, when Dennis Reimer graduated from West Point and was commissioned a Second Lieutenant in the Field Artillery, we were well into the ''Cold War'', the French had lost their war in Indochina, and the United States had not yet established a large military presence in South Vietnam. As events unfolded and a policy to contain communism was established, it was not long before we did begin to commit troops to Southeast Asia. Among the hundreds of thousands of soldiers to eventually serve in Vietnam was Dennis Reimer, who spent two combat tours in Vietnam, one as an advisor to the Army of the Republic of Vietnam and the second as an executive officer for an artillery battalion in the 9th Infantry Division. The American military experience in Vietnam unquestionably influenced the professional and personal outlooks of anyone who served in that theater, and the lessons learned in Vietnam would serve Dennis Reimer, the Army, and that nation well in the following years.

One can assess the career of a soldier very quickly by looking at his or her uniform, and General Reimer's ''Class A's'' reveal that he is a soldier's soldier, someone who never shied away from a challenge, and an officer who believed in leading by example. He wears the coveted ''Ranger'' tab on his left shoulder, a mark of a man who has proven himself to be a tough, resourceful, and diligent soldier. The 9th Infantry Division patch on his right shoulder tells people he went to war with this unit. The Combat Infantryman's Badge he wears on his left chest indicates that he participated in combat operations; the Purple Heart that he was wounded in action; and, the Bronze Star with ''V'' for Valor Device and the Distinguished Flying Cross both stand as testament to the fact that he is a hero. He has also earned some of the nation's most respected decorations including the Defense Distinguished Service Medal, the Distinguished Service Medal, two Legions of Merit, and five additional Bronze Stars.

It has been a long road that Dennis Reimer has traveled from West Point's Trophy Point where he entered the Corps of Cadets, to the ''E'' Ring of the Pentagon where he now commands every single soldier in the United States Army. His journey has taken him to many different assignments in many different places, all of which helped to prepare him for his job as Chief of Staff of the Army. In the field, he served as a commander at the company, battalion, and division levels; and, he was the Chief of Staff, Combined Field Army and Assistant Chief of Staff for Operations and Training, Republic of Korea/United States Combined Forces Command. His assignments to the Pentagon were also invaluable as he benefitted from firsthand exposure to how the Department of the Army works as an institution. Clearly he has drawn on his experiences as the aide-de-camp to Chief of Staff of the Army General Creighton Abrams, and he no doubt learned many lessons at the side of this impressive soldier and mentor. In short, General Dennis Reimer was probably one of the best prepared individuals to have served as Chief of Staff of the Army and the legacy he leaves is one that is impressive and noteworthy.

The past four-years have been busy ones for General Reimer as he discharged his duties as the Army's head soldier and worked to represent the interests of his people and service in the halls of Congress. During his watch, he has helped to define just what the post-Cold War Army will look like, what its missions will be, and how it will fight and win on the battlefields of the future. General Reimer has been a tireless advocate for the modernization of the Army by championing new weapons systems that will continue to give our troops the tactical and technological advantage they require to overwhelm any and all potential enemies. An expert in efficiencies, he has dedicated

himself to finding ways to doing more with less, an important objective in an era when sadly there are fewer and fewer dollars for defense. He committed himself to effectively integrating Reserve and National Guard elements into the total force, and General Reamer's efforts have gone a long way toward creating what is truly a ''Total Army''. Finally, when his former superior, General Abrams said that ''The Army is not made up of people, the Army is people,'' General Reimer was listening. As Chief of Staff, he was always watching out for his soldiers, never forgetting that ''Soldiers are our credentials,'' and our nation's greatest asset. Without well trained, motivated, and intelligent soldiers, our tanks, guns, weapons, and aircraft are all worthless.

On June 21, 1999, General Dennis J. Reimer will retire from the United States Army, having fulfilled the prediction of an anonymous editor of the Howitzer who said in 1962 that ''. . . we're sure Denny will make it to the top.'' He has certainly done that and more, proving beyond a doubt that he is truly a ''Can Do'' soldier, leader, and American. I have no doubt that General Reimer is far from finished in finding ways to serve and make a difference, and I am confident that his future will be as bright and successful as his past has been. General Reimer, I salute you for your service, your sacrifices, and your patriotism and I wish you and your wife health and happiness in the years to come.

SESQUICENTENNIAL CELEBRATION OF THE MACON BEACON

Mr. LOTT. Mr. President, today, I want to pay tribute to The Macon Beacon, a newspaper in Macon, MS, on the occasion of its sesquicentennial celebration.

This is a special event for Mississippi and for the city of Macon. Media exists to report what actually happens locally, nationally and globally. For 150 years, the Beacon has been reporting facts relevant to the lives of Noxubee County residents. The Beacon reached the Sesquicentennial milestone because it is a reliable source of information for its community.

I want to tell my colleagues a brief history of this historic yet vibrant newspaper. The Macon Beacon paper was founded in July 1849, for the people of Noxubee County, Mississippi. The county was established only 16 years before in 1833. The Beacon is the third oldest newspaper in Mississippi. It even has the distinction of being Noxubee County's oldest continuous business. This demonstrates the Macon Beacon's continued importance to the people of Noxubee County.

E.W. and Henry C. Ferris founded The Macon Beacon in 1849 and it remained in the Ferris family for the next 123 years. Its editorship passed down through the Ferris family from Henry to his son, Phillip, and then to his son Douglas. Douglas recruited a cousin, Brooke Ferris, to continue the family's leadership in the business. This is an amazing and honorable family legacy.

In 1972, upon Mr. Brooke Ferris's retirement, Mr. Jim Robbins purchased The Macon Beacon. The Robbins family of Macon, Mississippi, continued to publish the newspaper until 1993. Then Mr. Scott Boyd bought it and he continues to publish The Macon Beacon today.

The First Amendment to the Constitution indicates the importance of a free and vigilant press to our democratic republic. The Macon Beacon has lived up to these expectations by faithfully reporting community events for 150 years. The Macon Beacon has survived and flourished through three major wars, including the War Between the States, and the Great Depression. Each edition of The Beacon is eagerly awaited by the newspaper's 3,100 subscribers, more than a fourth of the county's population.

In the words of its founding editor, Mr. Henry C. Ferris, The Macon Beacon is ''a semi-public institution dedicated to the service of the people.'' I want to congratulate The Macon Beacon on the celebration of 150 years of dedicated service to Noxubee County.

THANKS TO SENATE PAGES

Mr. DASCHLE. Mr. President, I would like to say farewell to a wonderful group of young men and women who have served as Senate pages over the last five months, and thank them for the contributions they make to the day-to-day operations of the Senate.

This particular group of pages has served with distinction and has done a marvelous job of balancing their responsibilities to their studies and to this body.

Page life is not easy. I suspect few people understand the rigorous nature of the page's work. On a typical day, pages rise early and are in school by 6:15 a.m. After several hours in school each morning, pages then report to the Capitol to prepare the Senate Chamber for the day's session. Throughout the day, pages are called upon to perform a wide array of tasks—from obtaining copies of documents and reports for Senators to use during debate, to running errands between the Capitol and the Senate office buildings, to lending a hand at our weekly conference luncheons.

Once we finish our business here for the day—no matter what time—the pages return to the dorm and prepare for the next day's classes and Senate session and, we hope, get some much-needed sleep. Even with all of this, they continually discharge their tasks efficiently and cheerfully.

Aside from their normal day-to-day duties, this class in particular has had some extraordinary experiences as they witnessed firsthand the democratic process with all of its strengths and its imperfections. On their first day as Senate pages, they were thrown into the middle of the impeachment debate. As their semester here progressed, they witnessed several historic debates such as whether to send our country's armed forces into an international conflict far from home. And they watched our country struggle through the aftermath of tragedies such as Littleton, Colorado and the Senate's efforts to pass meaningful gun control legislation.

I hope every person in this page class gained some insight into the need for individuals to become involved in community and civic activities. By living and working together, they have gained knowledge about the political process that they could not obtain from a textbook alone. The future of our nation strongly depends on the generations who will follow us in this august body. I look forward to the possibility that one or more of this fine group of young people will return as a member of the U.S. Senate.

Mr. President, with your permission, I would like to insert in the RECORD the names and states of each of the Senate pages to whom we are saying goodbye. They are: Derek Alsup, New Hampshire; Devin Barta, Wisconsin; Halicia Burns, Michigan; Richard Carroll, Delaware; Micah Cermele, Alabama; Cathryn Cone, Missouri; Clay Crockett, Michigan; Danielle Driscoll, California; Mark Hadley, Virginia; Patrick Hallahan, New Jersey; Jessica Lipschultz, Idaho; Jennifer Machacek, Iowa; Brendan McCann, Virginia; Mark Nexon, Vermont; Chandra Obie, Montana; Stephanie Stahl, South Dakota; Marian Thorpe, West Virginia; Stephanie Valencia, New Mexico; and George Vana IV, Vermont.

I'm sure all my colleagues join me in thanking these fine young men and women, and wishing them well in the future.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, it doesn't take a rocket scientist to realize that 30 years of federal deficits have taken their toll on the federal budget.

Likewise, two budget ''surpluses,'' although a step in the right direction, will scarcely make a dent on the actual federal debt oppressing both the government and the people. In fact, it does very little, but constrict the actual increase of the federal debt.

Even if the projected estimates from the Office of Management and Budget are correct, a surplus for 11 consecutive years will go hand-in-hand with a ''gross federal debt'' that will inch closer and closer to a 6 trillion dollar figure!—Now that, Mr. President, is a couple I do not particularly like to envision. But that is where we are. We are in a quagmire of debts.

I have heard comments that we—the Congress and this Administration—have taken steps to cut the federal deficit, but what is not being said is that

the budget ''surplus'' has little effect on the federal debt. We have indeed managed to cut the deficit out of the equation, but the answer to the relevant question—are we reducing the total federal debt at the same time—is NO. The surplus only cuts the debt's rate of growth.

With these thoughts in mind, Mr. President, I begin where I left off on Thursday:

At the close of business, Friday, June 11, 1999, the federal debt stood at $5,606,704,532,050.51 (Five trillion, six hundred six billion, seven hundred four million, five hundred thirty-two thousand, fifty dollars and fifty-one cents).

One year ago, June 11, 1998, the federal debt stood at $5,496,698,000,000 (Five trillion, four hundred ninety-six billion, six hundred ninety-eight million).

Fifteen years ago, June 11, 1984, the federal debt stood at $1,519,173,000,000 (One trillion, five hundred nineteen billion, one hundred seventy-three million).

Twenty-five years ago, June 11, 1974, the federal debt stood at $472,107,000,000 (Four hundred seventy-two billion, one hundred seven million) which reflects a debt increase of more than $5 trillion—$5,134,597,532,050.51 (Five trillion, one hundred thirty-four billion, five hundred ninety-seven million, five hundred thirty-two thousand, fifty dollars and fifty-one cents) during the past 25 years.

WELCOME TO THE BOY SCOUTS FROM MINNESOTA

Mr. WELLSTONE. Madam President, we have Boy Scouts from the Minnesota troops here, and I would like to welcome them. They are up in the gallery. I mention that because the Scouts represent a real tradition of public service. Maybe I should not have done that. If not, I stand corrected. Let me just say the Scouts represent a real tradition of public service, and if Scouts should come here and visit and be in the gallery, then I would be very proud.

For the Scouts' information, there are certain rules of the Senate that govern what we say and don't say.

RICHARD ALLEN'S TRIBUTE TO ADMIRAL BUD NANCE

Mr. HELMS. Mr. President, the late Admiral James W. (Bud) Nance was eulogized in late May by an eloquent friend who knew Bud well, a friend who had worked with Bud on many occasions beginning with their respective responsibilities with President Reagan during the eight years of the Reagan presidency.

That eloquent friend is a friend of many of us, a remarkable American who understands the miracle of this great country, Richard V. Allen, Chairman, The Richard V. Allen Company.

Mr. President, Dick Allen was speaking at a dinner on behalf of a non-profit foundation at Wingate University. He began by paying his respects to ''fifteen distinguished directors'' of the foundation, among them the Honorable Roger Milliken identified by Mr. Allen as ''the champion of good causes''.

At this point, Mr. President, I shall pick up, verbatim, Mr. Allen's remarks, and I ask that the remainder of those remarks be printed in the RECORD.

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

But another of these distinguished persons is not with us this evening, and it is about him—a very special person—that I am honored to speak some heartfelt words.

I refer of course, to Admiral James W. Nance, an extraordinary patriot who was laid to rest yesterday morning at Arlington National Cemetery, perhaps the Senator's closest confidant after Mrs. Helms, and with whom I was privileged to have a close relationship for nearly two decades.

It is not possible to convey either the depth of sorrow reigning over Washington in the week since Bud Nance departed this earth, nor is it possible to capture in words the grandeur of the successive honors and tributes so justly showered upon him in recent days as we celebrated his extraordinary career, his lifetime with his loving family and with us.

Bud Nance and Jesse Helms are two distinct persons, friends since they were little boys and friends for life, men who knew and understood each other as stalwart loyalists to God, Family and Country, and who fought side by side for freedom, democracy and just causes. But to evoke the name of one is to remind us of the other, and this had a special meaning for me.

In 1980, following the Reagan landslide and during the transition, the Chairman-designate of the Senate Agriculture Committee called to ask if I would meet with a recently retired Admiral. As the Chairman put it, ''this is a good ole boy I've known for a long time, he's worked in the Pentagon and he knows how to fly planes on and off aircraft carriers.'' The Senator told me he might be interested in ''some kind of junior staff job at the NSC,'' and would I just talk with him.

Bud Nance came aboard the Transition Team steaming at thirty knots, said he liked tough assignments and could execute them well. For starters, I asked him to work with my own long-time friend, Gene Kopp, in ''revamping the Carter National Security Council staff.'' Bud said: ''Oh, I get it, I'm supposed to be just like a vacuum cleaner, just blow 'em all out of there?'' And he did just that!

Yesterday, Secretary of State Madeleine Albright, who graciously attended the services for Bud and was here tonight, reminded me that Bud had invited her—she was then an assistant to Zbigniew Brzezinski, my predecessor—in for an interview, since he was meeting with all departing staff members, some of whom, incredibly, thought they should be kept on. She recalls saying to him, ''Why are you interviewing me? I don't want to work with you people anyway!!'' As it turned out, she was right!

Bud Nance was just the best associate and the hardest working man a fellow could ever have. He insisted on doing heavy lifting, and served his President faithfully and well. On one occasion, in the summer of 1981, the Navy was running an operation into the Gulf of Sidra, near Libyan waters, to establish freedom of navigation there. I was in California with President Reagan. Bud insisted on sleeping the night in the Situation Room, in order to supervise the operation. At about midnight on the West Coast, I got the call from Bud, who in a matter of fact tone said, ''Dick, we sent our carrier in there, and two Libyan fellas came flyin' out at us in Russian Migs. We put up our planes, and now the Libyans ain't flying any more because they locked their radars onto our boys, and their planes got all tore up by our missiles, and those Libyan boys are definitely down in the drink. Now, if I was you, I'd be callin' the President, and I'm goin' home to get some sleep.''

If I were to recite the extraordinary career and accomplishments of this very special man, I'd merely repeat what more than twenty Senators of both parties related so eloquently in their speeches under a Special Order on Tuesday—filling fifteen solid pages of the Congressional Record, and what was said so movingly by his granddaughter Catherine and son Andrew at yesterday's services.

Leaving the White House in 1982, Bud went to work for Boeing until Senator Helms asked him to come up to the Hill and take charge of the Foreign Relations Committee in 1991. After the Navy, after The White House, after Boeing, he again accepted the call of duty. Everyone knows the basis on which he agreed to go to work again—he declared that he would work for free year, saying that his pension and social security were quite enough, thank you, and ''America has been good to me.'' He was not permitted to do that, and had to accept minimum wage of $2.96 a week, later raised by cost of living increases, he was forced to accept the munificent sum of $4.53 a week.

Each of us who knew, respected and loved him will miss him very much.

Yesterday, the motorcade that left the Lewinsville Presbyterian Church in McLean enroute to Arlington Cemetery stretched for nearly two miles. The cannon fired their salute, the rifles cracked, the bugler played Taps, the Honor Guard stood by, and Bud's pastor asked us to stand for the flyover.

North across the Potomac they came, four magnificent F–18 jets, flying in precise formation; as they roared directly over the assembled mourners, three proceeded straight ahead while one ignited his afterburner, peeled off in a long and beautiful arc, flying straight up into the heavens, symbolizing Bud's career and the passage to his Maker. It was a profound moment, reminiscent of how much Bud liked that little placard that used to rest on President Reagan's desk with the inscription,

''There's no limit to what a man can do or where he can go if he doesn't mind who gets the credit.''

Bud never minded at all.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GREGG:

S. 1217. An original bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. BURNS:

S. 1218. A bill to direct the Secretary of the Interior to issue to the Landusky School District, without consideration, a patent for the surface and mineral estates of certain lots, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. REED:

S. 1219. A bill to require that jewelry imported from another country be indelibly

marked with the country of origin; to the Committee on Finance.

By Mr. GRASSLEY:

S. 1220. A bill to provide additional funding to combat methamphetamine production and abuse, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. REID (for himself, Mr. DORGAN, Mr. BYRD, Mrs. BOXER, Mr. DODD, Mr. INOUYE, Mr. KENNEDY, Mr. SMITH of New Hampshire, Mr. HELMS, Mr. TORRICELLI, Mrs. FEINSTEIN, Mr. AKAKA, Mr. NICKLES, Mr. CRAIG, Mr. SMITH of Oregon, Mr. ROCKEFELLER, and Mr. ABRAHAM):

S. Res. 118. A resolution designating December 12, 1999, as ''National Children's Memorial Day''; to the Committee on the Judiciary.

By Mr. SMITH of Oregon (for himself, Mr. SCHUMER, and Mr. BROWNBACK):

S. Res. 119. A resolution expressing the sense of the Senate with respect to United Nations General Assembly Resolution ES–10/6; to the Committee on Foreign Relations.

By Mr. ASHCROFT (for himself, Mr. HARKIN, Mr. GRASSLEY, Mr. HELMS, Mr. BINGAMAN, Mr. BOND, and Mr. FITZGERALD):

S. Res. 120. A resolution requesting that the President raise the issue of agricultural biotechnology at the June G–8 Summit meeting; considered and agreed to.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 121. A resolution to authorize testimony and legal representation in C. William Kaiser v. Department of Veterans Affairs; considered and agreed to.

By Mr. MCCONNELL (for himself and Mr. DODD):

S. Res. 122. A resolution authorizing the reporting of committee funding resolutions for the period October 1, 1999, through February 28, 2001.

By Mr. SCHUMER:

S. Con. Res. 39. A concurrent resolution expressing the sense of the Congress regarding the treatment of religious minorities in the Islamic Republic of Iran, and particularly the recent arrests of members of that country's Jewish community; to the Committee on Foreign Relations.

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:24 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 435. An act to make miscellaneous and technical changes to various trade laws, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

The message also announced that the House has passed the following bill, in which it request the concurrence of the Senate.

H.R. 1905. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 2000, and for other purposes.

At 2:29 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that, pursuant to the provisions of 44 U.S.C. 2702, the Speaker appoints the following members on the part of the House to the Advisory Committee on the Records of Congress: Mr. Timothy J. Johnson of Minnetonka, Minnesota, and Ms. Susan Palmer of Aurora, Illinois.

MESAURES PLACED ON THE CALENDAR

The following bill was read the first and second times and placed on the calendar:

H.R. 1905. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 2000, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BURNS:

S. 1218. A bill to direct the Secretary of the Interior to issue to the Landusky School District, without consideration, a patent for the surface and mineral estates of certain lots, and for other purposes; to the Committee on Energy and Natural Resources.

THE LANDUSKY SCHOOL LOTS TRANSFERS

● Mr. BURNS. Mr. President, I rise today to introduce a piece of legislation that is extremely important to a small town in north central Montana. Landusky is a small agriculture community just south of the Fort Belknap Reservation and just north of the Charles M. Russell National Wildlife Refuge. Unfortunately, an oversight which may seem small in the eyes of those used to the hustle and bustle of Washington D.C. places the Landusky school district in a difficult position.

The legislation I am introducing today corrects this oversight by conveying the surface and mineral estates of two lots the school has occupied for a number of decades. The legislation is strongly supported by the town of Landusky and the Bureau of Land Management. It is imperative that we move quickly on this legislation. I would like nothing more than to have the students of Landusky return to school this fall with the knowledge that the problems facing a small town in Montana are worthy of our attention and we were willing to move forward and ensure that their school's future is as bright as their own.●

ADDITIONAL COSPONSORS

S. 115

At the request of Ms. SNOWE, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 115, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 429

At the request of Mr. DURBIN, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 429, a bill to designate the legal public holiday of ''Washington's Birthday '' as ''Presidents' Day'' in honor of George Washington, Abraham Lincoln, and Franklin Roosevelt and in recognition of the importance of the institution of the Presidency and the contributions that Presidents have made to the development of our Nation and the principles of freedom and democracy.

S. 459

At the request of Mr. BREAUX, the names of the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Minnesota (Mr. WELLSTONE), the Senator from Virginia (Mr. WARNER), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Oregon (Mr. SMITH), and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 472

At the request of Mr. GRASSLEY, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

S. 526

At the request of Mr. GRAHAM, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 526, a bill to amend the Internal Revenue Code of 1986 to allow issuance of tax-exempt private activity bonds to finance public-private partnership activities relating to school facilities in public elementary and secondary schools, and for other purposes.

S. 566

At the request of Mr. LUGAR, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of S. 566, a bill to amend the

Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral economic sanctions, to prepare for future bilateral and multilateral trade negotiations affecting United States agriculture, and for other purposes.

S. 593

At the request of Mr. COVERDELL, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 593, a bill to amend the Internal Revenue Code of 1986 to increase maximum taxable income for the 15 percent rate bracket, to provide a partial exclusion from gross income for dividends and interest received by individuals, to provide a long-term capital gains deduction for individuals, to increase the traditional IRA contribution limit, and for other purposes.

S. 622

At the request of Mr. LEAHY, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 622, a bill to enhance Federal enforcement of hate crimes, and for other purposes.

S. 664

At the request of Mr. CHAFEE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 666

At the request of Mr. LUGAR, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 666, a bill to authorize a new trade and investment policy for sub-Saharan Africa.

S. 670

At the request of Mr. JEFFORDS, the names of the Senator from Minnesota (Mr. GRAMS) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 670, a bill to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualifying placement agencies, and for other purposes.

S. 680

At the request of Mr. HATCH, the name of the Senator from Tennessee (Mr. THOMPSON) was added as a cosponsor of S. 680, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes.

S. 681

At the request of Mr. DASCHLE, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 681, a bill to amend the Public Health Service Act and Employee Retirement Income Security Act of 1974 to require that group and individual health insurance coverage and group health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissections performed for the treatment of breast cancer.

S. 749

At the request of Mr. KENNEDY, the name of the Senator from Alaska (Mr. MURKOWSKI) was withdrawn as a cosponsor of S. 749, a bill to establish a program to provide financial assistance to States and local entities to support early learning programs for prekindergarten children, and for other purposes.

S. 792

At the request of Mr. MOYNIHAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 792, a bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women, children, and blind or disabled medically needy individuals to be eligible for medical assistance under the medicaid program, and for other purposes.

S. 808

At the request of Mr. JEFFORDS, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 808, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes.

S. 820

At the request of Mr. CHAFEE, the names of the Senator from Nebraska (Mr. HAGEL) and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of S. 820, a bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury.

S. 880

At the request of Mr. INHOFE, the names of the Senator from Ohio (Mr. VOINOVICH) and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S. 880, a bill to amend the Clean Air Act to remove flammable fuels from the list of substances with respect to which reporting and other activities are required under the risk management plan program

S. 882

At the request of Mr. MURKOWSKI, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 882, a bill to strengthen provisions in the Energy Policy Act of 1992 and the Federal Nonnuclear Energy Research and Development Act of 1974 with respect to potential Climate Change.

S. 926

At the request of Mr. DODD, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 926, a bill to provide the people of Cuba with access to food and medicines from the United States, and for other purposes.

S. 951

At the request of Mr. DOMENICI, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 951, a bill to amend the Internal Revenue Code OF 1986 to establish a permanent tax incentive for research and development, and for other purposes.

S. 952

At the request of Mr. SPECTER, the names of the Senator from Delaware (Mr. BIDEN) and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. 952, a bill to expand an antitrust exemption applicable to professional sports leagues and to require, as a condition of such an exemption, participation by professional football and major league baseball sports leagues in the financing of certain stadium construction activities, and for other purposes.

S. 1010

At the request of Mr. JEFFORDS, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 1010, a bill to amend the Internal Revenue Code of 1986 to provide for a medical innovation tax credit for clinical testing research expenses attributable to academic medical centers and other qualified hospital research organizations.

S. 1017

At the request of Mr. MACK, the names of the Senator from Massachusetts (Mr. KENNEDY), the Senator from Virginia (Mr. WARNER), the Senator from Louisiana (Ms. LANDRIEU), and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1017, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on the low-income housing credit.

S. 1024

At the request of Mr. MOYNIHAN, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1024, a bill to amend title XVIII of the Social Security Act to carve out from payments to Medicare+Choice organizations amounts attributable to disproportionate share hospital payments and pay such amounts directly to those disproportionate share hospitals in which their enrollees receive care.

S. 1070

At the request of Mr. BOND, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of S. 1070, a bill to require the Secretary of Labor to wait for completion of a National Academy of Sciences study before promulgating a standard, regulation or guideline on ergonomics.

S. 1074

At the request of Mr. TORRICELLI, the names of the Senator from Maryland (Ms. MIKULSKI) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 1074, a bill to amend the Social Security Act to waive the 24-month waiting period for medicare coverage of individuals with amyotrophic lateral sclerosis (ALS), and to provide medicare coverage of drugs and biologicals used for the treatment of ALS or for the alleviation of symptoms relating to ALS.

S. 1079

At the request of Mr. MACK, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1079, a bill to amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals subject to Federal hours of service.

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1165

At the request of Mr. MACK, the names of the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Utah (Mr. HATCH), the Senator from Georgia (Mr. COVERDELL), and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of S. 1165, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which may be treated as exempt foreign trade income.

S. 1200

At the request of Ms. SNOWE, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 1200, a bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans.

SENATE CONCURRENT RESOLUTION 36

At the request of Mr. SCHUMER, the names of the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Minnesota (Mr. GRAMS), the Senator from Illinois (Mr. FITZGERALD), the Senator from Oregon (Mr. SMITH), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Wisconsin (Mr. KOHL), and the Senator from Arizona (Mr. KYL) were added as cosponsors of Senate Concurrent Resolution 36, a concurrent resolution condemning Palestinian efforts to revive the original Palestine partition plan of November 29, 1947, and condemning the United Nations Commission on Human Rights for its April 27, 1999, resolution endorsing Palestinian self-determination on the basis of the original Palestine partition plan.

SENATE RESOLUTION 59

At the request of Mr. LAUTENBERG, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of Senate Resolution 59, a bill designating both July 2, 1999, and July 2, 2000, as ''National Literacy Day''.

SENATE RESOLUTION 96

At the request of Mr. LEAHY, the names of the Senator from New York (Mr. SCHUMER), the Senator from California (Mrs. BOXER), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of Senate Resolution 96, a resolution expressing the sense of the Senate regarding a peaceful process of self-determination in East Timor, and for other purposes.

SENATE RESOLUTION 98

At the request of Mr. DOMENICI, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of Senate Resolution 98, a resolution designating the week beginning October 17, 1999, and the week beginning October 15, 2000, as ''National Character Counts Week''.

SENATE RESOLUTION 99

At the request of Mr. REID, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of Senate Resolution 99, a resolution designating November 20, 1999, as ''National Survivors for Prevention of Suicide Day''.

SENATE RESOLUTION 113

At the request of Mr. ROBB, his name was added as a cosponsor of Senate Resolution 113, a resolution to amend the Standing Rules of the Senate to require that the Pledge of Allegiance to the Flag of the United States be recited at the commencement of the daily session of the Senate.

At the request of Mr. DORGAN, his name was added as a cosponsor of Senate Resolution 113, supra.

At the request of Mr. CONRAD, his name was added as a cosponsor of Senate Resolution 113, supra.

At the request of Ms. MIKULSKI, her name was added as a cosponsor of Senate Resolution 113, supra.

SENATE CONCURRENT RESOLUTION—EXPRESSING THE SENSE OF THE CONGRESS REGARDING THE TREATMENT OF RELIGIOUS MINORITIES IN THE ISLAMIC REPUBLIC OF IRAN, AND PARTICULARLY THE RECENT ARRESTS OF MEMBERS OF THAT COUNTRY'S JEWISH COMMUNITY

Mr. SCHUMER submitted a concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 39

Whereas 10 percent of the citizens of the Islamic Republic of Iran are members of religious minority groups;

Whereas, according to the State Department and internationally recognized human rights organizations, such as Human Rights Watch and Amnesty International, religious minorities in the Islamic Republic of Iran—including Sunni Muslims, Baha'is, Christians, and Jews—have been the victims of human rights violations solely because of their status as religious minorities;

Whereas the 55th session of the United Nations Commission on Human Rights passed Resolution 1999/13, which expresses the concern of the international community over ''continued discrimination against religious minorities'' in the Islamic Republic of Iran, and calls on that country to moderate its policy on religious minorities until they are ''completely emancipated'';

Whereas more than half the Jews in Iran have been forced to flee that country since the Islamic Revolution of 1979 because of religious persecution, and many of them now reside in the United States;

Whereas the Iranian Jewish community, with a 2,500-year history and currently numbering some 30,000 people, is the oldest Jewish community living in the Diaspora;

Whereas five Jews have been executed by the Iranian government in the past five years without having been tried;

Whereas there has been a noticeable increase recently in anti-Semitic propaganda in the government-controlled Iranian press;

Whereas, on the eve of the Jewish holiday of Passover 1999, thirteen or more Jews, including community and religious leaders in the city of Shiraz, were arrested by the authorities of the Islamic Republic of Iran; and

Whereas, in keeping with its dismal record on providing accused prisoners with due process and fair treatment, the Islamic Republic of Iran failed to charge the detained Jews with any specific crime or allow visitation by relatives of the detained for more than two months: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Clinton administration should—

(1) be commended for supporting Resolution 1999/13, and should continue to work through the United Nations to assure that the Islamic Republic of Iran implements that resolution's recommendations;

(2) condemn, in the strongest possible terms, the recent arrest of members of Iran's Jewish minority and urge their immediate release;

(3) urge all nations having relations with the Islamic Republic of Iran to condemn the treatment of religious minorities in Iran and call for the release of all prisoners held on the basis of their religious beliefs; and

(4) maintain the current United States policy toward the Islamic Republic of Iran unless and until that country moderates its treatment of religious minorities.

SENATE RESOLUTION—DESIGNATING DECEMBER 12, 1999, AS ''NATIONAL CHILDREN'S MEMORIAL DAY''

Mr. REID (for himself, Mr. DORGAN, Mr. BYRD, Mrs. BOXER, Mr. DODD, Mr. INOUYE, Mr. KENNEDY, Mr. SMITH of New Hampshire, Mr. HELMS, Mr. TORRICELLI, Mrs. FEINSTEIN, Mr. AKAKA, Mr. NICKLES, Mr. CRAIG, Mr. SMITH of Oregon, Mr. ROCKEFELLER, and Mr. ABRAHAM) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 118

Whereas approximately 80,000 infants, children, teenagers, and young adults of families living throughout the United States die each year from myriad causes;

Whereas the death of an infant, child, teenager, or young adult of a family is considered to be 1 of the greatest tragedies that a parent or family will ever endure during a lifetime; and

Whereas a supportive environment and empathy and understanding are considered critical factors in the healing process of a family that is coping with and recovering from the loss of a loved one: Now, therefore, be it

Resolved,

SECTION 1. DESIGNATION OF NATIONAL CHILDREN'S MEMORIAL DAY.

The Senate—

(1) designates December 12, 1999, as ''National Children's Memorial Day''; and

(2) requests that the President issue a proclamation calling upon the people of the

United States to observe the day with appropriate ceremonies and activities in remembrance of the many infants, children, teenagers, and young adults of families in the United States who have died.

Mr. REID. Mr. President, today I am submitting a resolution that would set aside December 12, 1999, as the National Children's Memorial Day to remember all the children who die in the United States each year. While I realize the families of these children deal with the grief of their loss every day, I would like to commemorate the lives of these children with a special day as well.

This will be the second year we will have designated the second Sunday in December as National Children's Memorial Day. As I stated last year, I have had many constituents share their heart wrenching stories with me about the death of their son or daughter. I have heard heroic stories of kids battling cancer or diabetes, and tragic stories of car accidents and drownings. Each of these families has had their own experience, but they must all continue with their lives and deal with the incredible pain of losing a child.

The death of a child at any age is a shattering experience for a family. By establishing a day to remember children that have passed away, bereaved families from all over the country will be encouraged and supported in the positive resolution of their grief. It is important to families who have suffered such a loss to know that they are not alone. To commemorate the lives of these children with a special day would pay them an honor and would help to bring comfort to the hearts of their bereaved families.

SENATE RESOLUTION—EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO UNITED NATIONS GENERAL ASSEMBLY RESOLUTION

Mr. SMITH of Oregon (for himself, Mr. SCHUMER, and Mr. BROWNBACK) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 119

Whereas in an Emergency Special Session, the United Nations General Assembly voted on February 9, 1999, to pass Resolution ES–10/6, ''Illegal Israeli Actions In Occupied East Jerusalem And The Rest Of The Occupied Palestinian Territory,'' to convene for the first time in 50 years the parties of the Fourth Geneva Convention for the Protection of Civilians in Time of War;

Whereas such resolution unfairly places full blame for the deterioration of the Middle East Peace Process on Israel and dangerously politicizes the Geneva Convention, which was established to deal with critical humanitarian crises; and

Whereas such vote is intended to prejudge direct negotiations, put additional and undue pressure on Israel to influence the results of those negotiations, and single out Israel for unprecedented enforcement proceedings which have never been invoked against governments with records of massive violations of the Geneva Convention; Now therefore be it

Resolved by the Senate, that the Senate—

(1) commends the Department of State for the vote of the United States against United Nations General Assembly Resolution ES–10/6 affirming that the text of such resolution politicizes the Fourth Geneva Convention which was primarily humanitarian in nature;

(2) urges the Department of State to continue its efforts against convening the conference; and

(3) urges the Swiss government, as the depositary of the Geneva Convention, not to convene a meeting of the Fourth Geneva Convention.

● Mr. SMITH of Oregon. Mr. President, I rise today to submit a resolution regarding a deplorable vote by the General Assembly of the United Nations in February 1999. At that time a resolution was passed recommending a convening of the Fourth Geneva Convention. This Convention protects civilians living in territory occupied by a hostile force.

In February, the Palestine Liberation Organization supported by the Arab Group and the nonaligned Movement successfully and wrongly argued that the Convention should meet to adopt measures that would stop Israel from building in what they termed the ''Occupied Palestinian Territory including Jerusalem.''

Only Israel and, I am proud to say, the United States voted against this United Nations Resolution, which carried by a vote of 115 to 2 with five abstentions. Unfortunately, with such a lopsided vote, we now face a situation in which the Swiss Government, as depositary of the Geneva Convention, has been asked to convene this conference on July 15, 1999.

This resolution, sponsored by Senators SCHUMER, BROWNBACK and I, commends our Department of State for its strong opposition to the United Nations action and, in addition, asks the Swiss Government to refrain from holding this politicized convention. We intend to send a clear signal to the United Nations General Assembly about the inappropriateness of this resolution and urge our government to continue to work for the cancellation of the scheduled conference.●

SENATE RESOLUTION—REQUESTING THAT THE PRESIDENT RAISE THE ISSUE OF AGRICULTURAL BIOTECHNOLOGY AT THE JUNE G–8 SUMMIT MEETING

Mr. ASHCROFT (for himself, Mr. HARKIN, Mr. GRASSLEY, Mr. HELMS, Mr. BINGAMAN, Mr. BOND, and Mr. FITZGERALD) submitted the following; which was considered and agreed to.

S. RES. 120

Whereas biotechnology is an increasingly important tool in helping to meet multiple agricultural challenges of the 21st century;

Whereas genetically modified crops are helping to control weeds, insects, and plant diseases to increase crop yields and farm productivity, and to enhance the quality, value, and suitability of crops for food, fiber, and other uses;

Whereas agricultural biotechnology promises environmental benefits by reducing, or perhaps eliminating, the need for chemical pesticides, by improving the efficient utilization of fertilizer, thereby protecting water quality, and by conserving topsoil by reducing the need for tillage;

Whereas in recent years farmers have rapidly adopted agricultural biotechnology, with worldwide acreage of genetically modified crops growing from 4,300,000 acres in 1996, to 69,500,000 acres in 1998, which is more than a 16-fold increase;

Whereas American farmers planted biotech crops on about 38 percent of the soybean acreage, 25 percent of the corn acreage, and 45 percent of the cotton acreage, and within a few years over half of the agricultural crops grown in this country may be genetically modified;

Whereas increased agricultural productivity attained through greater use of biotechnology, in both developed and developing countries, holds a great deal of potential for meeting the nutritional needs of the world's population, of which at least 800,000,000 currently suffer from hunger or malnutrition;

Whereas despite the widespread adoption and extensive global benefits of biotechnology, marked differences among countries in their regulatory approaches are limiting substantially the use of, and trade in, agricultural biotechnology products;

Whereas an open international trading system for products derived from plant and animal agricultural biotechnology would make a broad array of improved products more affordable, including agricultural and food products, pharmaceuticals, and consumer products such as apparel, paper, cosmetics, soaps, and detergents;

Whereas because of the importance of international trade to the strength of the farm economy and the entire food and agriculture sector, any unwarranted restrictions on trade in biotechnology products could seriously disrupt the farm economy and unjustifiably force farmers to choose between using agricultural biotechnology and exporting their production; and

Whereas the threat to agricultural production and trade from restrictions on products derived from modern biotechnology has become serious enough to warrant the attention of world leaders: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) as the world trading system moves toward a reduction of tariff and nontariff barriers, all countries should work to ensure that scientifically unfounded new barriers are not erected;

(2) the President should raise at the June 1999, G–8 Summit the important issues surrounding the use of, and trade in, agricultural biotechnology ; and

(3) as world leaders prepare for a new round of negotiations on agriculture in the World Trade Organization, the G–8 Summit is an appropriate forum to seek a consensus with the major trading partners of the United States regarding—

(A) recognition of the global benefits of agricultural biotechnology, especially in meeting the nutritional needs of millions of people in developing countries;

(B) increasing consumer knowledge and understanding of agricultural biotechnology and its benefits; and

(C) the adoption of rational, scientifically-based systems for the regulation of biotechnology products and for eliminating unjustified barriers to the use of biotechnology products in international trade.

SENATE RESOLUTION—AUTHORIZING TESTIMONY AND LEGAL REPRESENTATION

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 121

Whereas, in the case of *C. William Kaiser* v. *Department of Veterans Affairs*, Docket No. BN–0351–99–0110–I–1, pending before the Merit Systems Protection Board, testimony has been requested from Richard Lougee, and employee of Senator Judd Gregg;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That Richard Lougee is authorized to testify in the case of *C. William Kaiser* v. *Department of Veterans Affairs*, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent Richard Lougee in connection with the testimony authorized in section one of this resolution.

SENATE RESOLUTION—AUTHORIZING THE REPORTING OF COMMITTEE FUNDING RESOLUTIONS FOR THE PERIOD OCTOBER 1, 1999, THROUGH FEBRUARY 28, 2001

Mr. MCCONNELL (for himself and Mr. DODD) submitted the following resolutions; which was considered and agreed to:

S. RES. 122

Resolved, That notwithstanding paragraph 9 of rule XXVI of the Standing Rules of the Senate—

(1) not later than July 15, 1999, each committee shall report 1 resolution authorizing the committee to make expenditures out of the contingent fund of the Senate to defray its expenses, including the compensation of members of its staff, for the period October 1, 1999 through February 28, 2001; and

(2) the Committee on Rules and Administration may report 1 authorization resolution containing more than 1 committee authorization resolution for the period October 1, 1999 through February 28, 2001.

AMENDMENTS SUBMITTED

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

DOMENICI AMENDMENT NO. 625

Mr. DOMENICI proposed an amendment to the bill (S. 1186) making appropriations for energy and water development for the fiscal year ending September 30, 2000; as follows:

On page 28, line 5, strike $39,549,000 and insert: ''$28,000,000''.

MACK (AND GRAHAM) AMENDMENT NO. 626

(Ordered to lie on the table)

Mr. MACK (for himself and Mr. GRAHAM) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

On page 4, between lines 7 and 8, insert the following:

Brevard County, Florida, Shore Protection, $1,000,000;

Everglades and South Florida Ecosystem Restoration, Florida, $14,100,000;

St. John's County, Florida, Shore Protection, $1,000,000.

KENNEDY AMENDMENT NO. 627

(Ordered to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Work Incentives Improvement Act of 1999''.

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

SEC. 2. FINDINGS AND PURPOSES.

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

(1) Health care is important to all Americans.

(2) Health care is particularly important to individuals with disabilities and special health care needs who often cannot afford the insurance available to them through the private market, are uninsurable by the plans available in the private sector, and are at great risk of incurring very high and economically devastating health care costs.

(3) Americans with significant disabilities often are unable to obtain health care insurance that provides coverage of the services and supports that enable them to live independently and enter or rejoin the workforce. Personal assistance services (such as attendant services, personal assistance with transportation to and from work, reader services, job coaches, and related assistance) remove many of the barriers between significant disability and work. Coverage for such services, as well as for prescription drugs, durable medical equipment, and basic health care are powerful and proven tools for individuals with significant disabilities to obtain and retain employment.

(4) For individuals with disabilities, the fear of losing health care and related services is one of the greatest barriers keeping the individuals from maximizing their employment, earning potential, and independence.

(5) Individuals with disabilities who are beneficiaries under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) risk losing medicare or medicaid coverage that is linked to their cash benefits, a risk that is an equal, or greater, work disincentive than the loss of cash benefits associated with working.

(6) Currently, less than ½ of 1 percent of social security disability insurance and supplemental security income beneficiaries cease to receive benefits as a result of employment.

(7) Beneficiaries have cited the lack of adequate employment training and placement services as an additional barrier to employment.

(8) If an additional ½ of 1 percent of the current social security disability insurance (DI) and supplemental security income (SSI) recipients were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Funds in cash assistance would total $3,500,000,000 over the worklife of the individuals.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To provide health care and employment preparation and placement services to individuals with disabilities that will enable those individuals to reduce their dependency on cash benefit programs.

(2) To encourage States to adopt the option of allowing individuals with disabilities to purchase medicaid coverage that is necessary to enable such individuals to maintain employment.

(3) To provide individuals with disabilities the option of maintaining medicare coverage while working.

(4) To establish a return to work ticket program that will allow individuals with disabilities to seek the services necessary to obtain and retain employment and reduce their dependency on cash benefit programs.

TITLE I—EXPANDED AVAILABILITY OF HEALTH CARE SERVICES

SEC. 101. EXPANDING STATE OPTIONS UNDER THE MEDICAID PROGRAM FOR WORKERS WITH DISABILITIES.

(a) IN GENERAL.—

(1) STATE OPTION TO ELIMINATE INCOME, ASSETS, AND RESOURCE LIMITATIONS FOR WORKERS WITH DISABILITIES BUYING INTO MEDICAID.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(A) in subclause (XIII), by striking ''or'' at the end;

(B) in subclause (XIV), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(XV) who, but for earnings in excess of the limit established under section 1905(q)(2)(B), would be considered to be receiving supplemental security income, who is at least 16, but less than 65, years of age, and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish;''.

(2) STATE OPTION TO PROVIDE OPPORTUNITY FOR EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY TO BUY INTO MEDICAID.—

(A) ELIGIBILITY.—Section 1902(a)(10) (A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as amended by paragraph (1), is amended—

(i) in subclause (XIV), by striking ''or'' at the end;

(ii) in subclause (XV), by adding ''or'' at the end; and

(iii) by adding at the end the following:

''(XVI) who are employed individuals with a medically improved disability described in section 1905(v)(1) and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish, but only if the State provides medical assistance to individuals described in subclause (XV);''.

(B) DEFINITION OF EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended by adding at the end the following:

''(v)(1) The term 'employed individual with a medically improved disability' means an individual who—

''(A) is at least 16, but less than 65, years of age;

''(B) is employed (as defined in paragraph (2));

''(C) ceases to be eligible for medical assistance under section 1902(a)(10)(A)(ii)(XV) because the individual, by reason of medical improvement, is determined at the time of a regularly scheduled continuing disability review to no longer be eligible for benefits under section 223(d) or 1614(a)(3); and

''(D) continues to have a severe medically determinable impairment, as determined under regulations of the Secretary.

''(2) For purposes of paragraph (1), an individual is considered to be 'employed' if the individual—

''(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

''(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined by the State and approved by the Secretary.''.

(C) CONFORMING AMENDMENT.—Section 1905(a) of such Act (42 U.S.C. 1396d(a)) is amended in the matter preceding paragraph (1)—

(i) in clause (x), by striking ''or'' at the end;

(ii) in clause (xi), by adding ''or'' at the end; and

(iii) by inserting after clause (xi), the following:

''(xii) employed individuals with a medically improved disability (as defined in subsection (v)),''.

(3) STATE AUTHORITY TO IMPOSE INCOME-RELATED PREMIUMS AND COST-SHARING.—Section 1916 of such Act (42 U.S.C. 1396o) is amended—

(A) in subsection (a), by striking ''The State plan'' and inserting ''Subject to subsection (g), the State plan''; and

(B) by adding at the end the following:

''(g) With respect to individuals provided medical assistance only under subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii)—

''(1) a State may (in a uniform manner for individuals described in either such subclause)—

''(A) require such individuals to pay premiums or other cost-sharing charges set on a sliding scale based on income that the State may determine; and

''(B) require payment of 100 percent of such premiums for such year in the case of such an individual who has income for a year that exceeds 250 percent of the income official poverty line (referred to in subsection (c)(1)) applicable to a family of the size involved, except that in the case of such an individual who has income for a year that does not exceed 450 percent of such poverty line, such requirement may only apply to the extent such premiums do not exceed 7.5 percent of such income; and

''(2) such State shall require payment of 100 percent of such premiums for a year by such an individual whose adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) for such year exceeds $75,000, except that a State may choose to subsidize such premiums by using State funds which may not be federally matched under this title.

In the case of any calendar year beginning after 2000, the dollar amount specified in paragraph (2) shall be increased in accordance with the provisions of section 215(i)(2)(A)(ii).''.

(4) PROHIBITION AGAINST SUPPLANTATION OF STATE FUNDS AND STATE FAILURE TO MAINTAIN EFFORT.—Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended—

(A) by striking the period at the end of paragraph (18) and inserting ''; or''; and

(B) by inserting after such paragraph the following:

''(19) with respect to amounts expended for medical assistance provided to an individual described in subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii) for a fiscal year unless the State demonstrates to the satisfaction of the Secretary that the level of State funds expended for such fiscal year for programs to enable working individuals with disabilities to work (other than for such medical assistance) is not less than the level expended for such programs during the most recent State fiscal year ending before the date of enactment of this paragraph.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1903(f)(4) of the Social Security Act (42 U.S.C. 1396b(f)(4) is amended in the matter preceding subparagraph (A) by inserting ''1902(a)(10)(A)(ii)(XV), 1902(a)(10)(A)(ii)(XVI)'' after ''1902(a)(10)(A)(ii)(X),''.

(2) Section 1903(f)(4) of such Act, as amended by paragraph (1), is amended by inserting ''1902(a)(10)(A)(ii)(XIII),'' before ''1902(a)(10)(A)(ii)(XV)''.

(c) GAO REPORT.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress regarding the amendments made by this section that examines—

(1) the extent to which higher health care costs for individuals with disabilities at higher income levels deter employment or progress in employment;

(2) whether such individuals have health insurance coverage or could benefit from the State option established under such amendments to provide a medicaid buy-in; and

(3) how the States are exercising such option, including—

(A) how such States are exercising the flexibility afforded them with regard to income disregards;

(B) what income and premium levels have been set;

(C) the degree to which States are subsidizing premiums above the dollar amount specified in section 1916(g)(2) of the Social Security Act (42 U.S.C. 1396o(g)(2)); and

(D) the extent to which there exists any crowd-out effect.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section apply to medical assistance for items and services furnished on or after October 1, 1999.

(2) RETROACTIVITY OF CONFORMING AMENDMENT.—The amendment made by subsection (b)(2) takes effect as if included in the enactment of the Balanced Budget Act of 1997.

SEC. 102. CONTINUATION OF MEDICARE COVERAGE FOR WORKING INDIVIDUALS WITH DISABILITIES.

(a) CONTINUATION OF COVERAGE.—

(1) IN GENERAL.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended—

(A) in the third sentence of subsection (b), by inserting '', except as provided in subsection (j)'' after ''but not in excess of 24 such months''; and

(B) by adding at the end the following:

''(j) The 24-month limitation on deemed entitlement under the third sentence of subsection (b) shall not apply—

''(1) for months occurring during the 6-year period beginning with the first month that begins after the date of enactment of this subsection; and

''(2) for subsequent months, in the case of an individual who was entitled to benefits under subsection (b) as of the last month of such 6-year period and would continue (but for such 24-month limitation) to be so entitled.''.

(2) CONFORMING AMENDMENT.—Section 1818A(a)(2)(C) of the Social Security Act (42 U.S.C. 1395i–2a(a)(2)(C)) is amended—

(A) by striking ''solely''; and

(B) by inserting ''or the expiration of the last month of the 6-year period described in section 226(j)'' before the semicolon.

(b) GAO REPORT.—Not later than 4 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress that—

(1) examines the effectiveness and cost of subsection (j) of section 226 of the Social Security Act (42 U.S.C. 426);

(2) examines the necessity and effectiveness of providing the continuation of medicare coverage under that subsection to individuals whose annual income exceeds the contribution and benefit base (as determined under section 230 of the Social Security Act);

(3) examines the viability of providing the continuation of medicare coverage under that subsection based on a sliding scale premium for individuals whose annual income exceeds such contribution and benefit base;

(4) examines the interrelation between the use of the continuation of medicare coverage under that subsection and the use of private health insurance coverage by individuals during the 6-year period; and

(5) recommends whether that subsection should continue to be applied beyond the 6-year period described in the subsection.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) apply to months beginning with the first month that begins after the date of the enactment of this Act.

(d) TREATMENT OF CERTAIN INDIVIDUALS.—An individual enrolled under section 1818A of the Social Security Act (42 U.S.C. 1395i–2a) shall be treated with respect to premium payment obligations under such section as though the individual had continued to be entitled to benefits under section 226(b) of such Act for—

(1) months described in section 226(j)(1) of such Act (42 U.S.C. 426(j)(1)) (as added by subsection (a)); and

(2) subsequent months, in the case of an individual who was so enrolled as of the last month described in section 226(j)(2) of such Act (42 U.S.C. 426(j)(2)) (as so added).

SEC. 103. GRANTS TO DEVELOP AND ESTABLISH STATE INFRASTRUCTURES TO SUPPORT WORKING INDIVIDUALS WITH DISABILITIES.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall award grants described in subsection (b) to States to support the design, establishment, and operation of State infrastructures that provide items and services to support working individuals with disabilities.

(2) APPLICATION.—In order to be eligible for an award of a grant under this section, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall require.

(3) DEFINITION OF STATE.—In this section, the term ''State'' means each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) GRANTS FOR INFRASTRUCTURE AND OUTREACH.—

(1) IN GENERAL.—Out of the funds appropriated under subsection (e), the Secretary shall award grants to States to—

(A) support the establishment, implementation, and operation of the State infrastructures described in subsection (a); and

(B) conduct outreach campaigns regarding the existence of such infrastructures.

(2) ELIGIBILITY FOR GRANTS.—

(A) IN GENERAL.—No State may receive a grant under this subsection unless the State—

(i) has an approved amendment to the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) that provides medical assistance under such plan to individuals described in section 1902(a)(10)(A)(ii)(XV) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)); and

(ii) demonstrates to the satisfaction of the Secretary that the State makes personal assistance services available under the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) to the extent necessary to enable individuals described in clause (i) to remain employed (as determined under section 1905(v)(2) of the Social Security Act (42 U.S.C. 1396d(v)(2))).

(B) DEFINITION OF PERSONAL ASSISTANCE SERVICES.—In this paragraph, the term ''personal assistance services'' means a range of services, provided by 1 or more persons, designed to assist an individual with a disability to perform daily activities on and off the job that the individual would typically perform if the individual did not have a disability. Such services shall be designed to increase the individual's control in life and ability to perform everyday activities on or off the job.

(3) DETERMINATION OF AWARDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall determine a formula for awarding grants to States under this section that provides special consideration to States that provide medical assistance under title XIX of the Social Security Act to individuals described in section 1902(a)(10)(A)(ii)(XVI) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XVI)).

(B) AWARD LIMITS.—

(i) MINIMUM AWARDS.—

(I) IN GENERAL.—Subject to subclause (II), no State with an approved application under this section shall receive a grant for a fiscal year that is less than $500,000.

(II) PRO RATA REDUCTIONS.—If the funds appropriated under subsection (e) for a fiscal year are not sufficient to pay each State with an application approved under this section the minimum amount described in subclause (I), the Secretary shall pay each such State an amount equal to the pro rata share of the amount made available.

(ii) MAXIMUM AWARDS.—No State with an application that has been approved under this section shall receive a grant for a fiscal year that exceeds 15 percent of the total expenditures by the State (including the reimbursed Federal share of such expenditures) for medical assistance for individuals eligible under subclause (XV) and (XVI) of section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as estimated by the State and approved by the Secretary.

(c) AVAILABILITY OF FUNDS.—

(1) FUNDS AWARDED TO STATES.—Funds awarded to a State under a grant made under this section for a fiscal year shall remain available until expended.

(2) FUNDS NOT AWARDED TO STATES.—Funds not awarded to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for awarding by the Secretary.

(d) ANNUAL REPORT.—A State that is awarded a grant under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include the percentage increase in the number of title II disability beneficiaries, as defined in section 1148(k)(3) of the Social Security Act (as amended by section 201) in the State, and title XVI disability beneficiaries, as defined in section 1148(k)(4) of the Social Security Act (as so amended) in the State who return to work.

(e) APPROPRIATION.—

(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to make grants under this section—

(A) for fiscal year 2000, $20,000,000;

(B) for fiscal year 2001, $25,000,000;

(C) for fiscal year 2002, $30,000,000;

(D) for fiscal year 2003, $35,000,000;

(E) for fiscal year 2004, $40,000,000; and

(F) for each of fiscal years 2005 through 2010, the amount appropriated for the preceding fiscal year increased by the percentage increase (if any) in the Consumer Price Index for All Urban Consumers (United States city average) for the preceding fiscal year.

(2) BUDGET AUTHORITY.—This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under paragraph (1).

(f) RECOMMENDATION.—Not later than October 1, 2009, the Secretary, in consultation with the Work Incentives Advisory Panel established under section 201(f), shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the grant program established under this section should be continued after fiscal year 2010.

SEC. 104. DEMONSTRATION OF COVERAGE UNDER THE MEDICAID PROGRAM OF WORKERS WITH POTENTIALLY SEVERE DISABILITIES.

(a) STATE APPLICATION.—A State may apply to the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') for approval of a demonstration project (in this section referred to as a ''demonstration project'') under which up to a specified maximum number of individuals who are workers with a potentially severe disability (as defined in subsection (b)(1)) are provided medical assistance equal to that provided under section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) to individuals described in section 1902(a)(10)(A)(ii)(XV) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)).

(b) WORKER WITH A POTENTIALLY SEVERE DISABILITY DEFINED.—For purposes of this section—

(1) IN GENERAL.—The term ''worker with a potentially severe disability'' means, with respect to a demonstration project, an individual who—

(A) is at least 16, but less than 65, years of age;

(B) has a specific physical or mental impairment that, as defined by the State under the demonstration project, is reasonably expected, but for the receipt of items and services described in section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)), to become blind or disabled (as defined under section 1614(a) of the Social Security Act (42 U.S.C. 1382c(a))); and

(C) is employed (as defined in paragraph (2)).

(2) DEFINITION OF EMPLOYED.—An individual is considered to be ''employed'' if the individual—

(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined under the demonstration project and approved by the Secretary.

(c) APPROVAL OF DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—Subject to paragraph (3), the Secretary shall approve applications under subsection (a) that meet the requirements of paragraph (2) and such additional terms and conditions as the Secretary may require. The Secretary may waive the requirement of section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)) to allow for sub-State demonstrations.

(2) TERMS AND CONDITIONS OF DEMONSTRATION PROJECTS.—The Secretary may not approve a demonstration project under this section unless the State provides assurances satisfactory to the Secretary that the following conditions are or will be met:

(A) ELECTION OF OPTIONAL CATEGORY.—The State has elected to provide coverage under its plan under title XIX of the Social Security Act of individuals described in section 1902(a)(10)(A)(ii)(XV) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)).

(B) MAINTENANCE OF STATE EFFORT.—Federal funds paid to a State pursuant to this section must be used to supplement, but not supplant, the level of State funds expended for workers with potentially severe disabilities under programs in effect for such individuals at the time the demonstration project is approved under this section.

(C) INDEPENDENT EVALUATION.—The State provides for an independent evaluation of the project.

(3) LIMITATIONS ON FEDERAL FUNDING.—

(A) APPROPRIATION.—

(i) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this section—

(I) for fiscal year 2000, $72,000,000;

(II) for fiscal year 2001, $74,000,000;

(III) for fiscal year 2002, $78,000,000; and

(IV) for fiscal year 2003, $81,000,000.

(ii) BUDGET AUTHORITY.—Clause (i) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under clause (i).

(B) LIMITATION ON PAYMENTS.—In no case may—

(i) except as provided in clause (ii), the aggregate amount of payments made by the Secretary to States under this section exceed $300,000,000;

(ii) the aggregate amount of payments made by the Secretary to States for administrative expenses relating to annual reports required under subsection (d) exceed $5,000,000; or

(iii) payments be provided by the Secretary for a fiscal year after fiscal year 2005.

(C) FUNDS ALLOCATED TO STATES.—The Secretary shall allocate funds to States based on their applications and the availability of funds. Funds allocated to a State under a grant made under this section for a fiscal year shall remain available until expended.

(D) FUNDS NOT ALLOCATED TO STATES.—Funds not allocated to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for allocation by the Secretary using the allocation formula established under this section.

(E) PAYMENTS TO STATES.—The Secretary shall pay to each State with a demonstration project approved under this section, from its allocation under subparagraph (C), an amount for each quarter equal to the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1395d(b)) of expenditures in the quarter for medical assistance provided to workers with a potentially severe disability.

(d) ANNUAL REPORT.—A State with a demonstration project approved under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include enrollment and financial statistics on—

(1) the total population of workers with potentially severe disabilities served by the demonstration project; and

(2) each population of such workers with a specific physical or mental impairment described in subsection (b)(1)(B) served by such project.

(e) RECOMMENDATION.—Not later than October 1, 2002, the Secretary shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the demonstration project established under this section should be continued after fiscal year 2003.

(f) STATE DEFINED.—In this section, the term ''State'' has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

SEC. 105. ELECTION BY DISABLED BENEFICIARIES TO SUSPEND MEDIGAP INSURANCE WHEN COVERED UNDER A GROUP HEALTH PLAN.

(a) IN GENERAL.—Section 1882(q) of the Social Security Act (42 U.S.C. 1395ss(q)) is amended—

(1) in paragraph (5)(C), by inserting ''or paragraph (6)'' after ''this paragraph''; and

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

''(6) Each medicare supplemental policy shall provide that benefits and premiums under the policy shall be suspended at the request of the policyholder if the policyholder is entitled to benefits under section 226(b) and is covered under a group health plan (as defined in section 1862(b)(1)(A)(v)). If such suspension occurs and if the policyholder or certificate holder loses coverage under the group health plan, such policy shall be automatically reinstituted (effective as of the date of such loss of coverage) under terms described in subsection (n)(6)(A)(ii) as of the loss of such coverage if the policyholder provides notice of loss of such coverage within 90 days after the date of such loss.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to requests made after the date of the enactment of this Act.

TITLE II—TICKET TO WORK AND SELF-SUFFICIENCY AND RELATED PROVISIONS

Subtitle A—Ticket to Work and Self-Sufficiency

SEC. 201. ESTABLISHMENT OF THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding after section 1147 (as added by section 8 of the Noncitizen Benefit Clarification and Other Technical Amendments Act of 1998 (Public Law 105–306; 112 Stat. 2928)) the following:

''TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM

''SEC. 1148. (a) IN GENERAL.—The Commissioner shall establish a Ticket to Work and Self-Sufficiency Program, under which a disabled beneficiary may use a ticket to work and self-sufficiency issued by the Commissioner in accordance with this section to obtain employment services, vocational rehabilitation services, or other support services from an employment network which is of the beneficiary's choice and which is willing to provide such services to the beneficiary.

''(b) TICKET SYSTEM.—

''(1) DISTRIBUTION OF TICKETS.—The Commissioner may issue a ticket to work and self-sufficiency to disabled beneficiaries for participation in the Program.

''(2) ASSIGNMENT OF TICKETS.—A disabled beneficiary holding a ticket to work and self-sufficiency may assign the ticket to any employment network of the beneficiary's choice which is serving under the Program and is willing to accept the assignment.

''(3) TICKET TERMS.—A ticket issued under paragraph (1) shall consist of a document which evidences the Commissioner's agreement to pay (as provided in paragraph (4)) an employment network, which is serving under the Program and to which such ticket is assigned by the beneficiary, for such employment services, vocational rehabilitation services, and other support services as the employment network may provide to the beneficiary.

''(4) PAYMENTS TO EMPLOYMENT NETWORKS.—The Commissioner shall pay an employment network under the Program in accordance with the outcome payment system under subsection (h)(2) or under the outcome-milestone payment system under subsection (h)(3) (whichever is elected pursuant to subsection (h)(1)). An employment network may not request or receive compensation for such services from the beneficiary.

''(c) STATE PARTICIPATION.—

''(1) IN GENERAL.—Each State agency administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 may elect to participate in the Program as an employment network with respect to a disabled beneficiary. If the State agency does elect to participate in the Program, the State agency also shall elect to be paid under the outcome payment system or the outcome-milestone payment system in accordance with subsection (h)(1). With respect to a disabled beneficiary that the State agency does not elect to have participate in the Program, the State agency shall be paid for services provided to that beneficiary under the system for payment applicable under section 222(d) and subsections (d) and (e) of section 1615. The Commissioner shall provide for periodic opportunities for exercising such elections (and revocations).

''(2) EFFECT OF PARTICIPATION BY STATE AGENCY.—

''(A) STATE AGENCIES PARTICIPATING.—In any case in which a State agency described in paragraph (1) elects under that paragraph to participate in the Program, the employment services, vocational rehabilitation services, and other support services which, upon assignment of tickets to work and self-sufficiency, are provided to disabled beneficiaries by the State agency acting as an employment network shall be governed by plans for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973.

''(B) STATE AGENCIES ADMINISTERING MATERNAL AND CHILD HEALTH SERVICES PROGRAMS.—Subparagraph (A) shall not apply with respect to any State agency administering a program under title V of this Act.

''(3) SPECIAL REQUIREMENTS APPLICABLE TO CROSS-REFERRAL TO CERTAIN STATE AGENCIES.—

''(A) IN GENERAL.—In any case in which an employment network has been assigned a ticket to work and self-sufficiency by a disabled beneficiary, no State agency shall be deemed required, under this section, title I of the Workforce Investment Act of 1998, title I of the Rehabilitation Act of 1973, or a State plan approved under such title, to accept any referral of such disabled beneficiary from such employment network unless such employment network and such State agency have entered into a written agreement that meets the requirements of subparagraph (B). Any beneficiary who has assigned a ticket to work and self-sufficiency to an employment network that has not entered into such a written agreement with such a State agency may not access vocational rehabilitation services under title I of the Rehabilitation Act of 1973 until such time as the beneficiary is reassigned to a State vocational rehabilitation agency by the Program Manager.

''(B) TERMS OF AGREEMENT.—An agreement required by subparagraph (A) shall specify, in accordance with regulations prescribed pursuant to subparagraph (C)—

''(i) the extent (if any) to which the employment network holding the ticket will provide to the State agency—

''(I) reimbursement for costs incurred in providing services described in subparagraph (A) to the disabled beneficiary; and

''(II) other amounts from payments made by the Commissioner to the employment network pursuant to subsection (h); and

''(ii) any other conditions that may be required by such regulations.

''(C) REGULATIONS.—The Commissioner and the Secretary of Education shall jointly prescribe regulations specifying the terms of agreements required by subparagraph (A) and otherwise necessary to carry out the provisions of this paragraph.

''(D) PENALTY.—No payment may be made to an employment network pursuant to subsection (h) in connection with services provided to any disabled beneficiary if such employment network makes referrals described in subparagraph (A) in violation of the terms of the agreement required under subparagraph (A) or without having entered into such an agreement.

''(d) RESPONSIBILITIES OF THE COMMISSIONER.—

''(1) SELECTION AND QUALIFICATIONS OF PROGRAM MANAGERS.—The Commissioner shall enter into agreements with 1 or more organizations in the private or public sector for service as a program manager to assist the Commissioner in administering the Program. Any such program manager shall be selected by means of a competitive bidding process, from among organizations in the private or public sector with available expertise and experience in the field of vocational rehabilitation and employment services.

''(2) TENURE, RENEWAL, AND EARLY TERMINATION.—Each agreement entered into under paragraph (1) shall provide for early termination upon failure to meet performance standards which shall be specified in the agreement and which shall be weighted to take into account any performance in prior terms. Such performance standards shall include—

''(A) measures for ease of access by beneficiaries to services; and

''(B) measures for determining the extent to which failures in obtaining services for beneficiaries fall within acceptable parameters, as determined by the Commissioner.

''(3) PRECLUSION FROM DIRECT PARTICIPATION IN DELIVERY OF SERVICES IN OWN SERVICE AREA.—Agreements under paragraph (1) shall preclude—

''(A) direct participation by a program manager in the delivery of employment services, vocational rehabilitation services, or other support services to beneficiaries in the service area covered by the program manager's agreement; and

''(B) the holding by a program manager of a financial interest in an employment network or service provider which provides services in a geographic area covered under the program manager's agreement.

''(4) SELECTION OF EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Commissioner shall select and enter into agreements with employment networks for service under the Program. Such employment networks shall be in addition to State agencies serving as employment networks pursuant to elections under subsection (c).

''(B) ALTERNATE PARTICIPANTS.—In any State where the Program is being implemented, the Commissioner shall enter into an agreement with any alternate participant that is operating under the authority of section 222(d)(2) in the State as of the date of enactment of this section and chooses to serve as an employment network under the Program.

''(5) TERMINATION OF AGREEMENTS WITH EMPLOYMENT NETWORKS.—The Commissioner shall terminate agreements with employment networks for inadequate performance, as determined by the Commissioner.

''(6) QUALITY ASSURANCE.—The Commissioner shall provide for such periodic reviews as are necessary to provide for effective quality assurance in the provision of services by employment networks. The Commissioner shall solicit and consider the views of consumers and the program manager under which the employment networks serve and shall consult with providers of services to develop performance measurements. The Commissioner shall ensure that the results of the periodic reviews are made available to beneficiaries who are prospective service recipients as they select employment networks. The Commissioner shall ensure that the periodic surveys of beneficiaries receiving services under the Program are designed to measure customer service satisfaction.

''(7) DISPUTE RESOLUTION.—The Commissioner shall provide for a mechanism for resolving disputes between beneficiaries and employment networks, between program managers and employment networks, and between program managers and providers of services. The Commissioner shall afford a party to such a dispute a reasonable opportunity for a full and fair review of the matter in dispute.

''(e) PROGRAM MANAGERS.—

''(1) IN GENERAL.—A program manager shall conduct tasks appropriate to assist the Commissioner in carrying out the Commissioner's duties in administering the Program.

''(2) RECRUITMENT OF EMPLOYMENT NETWORKS.—A program manager shall recruit, and recommend for selection by the Commissioner, employment networks for service under the Program. The program manager shall carry out such recruitment and provide such recommendations, and shall monitor all employment networks serving in the Program in the geographic area covered under the program manager's agreement, to the extent necessary and appropriate to ensure that adequate choices of services are made available to beneficiaries. Employment networks may serve under the Program only pursuant to an agreement entered into with the Commissioner under the Program incorporating the applicable provisions of this section and regulations thereunder, and the program manager shall provide and maintain assurances to the Commissioner that payment by the Commissioner to employment networks pursuant to this section is warranted based on compliance by such employment networks with the terms of such agreement and this section. The program manager shall not impose numerical limits on the number of employment networks to be recommended pursuant to this paragraph.

''(3) FACILITATION OF ACCESS BY BENEFICIARIES TO EMPLOYMENT NETWORKS.—A program manager shall facilitate access by beneficiaries to employment networks. The program manager shall ensure that each beneficiary is allowed changes in employment networks for good cause, as determined by the Commissioner, without being deemed to have rejected services under the Program. The program manager shall establish and maintain lists of employment networks available to beneficiaries and shall make such lists generally available to the public. The program manager shall ensure that all information provided to disabled beneficiaries pursuant to this paragraph is provided in accessible formats.

''(4) ENSURING AVAILABILITY OF ADEQUATE SERVICES.—The program manager shall ensure that employment services, vocational rehabilitation services, and other support services are provided to beneficiaries throughout the geographic area covered under the program manager's agreement, including rural areas.

''(5) REASONABLE ACCESS TO SERVICES.—The program manager shall take such measures as are necessary to ensure that sufficient employment networks are available and that each beneficiary receiving services under the Program has reasonable access to employment services, vocational rehabilitation services, and other support services. Services provided under the Program may include case management, work incentives planning, supported employment, career planning, career plan development, vocational assessment, job training, placement, followup services, and such other services as may be specified by the Commissioner under the Program. The program manager shall ensure that such services are available in each service area.

''(f) EMPLOYMENT NETWORKS.—

''(1) QUALIFICATIONS FOR EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—Each employment network serving under the Program shall consist of an agency or instrumentality of a State (or a political subdivision thereof) or a private entity that assumes responsibility for the coordination and delivery of services under the Program to individuals assigning to the employment network tickets to work and self-sufficiency issued under subsection (b).

''(B) ONE-STOP DELIVERY SYSTEMS.—An employment network serving under the Program may consist of a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998.

''(C) COMPLIANCE WITH SELECTION CRITERIA.—No employment network may serve under the Program unless it meets and maintains compliance with both general selection criteria (such as professional and educational qualifications (where applicable)) and specific selection criteria (such as substantial expertise and experience in providing relevant employment services and supports).

''(D) SINGLE OR ASSOCIATED PROVIDERS ALLOWED.—An employment network shall consist of either a single provider of such services or of an association of such providers organized so as to combine their resources into a single entity. An employment network may meet the requirements of subsection (e)(4) by providing services directly, or by entering into agreements with other individuals or entities providing appropriate employment services, vocational rehabilitation services, or other support services.

''(2) REQUIREMENTS RELATING TO PROVISION OF SERVICES.—Each employment network serving under the Program shall be required under the terms of its agreement with the Commissioner to—

''(A) serve prescribed service areas; and

''(B) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans meeting the requirements of subsection (g).

''(3) ANNUAL FINANCIAL REPORTING.—Each employment network shall meet financial reporting requirements as prescribed by the Commissioner.

''(4) PERIODIC OUTCOMES REPORTING.—Each employment network shall prepare periodic reports, on at least an annual basis, itemizing for the covered period specific outcomes achieved with respect to specific services provided by the employment network. Such reports shall conform to a national model prescribed under this section. Each employment network shall provide a copy of the latest report issued by the employment network pursuant to this paragraph to each beneficiary upon enrollment under the Program for services to be received through such employment network. Upon issuance of each report to each beneficiary, a copy of the report shall be maintained in the files of the employment network. The program manager

shall ensure that copies of all such reports issued under this paragraph are made available to the public under reasonable terms.

''(g) INDIVIDUAL WORK PLANS.—

''(1) REQUIREMENTS.—Each employment network shall—

''(A) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans that meet the requirements of subparagraph (C);

''(B) develop and implement each such individual work plan in partnership with each beneficiary receiving such services in a manner that affords the beneficiary the opportunity to exercise informed choice in selecting an employment goal and specific services needed to achieve that employment goal;

''(C) ensure that each individual work plan includes at least—

''(i) a statement of the vocational goal developed with the beneficiary;

''(ii) a statement of the services and supports that have been deemed necessary for the beneficiary to accomplish that goal;

''(iii) a statement of any terms and conditions related to the provision of such services and supports; and

''(iv) a statement of understanding regarding the beneficiary's rights under the Program (such as the right to retrieve the ticket to work and self-sufficiency if the beneficiary is dissatisfied with the services being provided by the employment network) and remedies available to the individual, including information on the availability of advocacy services and assistance in resolving disputes through the State grant program authorized under section 1150;

''(D) provide a beneficiary the opportunity to amend the individual work plan if a change in circumstances necessitates a change in the plan; and

''(E) make each beneficiary's individual work plan available to the beneficiary in, as appropriate, an accessible format chosen by the beneficiary.

''(2) EFFECTIVE UPON WRITTEN APPROVAL.—A beneficiary's individual work plan shall take effect upon written approval by the beneficiary or a representative of the beneficiary and a representative of the employment network that, in providing such written approval, acknowledges assignment of the beneficiary's ticket to work and self-sufficiency.

''(h) EMPLOYMENT NETWORK PAYMENT SYSTEMS.—

''(1) ELECTION OF PAYMENT SYSTEM BY EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Program shall provide for payment authorized by the Commissioner to employment networks under either an outcome payment system or an outcome-milestone payment system. Each employment network shall elect which payment system will be utilized by the employment network, and, for such period of time as such election remains in effect, the payment system so elected shall be utilized exclusively in connection with such employment network (except as provided in subparagraph (B)).

''(B) NO CHANGE IN METHOD OF PAYMENT FOR BENEFICIARIES WITH TICKETS ALREADY ASSIGNED TO THE EMPLOYMENT NETWORKS.—Any election of a payment system by an employment network that would result in a change in the method of payment to the employment network for services provided to a beneficiary who is receiving services from the employment network at the time of the election shall not be effective with respect to payment for services provided to that beneficiary and the method of payment previously selected shall continue to apply with respect to such services.

''(2) OUTCOME PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) PAYMENTS MADE DURING OUTCOME PAYMENT PERIOD.—The outcome payment system shall provide for a schedule of payments to an employment network in connection with each individual who is a beneficiary for each month during the individual's outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual because of work or earnings.

''(C) COMPUTATION OF PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome payment system shall be designed so that—

''(i) the payment for each of the 60 months during the outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable is equal to a fixed percentage of the payment calculation base for the calendar year in which such month occurs; and

''(ii) such fixed percentage is set at a percentage which does not exceed 40 percent.

''(3) OUTCOME-MILESTONE PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome-milestone payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) EARLY PAYMENTS UPON ATTAINMENT OF MILESTONES IN ADVANCE OF OUTCOME PAYMENT PERIODS.—The outcome-milestone payment system shall provide for 1 or more milestones with respect to beneficiaries receiving services from an employment network under the Program that are directed toward the goal of permanent employment. Such milestones shall form a part of a payment structure that provides, in addition to payments made during outcome payment periods, payments made prior to outcome payment periods in amounts based on the attainment of such milestones.

''(C) LIMITATION ON TOTAL PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome-milestone payment system shall be designed so that the total of the payments to the employment network with respect to each beneficiary is less than, on a net present value basis (using an interest rate determined by the Commissioner that appropriately reflects the cost of funds faced by providers), the total amount to which payments to the employment network with respect to the beneficiary would be limited if the employment network were paid under the outcome payment system.

''(4) DEFINITIONS.—In this subsection:

''(A) PAYMENT CALCULATION BASE.—The term 'payment calculation base' means, for any calendar year—

''(i) in connection with a title II disability beneficiary, the average disability insurance benefit payable under section 223 for all beneficiaries for months during the preceding calendar year; and

''(ii) in connection with a title XVI disability beneficiary (who is not concurrently a title II disability beneficiary), the average payment of supplemental security income benefits based on disability payable under title XVI (excluding State supplementation) for months during the preceding calendar year to all beneficiaries who have attained age 18 but have not attained age 65.

''(B) OUTCOME PAYMENT PERIOD.—The term 'outcome payment period' means, in connection with any individual who had assigned a ticket to work and self-sufficiency to an employment network under the Program, a period—

''(i) beginning with the first month, ending after the date on which such ticket was assigned to the employment network, for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity; and

''(ii) ending with the 60th month (consecutive or otherwise), ending after such date, for which such benefits are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity.

''(5) PERIODIC REVIEW AND ALTERATIONS OF PRESCRIBED SCHEDULES.—

''(A) PERCENTAGES AND PERIODS.—The Commissioner shall periodically review the percentage specified in paragraph (2)(C), the total payments permissible under paragraph (3)(C), and the period of time specified in paragraph (4)(B) to determine whether such percentages, such permissible payments, and such period provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, while providing for appropriate economies. The Commissioner may alter such percentage, such total permissible payments, or such period of time to the extent that the Commissioner determines, on the basis of the Commissioner's review under this paragraph, that such an alteration would better provide the incentive and economies described in the preceding sentence.

''(B) NUMBER AND AMOUNTS OF MILESTONE PAYMENTS.—The Commissioner shall periodically review the number and amounts of milestone payments established by the Commissioner pursuant to this section to determine whether they provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, taking into account information provided to the Commissioner by program managers, the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, and other reliable sources. The Commissioner may from time to time alter the number and amounts of milestone payments initially established by the Commissioner pursuant to this section to the extent that the Commissioner determines that such an alteration would allow an adequate incentive for employment networks to assist beneficiaries to enter the workforce. Such alteration shall be based on information provided to the Commissioner by program managers, the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, or other reliable sources.

''(i) SUSPENSION OF DISABILITY REVIEWS.—During any period for which an individual is using, as defined by the Commissioner, a ticket to work and self-sufficiency issued under this section, the Commissioner (and any applicable State agency) may not initiate a continuing disability review or other review under section 221 of whether the individual is or is not under a disability or a review under title XVI similar to any such review under section 221.

''(j) ALLOCATION OF COSTS.—

''(1) PAYMENTS TO EMPLOYMENT NETWORKS.—Payments to employment networks (including State agencies that elect to participate in the Program as an employment network) shall be made from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as appropriate, in the case of ticketed title II disability beneficiaries who return to

work, or from the appropriation made available for making supplemental security income payments under title XVI, in the case of title XVI disability beneficiaries who return to work. With respect to ticketed beneficiaries who concurrently are entitled to benefits under title II and eligible for payments under title XVI who return to work, the Commissioner shall allocate the cost of payments to employment networks to which the tickets of such beneficiaries have been assigned among such Trust Funds and appropriation, as appropriate.

''(2) ADMINISTRATIVE EXPENSES.—The costs of administering this section (other than payments to employment networks) shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(k) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means a title II disability beneficiary or a title XVI disability beneficiary.

''(3) TITLE II DISABILITY BENEFICIARY.—The term 'title II disability beneficiary' means an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)). An individual is a title II disability beneficiary for each month for which such individual is entitled to such benefits.

''(4) TITLE XVI DISABILITY BENEFICIARY.—The term 'title XVI disability beneficiary' means an individual eligible for supplemental security income benefits under title XVI on the basis of blindness (within the meaning of section 1614(a)(2)) or disability (within the meaning of section 1614(a)(3)). An individual is a title XVI disability beneficiary for each month for which such individual is eligible for such benefits.

''(5) SUPPLEMENTAL SECURITY INCOME BENEFIT UNDER TITLE XVI.—The term 'supplemental security income benefit under title XVI' means a cash benefit under section 1611 or 1619(a), and does not include a State supplementary payment, administered federally or otherwise.

''(l) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Commissioner shall prescribe such regulations as are necessary to carry out the provisions of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS TO TITLE II.—

(A) Section 221(i) of the Social Security Act (42 U.S.C. 421(i)) is amended by adding at the end the following:

''(5) For suspension of reviews under this subsection in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(B) Section 222(a) of the Social Security Act (42 U.S.C. 422(a)) is repealed.

(C) Section 222(b) of the Social Security Act (42 U.S.C. 422(b)) is repealed.

(D) Section 225(b)(1) of the Social Security Act (42 U.S.C. 425(b)(1)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(2) AMENDMENTS TO TITLE XVI.—

(A) Section 1615(a) of the Social Security Act (42 U.S.C. 1382d(a)) is amended to read as follows:

''SEC. 1615. (a) In the case of any blind or disabled individual who—

''(1) has not attained age 16, and

''(2) with respect to whom benefits are paid under this title,

the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State program under title V.''.

(B) Section 1615(c) of the Social Security Act (42 U.S.C. 1382d(c)) is repealed.

(C) Section 1631(a)(6)(A) of the Social Security Act (42 U.S.C. 1383(a)(6)(A)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(D) Section 1633(c) of the Social Security Act (42 U.S.C. 1383b(c)) is amended—

(i) by inserting ''(1)'' after ''(c)''; and

(ii) by adding at the end the following:

''(2) For suspension of continuing disability reviews and other reviews under this title similar to reviews under section 221 in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(c) EFFECTIVE DATE.—Subject to subsection (d), the amendments made by subsections (a) and (b) shall take effect with the first month following 1 year after the date of enactment of this Act.

(d) GRADUATED IMPLEMENTATION OF PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Commissioner of Social Security shall commence implementation of the amendments made by this section (other than paragraphs (1)(C) and (2)(B) of subsection (b)) in graduated phases at phase-in sites selected by the Commissioner. Such phase-in sites shall be selected so as to ensure, prior to full implementation of the Ticket to Work and Self-Sufficiency Program, the development and refinement of referral processes, payment systems, computer linkages, management information systems, and administrative processes necessary to provide for full implementation of such amendments. Subsection (c) shall apply with respect to paragraphs (1)(C) and (2)(B) of subsection (b) without regard to this subsection.

(2) REQUIREMENTS.—Implementation of the Program at each phase-in site shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration, so as to ensure that the most efficacious methods are determined and in place for full implementation of the Program on a timely basis.

(3) FULL IMPLEMENTATION.—The Commissioner shall ensure that the ability to provide tickets and services to individuals under the Program exists in every State as soon as practicable on or after the effective date specified in subsection (c) but not later than 3 years after such date.

(4) ONGOING EVALUATION OF PROGRAM.—

(A) IN GENERAL.—The Commissioner shall design and conduct a series of evaluations to assess the cost-effectiveness of activities carried out under this section and the amendments made thereby, as well as the effects of this section and the amendments made thereby on work outcomes for beneficiaries receiving tickets to work and self-sufficiency under the Program.

(B) CONSULTATION.—The Commissioner shall design and carry out the series of evaluations after receiving relevant advice from experts in the fields of disability, vocational rehabilitation, and program evaluation and individuals using tickets to work and self-sufficiency under the Program and consulting with the Work Incentives Advisory Panel established under section 201(f), the Comptroller General of the United States, other agencies of the Federal Government, and private organizations with appropriate expertise.

(C) METHODOLOGY.—

(i) IMPLEMENTATION.—The Commissioner, in consultation with the Work Incentives Advisory Panel established under section 201(f), shall ensure that plans for evaluations and data collection methods under the Program are appropriately designed to obtain detailed employment information.

(ii) SPECIFIC MATTERS TO BE ADDRESSED.—Each such evaluation shall address (but is not limited to)—

(I) the annual cost (including net cost) of the Program and the annual cost (including net cost) that would have been incurred in the absence of the Program;

(II) the determinants of return to work, including the characteristics of beneficiaries in receipt of tickets under the Program;

(III) the types of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and to those who do not return to work;

(IV) the duration of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and the duration of such services furnished to those who do not return to work and the cost to employment networks of furnishing such services;

(V) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work after receiving tickets under the Program and those who return to work without receiving such tickets;

(VI) the characteristics of providers whose services are provided within an employment network under the Program;

(VII) the extent (if any) to which employment networks display a greater willingness to provide services to beneficiaries with a range of disabilities;

(VIII) the characteristics (including employment outcomes) of those beneficiaries who receive services under the outcome payment system and of those beneficiaries who receive services under the outcome-milestone payment system;

(IX) measures of satisfaction among beneficiaries in receipt of tickets under the Program; and

(X) reasons for (including comments solicited from beneficiaries regarding) their choice not to use their tickets or their inability to return to work despite the use of their tickets.

(D) PERIODIC EVALUATION REPORTS.—Following the close of the third and fifth fiscal years ending after the effective date under subsection (c), and prior to the close of the seventh fiscal year ending after such date, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report containing the Commissioner's evaluation of the progress of activities conducted under the provisions of this section and the amendments made thereby. Each such report shall set forth the Commissioner's evaluation of the extent to which the Program has been successful and the Commissioner's conclusions on whether or how the Program should be modified. Each such report shall include such data, findings, materials, and recommendations as the Commissioner may consider appropriate.

(5) EXTENT OF STATE'S RIGHT OF FIRST REFUSAL IN ADVANCE OF FULL IMPLEMENTATION OF AMENDMENTS IN SUCH STATE.—

(A) IN GENERAL.—In the case of any State in which the amendments made by subsection (a) have not been fully implemented pursuant to this subsection, the Commissioner shall determine by regulation the extent to which—

(i) the requirement under section 222(a) of the Social Security Act for prompt referrals to a State agency, and

(ii) the authority of the Commissioner under section 222(d)(2) of the Social Security Act to provide vocational rehabilitation services in such State by agreement or contract with other public or private agencies, organizations, institutions, or individuals,

shall apply in such State.

(B) EXISTING AGREEMENTS.—Nothing in subparagraph (A) or the amendments made by subsection (a) shall be construed to limit, impede, or otherwise affect any agreement entered into pursuant to section 222(d)(2) of the Social Security Act before the date of enactment of this Act with respect to services provided pursuant to such agreement to beneficiaries receiving services under such agreement as of such date, except with respect to services (if any) to be provided after 3 years after the effective date provided in subsection (c).

(e) SPECIFIC REGULATIONS REQUIRED.—

(1) IN GENERAL.—The Commissioner of Social Security shall prescribe such regulations as are necessary to implement the amendments made by this section.

(2) SPECIFIC MATTERS TO BE INCLUDED IN REGULATIONS.—The matters which shall be addressed in such regulations shall include—

(A) the form and manner in which tickets to work and self-sufficiency may be distributed to beneficiaries pursuant to section 1148(b)(1) of the Social Security Act;

(B) the format and wording of such tickets, which shall incorporate by reference any contractual terms governing service by employment networks under the Program;

(C) the form and manner in which State agencies may elect participation in the Ticket to Work and Self-Sufficiency Program (and revoke such an election) pursuant to section 1148(c)(1) of the Social Security Act and provision for periodic opportunities for exercising such elections (and revocations);

(D) the status of State agencies under section 1148(c)(1) at the time that State agencies exercise elections (and revocations) under that section;

(E) the terms of agreements to be entered into with program managers pursuant to section 1148(d) of the Social Security Act, including—

(i) the terms by which program managers are precluded from direct participation in the delivery of services pursuant to section 1148(d)(3) of the Social Security Act;

(ii) standards which must be met by quality assurance measures referred to in paragraph (6) of section 1148(d) and methods of recruitment of employment networks utilized pursuant to paragraph (2) of section 1148(e); and

(iii) the format under which dispute resolution will operate under section 1148(d)(7);

(F) the terms of agreements to be entered into with employment networks pursuant to section 1148(d)(4) of the Social Security Act, including—

(i) the manner in which service areas are specified pursuant to section 1148(f)(2)(A) of the Social Security Act;

(ii) the general selection criteria and the specific selection criteria which are applicable to employment networks under section 1148(f)(1)(C) of the Social Security Act in selecting service providers;

(iii) specific requirements relating to annual financial reporting by employment networks pursuant to section 1148(f)(3) of the Social Security Act; and

(iv) the national model to which periodic outcomes reporting by employment networks must conform under section 1148(f)(4) of the Social Security Act;

(G) standards which must be met by individual work plans pursuant to section 1148(g) of the Social Security Act;

(H) standards which must be met by payment systems required under section 1148(h) of the Social Security Act, including—

(i) the form and manner in which elections by employment networks of payment systems are to be exercised pursuant to section 1148(h)(1)(A);

(ii) the terms which must be met by an outcome payment system under section 1148(h)(2);

(iii) the terms which must be met by an outcome-milestone payment system under section 1148(h)(3);

(iv) any revision of the percentage specified in paragraph (2)(C) of section 1148(h) of the Social Security Act or the period of time specified in paragraph (4)(B) of such section 1148(h); and

(v) annual oversight procedures for such systems; and

(I) procedures for effective oversight of the Program by the Commissioner of Social Security, including periodic reviews and reporting requirements.

(f) WORK INCENTIVES ADVISORY PANEL.—

(1) ESTABLISHMENT.—There is established within the Social Security Administration a panel to be known as the ''Work Incentives Advisory Panel'' (in this subsection referred to as the ''Panel'').

(2) DUTIES OF PANEL.—It shall be the duty of the Panel to—

(A) advise the President, Congress, and the Commissioner of Social Security on issues related to work incentives programs, planning, and assistance for individuals with disabilities, including work incentive provisions under titles II, XI, XVI, XVIII, and XIX of the Social Security Act (42 U.S.C. 401 et seq., 1301 et seq., 1381 et seq., 1395 et seq., 1396 et seq.); and

(B) with respect to the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act—

(i) advise the Commissioner of Social Security with respect to establishing phase-in sites for such Program and fully implementing the Program thereafter, the refinement of access of disabled beneficiaries to employment networks, payment systems, and management information systems, and advise the Commissioner whether such measures are being taken to the extent necessary to ensure the success of the Program;

(ii) advise the Commissioner regarding the most effective designs for research and demonstration projects associated with the Program or conducted pursuant to section 302;

(iii) advise the Commissioner on the development of performance measurements relating to quality assurance under section 1148(d)(6) of the Social Security Act; and

(iv) furnish progress reports on the Program to the Commissioner and each House of Congress.

(3) MEMBERSHIP.—

(A) NUMBER AND APPOINTMENT.—The Panel shall be composed of 12 members appointed as follows:

(i) 4 members appointed by the President.

(ii) 2 members appointed by the Speaker of the House of Representatives, in consultation with the chairman of the Committee on Ways and Means of the House of Representatives.

(iii) 2 members appointed by the Minority Leader of the House of Representatives, in consultation with the ranking member of the Committee on Ways and Means of the House of Representatives.

(iv) 2 members appointed by the Majority Leader of the Senate, in consultation with the chairman of the Committee on Finance of the Senate.

(v) 2 members appointed by the Minority Leader of the Senate, in consultation with the ranking member of the Committee on Finance of the Senate.

(B) REPRESENTATION.—All members appointed to the Panel shall have experience or expert knowledge in the fields of, or related to, work incentive programs, employment services, vocational rehabilitation services, health care services, and other support services for individuals with disabilities. At least one-half of the members described in each clause of subparagraph (A) shall be individuals with disabilities, or representatives of individuals with disabilities, with consideration to current or former title II disability beneficiaries or title XVI disability beneficiaries (as such terms are defined in section 1148(k) of the Social Security Act (as added by subsection (a)).

(C) TERMS.—

(i) IN GENERAL.—Each member shall be appointed for a term of 4 years (or, if less, for the remaining life of the Panel), except as provided in clauses (ii) and (iii). The initial members shall be appointed not later than 90 days after the date of enactment of this Act.

(ii) TERMS OF INITIAL APPOINTEES.—As designated by the Commissioner at the time of appointment, of the members first appointed—

(I) one-half of the members appointed under each clause of subparagraph (A) shall be appointed for a term of 2 years; and

(II) the remaining members appointed under each such clause shall be appointed for a term of 4 years.

(iii) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Panel shall be filled in the manner in which the original appointment was made.

(D) BASIC PAY.—Members shall each be paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(E) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(F) QUORUM.—Eight members of the Panel shall constitute a quorum but a lesser number may hold hearings.

(G) CHAIRPERSON.—The Chairperson of the Panel shall be designated by the President. The term of office of the Chairperson shall be 4 years.

(H) MEETINGS.—The Panel shall meet at least quarterly and at other times at the call of the Chairperson or a majority of its members.

(4) DIRECTOR AND STAFF OF PANEL; EXPERTS AND CONSULTANTS.—

(A) DIRECTOR.—The Panel shall have a Director who shall be appointed by the Commissioner and paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(B) STAFF.—Subject to rules prescribed by the Commissioner, the Director may appoint and fix the pay of additional personnel as the Director considers appropriate.

(C) EXPERTS AND CONSULTANTS.—Subject to rules prescribed by the Commissioner, the

Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(D) STAFF OF FEDERAL AGENCIES.—Upon request of the Panel, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Panel to assist it in carrying out its duties under this subsection.

(5) POWERS OF PANEL.—

(A) HEARINGS AND SESSIONS.—The Panel may, for the purpose of carrying out its duties under this subsection, hold such hearings, sit and act at such times and places, and take such testimony and evidence as the Panel considers appropriate.

(B) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Panel may, if authorized by the Panel, take any action which the Panel is authorized to take by this subsection.

(C) MAILS.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) REPORTS.—

(A) INTERIM REPORTS.—The Panel shall submit directly to the President and Congress interim reports at least annually.

(B) FINAL REPORT.—The Panel shall transmit a final report directly to the President and Congress not later than 8 years after the date of enactment of this Act. The final report shall contain a detailed statement of the findings and conclusions of the Panel, together with its recommendations for legislation and administrative actions which the Panel considers appropriate.

(7) TERMINATION.—The Panel shall terminate 30 days after the date of the submission of its final report under paragraph (6)(B).

(8) ALLOCATION OF COSTS.—The costs of carrying out this subsection shall be paid from amounts made available for the administration of title II of the Social Security Act (42 U.S.C. 401 et seq.) and amounts made available for the administration of title XVI of that Act (42 U.S.C. 1381 et seq.), and shall be allocated among those amounts as appropriate.

Subtitle B—Elimination of Work Disincentives

SEC. 211. WORK ACTIVITY STANDARD AS A BASIS FOR REVIEW OF AN INDIVIDUAL'S DISABLED STATUS.

Section 221 of the Social Security Act (42 U.S.C. 421) is amended by adding at the end the following:

''(m)(1) In any case where an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)) has received such benefits for at least 24 months—

''(A) no continuing disability review conducted by the Commissioner may be scheduled for the individual solely as a result of the individual's work activity;

''(B) no work activity engaged in by the individual may be used as evidence that the individual is no longer disabled; and

''(C) no cessation of work activity by the individual may give rise to a presumption that the individual is unable to engage in work.

''(2) An individual to which paragraph (1) applies shall continue to be subject to—

''(A) continuing disability reviews on a regularly scheduled basis that is not triggered by work; and

''(B) termination of benefits under this title in the event that the individual has earnings that exceed the level of earnings established by the Commissioner to represent substantial gainful activity.''.

SEC. 212. EXPEDITED REINSTATEMENT OF DISABILITY BENEFITS.

(a) OASDI BENEFITS.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following:

''Reinstatement of Entitlement

''(i)(1)(A) Entitlement to benefits described in subparagraph (B)(i)(I) shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of such entitlement shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was entitled to benefits under this section or section 202 on the basis of disability pursuant to an application filed therefore; and

''(II) such entitlement terminated due to the performance of substantial gainful activity;

''(ii) the individual is under a disability and the physical or mental impairment that is the basis for the finding of disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of disability that gave rise to the entitlement described in clause (i); and

''(iii) the individual's disability renders the individual unable to perform substantial gainful activity.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was entitled to a benefit described in subparagraph (B)(i)(I) prior to the entitlement termination described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) and (iii) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not entitled to reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of subsection (f) shall apply.

''(4)(A)(i) Subject to clause (ii), entitlement to benefits reinstated under this subsection shall commence with the benefit payable for the month in which a request for reinstatement is filed.

''(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

''(B)(i) Subject to clauses (ii) and (iii), the amount of the benefit payable for any month pursuant to the reinstatement of entitlement under this subsection shall be determined in accordance with the provisions of this title.

''(ii) For purposes of computing the primary insurance amount of an individual whose entitlement to benefits under this section is reinstated under this subsection, the date of onset of the individual's disability shall be the date of onset used in determining the individual's most recent period of disability arising in connection with such benefits payable on the basis of an application.

''(iii) Benefits under this section or section 202 payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) No benefit shall be payable pursuant to an entitlement reinstated under this subsection to an individual for any month in which the individual engages in substantial gainful activity.

''(D) The entitlement of any individual that is reinstated under this subsection shall end with the benefits payable for the month preceding whichever of the following months is the earliest:

''(i) The month in which the individual dies.

''(ii) The month in which the individual attains retirement age.

''(iii) The third month following the month in which the individual's disability ceases.

''(5) Whenever an individual's entitlement to benefits under this section is reinstated under this subsection, entitlement to benefits payable on the basis of such individual's wages and self-employment income may be reinstated with respect to any person previously entitled to such benefits on the basis of an application if the Commissioner determines that such person satisfies all the requirements for entitlement to such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated entitlement of any such person to the same extent that they apply to the reinstated entitlement of such individual.

''(6) An individual to whom benefits are payable under this section or section 202 pursuant to a reinstatement of entitlement under this subsection for 24 months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) and the determination, if appropriate, of the termination month in accordance with subsection (a)(1) of this section, or subsection (d)(1), (e)(1), or (f)(1) of section 202, to be entitled to such benefits on the basis of an application filed therefore.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be entitled to provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under subsection (b) or (g) of section 205.

''(B) The amount of a provisional benefit for a month shall equal the amount of the last monthly benefit payable to the individual under this title on the basis of an application increased by an amount equal to

the amount, if any, by which such last monthly benefit would have been increased as a result of the operation of section 215(i).

''(C)(i) Provisional benefits shall begin with the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's entitlement to reinstated benefits;

''(II) the fifth month following the month described in clause (i);

''(III) the month in which the individual performs substantial gainful activity; or

''(IV) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not entitled to reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).''.

(b) SSI BENEFITS.—

(1) IN GENERAL.—Section 1631 of the Social Security Act (42 U.S.C. 1383) is amended by adding at the end the following:

''Reinstatement of Eligibility on the Basis of Blindness or Disability

''(p)(1)(A) Eligibility for benefits under this title shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of eligibility shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was eligible for benefits under this title on the basis of blindness or disability pursuant to an application filed therefore; and

''(II) the individual thereafter was ineligible for such benefits due to earned income (or earned and unearned income) for a period of 12 or more consecutive months;

''(ii) the individual is blind or disabled and the physical or mental impairment that is the basis for the finding of blindness or disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of blindness or disability that gave rise to the eligibility described in clause (i);

''(iii) the individual's blindness or disability renders the individual unable to perform substantial gainful activity; and

''(iv) the individual satisfies the nonmedical requirements for eligibility for benefits under this title.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was eligible for a benefit under this title (including section 1619) prior to the period of ineligibility described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) through (iv) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not eligible for reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of section 1614(a)(4) shall apply.

''(4)(A) Eligibility for benefits reinstated under this subsection shall commence with the benefit payable for the month following the month in which a request for reinstatement is filed.

''(B)(i) Subject to clause (ii), the amount of the benefit payable for any month pursuant to the reinstatement of eligibility under this subsection shall be determined in accordance with the provisions of this title.

''(ii) The benefit under this title payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) Except as otherwise provided in this subsection, eligibility for benefits under this title reinstated pursuant to a request filed under paragraph (2) shall be subject to the same terms and conditions as eligibility established pursuant to an application filed therefore.

''(5) Whenever an individual's eligibility for benefits under this title is reinstated under this subsection, eligibility for such benefits shall be reinstated with respect to the individual's spouse if such spouse was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements for eligibility for such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated eligibility of the spouse to the same extent that they apply to the reinstated eligibility of such individual.

''(6) An individual to whom benefits are payable under this title pursuant to a reinstatement of eligibility under this subsection for twenty-four months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) to be eligible for such benefits on the basis of an application filed therefore.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be eligible for provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under paragraph (1) or (3) of subsection (c).

''(B)(i) Except as otherwise provided in clause (ii), the amount of a provisional benefit for a month shall equal the amount of the monthly benefit that would be payable to an eligible individual under this title with the same kind and amount of income.

''(ii) If the individual has a spouse who was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements of section 1614(b) except requirements related to the filing of an application, the amount of a provisional benefit for a month shall equal the amount of the month benefit that would be payable to an eligible individual and eligible spouse under this title with the same kind and amount of income.

''(C)(i) Provisional benefits shall begin with the month following the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's eligibility for reinstated benefits;

''(II) the fifth month following the month for which provisional benefits are first payable under clause (i); or

''(III) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not eligible for reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).

''(8) For purposes of this subsection other than paragraph (7), the term 'benefits under this title' includes State supplementary payments made pursuant to an agreement under section 1616(a) or section 212(b) of Public Law 93–66.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1631(j)(1) of such Act (42 U.S.C. 1383(j)(1)) is amended by striking the period and inserting '', or has filed a request for reinstatement of eligibility under subsection (p)(2) and been determined to be eligible for reinstatement.''.

(B) Section 1631(j)(2)(A)(i)(I) of such Act (42 U.S.C. 1383(j)(2)(A)(i)(I)) is amended by inserting ''(other than pursuant to a request for reinstatement under subsection (p))'' after ''eligible''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of enactment of this Act.

(2) LIMITATION.—No benefit shall be payable under title II or XVI of the Social Security Act on the basis of a request for reinstatement filed under section 223(i) or 1631(p) of such Act before the effective date described in paragraph (1).

Subtitle C—Work Incentives Planning, Assistance, and Outreach

SEC. 221. WORK INCENTIVES OUTREACH PROGRAM.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 201, is amended by adding after section 1148 the following:

''WORK INCENTIVES OUTREACH PROGRAM

''SEC. 1149. (a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Commissioner, in consultation with the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, shall establish a community-based work incentives planning and assistance program for the purpose of disseminating accurate information to disabled beneficiaries on work incentives programs and issues related to such programs.

''(2) GRANTS, COOPERATIVE AGREEMENTS, CONTRACTS, AND OUTREACH.—Under the program established under this section, the Commissioner shall—

''(A) establish a competitive program of grants, cooperative agreements, or contracts to provide benefits planning and assistance, including information on the availability of protection and advocacy services, to disabled beneficiaries, including individuals participating in the Ticket to Work and Self-Sufficiency Program established under section 1148, the program established under section 1619, and other programs that are designed to encourage disabled beneficiaries to work;

''(B) conduct directly, or through grants, cooperative agreements, or contracts, ongoing outreach efforts to disabled beneficiaries (and to the families of such beneficiaries) who are potentially eligible to participate in Federal or State work incentive programs that are designed to assist disabled beneficiaries to work, including—

''(i) preparing and disseminating information explaining such programs; and

''(ii) working in cooperation with other Federal, State, and private agencies and nonprofit organizations that serve disabled beneficiaries, and with agencies and organizations that focus on vocational rehabilitation and work-related training and counseling;

''(C) establish a corps of trained, accessible, and responsive work incentives specialists within the Social Security Administration who will specialize in disability work incentives under titles II and XVI for the purpose of disseminating accurate information with respect to inquiries and issues relating to work incentives to—

''(i) disabled beneficiaries;

''(ii) benefit applicants under titles II and XVI; and

''(iii) individuals or entities awarded grants under subparagraphs (A) or (B); and

''(D) provide—

''(i) training for work incentives specialists and individuals providing planning assistance described in subparagraph (C); and

''(ii) technical assistance to organizations and entities that are designed to encourage disabled beneficiaries to return to work.

''(3) COORDINATION WITH OTHER PROGRAMS.—The responsibilities of the Commissioner established under this section shall be coordinated with other public and private programs that provide information and assistance regarding rehabilitation services and independent living supports and benefits planning for disabled beneficiaries including the program under section 1619, the plans for achieving self-support program (PASS), and any other Federal or State work incentives programs that are designed to assist disabled beneficiaries, including educational agencies that provide information and assistance regarding rehabilitation, school-to-work programs, transition services (as defined in, and provided in accordance with, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)), a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998, and other services.

''(b) CONDITIONS.—

''(1) SELECTION OF ENTITIES.—

''(A) APPLICATION.—An entity shall submit an application for a grant, cooperative agreement, or contract to provide benefits planning and assistance to the Commissioner at such time, in such manner, and containing such information as the Commissioner may determine is necessary to meet the requirements of this section.

''(B) STATEWIDENESS.—The Commissioner shall ensure that the planning, assistance, and information described in paragraph (2) shall be available on a statewide basis.

''(C) ELIGIBILITY OF STATES AND PRIVATE ORGANIZATIONS.—

''(i) IN GENERAL.—The Commissioner may award a grant, cooperative agreement, or contract under this section to a State or a private agency or organization (other than Social Security Administration Field Offices and the State agency administering the State medicaid program under title XIX, including any agency or entity described in clause (ii), that the Commissioner determines is qualified to provide the planning, assistance, and information described in paragraph (2)).

''(ii) AGENCIES AND ENTITIES DESCRIBED.—The agencies and entities described in this clause are the following:

''(I) Any public or private agency or organization (including Centers for Independent Living established under title VII of the Rehabilitation Act of 1973, protection and advocacy organizations, client assistance programs established in accordance with section 112 of the Rehabilitation Act of 1973,and State Developmental Disabilities Councils established in accordance with section 124 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024)) that the Commissioner determines satisfies the requirements of this section.

''(II) The State agency administering the State program funded under part A of title IV.

''(D) EXCLUSION FOR CONFLICT OF INTEREST.—The Commissioner may not award a grant, cooperative agreement, or contract under this section to any entity that the Commissioner determines would have a conflict of interest if the entity were to receive a grant, cooperative agreement, or contract under this section.

''(2) SERVICES PROVIDED.—A recipient of a grant, cooperative agreement, or contract to provide benefits planning and assistance shall select individuals who will act as planners and provide information, guidance, and planning to disabled beneficiaries on the—

''(A) availability and interrelation of any Federal or State work incentives programs designed to assist disabled beneficiaries that the individual may be eligible to participate in;

''(B) adequacy of any health benefits coverage that may be offered by an employer of the individual and the extent to which other health benefits coverage may be available to the individual; and

''(C) availability of protection and advocacy services for disabled beneficiaries and how to access such services.

''(3) AMOUNT OF GRANTS, COOPERATIVE AGREEMENTS, OR CONTRACTS.—

''(A) BASED ON POPULATION OF DISABLED BENEFICIARIES.—Subject to subparagraph (B), the Commissioner shall award a grant, cooperative agreement, or contract under this section to an entity based on the percentage of the population of the State where the entity is located who are disabled beneficiaries.

''(B) LIMITATION PER GRANT.—No entity shall receive a grant, cooperative agreement, or contract under this section for a fiscal year that is less than $50,000 or more than $300,000.

''(ii) TOTAL AMOUNT FOR ALL GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The total amount of all grants, cooperative agreements, and contracts awarded under this section for a fiscal year may not exceed $23,000,000.

''(4) ALLOCATION OF COSTS.—The costs of carrying out this section shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(c) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $23,000,000 for each of fiscal years 2000 through 2004.''.

SEC. 222. STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 221, is amended by adding after section 1149 the following:

''STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES

''SEC. 1150. (a) IN GENERAL.—Subject to subsection (c), the Commissioner may make payments in each State to the protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.) for the purpose of providing services to disabled beneficiaries.

''(b) SERVICES PROVIDED.—Services provided to disabled beneficiaries pursuant to a payment made under this section may include—

''(1) information and advice about obtaining vocational rehabilitation and employment services; and

''(2) advocacy or other services that a disabled beneficiary may need to secure or regain gainful employment.

''(c) APPLICATION.—In order to receive payments under this section, a protection and advocacy system shall submit an application to the Commissioner, at such time, in such form and manner, and accompanied by such information and assurances as the Commissioner may require.

''(d) AMOUNT OF PAYMENTS.—

''(1) IN GENERAL.—Subject to the amount appropriated for a fiscal year for making payments under this section, a protection and advocacy system shall not be paid an amount that is less than—

''(A) in the case of a protection and advocacy system located in a State (including the District of Columbia and Puerto Rico) other than Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, the greater of—

''(i) $100,000; or

''(ii) ⅓ of 1 percent of the amount available for payments under this section; and

''(B) in the case of a protection and advocacy system located in Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, $50,000.

''(2) INFLATION ADJUSTMENT.—For each fiscal year in which the total amount appropriated to carry out this section exceeds the total amount appropriated to carry out this section in the preceding fiscal year, the Commissioner shall increase each minimum payment under subparagraphs (A) and (B) of paragraph (1) by a percentage equal to the percentage increase in the total amount appropriated to carry out this section between the preceding fiscal year and the fiscal year involved.

''(e) ANNUAL REPORT.—Each protection and advocacy system that receives a payment under this section shall submit an annual report to the Commissioner and the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999 on the services provided to individuals by the system.

''(f) FUNDING.—

''(1) ALLOCATION OF PAYMENTS.—Payments under this section shall be made from

amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(2) CARRYOVER.—Any amounts allotted for payment to a protection and advocacy system under this section for a fiscal year shall remain available for payment to or on behalf of the protection and advocacy system until the end of the succeeding fiscal year.

''(g) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(3) PROTECTION AND ADVOCACY SYSTEM.—The term 'protection and advocacy system' means a protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.).

''(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2000 through 2004.''.

TITLE III—DEMONSTRATION PROJECTS AND STUDIES

SEC. 301. PERMANENT EXTENSION OF DISABILITY INSURANCE PROGRAM DEMONSTRATION PROJECT AUTHORITY.

(a) PERMANENT EXTENSION OF AUTHORITY.—Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended by adding at the end the following:

''DEMONSTRATION PROJECT AUTHORITY

''SEC. 234. (a) AUTHORITY.—

''(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the 'Commissioner') shall develop and carry out experiments and demonstration projects designed to determine the relative advantages and disadvantages of—

''(A) various alternative methods of treating the work activity of individuals entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)), including such methods as a reduction in benefits based on earnings, designed to encourage the return to work of such individuals;

''(B) altering other limitations and conditions applicable to such individuals (including lengthening the trial work period (as defined in section 222(c)), altering the 24-month waiting period for hospital insurance benefits under section 226, altering the manner in which the program under this title is administered, earlier referral of such individuals for rehabilitation, and greater use of employers and others to develop, perform, and otherwise stimulate new forms of rehabilitation); and

''(C) implementing sliding scale benefit offsets using variations in—

''(i) the amount of the offset as a proportion of earned income;

''(ii) the duration of the offset period; and

''(iii) the method of determining the amount of income earned by such individuals,

to the end that savings will accrue to the Trust Funds, or to otherwise promote the objectives or facilitate the administration of this title.

''(2) AUTHORITY FOR EXPANSION OF SCOPE.—The Commissioner may expand the scope of any such experiment or demonstration project to include any group of applicants for benefits under the program established under this title with impairments that reasonably may be presumed to be disabling for purposes of such demonstration project, and may limit any such demonstration project to any such group of applicants, subject to the terms of such demonstration project which shall define the extent of any such presumption.

''(b) REQUIREMENTS.—The experiments and demonstration projects developed under subsection (a) shall be of sufficient scope and shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration while giving assurance that the results derived from the experiments and projects will obtain generally in the operation of the disability insurance program under this title without committing such program to the adoption of any particular system either locally or nationally.

''(c) AUTHORITY TO WAIVE COMPLIANCE WITH BENEFITS REQUIREMENTS.—In the case of any experiment or demonstration project conducted under subsection (a), the Commissioner may waive compliance with the benefit requirements of this title, and the Secretary may (upon the request of the Commissioner) waive compliance with the benefits requirements of title XVIII, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such experiment or project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such experiments and demonstration projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

''(d) REPORTS.—

''(1) INTERIM REPORTS.—On or before June 9 of each year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials that the Commissioner may consider appropriate.

''(2) FINAL REPORTS.—Not later than 90 days after the termination of any experiment or demonstration project carried out under this section, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to that experiment and demonstration project.''.

(b) CONFORMING AMENDMENTS; TRANSFER OF PRIOR AUTHORITY.—

(1) CONFORMING AMENDMENTS.—

(A) REPEAL OF PRIOR AUTHORITY.—Paragraphs (1) through (4) of subsection (a) and subsection (c) of section 505 of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) are repealed.

(B) CONFORMING AMENDMENT REGARDING FUNDING.—Section 201(k) of the Social Security Act (42 U.S.C. 401(k)) is amended by striking ''section 505(a) of the Social Security Disability Amendments of 1980'' and inserting ''section 234''.

(2) TRANSFER OF PRIOR AUTHORITY.—With respect to any experiment or demonstration project being conducted under section 505(a) of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) as of the date of enactment of this Act, the authority to conduct such experiment or demonstration project (including the terms and conditions applicable to the experiment or demonstration project) shall be treated as if that authority (and such terms and conditions) had been established under section 234 of the Social Security Act, as added by subsection (a).

SEC. 302. DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

(a) AUTHORITY.—The Commissioner of Social Security shall conduct demonstration projects for the purpose of evaluating, through the collection of data, a program for title II disability beneficiaries (as defined in section 1148(k)(3) of the Social Security Act) under which each $1 of benefits payable under section 223, or under section 202 based on the beneficiary's disability, is reduced for each $2 of such beneficiary's earnings that is above a level to be determined by the Commissioner. Such projects shall be conducted at a number of localities which the Commissioner shall determine is sufficient to adequately evaluate the appropriateness of national implementation of such a program. Such projects shall identify reductions in Federal expenditures that may result from the permanent implementation of such a program.

(b) SCOPE AND SCALE AND MATTERS TO BE DETERMINED.—

(1) IN GENERAL.—The demonstration projects developed under subsection (a) shall be of sufficient duration, shall be of sufficient scope, and shall be carried out on a wide enough scale to permit a thorough evaluation of the project to determine—

(A) the effects, if any, of induced entry into the project and reduced exit from the project;

(B) the extent, if any, to which the project being tested is affected by whether it is in operation in a locality within an area under the administration of the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act; and

(C) the savings that accrue to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and other Federal programs under the project being tested.

The Commissioner shall take into account advice provided by the Work Incentives Advisory Panel pursuant to section 201(f)(2)(B)(ii).

(2) ADDITIONAL MATTERS.—The Commissioner shall also determine with respect to each project—

(A) the annual cost (including net cost) of the project and the annual cost (including net cost) that would have been incurred in the absence of the project;

(B) the determinants of return to work, including the characteristics of the beneficiaries who participate in the project; and

(C) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work as a result of participation in the project.

The Commissioner may include within the matters evaluated under the project the merits of trial work periods and periods of extended eligibility.

(c) WAIVERS.—The Commissioner may waive compliance with the benefit provisions of title II of the Social Security Act, and the Secretary of Health and Human Services may waive compliance with the benefit requirements of title XVIII of that Act, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description

thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

(d) INTERIM REPORTS.—Not later than 2 years after the date of enactment of this Act, and annually thereafter, the Commissioner of Social Security shall submit to Congress an interim report on the progress of the demonstration projects carried out under this subsection together with any related data and materials that the Commissioner of Social Security may consider appropriate.

(e) FINAL REPORT.—The Commissioner of Social Security shall submit to Congress a final report with respect to all demonstration projects carried out under this section not later than 1 year after their completion.

(f) EXPENDITURES.—Expenditures made for demonstration projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, to the extent provided in advance in appropriation Acts.

SEC. 303. STUDIES AND REPORTS.

(a) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING DISABILITY-RELATED EMPLOYMENT INCENTIVES.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study to assess existing tax credits and other disability-related employment incentives under the Americans with Disabilities Act of 1990 and other Federal laws. In such study, the Comptroller General shall specifically address the extent to which such credits and other incentives would encourage employers to hire and retain individuals with disabilities.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(b) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING COORDINATION OF THE DI AND SSI PROGRAMS AS THEY RELATE TO INDIVIDUALS ENTERING OR LEAVING CONCURRENT ENTITLEMENT.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study to evaluate the coordination under current law of the disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of that Act, as such programs relate to individuals entering or leaving concurrent entitlement under such programs. In such study, the Comptroller General shall specifically address the effectiveness of work incentives under such programs with respect to such individuals and the effectiveness of coverage of such individuals under titles XVIII and XIX of the Social Security Act.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(c) STUDY BY GENERAL ACCOUNTING OFFICE OF THE IMPACT OF THE SUBSTANTIAL GAINFUL ACTIVITY LIMIT ON RETURN TO WORK.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study of the substantial gainful activity level applicable as of that date to recipients of benefits under section 223 of the Social Security Act (42 U.S.C. 423) and under section 202 of that Act (42 U.S.C. 402) on the basis of a recipient having a disability, and the effect of such level as a disincentive for those recipients to return to work. In the study, the Comptroller General also shall address the merits of increasing the substantial gainful activity level applicable to such recipients of benefits and the rationale for not yearly indexing that level to inflation.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(d) REPORT ON DISREGARDS UNDER THE DI AND SSI PROGRAMS.—Not later than 90 days after the date of enactment of this Act, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that—

(1) identifies all income, assets, and resource disregards (imposed under statutory or regulatory authority) that are applicable to individuals receiving benefits under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.);

(2) with respect to each such disregard—

(A) specifies the most recent statutory or regulatory modification of the disregard; and

(B) recommends whether further statutory or regulatory modification of the disregard would be appropriate; and

(3) with respect to the disregard described in section 1612(b)(7) of the Social Security Act (42 U.S.C. 1382a(b)(7)) (relating to grants, scholarships, or fellowships received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution)—

(A) identifies the number of individuals receiving benefits under title XVI of such Act (42 U.S.C. 1381 et seq.) who have attained age 22 and have not had any portion of any grant, scholarship, or fellowship received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution excluded from their income in accordance with that section;

(B) recommends whether the age at which such grants, scholarships, or fellowships are excluded from income for purposes of determining eligibility under title XVI of the Social Security Act should be increased to age 25; and

(C) recommends whether such disregard should be expanded to include any such grant, scholarship, or fellowship received for use in paying the cost of room and board at any such institution.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

SEC. 401. TECHNICAL AMENDMENTS RELATING TO DRUG ADDICTS AND ALCOHOLICS.

(a) CLARIFICATION RELATING TO THE EFFECTIVE DATE OF THE DENIAL OF SOCIAL SECURITY DISABILITY BENEFITS TO DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5) of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 853) is amended—

(1) in subparagraph (A), by striking ''by the Commissioner of Social Security'' and ''by the Commissioner''; and

(2) by adding at the end the following:

''(D) For purposes of this paragraph, an individual's claim, with respect to benefits under title II of the Social Security Act based on disability, which has been denied in whole before the date of enactment of this Act, may not be considered to be finally adjudicated before such date if, on or after such date—

''(i) there is pending a request for either administrative or judicial review with respect to such claim, or

''(ii) there is pending, with respect to such claim, a readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

''(E) Notwithstanding the provisions of this paragraph, with respect to any individual for whom the Commissioner of Social Security does not perform the entitlement redetermination before the date prescribed in subparagraph (C), the Commissioner shall perform such entitlement redetermination in lieu of a continuing disability review whenever the Commissioner determines that the individual's entitlement is subject to redetermination based on the preceding provisions of this paragraph, and the provisions of section 223(f) of the Social Security Act shall not apply to such redetermination.''.

(b) CORRECTION TO EFFECTIVE DATE OF PROVISIONS CONCERNING REPRESENTATIVE PAYEES AND TREATMENT REFERRALS OF SOCIAL SECURITY BENEFICIARIES WHO ARE DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5)(B) of the Contract with America Advancement Act of 1996 (42 U.S.C. 405 note) is amended to read as follows:

''(B) The amendments made by paragraphs (2) and (3) shall take effect on July 1, 1996, with respect to any individual—

''(i) whose claim for benefits is finally adjudicated on or after the date of enactment of this Act; or

''(ii) whose entitlement to benefits is based on an entitlement redetermination made pursuant to subparagraph (C).''.

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect as if included in the enactment of section 105 of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 852 et seq.).

SEC. 402. TREATMENT OF PRISONERS.

(a) IMPLEMENTATION OF PROHIBITION AGAINST PAYMENT OF TITLE II BENEFITS TO PRISONERS.—

(1) IN GENERAL.—Section 202(x)(3) of the Social Security Act (42 U.S.C. 402(x)(3)) is amended—

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

(B) by adding at the end the following:

''(B)(i) The Commissioner shall enter into an agreement under this subparagraph with any interested State or local institution comprising a jail, prison, penal institution,

or correctional facility, or comprising any other institution a purpose of which is to confine individuals as described in paragraph (1)(A)(ii). Under such agreement—

''(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner specified by the Commissioner, the names, Social Security account numbers, dates of birth, confinement commencement dates, and, to the extent available to the institution, such other identifying information concerning the individuals confined in the institution as the Commissioner may require for the purpose of carrying out paragraph (1); and

''(II) the Commissioner shall pay to the institution, with respect to information described in subclause (I) concerning each individual who is confined therein as described in paragraph (1)(A), who receives a benefit under this title for the month preceding the first month of such confinement, and whose benefit under this title is determined by the Commissioner to be not payable by reason of confinement based on the information provided by the institution, $400 (subject to reduction under clause (ii)) if the institution furnishes the information to the Commissioner within 30 days after the date such individual's confinement in such institution begins, or $200 (subject to reduction under clause (ii)) if the institution furnishes the information after 30 days after such date but within 90 days after such date.

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 1611(e)(1)(I).

''(iii) There is authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as appropriate, such sums as may be necessary to enable the Commissioner to make payments to institutions required by clause (i)(II).

''(iv) The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to agreements entered into under clause (i) to any agency administering a Federal or federally assisted cash, food, or medical assistance program for eligibility purposes.''.

(2) CONFORMING AMENDMENT TO THE PRIVACY ACT.—Section 552a(a)(8)(B) of title 5, United States Code, is amended—

(A) in clause (vi), by striking ''or'' at the end;

(B) in clause (vii), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(viii) matches performed pursuant to section 202(x)(3)(B) or 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 402(x)(3)(B), 1382(e)(1)(I));''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(b) ELIMINATION OF TITLE II REQUIREMENT THAT CONFINEMENT STEM FROM CRIME PUNISHABLE BY IMPRISONMENT FOR MORE THAN 1 YEAR.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in the matter preceding clause (i), by striking ''during'' and inserting ''throughout'';

(B) in clause (i), by striking ''an offense punishable by imprisonment for more than 1 year (regardless of the actual sentence imposed)'' and inserting ''a criminal offense''; and

(C) in clause (ii)(I), by striking ''an offense punishable by imprisonment for more than 1 year'' and inserting ''a criminal offense''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(c) CONFORMING TITLE XVI AMENDMENTS.—

(1) FIFTY PERCENT REDUCTION IN TITLE XVI PAYMENT IN CASE INVOLVING COMPARABLE TITLE II PAYMENT.—Section 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)) is amended—

(A) in clause (i)(II), by inserting ''(subject to reduction under clause (ii))'' after ''$400'' and after ''$200'';

(B) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(C) by inserting after clause (i) the following:

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 202(x)(3)(B).''.

(2) EXPANSION OF CATEGORIES OF INSTITUTIONS ELIGIBLE TO ENTER INTO AGREEMENTS WITH THE COMMISSIONER.—Section 1611(e)(1)(I)(i) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)(i)) is amended in the matter preceding subclause (I) by striking ''institution'' and all that follows through ''section 202(x)(1)(A),'' and inserting ''institution comprising a jail, prison, penal institution, or correctional facility, or with any other interested State or local institution a purpose of which is to confine individuals as described in section 202(x)(1)(A)(ii),''.

(3) ELIMINATION OF OVERLY BROAD EXEMPTION.—Section 1611(e)(1)(I)(iii) of such Act (42 U.S.C. 1382(e)(1)(I)(iii)) (as redesignated by paragraph (1)(B), is amended by striking ''(I) The provisions'' and all that follows through ''(II)''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of section 203(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2186). The reference to section 202(x)(1)(A)(ii) of the Social Security Act in section 1611(e)(1)(I)(i) of the Social Security Act as amended by paragraph (2) shall be deemed a reference to such section 202(x)(1)(A)(ii) as amended by subsection (b)(1)(C).

(d) CONTINUED DENIAL OF BENEFITS TO SEX OFFENDERS REMAINING CONFINED TO PUBLIC INSTITUTIONS UPON COMPLETION OF PRISON TERM.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in clause (i), by striking ''or'' at the end;

(B) in clause (ii)(IV), by striking the period and inserting '', or''; and

(C) by adding at the end the following:

''(iii) immediately upon completion of confinement as described in clause (i) pursuant to conviction of a criminal offense an element of which is sexual activity, is confined by court order in an institution at public expense pursuant to a finding that the individual is a sexually dangerous person or a sexual predator or a similar finding.''.

(2) CONFORMING AMENDMENT.—Section 202(x)(1)(B)(ii) of the Social Security Act (42 U.S.C. 402(x)(1)(B)(ii)) is amended by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to benefits for months ending after the date of enactment of this Act.

SEC. 403. REVOCATION BY MEMBERS OF THE CLERGY OF EXEMPTION FROM SOCIAL SECURITY COVERAGE.

(a) IN GENERAL.—Notwithstanding section 1402(e)(4) of the Internal Revenue Code of 1986, any exemption which has been received under section 1402(e)(1) of such Code by a duly ordained, commissioned, or licensed minister of a church, a member of a religious order, or a Christian Science practitioner, and which is effective for the taxable year in which this Act is enacted, may be revoked by filing an application therefore (in such form and manner, and with such official, as may be prescribed by the Commissioner of the Internal Revenue Service), if such application is filed no later than the due date of the Federal income tax return (including any extension thereof) for the applicant's second taxable year beginning after December 31, 1999. Any such revocation shall be effective (for purposes of chapter 2 of the Internal Revenue Code of 1986 and title II of the Social Security Act), as specified in the application, either with respect to the applicant's first taxable year beginning after December 31, 1999, or with respect to the applicant's second taxable year beginning after such date, and for all succeeding taxable years; and the applicant for any such revocation may not thereafter again file application for an exemption under such section 1402(e)(1). If the application is filed after the due date of the applicant's Federal income tax return for a taxable year and is effective with respect to that taxable year, it shall include or be accompanied by payment in full of an amount equal to the total of the taxes that would have been imposed by section 1401 of the Internal Revenue Code of 1986 with respect to all of the applicant's income derived in that taxable year which would have constituted net earnings from self-employment for purposes of chapter 2 of such Code (notwithstanding paragraph (4) or (5) of section 1402(c) of such Code) except for the exemption under section 1402(e)(1) of such Code.

(b) EFFECTIVE DATE.—Subsection (a) shall apply with respect to service performed (to the extent specified in such subsection) in taxable years beginning after December 31, 1999, and with respect to monthly insurance benefits payable under title II of the Social Security Act on the basis of the wages and self-employment income of any individual for months in or after the calendar year in which such individual's application for revocation (as described in such subsection) is effective (and lump-sum death payments payable under such title on the basis of such wages and self-employment income in the case of deaths occurring in or after such calendar year).

SEC. 404. ADDITIONAL TECHNICAL AMENDMENT RELATING TO COOPERATIVE RESEARCH OR DEMONSTRATION PROJECTS UNDER TITLES II AND XVI.

(a) IN GENERAL.—Section 1110(a)(3) of the Social Security Act (42 U.S.C. 1310(a)(3)) is amended by striking ''title XVI'' and inserting ''title II or XVI''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Social Security Independence and Program Improvements Act of 1994 (Public Law 103–296; 108 Stat. 1464).

SEC. 405. AUTHORIZATION FOR STATE TO PERMIT ANNUAL WAGE REPORTS.

(a) IN GENERAL.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended by inserting before the semicolon the following: '', and except that in the case of wage reports with respect to domestic service employment, a State may permit employers (as so defined) that make returns with respect to such employment on a calendar year basis pursuant to section 3510 of

the Internal Revenue Code of 1986 to make such reports on an annual basis''.

(b) TECHNICAL AMENDMENTS.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by striking ''(as defined in section 453A(a)(2)(B)(iii))''; and

(2) by inserting ''(as defined in section 453A(a)(2)(B))'' after ''employers'' .

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to wage reports required to be submitted on and after the date of enactment of this Act.

TITLE V—REVENUE

SEC. 501. MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.

(a) IN GENERAL.—Section 904(c) of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(1) by striking ''in the second preceding taxable year,'', and

(2) by striking ''or fifth'' and inserting ''fifth, sixth, or seventh''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to credits arising in taxable years beginning after December 31, 2001.

SEC. 502. LIMITATION ON USE OF NON-ACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Section 448(d)(5) of the Internal Revenue Code of 1986 (relating to special rule for services) is amended—

(1) by inserting ''in fields described in paragraph (2)(A)'' after ''services by such person'', and

(2) by inserting ''CERTAIN PERSONAL'' before ''SERVICES''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 503. EXTENSION OF INTERNAL REVENUE SERVICE USER FEES.

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

''SEC. 7527. INTERNAL REVENUE SERVICE USER FEES.

''(a) GENERAL RULE.—The Secretary shall establish a program requiring the payment of user fees for—

''(1) requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters, and

''(2) other similar requests.

''(b) PROGRAM CRITERIA.—

''(1) IN GENERAL.—The fees charged under the program required by subsection (a)—

''(A) shall vary according to categories (or subcategories) established by the Secretary,

''(B) shall be determined after taking into account the average time for (and difficulty of) complying with requests in each category (and subcategory), and

''(C) shall be payable in advance.

''(2) EXEMPTIONS, ETC.—The Secretary shall provide for such exemptions (and reduced fees) under such program as the Secretary determines to be appropriate.

''(3) AVERAGE FEE REQUIREMENT.—The average fee charged under the program required by subsection (a) shall not be less than the amount determined under the following table:

''Category	**Average Fee**
Employee plan ruling and opinion ..	$250
Exempt organization ruling	$350
Employee plan determination	$300
Exempt organization determination.	$275
Chief counsel ruling	$200.

''(c) TERMINATION.—No fee shall be imposed under this section with respect to requests made after September 30, 2006.''

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 7527. Internal Revenue Service user fees.''

(2) Section 10511 of the Revenue Act of 1987 is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to requests made after the date of the enactment of this Act.

DOMENICI AMENDMENT NO. 628

Mr. DOMENICI proposed an amendment to the bill, S. 1186, supra; as follows:

On page 12, line 24, insert the following after the figure ''204'': ''of the Water Resources Development Act of 1986, as amended (Public Law 99–662); section 206''.

BOND (AND ASHCROFT) AMENDMENT NO. 629

(Ordered to lie on the table.)

Mr. BOND (for himself and Mr. ASHCROFT) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

On page 22, line 7, before the period at the end insert '', of which $8,100,000 shall be used for the University of Missouri research reactor project''.

TORRICELLI AMENDMENTS NOS. 630–631

(Ordered to lie on the table.)

Mr. TORRICELLI submitted two amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

AMENDMENT NO. 630

On page 37, strike lines 20 and 21.

AMENDMENT NO. 631

On page 4, between lines 12 and 13, insert the following: ''Minnish Waterfront Park project, Passaic River, New Jersey, $4,000,000;''.

COCHRAN (AND LOTT) AMENDMENT NO. 632

(Ordered to lie on the table.)

Mr. COCHRAN (for himself and Mr. LOTT) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

On page 25, line 14, insert before the period: : *Provided further,* That from within the funds provided for fissile materials control and disposition under Other Defense Activities, up to $5,000,000 shall be made available to the Department of Energy's Diagnostics Instrumentation and Analysis Laboratory to explore potential applications of cold crucible melter technology demonstrated by the Office of Environmental Management to support fissile materials immobilization activities in the Office of Fissile Materials Control and Disposition.

SANTORUM AMENDMENT NO. 633

(Ordered to lie on the table.)

Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

On page 37, strike lines 25 and 26.

ABRAHAM AMENDMENT NO. 634

(Ordered to lie in the table.)

Mr. ABRAHAM submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

On page 4, line 20, strike ''$4,400,000:'' and insert ''$4,400,000; and Metro Beach, Michigan, $422,500 for aquatic ecosystem restoration.''

ROBERTS AMENDMENT NO. 635

(Ordered to lie on the table.)

Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

On page 27, line 1, strike ''$1,872,000,000'' and insert ''$1,852,000,000''.

BREAUX (AND OTHERS) AMENDMENT NO. 636

(Ordered to lie on the Table.)

Mr. BREAUX (for himself, Mr. MOYNIHAN, and Mr. VOINOVICH) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

On page 20, line 23, after ''Fund,'', insert the following: ''such sums as are necessary to guarantee a $25,000,000 loan for construction and completion of the Jennings, Louisiana, biomass ethanol plant under terms and conditions established by the Secretary of Energy, to remain available until expended,''.

LEVIN (AND AKAKA) AMENDMENT NO. 637

Ordered to lie on the Table.)

Mr. LEVIN (for himself and Mr. AKAKA) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

On page 8, lines 7 and 8, strike ''facilities:'' and insert ''facilities, and of which $1,500,000 shall be available for development of technologies for control of zebra mussels and other aquatic nuisance species in and around public facilities:''.

CRAIG AMENDMENT NOS. 638–640

Ordered to lie on the Table.)

Mr. GRAIG submitted three amendments intended to be proposed by him to the bill, S. 1186, supra; as follows:

AMENDMENT NO. 638

On page 8, line 12, insert the following before the period:

'': *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, may use not to exceed $300,000 for expenses associated with the commemoration of the Lewis and Clark Bicentennial''.

AMENDMENT NO. 639

Title III, Department of Energy, Defense Environmental Restoration and Waste Management, on page 26, line 2 insert the following before the period: ''*Provided*, That of the amount provided for site completion, $1,306,000 shall be for project 00–D–400, CFA Site Operations Center, Idaho National Engineering and Environmental Laboratory, Idaho''.

AMENDMENT NO. 640

Title III, Department of Energy, Nuclear Waste Disposal, add the following: ''*Provided further*, That no funds appropriated from the Nuclear Waste Fund may be used for the purposes of settling lawsuits or paying judgements arising out of the failure of the federal government to accept spent nuclear fuel from commercial utilities.''

LEVIN AMENDMENT NO. 641

Ordered to lie on the Table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

On page 2, line 18, after ''expended,'' insert ''of which $500,000 shall be available to maintain level funding for technical assistance to remedial action plan committees, as authorized under section 401 of the Water Resources Development Act of 1990 (33 U.S.C. 1268 note; Public Law 101–640), and of which $1,000,000 shall be available for sediment remediation technology demonstrations in the Maumee and Grand Calumet River areas of concern under that section, and''.

On page 8, lines 7 and 8, strike ''facilities:'' and insert '', of which $250,000 shall be available to convene the interagency National Contaminated Sediment Task Force established under section 502 of the Water Resources Development Act of 1992 (33 U.S.C. 1271 note; Public Law 102–580) and $500,000 shall be available to support the continued development of sediment transport models under section 516 of the Water Resources Development Act of 1996 (33 U.S.C. 2326b):''

BOXER AMENDMENT NO. 642

(Ordered to lie on the table.)

Mrs. BOXER submitted an amendment intended to be proposed by her to the bill, S. 1186, supra; as follows:

On page 8, line 16, strike all that follows ''expended:'' to the end of line 24.

KERREY AMENDMENT NO. 643

(Ordered to lie on the table.)

Mr. KERREY submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

At the appropriate place add the following:

Provided further, That the Secretary of the Interior may provide $2,865,000 from funds appropriated herein for environmental restoration at Fort Kearny, Nebraska.

CONRAD (AND DORGAN) AMENDMENT NO. 644

(Ordered to lie on the table.)

Mr. CONRAD (for himself and Mr. DORGAN) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

On page 2, strike line 22 and insert the following:

New Jersey, $226,000;

Project for flood control, Park River, Grafton, North Dakota, general reevaluation report, using current data, to determine whether the project is technically sound, environmentally acceptable, and economically justified, $50,000:

DORGAN (AND CONRAD) AMENDMENT NO. 645

(Ordered to lie on the table.)

Mr. DORGAN (for himself and Mr. CONRAD) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

On page 5, lines 19 through 21, strike ''shall not provide funding for construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River, unless'' and insert ''may use funding previously appropriated to initiate construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River, except that the funds shall not become available unless''.

GORTON AMENDMENT NO. 646

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

On page 33, between lines 2 and 3, insert the following:

SEC. 3 . PROHIBITING THE INCLUSION OF COSTS OF BREACHING OR REMOVING A DAM THAT IS PART OF THE FEDERAL COLUMBIA RIVER POWER SYSTEM WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION.

Section 7 of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839e) is amended by adding at the end the following:

''(n) PROHIBITING THE INCLUSION OF COSTS OF BREACHING OR REMOVING A DAM THAT IS PART OF THE FEDERAL COLUMBIA RIVER POWER SYSTEM WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION.— Notwithstanding any other provision of this section, rates established under this section shall not include any costs to undertake the removal or breaching of any dam that is part of the Federal Columbia River Power System.''.

SCHUMER AMENDMENT NO. 647

(Ordered to lie on the table.)

Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

On page 33, between lines 2 and 3, insert the following:

SEC. 308. Any funds available under this Act, or any other Act, for the Worker and Community Transition Program of the Department of Energy shall be available for activities relating to Brookhaven National Laboratory and Argonne National Laboratory–West.

JEFFORDS (AND OTHERS) AMENDMENT NO. 648

(Ordered to lie on the table.)

Mr. JEFFORDS (for himself, Mr. ALLARD, Mr. ROTH, Mr. WYDEN, Mr. MOYNIHAN, Mr. HARKIN, Mr. DASCHLE, Mr. LIEBERMAN, Mr. KERRY, Mr. SCHUMER, and Mr. KENNEDY) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

On page 20, strike lines 21 through 24 and insert ''$791,233,000, of which $821,000 shall be derived by transfer from the Geothermal Resources Development Fund and $5,000,000 shall be derived by transfer from the United States Enrichment Corporation Fund, and of which $70,000,000 shall be derived from accounts for which this Act makes funds available for unnecessary Department of Energy contractor travel expenses (of which not less than $4,450,000 shall be available for solar building technology research, not less than $82,135,000 shall be available for photovoltaic energy systems, not less than $17,600,000 shall be available for concentrating solar systems, not less than $37,700,000 shall be available for power systems in biomass/biofuels energy systems, not less than $48,000,000 shall be available for transportation in biomass/biofuels energy systems (of which not less than $1,500,000 shall be available for the Consortium for Plant Biotechnology Research), not less than $42,265,000 shall be available for wind energy systems, not less than $4,000,000 shall be available for the renewable energy production incentive program, not less than $7,600,000 shall be available for support of solar programs, not less than $5,100,000 shall be available for the international solar energy program, not less than $5,000,000 shall be available for the National Renewable Energy Laboratory, not less than $27,850,000 shall be available for geothermal technology development, not less than $27,700,000 shall be available for hydrogen research, not less than $6,400,000 shall be available for hydropower research, not less than $32,000,000 shall be available for high temperature superconducting research and development, not less than $3,000,000 shall be available for energy storage systems, and not less than $18,500,000 shall be available for direction of programs).''.

DOMENICI AMENDMENT NO. 649

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

At the end of Title II, insert the following new section:

SEC. _____. Funds under this title for Drought Emergency Assistance shall only be made available for the leasing of water for specified drought related purposes from willing lessors, in full compliance with existing state laws and administered under state water priority allocation. Leases shall terminate at such time as drought emergency assistance is no longer needed.

KERREY AMENDMENT NO. 650

(Ordered to lie on the table.)

Mr. KERREY submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

At the appropriate place insert: ''of the grants available to the Bureau of Reclamation $300,000 may be provided to cover the cost of the water feasibility study necessary to ensure a safe water supply for Nebraskans living on the Ianke Reservation and in surrounding communities''.

SCHUMER AMENDMENT NO. 651

Mr. DOMENICI (for Mr. SCHUMER) proposed an amendment to the bill, S. 1186, supra; as follows:

On page 5, line 18, insert the following before the colon:

'': *Provided further*, That $100,000 of the funding appropriated herein for section 107 navigation projects may be used by the Corps of Engineers to produce a decision document, and, if favorable, signing a project

cost sharing agreement with a non-Federal project sponsor for the Rochester Harbor, New York (CSX Swing Bridge), project

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REID AMENDMENT NO. 652

Mr. DOMENICI (for Mr. REID) proposed an amendment to the bill, S. 1186, supra; as follows:

On page 16, line 7, insert the following before the period:

'': *Provided further,* That $500,000 of the funding appropriated herein is provided for the Walker River Basin, Nevada project, including not to exceed $200,000 for the Federal assessment team for the purpose of conducting a comprehensive study of Walker River Basin issues''

SARBANES (AND MIKULSKI) AMENDMENT NO. 653

Mr. DOMENICI (for Mr. SARBANES (for himself and Ms. MIKULSKI)) proposed an amendment to the bill, S. 1186, supra; as follows:

On page 5, line 18, insert the following before the colon:

'': *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, may use $1,500,000 of funding appropriated herein to initiate construction of shoreline protection measures at Assateague Island, Maryland''

INOUYE AMENDMENT NO. 654

Mr. DOMENICI (for Mr. INOUYE) proposed an amendment to the bill, S. 1186, supra; as follows:

Insert at page 22, line 7, following ''expended'':

'': *Provided further,* That of the amount provided, $2,000,000 may be available to the Natural Energy Laboratory of Hawaii, for the purpose of monitoring ocean climate change indicators.''

DOMENICI AMENDMENTS NOS. 655–656

Mr. DOMENICI proposed two amendments to the bill, S. 1186, supra; as follows:

AMENDMENT NO. 655

On page 20, line 24, following ''Fund'', insert the following:

'': *Provided,* That, $15,000,000, of which $10,000,000 shall be derived from reductions in contractor travel balances, shall be available for civilian research and development''.

AMENDMENT NO. 656

On page 25, line 14, following ''Energy'', insert the following:

''*Provided further,* That, $10,000,000 of the amount provided for stockpile stewardship shall be available to provide laboratory and facility capabilities in partnership with small businesses for either direct benefit to Weapons Activities or regional economic development''

HUTCHISON AMENDMENT NO. 657

Mr. DOMENICI (for Mrs. HUTCHISON) proposed an amendment to the bill, S. 1186, supra; as follows:

On page 8, line 12, insert the following before the period.

'': *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, shall use $100,000 of available funds to study the economic justification and environmental acceptability, in accordance with section 509(a) of Public Law 104–303, of maintaining the Matagorda Ship Channel, Point Comfort Turning Basin, Texas, project, and to use available funds to perform any required maintenance in fiscal year 2000 once the Secretary determines such maintenance is justified and acceptable as required by Public Law 104–303''.

MACK (AND GRAHAM) AMENDMENT NO. 658

Mr. DOMENICI (for Mr. MACK (for himself and Mr. GRAHAM)) proposed an amendment to the bill, S. 1186, supra; as follows:

On page 4, between lines 7 and 8, insert the following:

Brevard County, Florida, Shore Protection, $1,000,000;

Everglades and South Florida Ecosystem Restoration, Florida, $14,100,000;

St. John's County, Florida, Shore Protection, $1,000,000

MCCONNELL AMENDMENT NO. 659

Mr. DOMENICI (for Mr. MCCONNELL) proposed an amendment to the bill, S. 1186, supra; as follows:

Beginning on page 41, strike line 6 and all that follows through page 42, line 14, and insert the following:

(b) INVESTMENT OF AMOUNTS IN THE USEC FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the United States Enrichment Corporation Fund as is not, in the judgment of the Secretary, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

(2) ACQUISITION OF OBLIGATIONS.—For the purpose of investments under paragraph (1), obligations may be acquired—

(A) on original issue at the issue price; or

(B) by purchase of outstanding obligations at the market price.

(3) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

(4) CREDITS TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

CONRAD (AND DORGAN) AMENDMENT NO. 660

Mr. DOMENICI (for Mr. CONRAD (for himself and Mr. DORGAN)) proposed an amendment to the bill, S. 1186, supra; as follows:

On page 2, strike line 22 and insert the following:

New Jersey, $226,000;

Project for flood control, Park River, Grafton, North Dakota, general reevaluation report, using current data, to determine whether the project is technically sound, environmentally acceptable, and economically justified, $50,000:

DOMENICI AMENDMENT NO. 661

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill, S. 1186, supra; as follows:

At the end of Title II, insert the following new section:

SECTION . Funds under this title for Drought Emergency Assistance shall only be made available for the leasing of water for specified drought related purposes from willing lessors, in compliance with existing state laws and administered under state water priority allocation. Such leases may be entered into with an option to purchase, provided that such purchase is approved by the state in which the purchase takes place and the purchase does not cause economic harm within the state in which the purchase is made.

DURBIN (AND OTHERS) AMENDMENT NO. 662

(Ordered to lie on the table.)

Mr. DURBIN (for himself, Mr. HARKIN, Mr. GRASSLEY, and Mr. FITZGERALD) submitted an amendment intended to be proposed by them to the bill, S. 1186, supra; as follows:

At the appropriate place, insert the following:

SEC. . (a) FINDINGS.—The Senate finds that the U.S. Army's Rock Island Arsenal, Illinois has provided support for the U.S. Army Corps of Engineers efforts to maintain and repair vital national civil works infrastructure including the Rock Island government bridge, the Chicago/Lake Michigan locks and dams, and gates along the Illinois River. The Arsenal has performed in an extremely timely and cost effective manner, providing both engineering and manufacturing support. The Rock Island Arsenal's ability to provide assistance to the Corps while maintaining engineering and manufacturing skills necessary for national defense purposes qualify it as an irreplaceable facility.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Assistant Secretary of the Army (Civil Works) and the U.S. Army Corps of Engineers should continue its partnership with the Rock Island Arsenal in order to maintain and repair the country's aging civil works infrastructure. The Assistant Secretary of the Army (Civil Works) should work with the Corps to prepare a report to Congress on future plans to further utilize the Rock Island Arsenal for civil works purposes.

NOTICE OF HEARINGS

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that an Executive Session of the Senate Committee on Health, Education, Labor, and Pensions will be held on Tuesday, June 15, 1999, 9:30 a.m., in SD–628 of the Senate Dirksen Building. The following is the committee's agenda.

1. S. , The Health Information Confidentiality Act.

2. S. Con. Res. 28, Urging the Congress and the President to Increase funding for the Pell Grant Program and existing Campus-Based Aid Programs.

3. Presidential Nominations: Zalmay Khalilzad, of Maryland, to be an Member of the Board of Directors of the United States Institute of Peace; and

James Roger Angel, of Arizona, to be a Member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. JEFFORDS. Mr. President, I would like to announce for information

of the Senate and the public that a hearing of the Senate Committee on Health, Education, Labor, and Pensions will be held on Thursday, June 17, 1999, 10:00 a.m., in SD–106 of the Senate Dirksen Buildings. The subject of the hearing is ''ESEA: Research and Evaluation''. For further information, please call the committee, 202/224–5375.

ADDITIONAL STATEMENTS

MEDICAL RESEARCH

● Mrs. FEINSTEIN. Mr. President, I rise today to call attention to the fact that last week the Senate voted to provide an additional $300 million for medical research in the Fiscal Year 2000 Department of Defense Appropriations bill. I joined with several of my colleagues in urging that critical funding for cancer research be included in the bill.

Included in this account are $175 million for breast cancer research, $75 million for prostate cancer research, and $50 million for other medical research including ovarian cancer, osteoporosis, diabetes and childhood asthma.

In recent years, the DOD's Department for Health Affairs has made great strides in innovative medical research. The DOD Breast Cancer Research Program is an excellent example of these advancements. During its six years in existence, the program has grown from a small isolated project to a well-funded, efficient, and effective part of the cancer research community.

As was recommended by the Institute of Medicine, the program is overseen by a group of scientists and patient activists, which helps the program keep up with advancements of the scientific community. This structure has fostered a program praised for its innovation, flexibility, and efficiency.

Approximately 90 percent of the program's funds are devoted to research grants. The DOD Breast Cancer Research Program grants have encouraged scientific research to extend beyond traditional research. Specifically, Innovative Developmental and Exploratory Awards (IDEA) grants are targeted for innovative research efforts that explore new approaches in areas that offer the greatest potential.

The program also incorporates consumer and community needs in its research priorities. By including consumer advocates in decision-making and by bringing clinical trials into the community, the program has integrated the goals of advocates, scientists, and patients. This unique approach has proven successful both in the research the Program has produced and the future research it has inspired.

Similar to the Breast Cancer Research Program, the DOD Prostate Cancer Research Program is conducted according to the model established by the Breast Cancer Program. According to the American Cancer Society, approximately 179,300 American men will develop prostate cancer this year, and about 37,000 will die of this disease. Though I am encouraged by the news that the survival rate for this type of cancer has increased from 50% to 85%, we clearly can and must do more.

Replicating the much-praised Breast Cancer Program mission and structure, prostate research encourages innovation while creating a partnership between advocates and scientists. Research grants are designed to stimulate innovative research and to bolster the national effort against prostate cancer.

As co-chair of the Senate Cancer Coalition, I am very familiar with current cancer research efforts. The DOD cancer research programs are some of the most innovative and effective public-private partnerships that our country has in the battle against cancer. I am confident that commitment to this program will strengthen our nation's cancer research program and help to stop the spread of this dread disease.

The additional funding in the DOD appropriation bill is compatible with other progressive funding sources that have been explored in recent years. The Breast Cancer Research Stamp, which I sponsored in the Senate, has raised $6.6 million for breast cancer research. Thirty percent of these funds go to the DOD program.

With the work of research programs across the country, we have made some progress in the war on cancer: new cancer cases and deaths in the United States fell between 1990 and 1996; survival time has been extended dramatically for some cancers; we have improved therapies with fewer adverse side effects; and there is increased cancer screening and detection.

And yet, sadly, we have a long way to go. Cancer is the second leading cause of death in the US, exceeded only by heart disease. The American Cancer Society estimates that over 1.2 million new cancer cases are expected to be diagnosed in 1999 and about one half million Americans are expected to die of cancer this year alone.

But we must look at these disturbing statistics as an opportunity. What these statistics tell us is that we need to multiply, accelerate, and intensify our war on cancer. The additional $300 million for medical research in the Department of Defense Appropriations bill sends a strong signal that we are committed to combating this destructive disease. The Senate should be proud of sending this powerful message.●

RETIREMENT OF JOHN JERMAIN SLOCUM, JR.

● Mr. CHAFEE. Mr. President, today, I wish to pay tribute to Mr. John Jermain Slocum, Jr., who has served at the Preservation Society of Newport County in Newport, Rhode Island, and is retiring as President and Chairman of the Board.

Jerry Slocum's work is well known to me. I have had the pleasure of knowing the Slocum family for many years. Rhode Island has benefited greatly from their involvement in the community. In fact, during my years as Governor, Jerry assisted me in a variety of functions. Among his duties in my office, Jerry worked as a drafter of proclamations and handled constituent services. In this capacity, Jerry displayed the qualities of a problem solver and a facilitator, which are very important in the workplace.

When Jerry joined the Preservation Society of Newport County in 1990, he brought with him the support and appreciation of historic houses instilled in him by his parents. Since becoming President, the Society has expanded its number of historic structures from 18 to 23—not an easy feat! The Society now hosts structures ranging from the Hunter House, built in 1748, to the Vanderbilt family's Newport summer house, the Breakers, to its newest acquisition, the Isaac Bell House.

However, Jerry did not stop there. During his tenure, the educational programs offered by the Society have expanded to include: its annual International Symposium, the John Winslow Lectures, the Noreen Stonor Drexel Lecture Series and the Newport Flower Show. Jerry Slocum certainly is a believer in community involvement. He has worked tirelessly to extend the outreach of the Society and its facilities to the community, and in doing so, he has drawn people to Newport from across the country.

This hard work and dedication has brought the Society national recognition. In 1998, the National Trust for Historic Preservation awarded the Preservation Society with a stewardship award for its exceptional contribution to preserving the historic and architectural heritage of Newport. Also, various properties of the Preservation Society have been recognized and used in films such as ''The Buccaneers,'' ''Mr. North,'' and the Arnold Schwarzenegger action film, ''True Lies.''

As Jerry prepares for his private life away from the duties of his terribly demanding job, I want to congratulate and thank him for all that he has given to the Society and the community.●

TRIBUTE TO THE PROVIDENCE BRUINS

● Mr. REED. Mr. President, for the first time since the America's Cup left Newport for Fremantle in 1983, Rhode Island is home to a championship trophy. With a 5–1 victory over the Rochester Americans last night, the Providence Bruins won the esteemed Calder Cup as the 1999 Champions of the American Hockey League. The P–Bruins have won the hearts of sports fans in Rhode Island since professional hockey returned to the state in 1992 after a 16-year hiatus.

But this victory was much deserved for a team that truly turned itself around. In winning the Calder Cup, the 1999 Providence Bruins became one of

only four teams in AHL history to have gone from last place to first in one season. Under the able leadership of Coach Peter Laviolette and assistant Bill Armstrong, the Providence Bruins amassed a 56–20–4 record—tops during the regular season—then ran off a perfect 10–0 record at home in the playoffs. In winning the Calder Cup, this Bruins team can rightly boast that they are among the best in the history of the league.

While this championship was very much the team's victory, a special acknowledgment belongs to Peter Ferraro, who, as the Providence Bruins' leading scorer in the playoffs with nine goals, won the Most Valuable Player honor for the 1999 series. The Providence Bruins' determination and great Championship victory exemplify the dedication of the entire team, and their efforts have been appreciated by the people of Rhode Island, who have flocked to their games throughout the season. All of Rhode Island takes justifiable pride in the Providence Bruins' victory, and we wish them continued success as they strive to repeat as winners of the Calder Cup next year.●

TRIBUTE TO KATE M. RIGGS

● Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Kate M. Riggs, of Hooksett, New Hampshire, for being selected as a 1999 Presidential Scholar by U.S. Secretary of Education.

Of the over 2.5 million graduating seniors nationwide, Kate is one of only 141 seniors to receive this distinction for academics. This impressive young woman is well-deserving of the title of Presidential Scholar. I wish to commend Kate for her outstanding achievement.

As a student at Manchester High School West in New Hampshire, Kate has served as a role model for her peers through her commitment to excellence. She will graduate as a co-valedictorian with a 3.9 grade point average. Kate's positive attitude has endeared her to both teachers and students.

Kate's determination promises to guide her in the future. She will attend Harvard University in the fall and will be faced with many new challenges. Kate is sure to tackle them with the vigor that has brought her success in the past.

It is certain that Kate will continue to excel in her future endeavors. I wish to offer my most sincere congratulations and best wishes to Kate. Her achievements are truly remarkable. It is an honor to represent her in the United States Senate.●

HAPPY 90TH BIRTHDAY TO KATHERINE DUNHAM

● Mr. BOND. Mr. President, I rise today to recognize the 90th birthday of Ms. Katherine Dunham. Ms. Dunham has made major contributions in the areas of Dance, Choreography, Musical Composition, Poetry, Anthropology, and has been a champion for the causes of Human Rights and World Peace. Over the course of her career, she has won more than 70 international awards including being selected as a Kennedy Center Honoree. For the past 31 years, Ms. Dunham has lived in East St. Louis, where she has used her talents to enrich the lives of the regions' youth. Mr. President, I ask my colleagues to join with me in wishing Ms. Katherine Dunham a very special 90th birthday.●

CAMPBELL UNIVERSITY GRADS HEAR DR. DENTON LOTZ

● Mr. HELMS. Mr. President, the commencement speaker at a leading university in my state, Campbell University at Buies Creek, N.C., was one of the most impressive and meaningful addresses that I have ever heard or read.

It was delivered by Dr. Denton Lotz, General Secretary to the Baptist World Alliance. Dr. Lotz's subject was ''New Hope for Destroyed Foundations''.

Campbell University is a truly remarkable institution whose president, Dr. Norman Adrian Wiggins, is one of the Nation's most respected educators.

Incidentally, in addition to his responsibilities as president, Dr. Wiggins serves as Professor of Law. I am obliged to add a personal note here: Campbell University's law school is the only law school in North Carolina not one of whose graduates has flunked the State Bar Exam for the past several years.

But I digress. My purpose today is to ask that the text of Dr. Denton's commencement address at Campbell University be printed in the RECORD.

The material follows:

NEW HOPE FOR DESTROYED FOUNDATIONS—CAMPBELL UNIVERSITY COMMENCEMENT SERMON DELIVERED BY DR. DENTON LOTZ

''If the foundations are destroyed, what can the righteous do?'' Psalm 11:3

Bob Dylan reminded his generation and ours that ''the answer is blowing in the wind.'' But is it? Is it not rather like the prophet Hosea of old said that we have sown the wind and reaped the whirlwind? (Hosea 8:7) How many litanies this spring shall we hear of Littleton, Colorado and why and how children could lose all sense of values and go on a killing spree? How many times have we read of parental irresponsibility, the school's fault, youth are not listening, and the litany goes on?

What happened in Littleton, Colorado is symbolic of a generation whose foundations have been destroyed. But, this is not only the problem of this generation. It is the history of the 20th century, with the gas warfare of World War I and the gas chambers of World War II. As we enter the 21st century, the President's dream of a new world order has faded and bombs are falling on the Serbian dictator Milosvic, ethnic cleansing continues, children and women suffer. Man experiences the cruelest of deaths. We seem to be able to solve the Y2K computer problem, but deep within humanity there is something that is wrong. The Psalmist spoke of this something as ''destroyed foundations''.

Indeed when one considers our society we see a number of destroyed foundations: in the family, in the world, and in the church.

(1). The family was long considered the pillar of a just and moral society. Home was the one place you could always go. But, today 60% of new marriages will end in divorce. The result has been a generation of you people without foundations. It is said that 3 in 4 teen suicides are the result of divorce, and 4 in 5 psychiatric admissions. But not only divorce has broken up the family; the community is broken apart. All the blessings of modern society have not brought us together but have divided us. On a warm summer day in Havana, Cuba I saw this. There was no air conditioning, as a result people sat on their porches, children played together in the streets, people talked to one another. Our modern blessings have caused us to close our doors, turn on the air and sit in front of the TV . . . cut off from community, alone and isolated.

(2). The same is true for the church. Modern media has made religion an entertainment business. Like Kirkegaard's famous geese, we come to Church on Sunday morning and waddle home and that's the end of it. Theological controversy within and hypocrisy without have diminished the role of the Church. When great tragedies strike, no longer is the pastor the counselor, but immediately TV goes to Hollywood and our favorite guru TV actor tries to console society which, without God and without hope, has pretty much made a mess of things!

(3). And the government suffers the same fate. Government in Washington is not trusted. Righteous laws proposed by unrighteous legislators confuse the population. Indeed the strong foundations of the capitol building are now guarded by armed policemen, guard dogs, and metal detecting devices. Everything seems to be falling apart. This spring even the Washington cherry trees were not immune. Unknown and uncaught beavers were chopping down cherry trees every night, until they were finally caught. It is a symbol of our day. The strong trees of justice, of equality, of morality seem to being chopped down. Is there any hope?

Well, if it is any comfort, we are not the first generation to experience destroyed foundations. It seems to be the plight of humanity. Indeed it is the human story. It is what history is all about. Destroyed foundations, and rebuilding new foundations that will withstand the next assault. This seems to be the fate of modern man. Rousseau expressed it well in explaining the agitated street life of Paris. He called it the social whirlwind. One of his heroes says:

''I'm beginning to feel the drunkenness that this agitated, tumultuous life plunges you into. With such a multitude of objects passing before my eyes. I'm getting dizzy. Of all the things that strike me, there is none that holds my heart, yet all of them together disturb my feelings, so that I forget what I am and who I belong to.'' (Cox, Religion in the Secular City, p. 182)

Does that sound familiar? Isn't that our plight today? The dizziness of it all. The Psalmist knew the problem, as did men and women of old and thus the question, ''If the foundations are destroyed, what can the righteous do?''

I. False answers: The first advice the Psalmist gets is simply to run away: ''Flee like a bird to the mountains; for lo, the wicked bend the bow, they have fitted their arrow to the string, to shoot in the dark at the upright in heart.'' A modern interpretation may sound like this: ''Let's escape from it all and have a great weekend and forget all our problems. The trenchcoat mafia may abound and have its sight on us, but we are going to drink and be merry and have a ball.''

As you now enter the work force there are going to be many temptations put upon you. You also will be confronted with destroyed foundations and there will be many who give the advice, ''Flee like a bird to the mountains.'' The temptations to flee today are many, but three stand out:

1. Materialism: The foundation may be destroyed but I am going to make my mark in life by getting rich. This philosophy escapes the problems of society by fleeing to materialism. It accepts the creed of Milliken and his lot, ''He who has the most toys in the end wins.'' What a folly! What a poor foundation upon which to build one's life. Materialism in the end becomes greedy and consumes the possessors so that all values are lost except one's own big ego. Materialism will not bring back lost love. Materialism will not warm the stomach of a hungry child. Materialism will not bring peace to our troubled cities. Materialism will not bring racial justice. Indeed when the foundations are destroyed the rush towards materialism is only a sign of the foundation that has destroyed us.

2. Pleasure and sports: When the foundations are destroyed there is the temptation to run to pleasure and sports to halt the further decay of crumbling foundations. Indeed, Edward Gibbons in his ''Decline and Fall of the Roman Empire'' lists this as one of the five basic reasons why great civilizations die: ''The mad craze for pleasure; sports becoming every year more exciting, more brutal and more immoral.'' This indeed is a social commentary on our present situation. Wrestling and boxing without rules is the new big sport. Two combatants actually try to kill one another. We have become mad when our athletes are paid exorbitant salaries and our teachers, police, and servants of society become paupers. What kind of a value is that . . . and so the Psalmist warns of those who say flee like a bird to the pleasure mountain of sports . . . for in the end it means destruction!

3. Ghettoism and Quietism: This is the last resort of the religious. We will flee to the mountain and make ourselves a little retreat center to escape from the evils of the world. When religion becomes quietist it truly becomes sectarian and useless to a needy world! Indeed we too have heard the cynics ask what can one do when the foundations are destroyed and we have been tempted to fleet like a bird to the mountain! The tragedy of this type of ghetto religion is that it is so heavenly mined that it is no earthly good. It was the temptations of Jesus' disciples to flee to the mountain and build a retreat center and have warm fuzzy feelings. But, Jesus said, No! Go back down into the valley and where you see my people who are hungry feed them!, where they are naked, clothe them!, where they are thirsty, give them to drink!, where they are sick, visit them! where they are in prison go to them!'' And then you will ''inherit the kingdom prepared for you from the foundation of the world!'' (Matt25ff.)

II. What can the righteous do? And so the Psalmist disregards the advice of his friends to flee like a bird to the mountains. And our advice to you is also to beware of those who tell you to flee like a bird. What shall we do then? Not that we are the righteous ones? But, we who would follow a righteous God, what shall we do? How do we answer the question, ''If the foundations are destroyed, what can the righteous do?''

1. Take refuge in God? ''The Lord is in his holy temple. . . his eyes behold the children of men . . . '' From days of old until today, men and women of faith have not fled to the mountains, but they have fled to God. The Psalmist knew that: ''God is our refuge and strength, a very present help in time of trouble. Therefore we will not fear though the earth should change, through the mountains shake in the heart of the sea . . . Why? There is a river whose streams make glad the city of God.'' (Psalm 46f)

What do you do when the foundations are destroyed! You go the temple! You take refuge in God! God is not dead. He lives and because He lives you can indeed face destroyed foundations but not only that, you can regain strength to rebuild the fallen foundations of your life! And thus the Psalmist very simply advises us, ''Take refuge in God! Go to the temple and pray!''

Every student generation seeks a new experience of God. Every student generation feels alienated from their roots and their spiritual heritage and thus is seeking new ways. No wonder there are so many sectarian movements out there . . . all vying for the new age market. But in the end, they are not historical faith, but faith built upon an illusion. Therefore, go to the temple, go to church and pray! I remember students at Harvard were concerned about spirituality in my student days. And so every Thursday noon we gathered in the cafeteria to hear professors witness to their pilgrimage of faith. I particularly remember one professor who had just lost his little girl who accidentally hung herself. The professor warned the students: ''If you do not pray daily, one day you will have to learn how to pray!''

Korean Christians pray every morning at 4:30. Their churches are full because during their suffering they experienced the power of prayer! When the foundations are destroyed the first thing one does is go to the temple to pray and there one finds that God is our refuge and strength!

2. Cease to do violence! The Psalmist teaches us that God is a judge. His burning love is shown in his fiery justice! God is a God of justice and righteousness who demands the same from his people. He will judge the earth with equity and demands justice. And therefore the Psalmist warns us, ''his soul hates him that loves violence . . . '' (Ps.11:5) The USA has become a very violent society. And the media thinks it has nothing to do with it. Our children, before they are 18, will have seen on television 18,000 acts of violence. Like a drip of water on a stone, drip, drip, drip, it continually wears at the fabric of our society until we are worn down and violence becomes a way of life!

The corollary to God hating violence is his demand for justice. No theologian of the 19th century captured this understanding of God as a God of justice more than President Abraham Lincoln. In his Second Inaugural address he painfully warned a country engaged in civil war: ''The Almighty has His own purposes: 'Woe unto the world because of offenses! for it must needs be that offenses come; but woe to that man by whom the offense cometh!' . . . Fondly do we hope—fervently do we pray—that this mighty scourge of war may speedily pass away. Yet, if God wills that it continue, until all the wealth piled upon the bond-man's two hundred and fifty years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash, shall be paid by another drawn with the sword, as was said three thousand years ago, so still it must be said 'the judgments of the Lord, are true and righteous altogether.' ''

What do you do when the foundations are destroyed! Cease to do violence! Remember that God demands justice!

3. Do righteous deeds! Finally, the Psalmist considering the alternatives before him is confronted with the final challenge. He cannot flee to the mountains, that is the easy way out. Rather he will go to the temple and take refuge in God, he will cease to do violence . . . and now finally, we hear the final command, ''Do righteous deeds!'' If indeed we have prayed and sought God's counsel and refuge. If indeed we have ceased to do violence, then our lives must show it! This is the command of which the prophet Amos reminded his generation, ''What does the Lord require of thee, but to do justly, to love mercy, and to walk humbly with thy God.'' (Mich. 6:8) Religion that does not issue in a changed behavior, changed heart, and changed action is not worth its salt. Religion which contemplates its own navel and is concerned about its own ego, is not a faith worth living, it is not biblical faith, but a neurotic form of ego-tripism. Biblical faith calls for action, not escapism.

This is what we do when the foundations around us are crumbling and destroyed. We do righteous deeds! In a little village in Kenya I remember after one Sunday morning service, the poor old women in a corner collecting what coins they had to help feed a refugee from Somalia. In Bangladesh, some struggling to make it from day to day, the women collect the least coin to help others. In India, every day Baptist women save a little of their monthly allotment of rice to help those in need. Indeed these random acts of kindness are fulfilling the Biblical command to be holy as god is holy.

III. What do the righteous do when the foundations are destroyed? Isn't there a missing link? Indeed we understand that we must go to the temple, that God is our refuge, that we must cease to do violence and beware of God's justice, but how can we do righteous deeds? How can we flee to God? What is missing? The foundation upon which all of these actions are executed! The Apostle Paul stated very clearly that there needs to be a foundation for our action and therefore he boldly announces: ''For no other foundation can any one lay than that which is laid which is Jesus Christ.'' (ICor.3:11) Paul knows the temptation to flee like a bird to the mountain. He knows the temptations of materialism, pleasure and escapism. He knew this as a Pharisee until one day all of his foundations were destroyed, existentially, spiritually and physically. When he met Christ on the Damascus road his whole life was turned around. He was a changed person with a new foundation. He knew now that the city he was looking for was not the secular city with all its dizzy attractions but without foundations. He was now looking for that city which has foundations whose builder and maker is God (Heb.11:10)

As a soon to be graduate you will have learned many facts. You will know many things. But, this does not make you wise! Wisdom is knowing the foundation which undergirds all of knowledge! Western civilization was built upon faith: faith in the incarnation of God in His Son Jesus Christ. All of the great achievements of the human spirit came from the freedom of the Spirit through Christian intellect. The idea of the university was that all knowledge was of God and therefore the Universe should be studied because it was the handiwork of God. All of Western civilization, great concern for the arts, for freedom, for justice, for feeding the poor and hungry, from where did these freedoms come? Are they not rooted in the Bible? Is Christ not the source of freedom and justice? Modernism since the Enlightenment thinks that it can understand humankind without God, And precisely because it has attempted to explain the world without God, it has become a godless world with no hope and no future. H. Richard Niebuhr commented upon this when he said that such faith was weak because ''It preached that a God without wrath brought men without sin, into a kingdom with judgment through the ministrations of a Christ without a Cross.'' And so it is today. Western civilization

wants all the blessings of Christianity without Christ. And like fruit cut from the stem it will rot.

What do you do when the foundations are destroyed? You build upon the foundation which will endure. And that is why for two thousand years the Church has pointed not to itself but to Jesus Christ!

And thus we close with the Psalmist question, ''If the foundations are destroyed, what can the righteous do?'' Go to the temple and pray to God as your refuge! Cease to do violence! Do righteous deeds! Put your faith in the only foundation for life, even Jesus Christ our Lord! Amen.●

BUSINESS COMMUNITY ASSISTANCE TO KOSOVAR REFUGEES

● Mr. MCCONNELL. Mr. President, I rise today to commend members of the American and international business communities who are providing resources and technical expertise to help the United Nations and other international relief organizations alleviate the suffering of hundreds of thousands of Kosovar refugees.

Today, as we embark on the initial stages of a peace agreement, hundreds of thousands of Kosovar refugees remain scattered across the globe. Slobodan Milosevic and his troops have driven these victims out of their country, separated families, destroyed homes, and stripped the refugees of their personal identification papers. The United Nations High Commissioner for Refugees (UNHCR) reports that over 800,000 people have been forced to flee Kosovo since the Serb Army intensified ethnic purges two and a half months ago.

Refugee situations are always difficult. The Kosovar situation, however, has been exacerbated and complicated greatly by Milosevic's attempts at ''identity erasure.'' Servian soldiers have stripped the Kosovars of all identification documents and systematically destroyed civil records. Adding to the complexity of the situation, the refugees are spread over 30 different countries.

Companies such as Hewlett-Packard, Compaq, Microsoft, Securit World, Ericsson, and ScreenCheck are partnering with the Red Cross, UNHCR, the International Organisation for Migration and other international organizations on projects that will register the refugees, provide them with identification documents, and reunite them with their families. These companies are providing technical expertise, equipment, personnel and other resources that are allowing the refugees to be registered and located much more efficiently and effectively than ever before.

We are certainly witnessing a situation where the Internet and other recent technological innovations are providing solutions for real life problems. For example, Microsoft, Hewlett-Packard, Compaq and Securit have developed and provided systems that allow refugees to be registered, added to an international database, and to obtain identification cards—all within minutes. Further, the Red Cross is working with Compaq and Ericsson to launch the Family News Network, which is the first Internet-based refugee tracing system.

These companies are to be commended for their contributions to help restore the Kosovar community. It is my hope that in the future more members of the business community will enter into such beneficial partnerships to help address problems facing our country and our world.●

TRIBUTE TO BEDFORD MEMORIAL SCHOOL

● Mr. SMITH of New Hampshire. Mr. President I rise today to honor the Bedford Memorial School for being selected as the 1999 Top Elementary School of the Year by the Excellence in Education Committee. The ''Excellence in Education'' award is an annual program designed to identify one elementary, middle, and secondary school that is representative of the many outstanding schools in New Hampshire.

The Bedford Memorial School was chosen for this honor because of the dedication and commitment to education by its teachers, parents, and students. Its exemplary partnership with home and community and outstanding mentoring program for all staff has created an environment conductive to the development of young minds.

I admire this school's commitment to excellence. Over the last five years they have taken on challenging initiatives, participated in goals setting, created a community school council, and forged school-business partnerships. Student focus is also one of Bedford Memorial's strengths. The many co-curricular programs, an excellent special education department, and a gifted program are able to serve the students' individual needs. The school's success is epitomized in the school's motto ''The partnership of home, school, and community is essential to achieve our goal of academic excellence.''

The teahers, parents, and students of this school hold a special place in my heart. Over the years, Mary Jo and I have visited the Bedford Memorial School many times, had the chance to meet both students and faculty, and have had the honor of teaching several classes there. This close involvement with the school has allowed me to witness, first-hand, the quality of education that is provided at this school.

The honor of being named Top Elementary School of the Year is a fitting end to an era for Bedford Memorial School. I am confident that as they take on additional grades and students, their school spirit will only continue to grow.

As a former teacher and school board member, I understand the tremendous impact teachers have on a child's life. The Bedford Memorial School is a testament to the tradition of molding students into successful adults. I wish to offer my most sincere congratulations and best wishes to the Bedford Memorial School. The school's achievements are truly remarkable. I feel honored to have had such a close relationship with the Bedford Memorial School and represent them in the United States Senate.●

ORDER OF PROCEDURE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask to speak in morning business.

The PRESIDING OFFICER. Morning business is in order.

Mr. GRASSLEY. If there is a time limit, I would like to speak for about 12 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

RURAL METHAMPHETAMINE USE RESPONSE ACT OF 1999

Mr. GRASSLEY. Mr. President, I am introducing legislation on behalf of myself, Senators KYL, DEWINE, HAGEL, and KOHL, a bill referred to as the Rural Methamphetamine Use Response Act of 1999.

I do this in my capacity not only as a Senator from Iowa but as chairman of the International Narcotics Control Caucus of the Senate—a caucus that has had a tradition of working in a very bipartisan way on legislation and oversight hearings.

Methamphetamine is emerging as a new major drug problem across the entire country. It is one of the most dangerous drugs currently available. Its use destroys individuals and its production harms the environment. It is a problem that disproportionately affects rural America, even in our most urban States.

Methamphetamine is not a new drug in this country, but its growing use is very much a new problem. As the chart shows, meth has been around our country since the early 1980s, but its use then was largely confined to biker gangs and with a very limited market. Even then, much of the meth was produced in homemade labs in this country. Very little of it came out of Mexico and not so much in rural America.

The chart shows the city of Philadelphia with lots of examples of use of meth and meth laboratories. The numbers were few then and medical cases of meth-related problems were limited.

In San Francisco, for example, there were only 65 medical cases of meth-related problems, even in the year 1984. Let me assure Members that very low level activity situation for methamphetamine was not going to last very long because it began to change in the late 1980s and early 1990s.

During that period of time, Mexican criminal gangs began to become more

involved, taking over production and marketing from the biker gangs in America. In doing so, they began to rapidly expand the availability of drugs and at the same time lowering the costs. Use began to grow, as it will, when drugs became widely available at affordable prices. It will also grow if there is a perception of low risk with that drug.

Somehow—and wrongly so—meth got a reputation for being harmless. It is simple. Most new drugs start that way. They are pushed on particularly young people as safe and OK. Of course, it is a lie. But it is common enough. Thus, it should come as no surprise that as meth use increased and spread beyond the Western States, along with this, so did reports of meth-related medical problems.

In 1989, medical cases in San Francisco reached 1,125, or 17 times the 1984 level of 65 which I already mentioned. The number of lab seizures increased, as well.

Remember, on this chart, the previous chart, and the next chart I will show, the red lines show an expanding importation of methamphetamine into our country with some from outside of Mexico, but most of the lines coming from Mexico and spreading all across our country—it is now beginning to reach the West and the Midwest—not so much in the East where it was when it started with biker gangs, but all over the United States.

While most of the drug is produced in Mexico by Mexican criminal gangs, there is a growing domestic production, much of this in rural areas. It is devastating.

Looking again at the chart previously shown, from 1982 to 1985, we had very little meth coming from Mexico into the United States. Most of what we had was domestic production. The numbers here in green illustrate the dimension of medical-related meth problems that are reported in the media. It also relates, to some extent, to the lab busts in that particular case. But from 1982 to 1985, it was very much limited to biker gangs being involved in that, very little out of Mexico.

Then you go to the period of the late 1980s, early 1990s. You see more red lines, meaning quantity and diverse distribution coming out of Mexico, some from Korea, probably some from other countries we will not show on this particular map but still, relatively little. Then after 1994, you see a very dramatic acceptance of meth use, but also most of it coming from Mexico and most of it from that source just finding itself spread all across the United States, so very much a growing problem, very much a problem of Mexican sources and cartels being the source of our problem in this country.

In 1998 we had 321 methamphetamine labs found in my State of Iowa. This was more than double the year before. As of the first quarter this year, over 170 labs have been found in my State. If you multiply that by 4, you are going to see Iowa doubling the trouble of meth again in local production. That is what we know about. It does not account for the flow of meth from Mexico.

I know many other States in the West and the Midwest can tell a very similar story. We know this is a problem that is moving eastward. We are becoming a producing country for this dangerous drug. You can get the formula for producing meth off the Internet, and many of the chemicals to produce it can be found in local hardware stores and pharmacies. One of the common chemicals used in production is increasingly being stolen from farms.

The problem of production and use is growing worse. As it does so, it leaves in its wake broken homes and ruined lives. It is known on the street as crank, ice, speed, or meth. However it is named, the drug hooks users from all socioeconomic backgrounds. What is worse, medical experts and law enforcement officials point to younger and younger users. This is one of the most dangerous drugs we have ever seen. It is highly addictive, and it is a brain toxin. It attacks important functions of the brain, and, over time, prolonged use poisons these functions, in some cases permanently. The word on the street is that meth is a safe drug, but in fact it is a very vicious drug.

The physiological side effects of meth include brain damage, heart attacks, and seizures. It can cause insomnia and lead to paranoia as well as violent, erratic behavior. It has made routine police encounters with motorists more dangerous, and it has made investigating lab sites a risky undertaking. This highly dangerous, addictive stimulant disrupts homes, schools, workplaces, hospital emergency rooms, and even our courts. Worse yet, the production creates toxic waste dumps that endanger the environment and public safety.

Much of this problem disproportionately affects rural communities. Even in our most urban States, the threat is just overwhelming to local resources that have to bear the brunt of fighting the methamphetamine problem, because few small communities such as we have in rural America can cope with the explosion of users, pushers, and labs.

So those of us introducing this legislation—as I said, Senators KYL, DEWINE, HAGEL, and KOHL, and I—are then introducing this Rural Methamphetamine Use Response Act of 1999 today because we cannot turn a blind eye to this threat anymore. Passage of this legislation will move us forward in our efforts to protect our children and our future from the ravages of meth.

There are several key areas where this legislation will improve our ability to respond to the threat.

First, we need to get a handle on what the problem is. This legislation requires that the Secretary of Health and Human Services report to Congress on how drug use, and particularly methamphetamine use, is different in rural versus urban settings. Today we can break drug use down into patterns by sex, by age, region of the country, education, and the type of drug use. We have some idea when kids—and they are kids—first try drugs. I believe there is a more serious problem in rural America today than there has ever been. Meth production and use disproportionately affect rural areas, even in large urban States such as California.

Meth is often called the poor man's cocaine, because it is most widely used in blue-collar communities, rural areas, and small to mid-sized cities. Yet our resources and focus tend to go to large urban areas, because that is where we can more easily document the problem.

After getting a better handle on the problem with better statistics on a national basis from our Secretary of HHS, we, second, suggest the Attorney General, through this legislation, provide the Congress with an annual strategy on how to deal with the problem systematically and coherently. This will establish a benchmark to guide future research and action. As part of this problem, this strategy is meant as a mechanism for tracking both use and the proliferation of meth labs. We do establish, then, this mechanism to do it. This will require the administration to relate resources to action. We do not see that connection today in a coherent way.

In addition, the legislation will support the creation of rapid response teams at the Federal level to provide language and intelligence-collection expertise to communities that must deal with foreign-based meth gangs.

Next, the legislation will increase resources to provide training in meth lab cleanup as well as increased funding to the Drug Enforcement Agency so it can improve assistance for lab cleanup and disposal. That is not something a lot of States are waiting for the Federal Government to do, but it is being done on an ad hoc basis, State by State. In my particular case, the State of Iowa has set up two teams with the resources to help in this cleanup, because it is such a dangerous environment.

One of the problems with meth is we have this proliferation of home meth labs, large and small. They are toxic waste dumps filled with dangerous chemicals. Handling these labs requires special training and equipment. My legislation will create a number of regional training centers to help struggling communities deal with the explosion in meth production.

The legislation would enhance the ability to provide training to local police and sheriffs to meet this challenge.

Finally, this legislation will increase penalties for trafficking anhydrous ammonia, one of the major components in one method of producing meth, across State lines and would provide assistance for research methods for making

anhydrous ammonia useless in meth production.

The intent of this legislation is to address a problem that is growing and spreading across the country, one that disproportionately affects small and mid-sized cities and rural areas.

I urge my colleagues in this body to join in supporting the Methamphetamine Use Response Act of 1999 and respond now to this challenge before it grows worse and before it spreads any further if, in fact, it can spread much further.

I yield the floor.

SOCIAL SECURITY AND MEDICARE SAFE DEPOSIT BOX ACT OF 1999

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 152, H.R. 1259, regarding the Social Security lockbox issue.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1259) to amend the Congressional Budget Act of 1974 to protect Social Security surpluses through strengthened budgetary enforcement mechanisms.

There being no objection, the Senate proceeded to consider the bill.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the desk to the pending bill.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 1259, the Social Security and Medicare Safe Deposit Box Act of 1999.

Trent Lott, Spencer Abraham, Rick Santorum, Gordon Smith of Oregon, Mike Crapo, John H. Chafee, Judd Gregg, Larry E. Craig, Rod Grams, Connie Mack, Frank Murkowski, John Warner, Slade Gorton, Fred Thompson, Michael B. Enzi, and Paul Coverdell.

Mr. LOTT. Mr. President, for the information of all Senators, if no previous cloture motions are invoked, this cloture vote will occur on Wednesday of this week, 1 hour after the Senate convenes, unless changed by consent.

All Senators will be notified as to the exact time of the cloture vote.

CALL OF THE ROLL

In the meantime, I ask unanimous consent that the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, did the Senator have a reservation or a comment?

Mr. DASCHLE. Before we moved off this legislation, it was my intention to lay down an amendment. I don't need any time to talk about the amendment tonight but certainly prior to the time we have the cloture vote. Obviously, our desire is to offer some amendments to the bill. Because the bill is now the subject of the consideration of the Senate, it would be my desire at this point to lay down an amendment.

Mr. LOTT. Mr. President, I understand the Senator's desire, and I want to talk with the Senator about how he wished to proceed on this issue this week. However, I do not yield for the purpose of laying down an amendment at this time.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask consent there be a period for the transition of routine morning business, with Senators permitted to speak for up to 10 minutes each.

Mr. DASCHLE. Reserving the right to object, let me say the whole idea, obviously, behind this amendment or any other amendments would be simply to address what I think we all recognize is an important issue—the Social Security lockbox. The only reason Democrats have been voting against cloture is simply because we have been ''locked out'' of our opportunity to offer amendments, such as an amendment which would provide for the Medicare lockbox as well as Social Security.

I am disappointed in our inability to lay an amendment down tonight. I think we can accommodate our colleagues on both sides of the aisle. We would agree to a limited number of amendments. I think we could dispose of this legislation with that kind of an agreement. I hope to talk with the majority leader at some point before the cloture vote to see if we can't find a way to have an agreement procedurally that would preclude the need for a cloture vote.

I will not object to this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I thank Senator DASCHLE for his explanation and I appreciate his courtesy. I am very much committed to the concept of making it difficult for Social Security funds to be used for any purpose other than Social Security.

I want to get to a direct vote. I know there are other amendments Senator DASCHLE or others would like to offer, and I will discuss it with him and see if we can't find a way to do that before this week is out.

With that, I yield the floor.

UNANIMOUS-CONSENT AGREEMENT—S. 331

Mr. GRASSLEY. Mr. President, on behalf of the leader, I ask unanimous consent that on Tuesday, June 15, the Senate proceed to the consideration of Calendar No. 80, S. 331, at a time to be determined by the majority leader, after consultation with the Democratic leader. I further ask unanimous consent that immediately upon reporting of the bill, a substitute amendment offered by Senator ROTH, which will be at the desk, be agreed to; that the bill then be read a third time, with no intervening action or debate; and that the Senate proceed to a vote on passage at a time to be determined by the majority leader and the Democratic leader. I finally ask unanimous consent that it not be in order for the Senate to consider any conference report or House amendments to S. 331, or its House companion, if it contains a net increase in direct spending in fiscal year 2000, the period fiscal year 2000 through 2004, or the period fiscal year 2005 through 2009, as estimated by the Congressional Budget Office.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARTIN LUTHER KING, JR. HOLIDAY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 96, S. 322.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 322) to amend title 4, United States Code, to add the Martin Luther King, Jr. holiday to the list of days on which the flag should especially be displayed.

There being no objection, the Senate proceeded to consider the bill.

Mr. CAMPBELL. Mr. President, I take this opportunity to urge my colleagues to support passage of S. 322, the Dr. Martin Luther King, Jr. Day Recognition Act of 1999. It is a fitting and appropriate tribute to have this legislation honoring Dr. King pass the full Senate on Flag Day which is being commemorated today.

This legislation will amend the Flag Code to add the Martin Luther King, Jr. holiday to the list of days on which the American flag should be displayed nationwide.

It is a testament to the greatness of Martin Luther King, Jr., that nearly every major city in the U.S. has a street or school named after him. Dr. King, a minister, prolific writer and Nobel Prize winner originated the nonviolence strategy within the activist civil rights movement. He was one of the most important black leaders of his era and in American history.

When Dr. King was tragically assassinated on April 4, 1968, he had already transformed himself as a national hero and a pioneer in trying to unite a divided nation. He strove to build communities of hope and opportunity for all and recognized that all Americans must be free to truly have a great country.

Dr. King was a person who wanted all people to get along regardless of their race, color or creed. His holiday came about due to the work of many determined people who wanted all of us to

pause to remember his legacy. Senate passage of S. 322 will further recognize his legacy.

I thank the Chair and yield the floor.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 322) was considered read the third time and passed, as follows:

S. 322

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

SECTION 1. ADDITION OF MARTIN LUTHER KING JR. HOLIDAY TO LIST OF DAYS.

Section 6(d) of title 4, United States Code, is amended by inserting ''Martin Luther King Jr.'s birthday, third Monday in January;'' after ''January 20;''.

REQUESTING THE PRESIDENT TO RAISE A CERTAIN ISSUE AT THE G–8 SUMMIT MEETING

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 120, submitted by Senator ASHCROFT.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 120) requesting that the President raise the issue of agricultural biotechnology at the June G–8 Summit meeting.

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the resolution be agreed to; that the preamble be agreed to; and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 120) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas biotechnology is an increasingly important tool in helping to meet multiple agricultural challenges of the 21st century;

Whereas genetically modified crops are helping to control weeds, insects, and plant diseases to increase crop yields and farm productivity, and to enhance the quality, value, and suitability of crops for food, fiber, and other uses;

Whereas agricultural biotechnology promises environmental benefits by reducing, or perhaps eliminating, the need for chemical pesticides, by improving the efficient utilization of fertilizer, thereby protecting water quality, and by conserving topsoil by reducing the need for tillage;

Whereas in recent years farmers have rapidly adopted agricultural biotechnology, with worldwide acreage of genetically modified crops growing from 4,300,000 acres in 1996, to 69,500,000 acres in 1998, which is more than a 16-fold increase;

Whereas American farmers planted biotech crops on about 38 percent of the soybean acreage, 25 percent of the corn acreage, and 45 percent of the cotton acreage, and within a few years over half of the agricultural crops grown in this country may be genetically modified;

Whereas increased agricultural productivity attained through greater use of biotechnology, in both developed and developing countries, holds a great deal of potential for meeting the nutritional needs of the world's population, of which at least 800,000,000 currently suffer from hunger or malnutrition;

Whereas despite the widespread adoption and extensive global benefits of biotechnology, marked differences among countries in their regulatory approaches are limiting substantially the use of, and trade in, agricultural biotechnology products;

Whereas an open international trading system for products derived from plant and animal agricultural biotechnology would make a broad array of improved products more affordable, including agricultural and food products, pharmaceuticals, and consumer products such as apparel, paper, cosmetics, soaps, and detergents;

Whereas because of the importance of international trade to the strength of the farm economy and the entire food and agriculture sector, any unwarranted restrictions on trade in biotechnology products could seriously disrupt the farm economy and unjustifiably force farmers to choose between using agricultural biotechnology and exporting their production; and

Whereas the threat to agricultural production and trade from restrictions on products derived from modern biotechnology has become serious enough to warrant the attention of world leaders: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) as the world trading system moves toward a reduction of tariff and nontariff barriers, all countries should work to ensure that scientifically unfounded new barriers are not erected;

(2) the President should raise at the June 1999, G–8 Summit the important issues surrounding the use of, and trade in, agricultural biotechnology ; and

(3) as world leaders prepare for a new round of negotiations on agriculture in the World Trade Organization, the G–8 Summit is an appropriate forum to seek a consensus with the major trading partners of the United States regarding—

(A) recognition of the global benefits of agricultural biotechnology, especially in meeting the nutritional needs of millions of people in developing countries;

(B) increasing consumer knowledge and understanding of agricultural biotechnology and its benefits; and

(C) the adoption of rational, scientifically-based systems for the regulation of biotechnology products and for eliminating unjustified barriers to the use of biotechnology products in international trade.

AUTHORIZATION OF TESTIMONY AND LEGAL REPRESENTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 121, submitted earlier by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 121) to authorize testimony and legal representation in C. William Kaiser v. Department of Veterans Affairs.

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, this resolution concerns a request for testimony in an administrative proceeding before the Merit Systems Protection Board. The appellant alleges that he was terminated from his employment with the Department of Veterans Affairs unlawfully in retaliation for communications that entitle him to protected status as a whistle blower.

This resolution would permit Richard Lougee, a caseworker on Senator JUDD GREGG's staff, to testify, with representation by the Senate Legal Counsel, by providing an affidavit, and if necessary appearing at a deposition, about his communications with the parties to this matter.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the resolution be agreed to; that the preamble be agreed to; and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 121) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 121

Whereas, in the case of C. William Kaiser v. Department of Veterans Affairs, Docket No. BN–0351–99–0110–I–1, pending before the Merit Systems Protection Board, testimony has been requested from Richard Lougee, an employee of Senator Judd Gregg;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That Richard Lougee is authorized to testify in the case of C. William Kaiser v. Department of Veterans Affairs, except concerning matters for which a privilege should be asserted.

Sec. 2. The Senate Legal Counsel is authorized to represent Richard Lougee in connection with the testimony authorized in second one of this resolution.

REPORTING OF COMMITTEE FUNDING RESOLUTIONS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 122, submitted earlier today by Senators MCCONNELL and DODD.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 122) authorizing reporting of committee funding resolutions for the period October 1, 1999 through February 28, 2001.

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the resolution be agreed to; that the motion to reconsider be laid upon the table; and that any statements relating to this resolution be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 122) was agreed to, as follows:

Resolved, That notwithstanding paragraph 9 of rule XXVI of the Standing Rules of the Senate—

(1) not later than July 15, 1999, each committee shall report 1 resolution authorizing the committee to make expenditures out of the contingent fund of the Senate to defray its expenses, including the compensation of members of its staff, for the period October 1, 1999 through February 28, 2001; and

(2) the Committee on Rules and Administration may report 1 authorization resolution containing more than 1 committee authorization resolution for the period October 1, 1999 through February 28, 2001.

ORDERS FOR TUESDAY, JUNE 15, 1999

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 a.m. on Tuesday, June 15. I further ask unanimous consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Further, I ask unanimous consent that the Senate stand in recess, immediately following the 2 hours of debate on S. 96, until 2:15 p.m. for the weekly policy conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRASSLEY. Mr. President, for the information of all Senators, on Tuesday, the Senate will convene at 11 a.m., and by previous consent immediately begin 2 hours of debate on S. 96, the Y2K legislation. Following that debate, the Senate will stand in recess for the weekly party conferences to meet. At 2:15 p.m., when the Senate reconvenes, a series of stacked votes will occur. The first votes in order will be to complete the Y2K legislation. Following disposition of that bill, a cloture vote on the Social Security lockbox issue will occur. If cloture is not invoked on the lockbox legislation, a cloture vote on H.R. 1664, regarding steel, oil, and gas appropriations, will be in order; further, if cloture is not invoked on H.R. 1664, it is the intention of the leader to resume debate on the energy and water appropriations bill. It is hoped that this appropriations bill can be completed by tomorrow evening.

As a reminder, a cloture motion to the House-passed Social Security lockbox legislation was filed today. Therefore, that cloture vote will take place on Wednesday, 1 hour after the Senate convenes, unless there is a unanimous consent agreement to change that time.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. GRASSLEY. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:48 p.m., adjourned until Tuesday, June 15, 1999, at 11 a.m.

EXTENSIONS OF REMARKS

PROHIBITING HMO'S FROM USING TAXPAYER MONEY TO LOBBY FOR HIGHER MEDICARE PAYMENTS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. STARK. Mr. Speaker, Medicare HMOs are lobbying Congress, saying they are not being paid enough. The following memo shows that we are in fact overpaying most HMOs, largely due to the fact that most of them are enrolling much healthier than average Medicare beneficiaries.

Nevertheless, a number of HMOs are recruiting enrollees to send in form letters to Members of Congress urging higher payment rates. What is annoying is that they are spending some Medicare money on this lobbying.

They can lobby out of their profits and their CEO salaries if they want, but I don't think they should finance their lobbying out of taxpayer-Medicare payments. The enclosed letter from the Office of the Inspector General describes the problem.

I am introducing legislation to correct the problem identified by the OIG. The bill will save the taxpayer from financing lobbying to spend more taxpayer money. It might also cause some of those lobbying HMOs to spend money on health care rather than lobbying. That would be nice.

DEPARTMENT OF HEALTH
HUMAN SERVICES,
Washington, DC, September 11, 1998.

HON. FORTNEY H. (PETE) STARK,
Subcommittee on Health, Committee on Ways and Means, House of Representatives, Washington, DC

DEAR MR. STARK: This responds to your letter of August 25, regarding a news report that the American Association of Health Plans (AAHP) was urging its member HMO's to compile lists of enrollees, one purpose of which was to encourage enrollees to write letters to Congress regarding pending managed care legislation. You raised concerns about the rights of the approximately 5 million Medicare beneficiaries enrolled in managed care plans.

Your first question asks whether it is ''legal or appropriate under Medicare's patient privacy provisions to be contacting beneficiaries for purposes of lobbying?'' While we share your concern about the appropriateness of contacting Medicare beneficiaries to encourage them to lobby Congress, the practice itself does not appear to be illegal. As long as no Federal funds themselves are used to support lobbying, we are aware of no restriction in the Medicare law on what a plan, provider, or supplier may communicate to a Medicare beneficiary.

Your second question asks, ''are the companies which are participating in this lobbying campaign assigning any part of the cost of the Medicare program?'' Specifically, you ask whether the administrative costs of lobbying are included in the adjusted community rate (ACR) of the Medicare plans. Under the current ACR process, such costs might indeed be included in a plan's ACR proposal, since the proposal is based upon amounts that would be charged if the plan furnished the Medicare covered services package to its general membership. The law does not restrict a plan from including costs in its ACR proposal that would be considered unallowable under Medicare principles or the Federal Acquisition Regulations. In a recent audit report (Review of the Administrative Costs Component of the Adjusted Community Rate Proposal, A–14–97–00205), we have raised concerns about the present system's inclusion of such costs, especially including lobbying costs, in the ACR proposal. The effect of including these additional administrative costs may be to limit the amount by which enrollees' premiums would be reduced, the amounts of extra noncovered Medicare benefits afforded enrollees, or amounts otherwise credited to the program.

Again, we share the concerns raised in your letter. If you would like additional information about our work with regard to Medicare managed care, please let us know.

Sincerely,

JUNE GIBBS BROWN,
Inspector General.

CURRENT MEDICARE OVERPAYMENTS TO MANAGED CARE PLANS

[Prepared by Rep. Pete Stark's staff]

Source of overpayment	Cost of Medicare	Source of analysis
Overpayments due to BBA change that removed HCFA's ability to recover overpayments when health care inflation is lower than expected.	$800 million in 1997 $8.7 billion over 5 years $31 billion over 10 years	Congressional Budget Office.
Overpayments due to lack of risk adjustment	5–6% overpayment to HMOs per beneficiary who is enrolled	Physician Payment Review Commission (now MedPAC) 1996 Annual Report.
Overpayment due to inflation of Medicare's share of plan administrative costs	More than $1 billion annually	HHS Office of Inspector General July 1998.
Overpayments doe to inclusion of fraud, waste and abuse dollars from FFS payments. Managed care plans should better ''manage'' and therefore avoid such fraud, waste and abuse.	7% annual overpayment Annual savings with a corrected 1997 base year would be: $5 billion in 2002 $10 billion in 2007	HHS Office of Inspector General Sept. 11, 1998.

H.R. —

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

SECTION 1. DISALLOWING COSTS THAT ARE UNALLOWABLE UNDER MEDICARE PRINCIPLES OR THE FEDERAL ACQUISITION REGULATION IN COMPUTING THE ADJUSTED COMMUNITY RATE FOR MEDICARE+CHOICE PLANS.

(A) IN GENERAL.—Section 1854(f) of the Social Security Act (42 U.S.C. 1395w–24(f)) is amended by adding at the end the following new paragraph:

''(5) EXCLUSION OF CERTAIN COSTS IN DETERMINING ADJUSTED COMMUNITY RATE.—In determining the adjusted community rate for an organization, there shall not be included any costs of the organization which would not be allowable costs under cost-reimbursement principles applied under this title or under the Federal Acquisition Regulation. Specifically, in carrying out this paragraph, the Secretary shall not permit inclusion of costs of lobbying, political contributions, or communications with plan members to urge them to lobby or to carry out other political activities.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to determinations of adjusted community rates made after June 14, 1999.

''LET'S KEEP CHINESE SPYING IN PERSPECTIVE''

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. CRANE. Mr. Speaker, as evidenced by the debate in the House, all of us have serious concerns about the espionage activities that resulted in the theft of U.S. military secrets. On a daily basis, as Chairman of the Ways and Means Trade Subcommittee, I discuss, and contemplate, the complex but critically important issues involving the United States and the People's Republic of China. In my discussions, I try to articulate what I believe should be our response to the situation in which we find ourselves. However, I had not found a written piece that provided a reasoned and concise response to the allegations of spying until I read an opinion written by former President Jimmy Carter in the May 28th edition of USA Today. I completely agree with his views and I strongly urge my colleagues to read his comments which I have included for the RECORD.

[From the USA Today, May 28, 1999]

LET'S KEEP CHINESE SPYING IN PERSPECTIVE

(By Jimmy Carter)

Recent revelations about Chinese espionage are a justifiable cause for alarm among all those who are concerned about the protection of America's military secrets. But it is also important to keep this issue in perspective as it affects already strained U.S.-Sino relations and to remember how nations traditionally react to security breaches.

The bipartisan report of the House select committee, which seems to be thorough and accurate, warrants immediate corrective action and, as a secondary priority, an effort to affix blame on those who may have violated the law or been derelict in their duties. However, the revelations have also aroused reactions that are ill-advised, counterproductive

and could subvert the potential benefits of the committee's good work. There are unfounded allegations by both Democrats and Republicans against each other, obviously designed for partisan advantage. Some other American leaders, who have habitually demonstrated animosity toward the People's Republic of China, have attempted to drive a deeper wedge between our two countries at what is already a troubled time.

A CONFUSED POLICY TOWARD CHINA

At best, U.S. policy toward China is very confusing, at least to the Chinese, both because of uncertainties within the administration and because of highly publicized differences between the White House and Congress on how to address the issues of Taiwan, human rights, trade and the sharing of political responsibilities in Asia. The bombing of the Chinese Embassy in Belgrade, Yugoslavia, has further exacerbated the troubled relationship. This regrettable incident also has injected China, as a permanent member of the U.N. Security Council, into the potential role of negotiating a peaceful resolution of the Kosovo crisis.

It is clear that much is at stake—for both U.S.-China and global relations. So let's consider some facts about espionage. There are few, if any, nations that would not take advantage of opportunities to learn withheld secrets that could contribute to their military, political or economic advantage. In fact, although the select committee's attention was focused exclusively on China, it would be surprising if Russia and other nations have not also benefited from the lax policies at our nuclear research laboratories.

The United States certainly seeks to learn what other nations are doing, and we use surreptitious means, if necessary, to glean this information. Only recently, the celebrated case of Jonathan Pollard has proved this premise. Pollard was found guilty of delivering, over a period of years, some of our most valuable secrets to Israel, our strongest and most reliable ally in the Middle East.

The standard reaction to cases of this kind is to arrest and punish severely American citizens who have committed such treasonous acts, but not to impose penalties on the country that benefited from them. If a foreign spy is caught in our nation, the response is to expel the guilty person and perhaps to include others who are suspect or diplomatically sensitive. When I was president, we even swapped guilty Soviet spies for the freedom of some human-rights heroes who were incarcerated in Siberia.

In addition to spying among nations, a major field of espionage is in the commercial world, where France and other advanced nations avidly seek secret information from American business firms—and vice versa.

HANDLE GUILTY PARTIES AS IN THE PAST

In the current case, no one has been arrested for espionage, and there is no indication that such arrests are imminent. If guilty parties are revealed, they should be handled in the time-honored way.

This still leaves the question of China's improper use of the secret information, either to threaten us directly or to channel advanced weapons to others who might attack the United States. The House committee leaders make clear that the Chinese have not tested or deployed missiles or warheads that include the most advanced technology. In fact, the People's Republic of China has committed itself to complying with the Nuclear Test Ban Treaty, and any testing of warheads would be considered a serious violation of international law.

Revelations of spying should lead to legal action against any convicted American spies and to the treatment of international relations in a customary and historical manner. The past 20 years of diplomatic relations have been extremely valuable to both our nations and to peace, stability and economic progress in Asia. These advantages must not be endangered as we correct the mistakes that have been made by both Democratic and Republican administrations.

My hope is that our government can exhibit as much wisdom, judgment, effectiveness and bipartisan cooperation as has been demonstrated by the select committee.

HONORING DANIEL R. GOOLEY ON HIS RETIREMENT

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Ms. DELAURO. Mr. Speaker, I stand today to honor one of New Haven, Connecticut's most celebrated citizens. On July 13, 1999, family, friends, and the New Haven community will gather to pay tribute to Daniel R. Gooley as he celebrates his retirement.

Dan Gooley has served the citizens of New Haven in a variety of professional settings for more than half a century. His involvement with the City of New Haven began in 1933 when his father founded Gooley's Pub where Dan acted as managed until he became the proprietor of the pub in 1973. Over the years, Gooley's Pub has been a popular establishment for local businessmen, city officials, politicians, and the local Irish community. Gooley's was known for its warmth, friendliness and high-spirited political discussions.

Dan's own interest in local politics led to his election as a Member of the New Haven Board of Aldermen where he served three terms on the city board. After the closing of the historic saloon, Dan continued to stay involved with the New Haven community by serving a five year term as Deputy Sheriff. His community involvement continued at the Knights of Saint Patrick, where Dan eventually served as President and then assumed the stewardship for the Irish-American fraternal organization. Ethnic-based clubs, particularly in the New Haven area, have helped to enhance the spirit and friendship among its members and realize the importance of family traditions and family values. As the club steward, Gooley managed the organization, dedicating himself to the promotion of the Irish culture in the local community.

Mr. Speaker, it is a pleasure for me to rise today and join with his wife, Phyllis, family, and friends to celebrate this wonderful occasion and to recognize Dan's contributions to the local community. We wish him continued health and happiness in his retirement.

PERSONAL EXPLANATION

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. MOORE. Mr. Speaker, on June 7, 1999, due to the failure of USAirways to provide scheduled service, I missed three votes due to circumstances beyond my control. Had I been present, I would have cast the following votes:

Roll No. 137, approval of the Journal of May 27: ''aye.''

Roll No. 138, passage of H.R. 435, Miscellaneous Trade and Technical Corrections Act: ''aye.''

Roll No. 139, passage of H.R. 1915, ''Jennifer's Law'': ''aye.''

GOD IS WHAT WE NEED

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. BARR of Georgia. Mr. Speaker, this poem was written by Darrell Scott, the father of two victims of the Columbine High School Shooting in Littleton, Colorado:

Your laws ignore our deepest needs
Your Words are empty air
You've stripped away our heritage
You've outlawed simple prayer

Now gunshots fill our classrooms
And precious children die
You seek for answers everywhere
And ask the question ''Why''?

You regulate restrictive laws
Through legislative creed
And yet you fail to understand
That God is what we need!

CONGRATULATIONS TO EDGEWOOD COLLEGE CLASS OF 1999

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Ms. BALDWIN. Mr. Speaker, I rise this morning to pay tribute to the graduating class of Edgewood College, whose 71st commencement was Sunday May 16, 1999. Founded in 1927 by the Sinsinawa Dominicans as a junior college for women, Edgewood College is today an outstanding co-ed, liberal arts school located in the Second Congressional District offering both graduate and undergraduate programs. It sits on a beautiful campus shaded by gnarled oak trees on the shore of Lake Wingra. Committed to excellence in teaching and learning, Edgewood College seeks to develop intellect, spirit, imagination and heart. Its graduates acquire an enduring commitment to service, all from an educational community that seeks truth, compassion, justice and partnership.

My own life has been enriched by classes at Edgewood, where one of its special features is its accommodation of working adults. Americans are increasingly learning the benefits of life-long education, and Edgewood has long been a leader in this field.

I would also note that Edgewood College will confer two honorary degrees, to Gaylord Nelson, former Wisconsin Senator and one of our nation's greatest environmentalists; and to Sr. Angelo Collins, OP, the internationally recognized science education expert. I invite my colleagues to join with me in saluting the Edgewood College Class of 1999.

RECOGNITION OF OCCUPATIONAL SAFETY AND HEALTH AWARENESS DAYS

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. NEAL of Massachusetts. Mr. Speaker, I would like to take this opportunity to recognize the efforts of the Region I chapter of the Voluntary Protection Participants' Association and the Safety Council of Western Massachusetts. I applaud the work of this group in combating the serious threat that work-related injuries pose to our communities.

I want to pledge my support for the upcoming Occupational Safety and Health Awareness Days, June 16–17, 1999 organized by the Safety Council. I am pleased to see that the itinerary consists of both interesting and important presentations by local authorities on safety-related topics.

I feel that it is very important to have events such as this to educate the public about what everyone can do to prevent on-the-job accidents and ensure a safe working environment for the people of Western Massachusetts. It is clear that the work of the Safety Council is invaluable in this regard.

Finally I would like to thank the Safety Council for its tireless advocacy of occupational safety and health awareness. Along with the citizens of the Second Congressional District of Massachusetts, I express my most sincere gratitude and the hope that your important work will continue for years to come.

CELEBRATING THE 100TH ANNIVERSARY OF W.B. NEILSON HOSE COMPANY NO. 4

HON. JOHN E. SWEENEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. SWEENEY. Mr. Speaker, on July 6, 1999, the W.B. Neilson Hose Company No. 4 celebrates its 100th anniversary of fine service to Mechanicville, NY. It is my honor to represent the 22nd Congressional District that is served by such a dedicated department.

I would like to offer my sincerest and most enthusiastic congratulations to every member of the W.B. Neilson Hose Company No. 4 who has worked to maintain such a high level of excellence in fire fighting. With the flicker of an idea, thirty-five enthusiastic volunteers took action, bringing this company to life in 1899.

Over the years the W.B. Neilson Hose Company No. 4 has encountered many obstacles. During the early years, members had to draw the heavy horse cart through narrow, hilly streets and haul the heavy load over a steep bridge, all while facing treacherous weather conditions. These bumps in the road could have spelled disaster for an ordinary company, but they only made the W.B. Neilson Hose Company No. 4 stronger.

The devoted and dedicated members of this company deserve to be commended for their outstanding citizenship. These great men and women selflessly risk their lives in an effort to help and protect their friends and neighbors. Their heroic deeds reach far above and beyond the duty of an everyday citizen, and for this I am eternally grateful.

Mr. Speaker, please join me in thanking W.B. Neilson Hose Company No. 4 for a century of outstanding volunteer service to Mechanicville, New York. I am sure that this first hundred years is only the beginning for this wonderful company.

VETERANS' CEMETERIES ASSESSMENT ACT OF 1999

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Ms. BROWN of Florida. Mr. Speaker, I am pleased to be an original cosponsor of H.R. 2040, the Veterans' Cemeteries Assessment Act of 1999, introduced by Chairman BOB STUMP of the Veterans' Affairs Committee.

America made a solemn commitment to those who put their lives on the line for her when in 1862, President Abraham Lincoln signed legislation authorizing the purchase of ''cemetery grounds'' to be used as national cemeteries ''for soldiers who shall have died in the service of the country.''

The stated goal of the Department of Veterans Affairs National Cemetery Administration is to assure that the burial needs of veterans are met with a final resting place that commemorates their service to our Nation. Unfortunately, today nearly a third of America's veterans do not have the option of being buried in a national or state veterans cemetery within a reasonable distance from their residence—determined by the VA to be 75 miles.

I was distressed that the VA's Fiscal Year 2000 proposed budget failed to request funding for even the planning of any new national cemeteries although the Department's own statistics show that demand for cemetery space will increase sharply in the near future, with burials increasing 42 percent from 1995 to 2010, and annual veteran deaths reaching 620,000 in the year 2008.

Additionally, I have been deeply concerned that VA continues to ignore the long-identified national veterans cemetery needs of the southern part of my home state of Florida. In both 1987 and 1994, the Miami area was designated by congressionally mandated reports as one of the top geographic areas in the United States in which need for burial space for veterans is greatest. Yet, as late as August 1998, VA's strategic planning through the year 2010 indicated nothing more than a willingness to continue evaluating the needs of nearly 800,000 veterans in the Miami/Ft. Lauderdale primary and secondary service area. Mr. Speaker, that is over 54 percent of the estimated state veteran population and 3.3 percent of the total U.S. veteran population.

Florida has the oldest veterans' population of any state. By VA's estimate, there will be nearly 25,000 veteran deaths in the greater Miami area in FY 2000, and by the year 2010, the annual death rate in South Florida will be nearly 26,000. Unfortunately, the nearest veterans cemetery is 250 miles away. That is why I introduced H.R. 1628 to require the Secretary of Veterans Affairs to establish a national cemetery in the Miami, Florida, metropolitan area to serve the needs of veterans and their families.

The independent study required by H.R. 2040 to assess, among other things, the number of additional national cemeteries that will be required for the interment and memorialization of veterans who die after 2010, will better identify the critical needs of all of Florida, as well as the Nation. Throughout America, Mr. Speaker, 90 percent of eligible veterans are not buried in a state or national veterans cemetery.

Another important matter required to be studied by H.R. 2040 would be improvements to VA burial benefits to better serve veterans and their families. The legislation specifically mandates consideration of a proposal to increase the amount of the plot allowance benefit.

The plot allowance, when paid to a state veterans cemetery, helps defray the state's operating costs of those burial grounds. At a recent hearing of the Veterans' Affairs Subcommittee on Oversight and Investigations, of which I am the Ranking Democrat, veterans organizations and State Directors of Veterans Affairs testified that the concern for high operating cost obligations keeps many states from seeking a VA grant to build and equip a state veterans cemetery.

Mr. Speaker, I would note that the plot allowance benefit—$150—has not been increased in over 20 years, and is limited to only veterans with wartime service. I believe that an assessment of the plot allowance benefit will find (1) that the current benefit does not cover the cost of interment, (2) that the current eligibility criteria discriminates against 20 percent of the veteran population who are buried in a state cemetery but who are otherwise eligible to be buried in a national cemetery, and (3) that an increase in the benefit amount and an expansion of the eligibility criteria would provide the needed incentive for more states to establish state veterans cemeteries as complements the national cemetery system.

H.R. 2040 will provide Congress with the road map needed to fulfill the Nation's solemn obligation to its heroes—that they and their families be provided an appropriate resting place of honor. I urge Members to support this legislation.

COMMEMORATING THE 36TH ANNIVERSARY OF EQUAL PAY ACT

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Ms. ROYBAL-ALLARD. Mr. Speaker, thirty-six years ago today, President Kennedy signed the Equal Pay Act. In 1963, when this law was enacted, women earned only 58 cents for every dollar earned by men.

Since then, women have made great strides. For example, women are now a major part of our Nation's workforce and have started their own businesses in record numbers. Women are being admitted to college and graduating at rates on par with men, often breaking into many fields which were formerly open only to men.

Yet in spite of these gains, the wage gap between men and women still persists. Today women earn only 75 cents for every dollar a man earns, and for minority women, the wage

gap is even greater. African American women earn 65 cents and Hispanic women only 55 cents for every dollar earned by a man.

The tragedy of this wage discrepancy is highlighted by the fact that four out of every five households depend on a woman's income just to make ends meet. This crisis is further exacerbated by the rise in female-headed households, which makes women's income critical to the well-being of our Nation's children.

When you consider that receiving less pay means that women will also have less retirement security, the enormity of the problem is magnified. For example, less than 40% of women in the private sector have pensions, and those with pensions receive 50% less than what men receive. This is a critical problem given that women tend to outlive men, often by several years.

So, although women have made some gains since President Kennedy signed the Equal Pay Act, clearly, much more needs to be done to erase the disparity in wages that exists between men and women in order to achieve true pay equity.

Two bills have been introduced during this Congress that seek to remedy this wage disparity: H.R. 541, the Paycheck Fairness Act, introduced by Congresswoman ROSA DELAURO, and H.R. 1271, the Fair Pay Act, introduced by Delegate ELEANOR HOLMES NORTON.

The Paycheck Fairness Act strengthens current law by allowing women to collect damages for pay discrimination. It also ensures that employers who have taken steps to provide equal pay get the recognition they deserve. The Fair Pay Act prohibits wage discrimination based on sex, race, or national origin for work in equivalent jobs.

I encourage my colleagues in Congress to support these important bills, and I urge the leadership of the House of Representatives to take action to address the issue of wage inequality in our country.

CONGRATULATING BREAD FOR THE WORLD ON ITS 25TH ANNIVERSARY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate the Bread of the World organization on its 25th anniversary of seeking to feed the world's neediest individuals—those who suffer from hunger. There is no more basic need for survival than adequate nutrition, and these dedicated, compassionate volunteers are deserving of our deepest thanks. Without their efforts, millions of people around the globe might literally have starved to death in the past quarter century.

For 25 years, Bread for the World has been blessed with the commitment of tens of thousands of people united to one goal: seeking justice for the world's hungry people. This month, I join my colleagues in Congress and on the board of Bread for World in welcoming Bread for the World members to Washington for their National Gathering, Silver Anniversary Celebration, and Annual Lobby Day.

Bread for the World is a nonpartisan, Christian citizens' movement. Its mission is to change public policy to address the root causes of hunger and poverty in the United States and the world. Bread for the World members lobby the nation's decision-makers for policies that benefit hungry and poor people in the United States and around the world.

The organization was launched in 1974, after a small group of Catholics and Protestants began meeting to reflect on how persons of faith could be mobilized to influences U.S. policies that address the causes of hunger. Under the leadership of the Reverend Arthur Simon, the group quickly grew. Now, more than 44,000 members and churches belong to the ranks of Bread for the World and, led by the Reverend David Beckmann, serve as citizen advocates for hungry people.

Year after year, Bread for the World members win victories for hungry people from increased funding for child nutrition programs to investments in African farmers to restoration of food stamps to vulnerable legal immigrants. This year, Bread for the World members are part of Jubilee 2000, a worldwide movement for debt relief, and are supporting legislation providing debt relief for poverty reduction.

I am proud to be a member of the Board of Directors of Bread for the World. I believe it is nothing short of criminal that children go to bed hungry in this, the wealthiest nation in the world. Hunger is a completely preventable condition that stunts the growth and health of our youth and cripples the ability of adults to contribute to our society. I have long worked to fight hunger, sponsoring bills like the Hunger Has a Cure Act and fighting cuts in food stamps, the school breakfast/lunch program, Emergency Food Assistance, and WIC, among others. My commitment to this issue is unwavering.

In this 25th anniversary year of Bread for the World, I would like to take this opportunity to give thanks for their advocacy and wish them continued blessings in the years ahead, as they seek an end to hunger. There are few higher callings.

IN HONOR OF THE TENTH ANNIVERSARY OF THE NEW YORK CITY LAB SCHOOL

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mrs. MALONEY of New York. Mr. Speaker, I rise to salute and commend an exceptional public school in New York City as it celebrates its 10th Anniversary. The New York City Laboratory School for Gifted Education is a prime example of public school education at its best.

The school was founded in 1988 with the help of former Board of Education Chancellor Joseph Fernandez and the former District 2 Superintendent Anthony Alvarado. Since its inception, this school has continued to provide a nurturing, safe environment for gifted children, allowing them to the freedom to explore their interests and broaden their horizons while they are enrolled as students.

The New York City Lab School strives to provide each child with an individualized and research-based curriculum where they are challenged to work both independently and collaboratively with their peers. The students also have the opportunity to take advantage of the school's excellent academic and extracurricular programs such as Spanish as a Foreign Language award winning Math and Chess Teams, and university partnerships with New York University and City College.

State of the art facilities such as the new Media Center, libraries in every classroom and both IBM and Macintosh computers in every room all contribute to the vibrant and enriching environment of this school. All of these factors have proven successful with students.

The New York City Lab School was the highest performer on the New York State Fourth grade English test. IN 1997 they were second in the city and in 1998 their scores had risen by 17%.

Best of all might be the students, faculty and staff of the school itself. The children are not only gifted but they all possess a love of learning and are all curious and excited about the many experiences they have had and will have in the future at their school.

The faculty are constantly challenged to take risks in the classroom and introduce students to new and interesting ways to respond to their ideas and questions. Faculty are also consistently questioning their own teaching styles and methods so that they may improve and continue to provide excellent interactions with the students.

The leadership of the director, Ms. Elizabeth Marra Kasowitz, is an important guiding force behind this school. With her dedication and consistent role in the school, she is able to work alongside the entire school community to help continue the school's long standing reputation of excellence and dedication to a gifted education.

Parents also play an important role in the community of the New York City Lab School. Parents of students contribute great amounts of time, energy and effort by volunteering in many ways.

The entire community of the New York City Laboratory School for the Gifted is an example of how dedication, hard work and personalized relationships lead to positive and phenomenal results. I ask my colleagues to join me in commending the entire community of the New York City Laboratory School.

A TRIBUTE TO SANTA CLARITA, CALIFORNIA'S HERO OF THE WEEK PROGRAM

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. MCKEON. Mr. Speaker, it is an honor for me to bring to the attention of the House of Representatives a wonderful program that exists in the city of Santa Clarita called the ''Hero of the Week'' and those individuals honored in this program.

The program is jointly sponsored by the City of Santa Clarita Anti-Gang Task Force and Mad About Rising Crime Santa Clarita Chapter under the direction of Mr. Gary Popejoy. Started by Maria Fulkerson and Lorraine Grimaldo of the Sant Clarita Anti-Gang Task Force, the ''Hero of the Week'' program focuses on more of the positive actions of our youth rather than the negative. The program honors students for their positive actions and choices they have demonstrated. The students

from the Santa Clarita Valley Junior and Senior High Schools are recommended by teachers and principals based on their observations of the student exhibiting positive behavior.

The students that are selected exhibit the qualities that we are looking for in future leaders of our nation. These students, many of whom have had previous problems of one sort or another, have made remarkable improvements in many different areas. I am pleased to honor these students today here on the House floor.

On June 2, 1999 the ''Hero of the Week'' program honored 47 members of my community for their outstanding activities that truly made them heros in our neighborhood. These students have faced serious obstacles and, in many cases, faltered in the face of adversity. However, none of these students gave up. Their hard work and determination have truly earned them the title ''Hero'' in our community.

Mr. Speaker, I would like to conclude these remarks by listing the 47 students honored by the city last week. I congratulate them and the sponsoring organizations for such a wonderful, positive program.

HERO OF THE WEEK HONOREES

Neal Abrams, Canyon High School
Jose Avila, Arroyo Seco Jr. High School
Monica Barajas, Placerita Jr. High School
Allison Barlow, La Mesa Jr. High School
Adrian Becerra, La Mesa Jr. High School
Chris Butterrick, Sierra Visa Jr. High School
Brett Cain, Arroyo Seco Jr. High School
Raymond Cano, Hart High School
Anthony Cisneros, Sierra Vista Jr. High School
Keith Farley, Canyon High School
Dylan Foley, Placerita High School
Sheryllene Go, Saugas High School
Ashley Hope, Sierra Vista Jr. High School
Jared Kennedy, Arroyo Seco Jr. High School
Kristian Kimoto, Hart High School
Russell King, Arroyo Seco Jr. High School
Johnny Lara, Hart High School
Chris Lockwood, Valencia High School
Selena Lopez, Saugus High School
Ashlie Madden, Placerita Jr. High School
Luis Marin, Placerita Jr. High School
Ana Medrano, Bowman High School
Denika Mercado, Saugus High School
Charissee Miranda, La Mesa High School
Michele O'Kray, La Mesa Jr. High School
Emily Osborne, Arroyo Seco Jr. High School
Andrew Pacheco, Bowman High School
Jimmy Perry, Canyon High School
Erik Plessner, Saugus High School
Brittney Potes, Hart High School
Marina Preciado, Saugus High School
Naji Qammou, Bowman High School
Mike Raiman, Sierra Vista Jr. High School
Daniel Rettig, Saugus High School
Jorge Rodriquez, Bowman High School
Danielle Sozio, Canyon High School
Sean Pennala-Taylor, Sierra Vista Jr. High School
Denny Tucker, Valencia High School
Adriana Varela, Saugus High School
Jorge Vargas, Hart High School
Rene Vasquez, Placerita Jr. High School
Jaclyn Vigeant, Arroyo Seco Jr. High School
Danielle Walters, Sierra Vista Jr. High School
Joe Young, Sierra Vista Jr. High School
Megan Young, Placerita Jr. High School
Oscar Zapata, Canyon High School

MASSACHUSETTS SENIOR ACTION COUNCIL DOCUMENTS HARM DONE BY MEDICARE CUTS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. FRANK of Massachusetts. Mr. Speaker, during the Congressional recess, I spent a very useful two hours at the University of Massachusetts-Dartmouth meeting with a large number of older people at a rally called by the Massachusetts Senior Action Council. One of the very impressive aspects of that rally was a series of short, poignant examples given by members of the Council of the terrible harm that is being done by the cut backs in Medicare that we are now inflicting on older people, most of which are a direct result of the terribly mistaken legislation adopted by Congress and signed by the President in 1997.

Younger people reading this might not be aware of a central fact: as currently constituted, Medicare includes no payment for prescription drugs. We in Massachusetts used to have a law which required that HMOs provide prescription drugs, but that was crudely abolished by the 1997 so-called Balanced Budget Act as part of the effort to cut Medicare to make funds available for other purposes. And that bill also required for the same reason severe cut backs in home health care. I ask that these examples of the terrible damage that is being done by the 1997 Act be printed here, in the hopes that it will influence our colleagues to join those of us who are seeking to undo the grave error Congress made in 1997 in cutting Medicare.

TESTIMONY GIVEN AT THE MASS. SENIOR ACTION COUNCIL RALLY TO PRESERVE AND PROTECT MEDICARE AND SOCIAL SECURITY, JUNE 1, 1999

Armando and Alexandria Demelo live in Fairhaven. They are 75 and 78 years old. They both have life threatening medical conditions. Their prescription drug costs are currently $6,000 per year.

William Kirby lives in East Wareham. He is 83 years old. He has emphysema. His prescription drug costs are over $800 per month.

Arthur and Mary Travassos live in Fall River. They both have serious health problems and Arthur is currently in the hospital. They were lucky enough to be able to switch out of their HMO in time to another plan which is now closed. Between the two of them they pay over $7,000 yearly in prescription drug costs.

Del Silvia worked as a stitcher in the Fall River mills for 37 years. She is 63 years old. She is on nine prescription drug medications in order to keep her lungs functioning. Before Del got out of her Medicare HMO she had over $10,000 in prescription drug costs per year.

An 84 year old Portuguese woman who lives in New Bedford was admitted to the hospital in the middle of the night with severe cramping in her abdomen. Thank God she did not have a serious obstruction. Her HMO denied payment for her care in the hospital.

An 85 year old woman from Southeastern Mass. was discharged from the hospital after an operation for colon cancer. She had been in the hospital a full month. She was approved by Medicare for only 4 home health visits.

A 73 year old woman from Fall River returned from the hospital after knee surgery. She was denied home health services by her HMO.

Loretta Lamond from New Bedford passed away last year. She was 85 years old. She was diabetic and blind and could not fill her own insulin needles. Medicare cut off her nurse who came to the house to assist her with the needles.

These are only a few of the countless stories we hear every day. The sickest and most vulnerable—those who can not always speak for themselves are hit the hardest.

Something must be done!

LEGISLATION TO EXTEND MANDATORY COVERAGE OF THE INDEPENDENT COUNSEL LAW TO JUSTICE DEPARTMENT EMPLOYEES

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation to require the U.S. Attorney General to call for the appointment of an independent counsel to investigate allegations that Justice Department employees engaged in misconduct, criminal activity, corruption, or fraud. The bill is similar to legislation I authored in the last three Congresses.

The independent counsel provisions of the Ethics in Government Act of 1978 require the Attorney General to conduct a preliminary investigation when presented with credible information of criminal wrongdoing by high-ranking executive branch officials. If the Attorney General finds that further investigation is warranted or makes no finding within 90-days, the Act requires the Attorney General to apply to a special division of the U.S. Court of Appeals for the appointment of an independent counsel. The Act also gives the Attorney General broad discretion in seeking the appointment of independent counsel with regard to individuals other than high ranking executive branch officials. However, the Attorney General is not required to do so in such cases.

My bill amends the Act to treat allegations of misconduct, corruption or fraud on the part of Justice Department employees in the same manner as allegations made against high-ranking cabinet officials. My goal is to ensure that, when there is credible evidence of criminal wrongdoing in such cases, these cases are aggressively and objectively investigated.

I am very concerned over the growing number of cases in which Justice Department employees have been accused of misconduct, corruption or fraud. In several cases I have personally investigated, innocent men fell victim to overzealous or corrupt federal prosecutors. No action has ever been taken against the prosecutors.

The 1992 Randy Weaver incident that took place in Ruby Ridge, Idaho is perhaps the most notorious and disturbing example of Justice Department employees, in this case, high-ranking officials, acting in a questionable manner, and receiving no punishment other than disciplinary action. In the Randy Weaver case, an unarmed woman holding her infant child was shot to death by an FBI sharpshooter acting on orders from superiors. Former FBI deputy director Larry Potts allegedly approved the decision to change the rules of engagement

the FBI sharpshooters and other federal officials at Ruby Ridge were acting on. The decision allowed FBI sharpshooters to shoot on sight any armed adults—whether they posed an immediate threat or not. As a result of this decision, Vicki Weaver was shot to death while holding her infant daughter.

While several officials, including Mr. Potts, were disciplined—some forced to leave the department—no criminal charges were ever filed against any of the officials involved in the Ruby Ridge incident. I would point out that at the outset of the incident a 14-year-old boy was shot in the back by U.S. Marshals. In August of 1996 the federal government agreed to pay the Weaver family more than $3 million—but did not admit any wrongdoing in the incident. The Ruby Ridge incident served as a stark reminder that the Justice Department does not do a very good job in objectively and aggressively investigating potential criminal acts or misconduct on the part of Justice Department employees. This is especially true of actions involving Justice Department attorneys.

In 1990, a congressional inquiry found that no disciplinary action was taken on 10 specific cases investigated by the Justice Department's Office of Professional Responsibility (OPR) in which federal judges had made written findings of prosecutorial misconduct on the part of federal prosecutors. Several federal judges have expressed deep concern over the lack of supervision and control over federal prosecutors. In 1993, three federal judges in Chicago reversed the convictions of 13 members of the El Rukn street gang on conspiracy and racketeering charges after learning that assistant U.S. attorneys had given informants alcohol, drugs and sex in federal offices in exchange for cooperation, and had knowingly used perjured testimony. No criminal charges have ever been made against the federal prosecutors nor has OPR taken any meaningful disciplinary action, other than firing one U.S. attorney.

Unfortunately for our democracy, over the years the Justice Department has built a wall of immunity around its attorneys so that it is extremely difficult to control the actions of an overzealous or corrupt prosecutor. In many instances, the attorney general has filed ethics complaints with state bar authorities against nongovernment lawyers who complain about ethical lapses by federal prosecutors. How has Congress let this agency get so out of control?

The majority of Justice Department officials are hardworking, courageous and dedicated public servants. The unethical and criminal actions of a few officials and attorneys are tarnishing the reputation of the department. By allowing these actions to go unpunished or by not taking aggressive action in the form of criminal indictments, the department is eroding the public's confidence in government.

As the El Rukn case illustrated, in their zeal to gain a conviction, federal prosecutors overstepped the boundaries of ethical and legal behavior. As a result, dangerous criminals were either set free or received greatly reduced sentences. Such actions are unacceptable. The federal government needs to act in an unambiguous and aggressive manner against any federal prosecutor or official who betrays the public trust in such a blatant and damaging fashion. Sadly, that was not done in the El Rukn case, and countless other cases where Justice Department officials acted in an unethical or illegal manner.

The American people expect that the Justice Department—more than any other federal agency—conduct its business with the highest level of ethics and integrity. It is imperative that the Independent Counsel Act be amended to require that allegations of criminal misconduct on the part of Justice Department employees be treated with the same seriousness as allegations made against high-ranking cabinet officials. I urge all of my colleagues to support this bill.

H. CON. RES. 124 AND H. CON. RES. 111—CONDEMNING DISCRIMINATION AGAINST ASIAN AMERICANS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. STARK. Mr. Speaker, I rise today to actively support both H. Con. Res. 124, which seeks to protect the citizenship rights of Asian Americans, and H. Con. Res. 111, which seeks to condemn all forms of discrimination against Asian Americans.

In response to recent allegations of espionage and illegal campaign financing by the Chinese government, H. Con. Res. 124 conveys the very important point that all Americans of Asian descent are vital members of our society and that they are to be treated fairly and equally as American citizens.

It is our duty to make the clear distinction between our relations with the government of China and how we treat Americans of Chinese descent. We must work together to prevent the rise of tensions similar to those existing during the World War II era with the internment of loyal Japanese Americans.

Asian Americans have made and continue to make significant contributions to our society in areas, such as the arts, education, and technology. H. Con. Res. 111 fully supports the continued political and civic participation by these citizens throughout the United States.

Organizations like the Oakland Chinese Community Council (OCCC) of the East Bay area work to not only help Americans of Asian descent assimilate into American culture, but help them to maintain their Asian heritage and identity as well. More specifically, OCCC has developed programs for career referral, voter registration, and training in efforts to aid new immigrants with successfully attaining their goals upon entering the United States.

I ask my colleagues to join with me in the outward condemning of discrimination against Asian Americans and in the protection of their rights as American citizens so that they may be treated with the equality and fairness that is rightfully expected and deserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000

SPEECH OF

HON. TOM BLILEY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1401) to authorize appropriations for fiscal years 2000 and 2001 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 2000 and 2001, and for other purposes:

Mr. BLILEY. Mr. Chairman, I rise today to express a number of concerns about H.R. 1401, the National Defense Authorization Act for FY2000, as well as about the process used to bring this legislation to the floor of the House. Key provisions of this legislation, along with a number of amendments made in order under the rule, address programs and activities of the Department of Energy that fall within the jurisdiction of the Committee on Commerce under the Rules of the House. Several examples will serve to highlight these areas of concern.

Section 3165 of H.R. 1401 consolidates responsibility for nuclear weapons activities, facilities, and laboratories under DOE's Assistant Secretary for Defense Programs. This effort to reorganize the responsibilities at the Department of Energy falls within the Committee on Commerce's responsibility for the general management of the Department of Energy, including its organization. The facts that have come to light about lax security controls at the Los Alamos National Laboratory highlight the dangers of a nuclear weapons laboratory trying to police its own security. Secretary Richardson is moving toward the appointment of a security ''czar'' at DOE headquarters who would oversee security for all DOE facilities, laboratories, and operations. This section of H.R. 1401, however, would run directly counter to that approach by giving the program office, Defense Programs, responsibility for its own safeguards and security operations. Separate from the merits of a particular organizational solution, we should also preserve the prerogative of the Secretary of Energy to adapt his organization to changing circumstances. H.R. 1401 locks in a particular structure legislatively.

The Commerce Committee has a long history of ensuring that DOE maintains a system or independent checks on its program offices, including its work on the Department of Energy Organization Act. The Commerce Committee believes it is essential to maintain the safeguard and security function independent from the Defense Programs office. The same is true of other oversight functions, such as environmental protection and occupational health and safety. These should not be integrated into the DOE program offices, but should maintain the independence necessary to do the job right.

Amendment No. 2, offered by Mr. SPENCE, requires preparation of a plan to transfer all of the national security functions of the Department of Energy to the Department of Defense. Such a move is unwise, as it would violate the long-standing policy in this country of keeping the development of nuclear weapons and materials under the control of a civilian agency, separate from the military departments which might have to employ those weapons. This policy dates back to the original Atomic Energy Act enacted shortly after the end of World War II. Integrating all of these functions into the Department of Defense is a risky policy, and represents an unreasoned reaction to the recent Chinese espionage problems. This amendment would also impose stricter controls on foreign contacts by DOE employees,

consultants, and contractors. While such controls may make sense in light of recent events at the Los Alamos National Laboratory, this provision has the potential to sweep too broadly, possibly encompassing any employee of DOE contractors who possess a security clearance. This could pose an impossible burden on DOE to monitor the foreign contacts of all of these potentially-covered persons.

The approach taken on this issue by Amendment No. 1, offered by Mr. COX and Mr. DICKS, is preferable. However, the Cox-Dicks amendment also makes a number of significant organizational changes to the Department of Energy, changes which are appropriately under the jurisdiction of the Committee on Commerce. While many of these changes make sense from a substantive perspective, such as the creation of separate Offices of Foreign Intelligence and Counterintelligence within the Department of Energy, these would be changes better handled by the Committee pursuant to its authority over the management of the Department of Energy.

These jurisdictional concerns extend to the process used to bring H.R. 1401 to the floor. The normal intercommittee review process for the rule for this legislation, and for consideration of amendments to H.R. 1401, has been extremely truncated. The Committee on Commerce, one of the committees with primary jurisdiction over Department of Energy programs, has had only a minimal opportunity for review and comment on these major substantive provisions. While the situation with respect to China is highly charged and does call for a timely legislative response, we must remember that our internal House procedures are there for a reason—to ensure that we reach sound legislative decisions. Taking shortcuts with the normal committee review process increases the risk that we will pass legislation with unintended consequences. I have articulated many of these concerns in a letter to Chairman SPENCE, and I will insert it into the RECORD at this point.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON COMMERCE,
Washington, DC, May 24, 1999.

HON. FLOYD SPENCE,
Chairman, Committee on Armed Services, Washington, DC.

DEAR MR. CHAIRMAN: I am following up on my correspondence of May 21, 1999 concerning H.R. 1401, the National Defense Authorization Act for Fiscal Year 2000. After consultation with the Parliamentarians, we continue to believe that several provisions of H.R. 1401, as ordered reported, may fall within the jurisdiction of the Committee on Commerce. These provisions include:

Section 321—Remediation of Asbestos and Lead-Based Paint. One reading of this provision would permit a waiver of applicable law with respect to the remediation of asbestos and lead-based paint. I am sure that that is not the legislative intent of the language, however.

Section 653—Presentation of United States Flag to Retiring Members of the Uniformed Services not Previously Covered;

Section 3152—Duties of Commission. This section, as ordered reported, makes clear that the Commission on Nuclear Weapons Management formed pursuant to Section 3151 will specifically deal with environmental remediation. Such matters are traditionally within the jurisdiction of the Commerce Committee. I understand, however, that you have deleted subsection (a)(9) from this section, and therefore the Committee registers no jurisdictional objection.

Section 3165—Management of Nuclear Weapons Production Facilities and National Laboratories. As ordered reported, this section contains a number of provisions which we feel strongly fall within the Committee's Rule X jurisdiction over management of the Department of Energy. In particular, we are concerned about provisions which move functions heretofore carried out by various offices within the Department to the direct control of the Assistant Secretary for Defense Programs. We believe that this kind of wholesale reorganization of DOE functions must be considered by all of the committees of jurisdiction, including the Committee on Commerce.

However, recognizing your interest in bringing this legislation before the House expeditiously, the Commerce Committee has agreed not to seek a sequential referral of the bill based on the provisions listed above. By agreeing not to seek a sequential referral, the Commerce Committee does not waive its jurisdiction over the provisions listed above or any other provisions of the bill that may fall within its jurisdiction. The Committee's action in this regard should not be construed as any endorsement of the language at issue. In addition, the Commerce Committee reserves its right to seek conferees on any provisions within its jurisdiction which are considered in the House-Senate conference.

I request that you include this letter in the Record during consideration of this bill by the House.

Sincerely,

TOM BLILEY,
Chairman.

Finally, I must take this opportunity to discuss a matter that will have a tremendous impact on the future of the market for telecommunications services. Section 151 of the bill adds a new section 2282 to Title 10 of the U.S. Code to prohibit the Secretary of Defense from obligating monies to buy a commercial satellite communications system or to lease a communications service, including mobile satellite communications, unless doing so would not cause harmful interference with the Global Positioning System (GPS) receivers used by the Department of Defense (DoD). It is my hope that the provision is intended only to provide policy guidance to the DoD regarding the protection of the GPS from harmful interference by other users of the radio spectrum. However, the specific language in section 151 goes much further and has potential unintended consequences that may undermine the spectrum management process under which both the public and the government have operated successfully for many years.

Spectrum management issues fall within the jurisdiction of the Commerce Committee. As our Members have learned over the years, spectrum management is a complex task that requires detailed analysis and consideration. We have also learned that advocacy for spectrum policy for one purpose cannot be considered in a vacuum or without considering the impact it will have on other spectrum users.

The use of the government-created GPS network of satellites by the public has mushroomed over the last several years. Private companies continue to create valuable position location devices that will assist in the protection of life and property. We should take appropriate steps to protect and promote the use of the GPS network. In fact, two years ago, the Congress enacted the National Defense Authorization Act for Fiscal Year 1998 (P.L. 105–85) which included a section endorsing and enacting into law the presidential policy on the sustainment and operation of GPS issued in March 1996. The section also directed the Secretary of Defense not to accept any restriction on the GPS system proposed by the head of any other department or agency in the exercise of that official's regulatory authority that would adversely affect the military potential of GPS. Members of the Committee on Commerce were appointed as conferees on this provision and participated in the conference negotiations.

The GPS network of satellites, like all spectrum users, operates in a community of spectrum users. Neighboring users of the band included the U.S.-promoted and licensed Mobile Satellite System networks such as GlobalStar, Iridium, Ellipso and Constellation, one of which is already fully operational and another of which is poised to commence operations later this year. Several agencies of the U.S. Government, including the DoD, have worked domestically and internationally to resolve the many technical issues surrounding the operations of these systems and the standards their equipment must meet to protect the community of spectrum users. As I understand it, DoD has not opposed the operations of any of the licensed Mobile Satellite Systems. In fact, it already is a customer of one of these systems.

Moreover, the FCC is in the midst of a number of proceedings that address protection standards between GPS and its spectrum neighbors. DoD and the defense community will have ample opportunity to participate in the ongoing FCC proceedings and to work with Federal Communications Commission (FCC) and the National Telecommunications and Information Administration (NTIA) within the Department of Commerce, the appropriate agencies for spectrum management, to ensure that their interests are protected.

In May of this year, the Subcommittee on Telecommunications, Trade, and Consumer Protection of the Commerce Committee held a legislative hearing on the reauthorization of NTIA. As part of that hearing, Assistant Secretary Larry Irving, Administrator of NTIA, indicated that ''NTIA is also addressing issues that will protect the radio spectrum currently used by the global positioning system (GPS) and facilitate the expansion of GPS services. . . . In order for GPS to be used reliably and confidently as a worldwide utility, the radio spectrum within which it operates must be protected . . . NTIA will also continue its efforts to work with the Department of Transportation, the Department of Defense, the Department of State, the FCC, and the private sector to ensure that spectrum is available in the future for this purpose.''

It is my firm belief that we should not circumvent these ongoing processes unless absolutely necessary. There is no reason to interfere at this time. If, at the end of the day, DoD is not comfortable with the resolution of the administrative process and can demonstrate the potential harm to GPS, the Commerce Committee is prepared to consider its concerns and take action as necessary. I would also urge DoD and other GPS users to participate in the proceedings now before the FCC. The defense authorization process should not be used to end-run the spectrum management process that has worked so well for so long. It is interesting to note that DoD has made clear in conversations with Commerce Committee staff that it did not request

nor does it seek inclusion of section 151 in the defense authorization process.

Accordingly, I believe that section 151, coupled with two spectrum-related provisions within the Senate's Department of Defense Authorization Act for Fiscal Year 2000 (§§ 1049 and 1050 of S. 1060), may have a negative impact on telecommunications policy. The Commerce Committee will be active to ensure that the inclusion of any provision within the final version of a defense authorization bill not interfere or cause harm to telecommunications policy. I respectfully request that these concerns be taken into account during further consideration of this legislation.

Mr. Chairman, thank you for this opportunity to comment on H.R. 1401, the Defense Authorization Bill for fiscal year 2000.

CONCERNING THE ADMINISTRATION OF THE OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS PROGRAM BY THE DEPARTMENT OF AGRICULTURE

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. SKEEN. Mr. Speaker, I support funding grants to 1890, 1862, and 1994 Land Grant Colleges and Institutions to enhance the viability of small farmers by providing training and technical assistance in overall farm management practices. H.R. 1906 provides $3,000,000 in funding for the program in fiscal year 2000, the same level as 1999 and provides that the Secretary of Agriculture may transfer up to $7,000,000 from the Rural Housing Insurance Fund Account for ''Outreach for Socially Disadvantaged Farmers.'' However, I am concerned about the Department of Agriculture's track record in the delivery of this program to date.

Since the program was authorized by Section 2501 of the Food, Agriculture, Conservation and Trade Act of 1990, the management of the program has been transferred to several agencies in the Department ending in the Office of Outreach under Departmental Administration since 1998.

USDA has not audited the program even though questionable fiduciary practices have surfaced, including two violations of the Antideficiency Act in 1996. In addition, in 1998, the USDA's Office of Outreach coordinated $4.8 million in cooperative agreements with other USDA agencies for small farmer outreach training and technical assistance with the same universities and colleges that have received funding under the Section 2501 authorities.

I believe USDA should carefully review the funding and management requirements for the program and take appropriate action to ensure that eligible farmers and ranchers receive full benefit and that the American taxpayers' funds are being well spent.

For the record, I am submitting copies of the Antideficiency Act notification letters and respectfully request they be included in the CONGRESSIONAL RECORD.

JUNE 17, 1997.

Hon. FRANKLIN D. RAINES,
Director, Executive Office of the President, Office of Management and Budget, Washington, DC.

DEAR FRANK: As required by OMB Circular Number A–34, section 32.2, the Department of Agriculture (USDA) is reporting to the President, through your office, two violations of the Antideficiency Act with respect to USDA's Outreach for Socially Disadvantaged Farmers Program.

Please let me know if additional information is needed.

Sincerely,

DAN GLICKMAN,
Secretary.

Enclosure.

JUNE 17, 1997.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: This letter is to report two violations of the Antideficiency Act, as required by section 1351 of Title 31, United States Code.

Both violations occurred in the Outreach for Socially Disadvantaged Farmers Program account (1260601) of the Farm Service Agency (FSA). The program was transferred from Rural Development to FSA on October 1, 1995, under the Department of Agriculture's reorganization. The violations occurred on August 15, 1996, and August 27, 1996, and involved the obligation of funds which exceeded the amount available in the fiscal year (FY) 1996 appropriation for the Outreach for Socially Disadvantaged Farmers Program. Officers responsible for the violations were Carolyn B. Cooksie, Deputy Administrator for Farm Loan Programs and John I. Just-Buddy, Chief, Economic Enhancement Branch, FSA.

The violations occurred with the awarding of cooperative agreements by program officials which obligated $100,000 to South Carolina State University and $25,414,24 to Langston University. The agreements obligated funds exceeding the amount available in the FY 1996 appropriation for the Outreach for Socially Disadvantaged Farmers Program because the program managers erroneously assumed, based on informal advice they requested from FSA budgetary staff, that unexpended funds from the expired FY 1993 appropriation were available for new agreements. Program officials were unfamiliar with budget and fiscal terminology and procedures, and the FSA budget staff misunderstood the program manager's request regarding fund availability. The violations were identified in time to prevent the actual expenditure of funds in excess of the appropriation.

There is no evidence that anyone knowingly or willfully violated the law. Thus, no disciplinary action has been taken.

An adequate funds control system for FSA is in place. Officials responsible for these antideficiency violations have been counseled to verify the availability of funds prior to entering into future cooperative agreements.

The Outreach for Socially Disadvantaged Farmers Program was transferred to the Natural Resources Conservation Service (NRCS) on October 1, 1996. NRCS has been provided a copy of this letter.

Identical letters will be submitted to the presiding officer of each House of Congress.

Respectfully,

DAN GLICKMAN,
Secretary.

IN HONOR OF COMMISSIONER JIMMY DIMORA

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to invite my colleagues to pay tribute to Jimmy Dimora, on the occasion of his being honored for his twenty-eight years of service to the Cuyahoga County community.

Jimmy Dimora is a dedicated public official who has contributed a substantial portion of his life to the betterment of his community. He is especially committed to maintaining ties to labor organizations and helping the working men and women in the community. He has held a variety of public offices, ranging from Mayor of Bedford Heights to the Commissioner of Cuyahoga county. In addition to his service as a dedicated public official, he has devoted much of his time to community initiatives. Some of this activities Commissioner Dimora has been involved with include: a member of the Board of Trustees for the University Hospitals Health System Bedford Medical Center, and leadership rolls in the United Way, Shoes for Kids and the YMCA. Additionally, he has served as chairman of the Cuyahoga Democratic Party since 1994.

Although his work and community service put extraordinary demands on his time, Commissioner Dimora has never limited the time he gives to his most important interest his family especially his lovely wife, Lori.

I ask that my distinguished colleagues join me in commending Commissioner Jimmy Dimora for his lifetime of dedication, service, and leadership in Cuyahoga County. His large circle of family and friends can be proud of this significant contributions he has made. Our community has certainly been rewarded by the true service and uncompromising dedication displayed by Commissioner Jimmy Dimora.

CONGRATULATIONS TO JIM SELKE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. McINNIS. Mr. Speaker, it is with great pleasure that I now recognize Mr. Jim Selke, who after 31 years of dedication to educating the students of District 51 in Grand Junction, Colorado, has decided to retire. In doing so, I would like to pay tribute to the extraordinary career of this remarkable individual, who for so many years, has worked to shape the minds of the youth of Grand Junction, and who has worked to preserve a high standard of education.

Mr. Selke began his career in Grand Junction, Colorado at Central High School in 1968, and for 24 years he served in various capacities, coaching football and baseball, and serving as activities coordinator. After his years of inspiring the students of Central High School, Mr. Selke was ready to return to the classroom.

For the past 7 years, Jim Selke has served as the athletic director for Palisade High School. There is no doubt that his positive attitude and uplifting words of encouragement will

be missed. Teachers like Mr. Selke, who give tirelessly to their students and inspire great success, are a rare breed.

It is with this, Mr. Speaker, that I say thank you to Mr. Selke and wish him the best of luck as he begins his much deserved retirement.

INTRODUCTION OF ''MEDICARE HOSPITAL CAPITAL EFFICIENCY PROMOTION ACT OF 1999,'' 11TH IN A SERIES OF MEDICARE MODERNIZATION BILLS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. STARK. Mr. Speaker, I am today introducing the 11th in a series of bills to modernize Medicare, obtain long-term savings, and make the program more efficient, without forcing beneficiaries to make radical changes.

The bill would give Medicare authority to reduce capital payments 25% to hospitals in areas where we have more than an average number of beds and the occupancy rate is below the national average. Exceptions would be made if capital payments to these hospitals were used to merge or downsize or if the Secretary determined that special circumstances required a capital expansion.

Mr. speaker, a major force making American health care the most expensive in the world is that we have way, way too many hospital beds. In California, occupancy has been below 50% for years. Throughout the nation, many hospitals are at 20 to 30% occupied. No one would run a modern factory at these occupancy rates-and certainly no banker would willy-nilly put more capital into such an industry. Yet the taxpayer consistently makes billions of dollars a year in automatic payments for capital to the nation's hospitals.

Dr. John Weinberg of Dartmouth has just published the third in what is called The Dartmouth Atlas. He provides overwhelming documentation that in health, it is not so much demand, as supply that is driving the cost of the health care system. In other words, ''build it, and they shall come.'' Build a hospital, and doctors will find a way to use it. The more hospital beds available in a community, the more likely you will die in a hospital instead of at home, in a hospice, or in a nursing home. Yet we know that the public does not prefer a high-tech, prolonged death. At the moment of death, most people would like to be a familiar setting surrounded by family-not hooked up to a half dozen tubes in a hospital ICU.

Capital payments also are used to proliferate fancy new services-rather than asking that expensive services (such as transplant or open heart surgeries) be concentrated at hospitals which do a large volume of operations and which have better outcomes. The data is overwhelming that the more operations a hospital does, the less likely they are to kill you. In other words, practice makes perfect, or at least very good. Yet in California, for example, we have about 130 hospitals doing open heart surgeries. Setting up an open heart program costs, I am told, about $10 million. Yet some of these heart centers only do 3 or 5 operations a month! They may be good for a local hospital's prestige, but they are almost a prime facie malpractice waiting for a jury. Medicare and taxpayers, again, should not be paying for this proliferation of local prestige: we are killing people through bad outcomes when we allow every Tom, Dick, and Harry hospital to do sophisticated operations.

My bill is a simple proposal: where we have to many beds and they are going unoccupied, the taxpayer can save 25% in reduced hospital capital payments.

RECOGNIZING THE OUTSTANDING ACHIEVEMENTS OF THE RAGIN CAJUN AMATEUR BOXING CLUB

HON. CHRISTOPHER JOHN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. JOHN. Mr. Speaker, I rise today to recognize a very special group of young athletes. These young boxers, along with their coach Beau Williford, comprise Lafayette, Louisiana's Ragin Cajun Amateur Boxing Club.

Over the Memorial Day district work period, I had the privilege of visiting their gym and witnessing first-hand the remarkable program that Mr. Williford leads. Everyday after school, Mr. Williford's gym becomes a training ground for the next generation of boxers. He not only provides these youngsters with a place to train, but he also provides the life instruction and guidance that many of these kids so desperately need. My experience at his gym convinced me of just how vital the need for such programs is in communities throughout the United States. In fact, research has shown that students who participate in after-school programs exhibit higher levels of achievement in reading, math, and other subjects. These students also exhibit improved grades, reading ability, attendance levels, homework completion, and increased graduation and enrollment in post secondary education.

In 1982, Beau Williford opened Beau Williford's Boxing Academy and began the Ragin Cajun Amateur Boxing Club. Mr. Williford's Boxing Academy soon became a place where young people could productively spend their after school time under the wing of an inspirational coach. Indeed, nine gold medals were recently won by young athletes who competed at the 1999 Junior Olympics and Under 19 competitions in Natchitoches, LA, on May 14–16, 1999.

Beau Williford deserves special acknowledgement for his devotion to the physical and personal development of the youngsters he takes in. A former boxer and trainer of six boxing champions, Mr. Williford offers these kids a place where they can relieve stress through exercise while socializing with others their age. Several of the young people he trains were troubled youths without motivation, discipline, or direction. Under Mr. Williford's guidance, their lives have been turned around. Those who were once making failing grades in school are now making straight A's. In addition, the parents of these young athletes claim that not only are their children doing great as boxers, but they are doing much better as children. They are more disciplined and have gained a sense of self-respect.

Mr. Speaker, I would like to individually recognize these outstanding youths who have worked hard to earn the title of ''champion.'' Please join me in extending a warm voice of recognition to Jared Hidalgo, a sixteen year-old Carencro High School junior who won the 178-pound division gold medal; to Harold Breaux, a seventeen year-old Northside High School junior who won the 165-pound division gold medal; to Mark Megna, an eight year-old Woodvale Elementary School student who won the Gold in the 60-pound bantam division; to John Ross Prudhomme, an eleven-year old Westminister Academy student who won the Gold in the 85-pound junior division; to Jacob Carriere, an eleven year-old Edgar Martin Middle School student who won the Gold in the 65-pound junior division; to Clay Johnson, an eleven year-old S.J. Montgomery student who won the Gold in the 95-pound junior division; to Michael Carriere, a fourteen year-old Edgar Martin Middle School student who won the Gold in the 156-pound intermediate division; to Darren Johnson, a fourteen year-old Lawtell Middle School student who won the Gold in the super heavy weight intermediate division; and to Wesley Williford, a fourteen year-old Lafayette Middle School student who won the Gold in the 156-pound senior division.

These youngsters are guided by an outstanding group of coaches who also deserve our recognition. In addition to the guidance of Beau Williford, Coaches Gene Hidalgo, Walter Dugas, Mark Peters, Sean McGraw, Lenny Johnson, Harold Breaux, Sr., and Deidre Gogarty work with these kids on a daily basis. Along with team manager Christian Williford, this outstanding group of adults is committed to the direction and success of these young athletes.

The hard work and discipline that Mr. Williford and his team inspire in these young people not only produces athletic growth, but personal growth as well. Studies have shown that sustained positive interactions with adults contribute to the overall development of young people and their achievement in school. At a time in our country when youth violence is on the rise and we are searching for answers, Mr. Williford and the Ragin Cajun Amateur Boxing Club have found their own solution. He and his young boxers were an inspiration to me, and in recognizing them today I hope that his story will inspire others to take an active role in the lives of our youth.

HONORING KENNETH C. BAKER

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. KILDEE. Mr. Speaker, I rise before you today to recognize and honor the accomplishments of a man who has given much to the teaching profession, and even to his many students. On June 30, friends, colleagues, and family will gather to pay tribute to Mr. Kenneth Baker of Flint, Michigan, who is retiring from the Flint Community Schools after 34 years of dedicated service to the community.

As a former school teacher myself, I understand how important it is for the minds of our Nation's children to be influenced by positive, uplifting role models. I am happy that Kenneth Baker lives up to this ideal. A graduate of the University of Toledo, and Eastern Michigan University, Kenneth began his long and rewarding career with Flint Community Schools in 1965. He served as a science teacher at

Bryan Community School until 1969, where he then went on to Carpenter Community School as its director. He served in this same capacity at McKinley Middle School from 1972 to 1990, helping guide the lives of thousands of children.

When the need arose, Kenneth found himself thrust back into the role as teacher, as he taught science and social studies at Anderson Community School from 1990 to 1995, and then his current teaching position, once again at McKinley. No matter which hat he wore, Kenneth always proved himself to be an exceptional educator, able to help his students acquire and develop skills that would help them to become strong, positive members of society.

In efforts to lead by example, Kenneth has also been involved in the community as well. Within the school, he has been a team leader in the team curriculum program, and has also been willing to volunteer as a referee for sporting events such as volleyball and track and field. He has served on the Learning Standard Committee, and has been a coordinator of the Buick City and Flint Olympian Road Race.

Mr. Speaker, there are many adults throughout the entire state of Michigan whose lives have been enriched by an early life interactions with Kenneth Baker. I am proud to have a person such as him within my district. I ask my colleagues in the 106th Congress to join me in wishing him well in his retirement.

PERSONAL EXPLANATION

HON. GEORGE R. NETHERCUTT, JR.

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. NETHERCUTT. Mr. Speaker, on June 10, 1999, I was absent after 6:30 p.m. to attend my son's junior high school graduation ceremony. I ask that the RECORD reflect that if I was present, I would have voted ''no'' on rollcall votes 192, 193, 200, 201 and 202 and I would have voted ''aye'' on rollcall votes 194 through 199 and 203.

TROOPER CHARLES PULVER RETIRES AFTER 31 YEARS OF SERVICE ON THE COLORADO STATE PATROL

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to honor Trooper Charles Pulver who, after 31 years in the Colorado State Patrol, has announced his retirement. In recognition of his service and dedication to the citizens of Colorado, I would like to take a moment to pay tribute to Trooper Pulver.

After graduating from Central High School in Pueblo in 1960, Pulver went on to serve in the United States Air Force from 1960 to 1964. In 1968, Pulver received his first assignment to serve the citizens of Golden, Colorado. He was transferred to Idaho Springs where he served from 1972 until 1980 when he returned home to serve the community of Pueblo.

Throughout his 31 years of service, Chuck has undoubtedly witnessed a great deal, yet one thing has remained the same, Chuck's dedication to the citizens of Colorado, and his high moral standards. In 1974, Trooper Pulver was awarded the Red Cross Life Saving awards for performing CPR on a heart attack victim until further medical help arrived on the scene. Named Officer of the Year several times by the Optimist Club, Chuck was most recently nominated in 1998 for his outstanding dedication to duty. He has been recognized numerous times for his efforts in DUI enforcement, as a drug expert, and safety belt compliance by the Colorado State Patrol.

Today, as Trooper Pulver embarks on a new era in his life, I would like to offer my gratitude for his years of service. It is clear that Pueblo, Colorado has benefited greatly from the hard work and honest endeavors of Mr. Pulver. On behalf of all of Colorado, I would like to say thank you to Trooper Charles Pulver and wish him all the best as he begins his much deserved retirement.

CRISIS IN KOSOVO (ITEM NO. 8)—REMARKS BY JOHN R. MACARTHUR, PUBLISHER OF HARPER'S MAGAZINE

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. KUCINICH. Mr. Speaker, on May 20, 1999, I joined with Rep. CYNTHIA A. MCKINNEY, Rep. BARBARA LEE, Rep. JOHN CONYERS and Rep. PETER DEFAZIO in hosting the fourth in a series of Congressional Teach-In sessions on the Crisis in Kosovo. If a peaceful resolution to this conflict is to be found in the coming weeks, it is essential that we cultivate a consciousness of peace and actively search for creative solutions. We must construct a foundation for peace through negotiation, mediation, and diplomacy.

Part of the dynamic of peace is a willingness to engage in meaningful dialogue, to listen to one another openly and to share our views in a constructive manner. I hope that these Teach-In sessions will contribute to this process by providing a forum for Members of Congress and the public to explore alternatives to the bombing and options for a peaceful resolution. We will hear from a variety of speakers on different sides of the Kosovo situation. I will be introducing into the CONGRESSIONAL RECORD transcripts of their remarks and essays that shed light on the many dimensions of the crisis.

This presentation is by John R. (Rick) MacArthur, president and publisher of Harper's Magazine. Mr. MacArthur is an award-winning journalist and author. He received the 1993 Mencken award for the best editorial/opinion column. He also initiated the foundation-inspired rescue of Harper's in 1980, and since then the magazine has received numerous awards and the support of advertisers and readers alike. Mr. MacArthur is the author of Second Front: Censorship and Propaganda in the Gulf War, a finalist for a 1993 Mencken Award for books. A tireless advocate for international human rights, Mr. MacArthur founded and serves on the board of directors of the Death Penalty Information Center and the MacArthur Justice Center.

Mr. MacArthur describes how government institutions and their willing accomplices in the news media mislead the public during periods of wartime. He cites specific instances from the Gulf War as well as the current War in Yugoslavia. He also discusses how both sides in the War in Yugoslavia engage in propaganda, often involving the misrepresentation and invention of atrocity stories to suit political purposes. Mr. MacArthur makes a compelling case for how war undermines the trust that the American people have in their institutions, with truth and accuracy as the victims. I commend this excellent presentation to my colleagues.

PRESENTATION BY JOHN R. MACARTHUR, PUBLISHER OF HARPER'S MAGAZINE

The first thing to keep in mind is that all governments lie in wartime, more or less in proportion to what they view as their political needs. Much more rarely do they lie in the pursuit of strategic military objectives or to protect military security, which is their oft-stated claim. Occasionally military commanders get the upper hand and their general obsession with secrecy and control can overcome the will of the politicians and their civilian advisors, but usually the politicians call the tune. They lie, and when they lie in concert with their military subordinates it is for one principle reason, and that is to manipulate journalists and mislead the public. In our country this matters more than in, say, North Vietnam, because we Americans operate on the quaint, old-fashioned notion of informed consent of the governed. The thought in the government is that if too much bad or unpleasant news gets to the people, as it finally did in Vietnam, the people might turn against the war policy of their leaders, which the leaders would prefer not to happen. Thus we cannot talk about war coverage in Kosovo without talking about NATO, US, and Serbian censorship and information management.

NATO and the US are trying to manage the bad news in a variety of ways. Some of their techniques have succeeded in keeping us in the dark, and some have backfired. A case in point comes from Newsday's senior Washington correspondent Pat Sloyan whose upcoming article in the June American Journalism Review details the NATO public relations response to the April 14th bombing of the mixed procession of military and civilian vehicles near Jakovo that killed upwards of 82 Albanian civilians, who, of course, we were supposed to protect. You'll recall the delay in NATO's response, and the playing of an audio tape debriefing of a US air force pilot identified only as ''Bear 21.'' ''Bear 21'' is heard sincerely explaining how hard he tried to hit the military vehicle, but the implication by NATO and by the PR people was that ''Bear 21,'' with all his good intentions, had simply missed his target and killed civilians. In fact, ''Bear 21'' did hit the military vehicle, not the tractors. A review of the gun-sight footage revealed later that other NATO pilots may have killed the civilians. I think they probably did, and, as Sloyan writes, senior US military officials who spoke on condition of anonymity say General Clark's staff had purposely singled out the F–16 pilot, ''Bear 21,'' in an attempt to minimize public criticism of the civilian bombing. The hope was that the public would be sympathetic to someone who had taken great care to be accurate. ''They [that is, NATO], picked him for propaganda reasons,'' says a senior US military official. The blame-placing outraged senior military officials, who said it deliberately misrepresented the event, and smeared an excellent pilot.

That's a fairly sophisticated public relations maneuver, but NATO is resorting to

less sophisticated manipulation techniques as well, some of which seem quite pointless to me. In the Gulf War you'll recall reporters were not permitted to interview soldiers, sailors, and airmen without a military press agent present at all times. This was done naturally to discourage the troops from making any offhand or calculated criticisms of US policy, of their living conditions, of their fears of going into battle, in short, anything that might have suggested that their morale wasn't anything but 100% A–OK. Today at the Aviano airbase in Italy, not only do you still need a military escort present, but you can't use the name or hometown of your interview subject. The bizarre justification for this is allegedly to protect the families of the servicemen, or the servicewomen, from Yugoslav hate mail. I'm wondering if this is a military security matter or some weird form of political correctness in which the receivers of the bombs aren't permitted to express their hatred for those who deliver the bombs. But actually I think it's more likely just propaganda, because we're inevitably going to kill Serb and Albanian civilians and we don't want to associate actual names and faces with the killing. That would be bad for morale, both within the air force and outside the air force. It's pure and simple PR.

This brings up the larger question of war coverage and propaganda. NATO and Serbia are currently engaged in a propaganda war that hinges to some extent on accurate or inaccurate war coverage. Paradoxically, the side that is cast as the villain in the war, the enemy of freedom and tolerance, is the side that is permitting and encouraging the best war coverage. The Serbs think bad news helps their case because nobody on our side wants to see the blood of civilians on our hands. NATO realizes this and is trying to mitigate the propaganda value of dead civilians with allegations of atrocities committed by the Serbs against innocent Albanians. NATO and its supporters in the media are hyping Holocaust analogies in particular. Fred Hiatt in the Washington Post threw all caution and sense of proportion to the winds last week, making an explicit comparison between the expulsion and flight of the Albanians and the Auschwitz extermination camp. NATO talks about the rape camps, mass graves, and summary executions. They cite as evidence spy satellite photographs, but won't show us these photographs.

Meanwhile, thanks to the Yugoslav political imperative, correspondents like the outstanding Paul Watson of the Los Angeles Times report things like: ''Something strange is going on in [this Kosovar Albanian village] in what was once a hard-line guerrilla stronghold, where NATO accuses the Serbs of committing genocide.'' He goes on to report that by their own accounts the Albanian men are not living in a concentration camp, or being forced to labor for the police or army, or serving as human shields for Serbs. I think you've probably seen other stories saying that these Serbs for whatever reason are encouraging Albanians to move back into their homes. This of course in no way excuses the expulsion of the hundreds of thousands who are in the refugee camps, but there is a battle of propaganda going on now of epic proportion.

I would, I suppose immodestly, ask you to ask yourselves and your elected representatives and maybe your local newspaper editors why it is that our memories are so short on the question of successful propaganda. Just seven years ago, John Martin of CBS News and I revealed elements of an atrocity that allegedly occurred during the Gulf War, which had a great deal to do with the Senate vote in favor of going to war, the Senate War Resolution. I am referring to the baby incubator murders of 1990 and 1991 allegedly committed by Iraqi soldiers in Kuwaiti hospitals. I hope you remember that it was entirely false, entirely fraudulent. Not one baby was killed by Iraqi soldiers. It's possible that babies died from neglect, because most of the foreign medical staff had fled the Kuwaiti hospitals, but there was no looting of incubators. At one point President Bush, sounding very much like President Clinton, declared that babies were being ''scattered like firewood'' across the hospital floors. More famously, in this case, the daughter of the Kiwaiti ambassador, Naira Al Sabah, testified as an anonymous refugee before House Human Rights Caucus, saying that she herself had witnessed 15 babies being removed from incubators. Everybody believed it. By the end of it, Amnesty International, which got suckered into the story as well, had declared that 312 babies had been killed this way. Another hearing was held in front of the UN Security Council, where a surgeon—he called himself a surgeon—said that he had personally supervised the burial of 40 babies outside the hospital where they had been killed. After the war, he recanted. He turned out to be a dentist, not a surgeon, and so on and so forth. This was not just in the august chambers of the House of Representatives, but before the United Nations Security Council. So I am astonished that there is so little skepticism about the atrocity stories.

The exaggeration of atrocities, or the invention of atrocity stories, has the paradoxical effect of minimizing the real horror of a war. In other words, because there's a Holocaust going on, well, if a few hundred civilians have to die, it's not such a big deal. I think that's one of the propaganda motives of NATO right now, to hype the atrocities and push the Holocaust analogies as much as possible in order to minimize the horror over the deaths of hundreds of civilians, Albanians and Serbs, caused by our side.

HONORING MELVYN S. BRANNON

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. KILDEE. Mr. Speaker, I rise before you today to recognize and honor the achievements of a man who has given much to the community on behalf of civil rights. On June 27, local officials and civic leaders will join family and friends to pay tribute to Mr. Melvyn Brannon of Burton, MI, who is retiring as president of the Urban League of Flint, after more than 30 years of dedicated service.

Melvyn Brannon was born in Memphis, TN, and went to studies at the University of Arkansas at Pine Bluff. He then moved to Michigan, where he pursued postgraduated studies at Eastern Michigan University, the University of Michigan-Flint, and Harvard Business School. During this time, he also participated in the National Urban League Management Training and Development Program. This served as just the beginning of a long standing relationship with the Urban League.

Throughout the years, Mel worked at Flint Osteopathic Hospital as a radiologic technologist, and then moved on to lengthy and rewarding tenure with Flint Community Schools, which included positions such as teacher, special counselor, and job development and placement specialist. In September of 1968, Mel was appointed deputy executive director of the Urban League of Flint, and held the position until November of 1970, where he became president, a position he has held until this day.

In addition to his extensive work with the Urban League both locally and nationally, Mel has benefited many members of the community with his vision and insight. In the past, he has served on such boards as Genese County Commission on Substance Abuse Services, the Coalition for Positive Youth Development, the Urban Coalition of Greater Flint, and the Hurley Hospital Board of Managers, to name a few. Currently he has been involved with the boards of Disability Network, Priority 90's, the Hurley Medical Center Human Resources Committee, and he serves as Chairman of the Bishop International Airport Authority. Mel has also been found working with groups such the NAACP, the Rotary Club, and the Genesee County Sickle Cell Anemia Foundation, among many others.

Mr. Speaker, the Flint area, as well as the entire state of Michigan has prospered due to the efforts and leadership of Melvyn Brannon. I ask my colleagues in the 106th Congress to please join me in congratulating him on his retirement.

FLAG DAY 1999

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. PAUL. Mr. Speaker, I wish to pay tribute to a great symbol of our nation, the flag of the United States of America on this Flag Day 1999. I wonder how frequently we take for granted this symbol, how often we fail to consider what it is and indeed what it represents.

The flag contains 13 stripes and 50 stars. Those 13 stripes represent the first thirteen states, each of which emanating from colonies of British America. These 13 colonies came together because they were opposed to continued oppression by the British executive and the British parliament. After numerous and significant entreaties seeking reconciliation, the British American came to understand that political independence and local self-government was the only way to insure against the most dangerous of tyrannies.

Was this eternal truth forgotten immediately upon the founding of our nation? Hardly. From the Articles of Confederation through to the original U.S. Constitution a clear understanding of the necessity of the separation of powers was maintained. And the genius of that division of powers lay only so partially in the three federal branches, each reliant upon some different direct authority but all resting government finally on the consent of the governed. Indeed, it has rightly been said that ''the genius of the constitution is best summed up in that clause which reserves to the states or to the people those powers which are not specifically delegated to the federal government.''

So those states came together to form a compact, indeed to form a nation and, they gave specific but limited powers to the federal government. From those original thirteen stars and stripes, representing the individual states, came one. E pluribus unum. And this is what the flag and those stripes represent.

Today the flag contains 50 stars to represent the 50 current states. From 13 came 50

and in this way ''E pluribus pluribum'' is also true. From many came more.

Yes, Mr. Speaker, our flag is a symbol of our nation. It is a symbol but certainly not the sum. America means so much more to us than symbol devoid of substance. It means those rights, inalienable and indivisible, which are life, liberty and property. Property not just as an object of ownership but as an idea. Private property is indeed the bedrock of all privacy. And private enjoyment of property is not simply exemplified by the right to hold, but to use and dispose of as the owner sees fit. This is at the very essence of property, and it is in fact the meaning of the pursuit of happiness.

And those stars and stripes represent an idea about how it is that we should hope to actually realize the protection of all these rights that we as Americans hold so dear. Namely, we the people vest in those very states that formed this union, the power to legislate for the benefit of the residents thereof.

This is the idea of federalism and of local self-government. This idea is sacrosanct because it is the necessary precursor to all of those things which we hold dear, most specifically those rights I have enunciated above. Our nation is based on federalism, and state governments, indeed the nation is created by the states which originally ratified our constitution.

Now confusion has come upon us. We are far removed from the days of the constitution's ratification and hence it seems we have lost that institutional memory that points to the eternal truths that document affirms.

Today there are calls to pass federal laws and even constitutional amendments which would take from the states their powers and grant them to the federal government. Some of these are even done in the name of protecting the nation, its symbol, or our liberties. How very sad that must make the founding fathers looking down on our institutions. Those founders held that this centralization of power was and ought always remain the very definition of ''unAmerican'' and they understood that any short term victory an action of such concentration might bring would be paid for with the ultimate sacrifice of our very liberties.

To do what is right we must understand and honor the symbol and the sum of our nation. We must contemplate the flag and the constitution, both of which point us to the key basis of liberty that can be found only in local self-government. Our flag and our constitution both honor and symbolize federalism and when we undermine federalism we dishonor our flag, our constitution and our heritage.

The men who founded our nation risked the ultimate price for freedom. They pledged ''their lives, their fortunes and their sacred honor'' to the founding of a republic based on local self-government. We should honor them, our republic and its most direct symbol, our U.S. flag by taking a stand against any rule, law or constitutional amendment which would expand the role of our federal government.

MR. DICK DIXON OF SALIDA, COLORADO, HAS TOUCHED THE LIVES OF SO MANY HIGH SCHOOL STUDENTS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. MCINNIS. Mr. Speaker, I would like to take a moment to honor and recognize Mr. Dick Dixon of Salida, Colorado. Mr. Dixon has touched many lives as a teacher of Western History and Journalism at Salida High School, and I would like to recognize his hard work, dedication, and achievements.

Mr. Dixon is a man of great experience who has received state and national awards, dined with the Governor, and taken the Tenderfoot Times student newspaper of Salida High School to greatness. After his arrival, the student newspaper began winning numerous awards and became one of the most recognized high school newspapers in Colorado.

Mr. Dixon guided the newspaper team to three national Gold Crown awards, a Peacemaker honor and a rank as one of the top high school newspapers in the nation. Dixon also helped his students win many Colorado High School Press Association sweepstakes awards which gave them the opportunity to have lunch at the Governor's Mansion. Though students changed each year, Dixon remained consistent in his drive and dedication, and continued to inspire greatness in his staff. His strength and presence at Salida High School will truly be missed.

Mr. Dixon not only taught, but for 12 years he also worked for the Pueblo Chieftain as the Salida correspondent. His lessons came to life as students heard his words of wisdom on covering the news, and then were able to read his bylines and see his photographs in the Chieftain. Mr. Dixon led by example and his work and lessons will continue to inspire.

Mr. Speaker, I would like to say thank you to Mr. Dick Dixon for touching the lives of many and for inspiring the youth of Salida. Individuals such as Mr. Dixon who dedicate so much time and energy into shaping the minds of students and ensuring a bright future for all are to be appreciated. I would like to congratulate Mr. Dixon on a job well done and wish him the best of luck in all his future endeavors.

COMMEMORATING THE SONORA WOOL AND MOHAIR SHOW

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1999

Mr. BONILLA. Mr. Speaker, I rise today to salute the 62nd Annual Sonora Wool and Mohair Show and the 39th Annual National 4–H Wool Judging Contest. Both of these events are scheduled for June 15–17. The Sonora 4–H program serves as a model for the youngsters of rural America. Year after year the program has distinguished itself with entries from the nation's top youth. It is my honor to report this event today and I wish continued success to this outstanding organization.

The Sonora Wool and Mohair Show has been the foremost event of its type for more than half a century. The popularity of the youth's wool judging contest began when the program was added to the event in 1947. It remains popular with young people today. it is annually attended by many successful youth teams. The show is sponsored by the Sonora Lions Club and Sonora Chamber of Commerce, in cooperation with the Sonora Wool and Mohair Company and the Texas Agriculture Extension Service.

A variety of activities fill the three-day event. These include an All-Texas Show for 4–H Clubs and FFA Chapters, an open show for all U.S. producers and the National 4–H Wool Judging Contest.

Mr. Speaker, it is my hope that my colleagues from all areas of the United States join me in recognizing the Sonora 4–H program. Programs such as these give our young people many great skills. Wool judging requires hours of study and evaluation, equipping students with great research skills. More importantly, the competition gives participants a sense of accomplishment through a job well done. For the next few days all eyes will focus on Sonora.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, June 15, 1999 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 16

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business.
SD–366

Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on issues relating to prostate cancer.
SD–192

10 a.m.
Finance
Business meeting to markup H.R. 1833, to authorize appropriations for fiscal years 2000 and 2001 for the United States Customs Service for drug interdiction and other operations, for the Office of the United States Trade Representative, for the United States International Trade Commission, the proposed Generalized System of Preferences Extension Act, the proposed Trade Adjustment Assistance Reauthorization Act, the proposed United States Caribbean Basin Trade Enhancement Act, and the proposed Steel Trade Enforcement Act.
SD–215

Joint Economic Committee
To continue hearings on issues relating to the High-Technology National Summit.
SH–216

2:30 p.m.
Indian Affairs
Business meeting to markup S. 28, to authorize an interpretive center and related visitor facilities within the Four Corners Monument Tribal Park; S. 400, to provide technical corrections to the Native American Housing Assistance and Self-Determination Act of 1996, to improve the delivery of housing assistance to Indian tribes in a manner that recognizes the right of tribal self-governance; S. 401, to provide for business development and trade promotion for native Americans,and for other purposes; S. 613, to encourage Indian economic development, to provide for the disclosure of Indian tribal sovereign immunity in contracts involving Indian tribes, and for other purposes; S. 614, to provide for regulatory reform in order to encourage investment, business, and economic development with respect to activities conducted on Indian lands; and S. 944, to amend Public Law 105–188 to provide for the mineral leasing of certain Indian lands in Oklahoma.
SR–485

Foreign Relations
To hold hearings on the nomination of David B. Dunn, of California, to be Ambassador to the Republic of Zambia; the nomination of Mark Wylea Erwin, of North Carolina, to be Ambassador to the Republic of Mauritius, and Ambassador to the Federal Islamic Republic of the Comoros and as Ambassador to the Republic of Seychelles; the nomination of Christopher E. Goldthwait, of Florida, to be Ambassador to the Republic of Chad; and the nomination of Joyce E. Leader, of the District of Columbia, to be Ambassador to the Republic of Guinea.
SD–562

3 p.m.
Judiciary
To hold hearings on pending nominations.
SD–226

JUNE 17

9:30 a.m.
Environment and Public Works
To hold hearings on S. 533, to amend the Solid Waste Disposal Act to authorize local governments and Governors to restrict receipt of out-of-State municipal solid waste; and S. 872, to impose certain limits on the receipt of out-of-State municipal solid waste, to authorize State and local controls over the flow of municipal solid waste.
SD–406

Commerce, Science, and Transportation
To hold hearings on the nomination of Johnnie E. Frazier, of Maryland, to be Inspector General, Department of Commerce; the nomination of Cheryl Shavers, of California, to be Under Secretary of Commerce for Technology; the nomination of Kelly H. Carnes, of the District of Columbia, to be Assistant Secretary of Commerce for Technology Policy; the nomination of Albert S. Jacquez, of California, to be Administrator of the Saint Lawrence Seaway Development Corporation; the nomination of Mary Sheila Gall, of Virginia, to be a Commissioner of the Consumer Product Safety Commission; and the nomination of Ann Brown, of Florida, to be a Commissioner of the Consumer Product Safety Commission.
SR–253

10 a.m.
Health, Education, Labor, and Pensions
To hold joint hearings with the House Committee on Education and Work Force on proposed legislation authorizing funds for programs of the Elementary and Secondary Education Act, focusing on research and evaluation.
SD–106

Finance
To hold hearings on the nomination of Lawrence H. Summers, of Maryland, to be Secretary of the Treasury.
SH–216

Judiciary
Business meeting to markup S. 467, to restate and improve section 7A of the Clayton Act; S. 692, to prohibit Internet gambling; and S. 768, to establish court-martial jurisdiction over civilians serving with the Armed Forces during contingency operations, and to establish Federal jurisdiction over crimes committed outside the United States by former members of the Armed Forces and civilians accompanying the Armed Forces outside the United States.
SD–226

Foreign Relations
To hold hearings on the nomination of Richard Holbrooke, of New York, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador, and the Representative of the United States of America in the Security Council of the United Nations.
Room to be announced

Joint Economic Committee
To hold hearings on monetary policy and the economic outlook.
311 Cannon Building

2 p.m.
Judiciary
To resume closed oversight hearings on certain activities of the Department of Justice.
S–407 Capitol

Intelligence
To hold closed hearings on pending intelligence matters.
SH–219

Finance
To hold hearings on Medicaid and school-based services.
SD–215

Aging
To hold hearings on issues relating to income security.
SD–106

JUNE 21

9 a.m.
United States Senate Caucus on International Narcotics Control
To hold hearings to examine the black market peso exchange, focusing on how U.S. companies are used to launder money.
SH–216

JUNE 23

9:30 a.m.
Indian Affairs
To hold oversight hearings on National Gambling Impact Study Commission report.
SR–485

JUNE 24

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings to examine the impications of the proposed acquisition of the Atlantic Richfield Company by BP Amoco, PLC.
SD–366

JUNE 29

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on fire preparedness by the Bureau of Land Management and the Forest Service on Federal lands.
SD–366

JUNE 30

9:30 a.m.
Indian Affairs
To hold hearings on S.438, to provide for the settlement of the water rights claims of the Chippewa Cree Tribe of

the Rocky Boy's Reservation; to be followed by a business meeting to consider pending calendar business.

Room to be announced

2 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the United States Forest Service Economic Action programs.

SD–366

JULY 1

9:30 a.m.
Indian Affairs
To hold hearings to establish the American Indian Educational Foundation.

SR–485

JULY 14

9:30 a.m.
Indian Affairs
Energy and Natural Resources
To hold joint oversight hearings on the General Accounting Office report on Interior Department's trust funds reform.

Room to be announced

JULY 21

9:30 a.m.
Indian Affairs
To hold hearings on S. 985, to amend the Indian Gaming Regulatory Act.

SR–485

JULY 28

9:30 a.m.
Indian Affairs
To hold hearings on S. 979, to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes.

SR–485

AUGUST 4

9:30 a.m.
Indian Affairs
To hold hearings on S. 299, to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health; and S. 406, to amend the Indian Health Care Improvement Act to make permanent the demonstration program that allows for direct billing of medicare, medicaid, and other third party payors, and to expand the eligibility under such program to other tribes and tribal organizations; followed by a business meeting to consider pending calendar business.

SR–485

SEPTEMBER 28

9:30 a.m.
Veterans Affairs
To hold joint hearings with the House Committee on Veterans Affairs to review the legislative recommendations of the American Legion.

345 Cannon Building

POSTPONEMENTS

JUNE 17

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on mergers and consolidations in the communications industry.

SR–253

Energy and Natural Resources
To hold hearings on S. 1049, to improve the administration of oil and gas leases on Federal land.

SD–366

Daily Digest
Senate

Chamber Action

Routine Proceedings, pages S6921–S6973

Measures Introduced: Four bills and six resolutions were introduced, as follows: S. 1217–1220, S. Res. 118–122, and S. Con. Res. 39. **Pages S6944–45**

Measures Reported: Reports were made as follows:

S. 1217, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000. (S. Rept. No. 106–76)

Measures Passed:

Martin Luther King Jr. Holiday: Senate passed S. 322, to amend title 4, United States Code, to add the Martin Luther King Jr. holiday to the list of days on which the flag should especially be displayed. **Pages S6971–72**

Agricultural Biotechnology: Senate agreed to S. Res. 120, requesting that the President raise the issue of agricultural biotechnology at the June G–8 Summit meeting. **Page S6972**

Legal Representation: Senate agreed to S. Res. 121, to authorize testimony and legal representation in C. William Kaiser v. Department of Veterans Affairs. **Page S6972**

Committee Funding Resolutions: Senate agreed to S. Res. 122, authorizing the reporting of committee funding resolutions for the period October 1, 1999 through February 28, 2001. **Pages S6972–73**

Energy and Water Development Appropriations, FY 2000: Senate began consideration of S. 1186, making appropriations for energy and water development for the fiscal year ending September 30, 2000, taking action on the following amendments proposed thereto: **Pages S6923–29, S6939–40, S6942**

Adopted:

Domenici Amendment No. 625, of a technical nature. **Page S6924**

Domenici (for Schumer) Amendment No. 651, to provide that $100,000 of the funding appropriated herein for section 107 navigation projects may be used by the Corps of Engineers to produce a decision document, and, if favorable, signing a project cost sharing agreement with a non-Federal project sponsor for the Rochester Harbor, New York (CSX Swing Bridge), project. **Page S6940**

Domenici (for Reid) Amendment No. 652, to provide that $500,000 of the funding appropriated herein is provided for the Walker River Basin, Nevada project, including not to exceed $200,000 for the Federal assessment team for the purpose of conducting a comprehensive study of Walker River Basin issues. **Page S6940**

Domenici (for Sarbanes/Mikulski) Amendment No. 653, to provide that the Secretary of the Army, acting through the Chief of Engineers, may use $1,500,000 of funding appropriated herein to initiate construction of shoreline protection measures at Assateague Island, Maryland. **Page S6940**

Domenici (for Inouye) Amendment No. 654, to provide $2,000,000 for the Natural Energy Laboratory of Hawaii, for the purpose of monitoring ocean climate change indicators. **Page S6940**

Domenici Amendment No. 655, to provide that $15,000,000, of which $10,000,000 shall be derived from reductions in contractor travel balances, shall be available for civilian research and development. **Page S6940**

Domenici Amendment No. 656, to provide that $10,000,000 of the amount provided for stockpile stewardship shall be available to provide laboratory and facility capabilities in partnership with small businesses for either direct benefit to Weapons Activities or regional economic development. **Page S6940**

Domenici (for Hutchison) Amendment No. 657, to provide that the Secretary of the Army, acting through the Chief of Engineers, shall use $100,000 of available funds to study the economic justification and environmental acceptability, in accordance with section 509(a) of Public Law 104–303, of maintaining the Matagorda Ship Channel, Point Comfort Turning Basin, Texas, project, and to use available funds to perform any required maintenance in fiscal year 2000 once the Secretary determines such maintenance is justified and acceptable as required by Public Law 104–303. **Page S6940**

Domenici (for Mack/Graham) Amendment No. 658, to reallocate funding of certain water resource projects in the State of Florida. **Page S6940**

Domenici (for McConnell) Amendment No. 659, to modify provisions relating to funds of the United States Enrichment Corporation. Page S6940

Domenici (for Conrad/Dorgan) Amendment No. 660, to require the Corps of Engineers to conduct a general reevaluation report on the project for flood control, Park River, Grafton, North Dakota. Page S6940

Pending:

Domenici Amendment No. 628, of a technical nature. Page S6928

A unanimous-consent agreement was reached providing that when the Senate receives the House companion measure, the Senate strike all after the enacting clause and insert in lieu thereof the text of S. 1186, as passed, and the House bill, as amended, be read for a third time and passed, that the Senate insist on its amendment, request a conference with the House thereon, and the Chair be authorized to appoint conferees on the part of the Senate. Further, that upon passage of the House bill, passage of S. 1186 be vitiated and then be indefinitely postponed. Page S6928

Social Security and Medicare Safe Deposit Box Act: Senate began consideration of H.R. 1259, to amend the Congressional Budget Act of 1974 to protect Social Security surpluses through strengthened budgetary enforcement mechanisms. Page S6971

A motion was entered to close further debate on the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion will occur on Wednesday, June 16, 1999. Page S6971

Work Incentives Improvement Act—Agreement: A unanimous-consent agreement was reached providing for the consideration of S. 331, to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, with an amendment in the nature of a substitute to be proposed thereto and agreed to, and the Senate proceed to a vote on final passage at a time to be determined, on Tuesday, June 15, 1999. Further, that it not be in order for the Senate to consider any conference report or House amendment to S. 331, or its House companion if it contains a net increase in direct spending in fiscal year 2000, the period fiscal years 2000 through 2004, or the period fiscal years 2005 through 2009, as estimated by the Congressional Budget Office. Page S6971

Messages From the House: Page S6945

Measures Placed on Calendar: Page S6945

Statements on Introduced Bills: Page S6945

Additional Cosponsors: Pages S6945–47

Amendments Submitted: Pages S6949–65

Notices of Hearings: Pages S6965–66

Additional Statements: Pages S6966–69

Adjournment: Senate convened at 12 noon, and adjourned at 6:48 p.m., until 11:00 a.m. on Tuesday, June 15, 1999. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S6973.)

Committee Meetings

No Committee hearings were held.

House of Representatives

Chamber Action

Bills Introduced: 19 public bills, H.R. 2183–2201; and 1 resolution, H. Con. Res. 132, were introduced. Page H4222

Reports Filed: Reports were filed as follows:

Filed on June 10, H.R. 1802, to amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, amended (H. Rept. 106–182 Part 1);

H.R. 17, to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo on agricultural commodities, to provide a termination date for the embargo, and to provide greater assurances for contract sanctity (H. Rept. 106–154 Part 2);

H.R. 629, to amend the Community Development Banking and Financial Institutions Act of 1994 to reauthorize the Community Development Financial Institutions Fund and to more efficiently and effectively promote economic revitalization community development, and community development financial institutions (H. Rept. 106–183);

H.R. 413, to authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund (H. Rept. 106–184 Part 1); and

H. Res. 206, providing for consideration of H.R. 1000, to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration (H. Rept. 106–185). **Pages H4221–22**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Stearns to act as Speaker pro tempore for today. **Page H4131**

Recess: The House recessed at 12:37 p.m. and reconvened at 2:00 p.m. **Page H4131**

Suspensions: The House agreed to suspend the rules and pass the following measures:

U.S. Luge Association Clinic: H. Con. Res. 91, amended, authorizing the use of the Capitol Grounds for a clinic to be conducted by the United States Luge Association; **Pages H4137–38**

Law Enforcement Torch Run for the 1999 Special Olympics: H. Con. Res. 105, amended, authorizing the Law Enforcement Torch Run for the 1999 Special Olympics World Games to be run through the Capitol Grounds; and **Pages H4138–39**

Bond Price Competition Improvement Act: H.R. 1400, amended, to amend the Securities Exchange Act of 1934 to improve collection and dissemination of information concerning bond prices and to improve price competition in bond markets (agreed to by a yea and nay vote of 332 yeas to 1 nay, Roll No. 204). **Pages H4132–37, H4139–40**

Recess: The House recessed at 2:37 p.m. and reconvened at 6:00 p.m. **Page H4139**

Defense Authorization Act: The House passed S. 1059 after striking all after the enacting clause and inserting in lieu thereof the provisions of H.R. 1401, to authorize appropriations for fiscal years 2000 and 2001 for military activities of the Department of Defense and to prescribe military personnel strengths for fiscal years 2000 to 2001, as passed the House. H.R. 1401 was then laid on the table. H. Res. 200, the rule that provided for consideration of the Senate and House bills was agreed to on June 9. **Pages H4140–H4211**

Recess: The House recessed at 7:43 p.m. and reconvened at 9:03 p.m. **Page H4218**

Senate Messages: Message received from the Senate on June 11 appears on page H4132.

Amendments: Amendments ordered printed pursuant to the rule appear on pages H4223–24.

Quorum Calls—Votes: One yea and nay vote developed during the proceedings of the House today and appears on pages H4139–40. There were no quorum calls.

Adjournment: The House met at 12:30 p.m. and adjourned at 9:11 p.m.

Committee Meetings

HEALTH CARE COSTS AND AMERICA'S UNINSURED

Committee on Education and the Workforce: On June 11, the Subcommittee on Employer-Employee Relations held a hearing on the Relationship Between Health Care Costs and America's Uninsured. Testimony was heard from Dan Crippen, Director, CBO; William J. Scanlon, Director, Health Financing and Public Health Issues, GAO; and public witnesses.

INDEPENDENT COUNSEL STATUTE REAUTHORIZATION

Committee on the Judiciary: On June 11, the Subcommittee on Commercial and Administrative Law held a hearing on the reauthorization of the Independent Counsel Statute. Testimony was heard from former Senators George J. Mitchell of Maine and Robert Dole of Kansas; and public witnesses.

CONSEQUENCES FOR JUVENILE OFFENDERS ACT

Committee on Rules: Heard testimony from Members of Congress, but no action was taken on H.R. 1501, Consequences for Juvenile Offenders Act of 1999.

AVIATION INVESTMENT AND REFORM ACT FOR THE 21ST CENTURY

Committee on Rules: Granted, by voice vote a structured rule providing one hour of general debate on H.R. 1000, Aviation Investment and Reform Act for the 21st Century, to be equally divided between the chairman and ranking minority member of the Committee on Transportation and Infrastructure. The rule waives all points of order against consideration of the bill. The rule makes in order the Committee on Transportation and Infrastructure amendment in the nature of a substitute as an original bill for the purpose of amendment, modified by the amendment printed in part A of the report of the Committee on Rules accompanying this resolution. The rule waives all points of order against consideration of the amendment in the nature of a substitute. The rule makes in order only those amendments printed in part B of the Rules Committee report accompanying this resolution. The rule provides that amendments

made in order may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in the report. The rule allows for the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Chairman Shuster and Representatives Sweeney, Hyde, Traficant, Obey, Dingell, Jackson of Illinois, and Weiner.

Joint Meetings

HIGH-TECHNOLOGY NATIONAL SUMMIT

Joint Economic Committee: Committee held hearings to highlight issues relating to the High-Technology National Summit, focusing on the impact of recent breakthroughs in computers, software and information networks on the U.S. economy and society, receiving testimony from Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System; Louis V. Gerstner, Jr., IBM Corporation, Armonk, New York; Robert Katz, Technology Network, Palo Alto, California; Craig R. Barrett, Intel Corporation, Santa Clara, California; Edward J. Nicoll, Datek Online Holdings Corporation, Iselin, New Jersey; Judy G. Carter, Softworks, Inc., Alexandria, Virginia; James L. Barksdale, Barksdale Group, Mountain View, California; and Sara Horowitz, Working Today, New York, New York.

Hearings continue tomorrow.

COMMITTEE MEETINGS FOR TUESDAY, JUNE 15, 1999

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, and Related Agencies, business meeting to mark up H.R. 1906, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2000, 11 a.m., SD–124.

Committee on Energy and Natural Resources: Subcommittee on Forests and Public Land Management, to hold oversight hearings on issues related to vacating the record of decision and denial of a plan of operations for the Crown Jewel Mine in Okanogan County, Washington, 2:30 p.m., SD–366.

Committee on Health, Education, Labor, and Pensions: business meeting to consider pending calendar business, 9:30 a.m., SD–628.

Committee on the Judiciary: to hold hearings on S. 952, to expand an antitrust exemption applicable to professional sports leagues and to require, as a condition of such an exemption, participation by professional football and major league baseball sports leagues in the financing of certain stadium construction activities, 12 p.m., SD–226.

House

Committee on Banking and Financial Services, hearing on Debt Relief, 10 a.m., 2128 Rayburn.

Committee on the Budget, Social Security Task Force, hearing on Secure Investment Strategies for Personal Retirement Accounts and Annuities, 12 p.m., 210 Cannon.

Committee on Commerce, Subcommittee on Telecommunications, Trade, and Consumer Protection, hearing on H.R. 1858, Consumer and Investor Access to Information Act of 1999, 10 a.m., 2123 Rayburn.

Committee on Government Reform, Subcommittee on Government Management, Information, and Technology, hearing on ''What is the Federal Government Doing to Collect the Billions of Dollars in Delinquent Debts it is Owed?'' 10 a.m., 2247 Rayburn.

Committee on International Relations, hearing on the Future of Our Economic Partnership with Europe, 10 a.m., 2172 Rayburn.

Committee on the Judiciary, to mark up the following bills: H.R. 1658, Civil Asset Forfeiture Reform Act; H.R. 1691, Religious Liberty Protection Act of 1999; and H.R. 1218, Child Custody Protection Act, 10 a.m., 2141 Rayburn.

Committee on Rules, to consider H.R. 659, Protect America's Treasures of the Revolution for Independence for Our Tomorrow Act, 7 p.m., H–313 Capitol.

Committee on Ways and Means, Subcommittee on Health, hearing on Uninsured Americans, 11 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, hearing on Encryption legislation, 2 p.m., H–405 Rayburn.

Subcommittee on Technical and Tactical Intelligence, hearing on Launch Failures and Launch Issues, 10 a.m., 2212 Rayburn.

Joint Meetings

Joint Economic Committee: to continue hearings on issues relating to the High-Technology National Summit, 9:30 a.m., SH–216.

Next Meeting of the SENATE

11 a.m., Tuesday, June 15

Senate Chamber

Program for Tuesday: Senate will resume consideration of S. 96, Y2K Act; following which, Senate will recess for their respective party conferences until 2:15 p.m., at which time the Senate will vote on final passage of H.R. 775, House companion measure to S. 96, Y2K Act, following which, Senate will vote on the motion to close further debate on Amendment No. 297 to S. 557, Budget Process Reform. If cloture is not invoked on Amendment No. 297, Senate will vote on the motion to close further debate on the motion to proceed to H.R. 1664, Steel, Oil and Gas Loan Guarantee Program. If cloture is not invoked on the motion to proceed to H.R. 1664, Senate will resume consideration of S. 1186, Energy and Water Development Appropriations.

Next Meeting of the HOUSE OF REPRESENTATIVES

9 a.m., Tuesday, June 15

House Chamber

Program for Tuesday: Consideration of 4 Suspensions:

1. H.R. 17, Selective Agricultural Embargoes Act;
2. H. Res. 62, expressing concern over the attempts to overthrow the government in Sierra Leone;
3. H. Con. Res. 75, condemning the National Islamic Front government for its genocidal war in southern Sudan; and
4. H.R. 973, Security Assistance Act; and Consideration of H.R. 1000, Aviation Investment and Reform Act for the 21st Century Act (structured rule, one hour of debate).

Extensions of Remarks, as inserted in this issue

HOUSE

Congressional Record

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