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House of Representatives

The House met at 9 a.m.

MORNING HOUR DEBATES

The SPEAKER. 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 not to exceed 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes, but in no event shall debate extend beyond 9:50 a.m.

TRIBUTE TO HON. WILLIAM GOODLING ON HIS RETIREMENT FROM CONGRESS

The SPEAKER. Under the Speaker's announced policy of January 19, 1999, the gentleman from Pennsylvania (Mr. MURTHA) is recognized during morning hour debates for 5 minutes.

Mr. MURTHA. Mr. Speaker, this morning I want to make some very complimentary remarks about the gentleman from Pennsylvania (Mr. GOODLING). He is certainly the type of individual, if I had been in his class or in his school, I would have known exactly where he stood. He defends the system of education. He supported education, and he supported the ideals of education: local control and strong discipline.

BILL GOODLING is one of the finest experts in education in the entire Nation. No individual has had more of an impact on educational systems in this Nation than BILL GOODLING. He sometimes gets in trouble because he says what he thinks. He believes very strongly about local control of education, and there are people who believe differently, and they disagree strongly with his opinion. But on the other hand, we know where he stands. I think in politics that is the thing that is absolutely imperative to our system, that somebody that knows what they are talking about, has had experience in the field, can work hard at those kinds of things.

Education obviously is one of the most important issues we take up in the House. Normally, I do not talk very long on issues of defense because we work things out. And I see the distinguished gentleman from California (Mr. LEWIS), the chairman of the Subcommittee on Defense Appropriations, here; and he and I do not take a lot of time on the floor. But it is hard not to speak for a long period of time for the gentleman from Pennsylvania (Mr. GOODLING).

He has been in the forefront of many, many battles; and he has won most of those battles. Even when he was in the minority, he worked hard for local control of schools, for adequate funding of schools to make sure that the Members of Congress understood the system from a classroom, from a superintendent, from a principal's standpoint, and from a Member of Congress' standpoint.

So we are going to miss BILL GOODLING. BILL GOODLING has had a phenomenal impact on our system itself.

Mr. Speaker, I yield to the gentleman from Pennsylvania (Mr. HOLDEN).

Mr. HOLDEN. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. MURTHA) for yielding.

Mr. Speaker, it is a great honor to be here as we pay tribute to our retiring colleague, BILL GOODLING. The gentleman from Pennsylvania (Mr. MURTHA) did a great job in elaborating on how BILL GOODLING has been a leader in education fights in this House as chairman for the past 6 years, and serving on that committee for 20-plus years.

But I want to say that BILL GOODLING has done much more than that. He cares so deeply about all of his constituents. I have the privilege of being the only Pennsylvanian on the Committee on Agriculture. Agriculture is the number one industry in the Commonwealth of Pennsylvania and BILL GOODLING's district is rich with an agricultural history. I drive by it every week on my drive to Washington. BILL GOODLING has been a strong fighter for his agriculture constituents, whether it be for fairer dairy prices for his dairy farmers or whether it be the ability for all of our farmers to have access to crop insurance, because we have such diverse agriculture in Pennsylvania, or

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recently because of his fight against plum pox virus. So many of his fruit growers were affected by that disease and he fought long and hard to see that his fruit growers were protected.

Mr. Speaker, I urge all of my colleagues to come forth and pay tribute to our retiring Member who has done such an outstanding job, Mr. GOODLING.

Mr. MURTHA. Mr. Speaker, reclaiming my time, I do not mean to say that he was only interested in education, because the park that was in his district was absolutely essential to the district and he handled that, with a lot of divisions, he handled that so well. And the gentleman from Pennsylvania (Mr. GEKAS) knows that and I now yield to him.

Mr. GEKAS. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding.

Mr. Speaker, Congressman GOODLING helped me in my first baby steps in the world of government and politics. In fact, Congressman GOODLING introduced President Eisenhower, then retired President, General Eisenhower, to me at a rally in Harrisburg. So I have always been grateful to Congressman GOODLING.

Mr. Speaker, I am talking about George Goodling. Now, George Goodling was a role model for our incumbent. Our incumbent took the best qualities of his own father and transferred them to Washington as he represented his constituents, as everyone in the world knows by now.

But one thing that is less known, except by the veterans on this floor like the gentleman from Pennsylvania (Mr. MURTHA), that he loved his dad. And he did, in a wonderful way, emulate some of the qualities of George Goodling.

I remember, for instance, that the first time I met the ''Baby GOODLING,'' the one we are honoring today, was at one of the first picnics to which he went as a candidate. There everyone knew that they were going to vote for BILL GOODLING, not just because of his eminent qualifications as an educator but because of the educator, George Goodling, the Congressman who preceded BILL GOODLING.

We love BILL GOODLING.

Mr. MURTHA. Mr. Speaker, again reclaiming my time, I am pleased to yield to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY of New York. Mr. Speaker, I am probably one of the youngest Members that got to know the gentleman from Pennsylvania (Mr. GOODLING) 4 years ago when I first came on the Committee on Education and the Workforce. He and I would always be the first ones down there. If the meeting was at 9:30, he and I were there at 9:30.

This went on for a couple of committee hearings, and I finally said to Mr. GOODLING, ''Mr. GOODLING, how come you and I are the only ones here, when you say that the committee hearings are going to be at 9:30?'' He said, ''Carolyn, around here we have congressional time and real time, and everyone comes late.'' And I said, ''Why should you and I be punished on that?'' Ever since then, at 9:30 that meeting starts and I appreciate that.

Mr. GOODLING has a tremendous sense of humor, and I do not know if people know that. Probably I like it so much because it reminds me of my sense of humor. Sometimes it is dry. Sometimes he is throwing out a sense of humor, and people do not even know what the laugh line is, but we do.

Mr. Speaker, I want to say that my respect for him over the years has been tremendous. He has spent his whole entire life in public service. He was a school teacher. He was a principal. He was a superintendent. He was on the school board. He was in the PTA.

To me, that is public service. All of our teachers are in public service. But even though we sat on the committee and sometimes we disagreed, he was always a gentleman. Always a gentleman, and I have always appreciated that.

I do not want anyone to think that this guy is retiring. He is not. There is a lot of good years that he is going to be out there, and I am sure he is going to be knocking on our doors certainly advocating for what he wants to advocate. So this is not a retirement. It is not. It is another new journey for Mr. GOODLING, and we are going to miss him. I am going to miss him. And I thank him for everything that he taught me.

When I did not understand something, he continued to be a teacher because he explained things to me, and I will always appreciate that. Mr. Speaker, I wish the gentleman a good journey; and I know we are still going to see him around.

TO HONOR REPRESENTATIVE BILL GOODLING

The SPEAKER pro tempore (Mr. SHERWOOD). Under the Speaker's announced policy of January 19, 1999, the gentleman from Pennsylvania (Mr. SHUSTER) is recognized during morning hour debates for 5 minutes.

Mr. SHUSTER. Mr. Speaker, it is with mixed feelings that I rise today to honor our dear colleague, the gentleman from Pennsylvania (Mr. GOODLING). Mixed feelings because it is a wonderful feeling to rise to honor him, but a sad feeling to realize he is no longer going to be a Member of this body.

When I came here as a freshman, there was a rather secretive place called the Botts committee. It was named the Botts committee after Herb Botts, who was the manager of that very secretive place called the House gymnasium. I went down there to see if it might be a good place to try to stay fit and get to know some of the Members, and there I bumped into a gentleman named George Goodling, BILL GOODLING's father.

He was in his late 60s, early 70s, perhaps, and they had a sissy game down there called paddleball. Now, I was a pretty serious handball player and, of course, a young whipper snapper compared to George Goodling, so he asked me if I would play. I, in a rather condescending way, said sure. I thought it would be nice to get to know the old gentleman, and so we played a game of paddleball.

Mr. Speaker, he beat me into the ground. He destroyed me. He humiliated me. He embarrassed me. That was my introduction to the Goodling family. Well, he retired, and I heard his son was going to come to Washington. I heard that, just as his father, he was an outstanding person. But I worried about whether he was as good an athlete as his dad. I heard he had been a football coach and an athlete himself, and I resolved right then that while I would do my best to become friends with BILL GOODLING, I would never under any circumstances play paddleball with him in the House gym. Mr. Speaker, I have kept that resolve over the years, and as a result, and perhaps hopefully for other reasons as well, we have remained good friends and neighbors in terms of parts of our district adjoining each other.

If anybody in this body deserves the title ''Mr. Education,'' it is BILL GOODLING, because he has forgotten more about education in America than most of us will ever know. And, of course, by virtue of his service on the Committee on Education and the Workforce, his becoming chairman of the committee, he has been in a position to do so many good things for America, for Pennsylvania, and for his own congressional district.

It is a great honor to salute BILL. In his first election, he was elected with only 51 percent of the vote, a very, very tight election. But in his 13 straight terms, which I might emphasize is the longest tenure for the 19th district in this century, he typically now captures about 70 percent of the vote.

He served on the Committee on Education and the Workforce since his first term, becoming the ranking member in 1990, and chairman in 1994. He served with great distinction on the Committee on International Relations, as well as on the House Permanent Select Committee where I had the great privilege of serving as both a member and as the ranking member. He also served on the House Budget Committee.

Mr. Speaker, I think perhaps he and I feel the same about the Committee on the Budget. I had the privilege of serving on that committee as well, and it is sort of like the story about the two happiest days in a boat owner's life: the day he buys his boat and the day he sells his boat. It was a great privilege to serve on the Committee on the Budget and learn so much, but after being put through that wringer for 6 years, getting off of it was not exactly a negative experience.

BILL has been married to his wife, Hilda, forever. She's a wonderful lady. A wonderful lady. Two children, Todd,

an architect, and Jennifer, who by the way which simply shows what athletic genes this family has, was a professional tennis player and is a phys ed. instructor. In addition to all of his many talents, BILL enjoys singing and he is also a pianist, a tremendous sports enthusiast, and he raises horses.

Since I also have been in the business of racing horses, I learned that if one really wants to figure out how to get rid of what little money they have, the thing to do is buy a race horse. Now, I hope BILL has had better luck than I have, but anyway we have mended our ways in the Shuster family and now only have riding horses.

BILL is really a man for all seasons. He is an intellectual, an athlete, a good family man, an educator, a distinguished American. And so it is my great privilege and my honor to take the floor today to recognize my colleague and friend, BILL GOODLING.

TRIBUTES TO HON. BILL GOODLING UPON HIS RETIREMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Pennsylvania (Mr. BORSKI) is recognized during morning hour debates for 5 minutes.

Mr. BORSKI. Mr. Speaker, before I give my own tribute to my good friend, the gentleman from Pennsylvania (Mr. GOODLING), I yield to the gentleman from Michigan (Mr. KILDEE), who served for a number of years with Mr. GOODLING on the Committee on Education and the Workforce.

Mr. KILDEE. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. BORSKI) for yielding me this time.

Mr. Speaker, I have known BILL GOODLING for 24 years. When I arrived in Congress, he had already been here 2 years. We served together on the Committee on the Budget and the Education and Labor Committee, now the Committee on Education and the Workforce. I number him among my very, very best friends here in the Congress of the United States.

I have told this story many times but, BILL, I am going to tell it one more time. In November 1994, about 2 o'clock in the morning, I realized that I had survived the election, but I was a survivor in Cornwallis' army rather than Washington's army, and for the first time in 40 years the Republicans had taken control of the House of Representatives. I had been BILL GOODLING's chairman of a subcommittee for about 6 or 8 years, and I realized that now BILL GOODLING was going to be my Chairman, not of subcommittee, but of full committee.

So I felt I should call him. I called him at 7 o'clock in the morning the day after election. One should call no politician that early in the morning the day after election but he is a farmer and I knew he would be up. So I called him and did not identify myself. I merely said, ''Mr. Chairman.'' And he responded, ''How sweet it is.''

Mr. Speaker, it has been sweet working with BILL. BILL really believes in education. He has educated me and the full committee that we should look for quality and results, and that has been his theme all the way through his time here.

On the Individuals with Disabilities Education Act, we have had no greater champion in this House than BILL GOODLING, both on Committee on the Budget and the Committee on Education and the Workforce. He finally put through this House a bill leading us to full funding of that 40 percent of extra cost of IDEA.

The gentleman from California (Mr. MCKEON) and I and BILL GOODLING, we worked together on I think the best higher education bill that we have ever passed. It was a bipartisan bill and passed this House, I think, around 418 to 1, and the Senate 95 to nothing. We have worked well together because we are really concerned about the fact that this House had to come together on those issues that really touched American children and young people.

BILL has always had that it is his belief that when we write education bills, we do not think Democrat, we do not think Republican, we think what is good for the children of this country. And the children in this country one better off because of BILL GOODLING: in their education, in their nutrition, in their approach to life.

BILL, thank you for what you have done. God bless you.

Mr. BORSKI. Mr. Speaker, reclaiming my time, let me say I became friends with BILL GOODLING as a freshman Member here. The Pennsylvania delegation would from time to time get together and have lunch. He was someone who I consider as a mentor.

We have all heard about his education background as a teacher, a coach, an administrator, and truly someone who knows the passion and speaks with the passion of education for all the kids in our country. Few know better than BILL GOODLING that a solid education will provide all workers with the necessary foundation to compete in a highly competitive workforce.

He is a good friend, from those early luncheons in the early days in the House to the time where we had offices just across the aisle from each other. He would wander into our office and pick up the Inquirer, look for the sporting results. I think particularly he was looking for the horse racing results. Would come in and talk with all the Members of our staff. He is just a first-class gentleman.

Mr. Speaker, I am proud to have served with him, proud to call him my friend, and I wish him the very best in his retirement years.

THE RETIREMENT OF HON. WILLIAM GOODLING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from California (Mr. LEWIS) is recognized during morning hour debates for 5 minutes.

Mr. LEWIS of California. Mr. Speaker, I could not help but notice as I walked in the Chambers that the gentleman from Pennsylvania (Mr. MURTHA) was speaking and he talked about our interest in national defense. He probably does not know that I entered public affairs some years ago as a member of a local school board, running for that school board largely because at the time I had four children in the public schools.

Mr. Speaker, I must say that the job that was being done for those kids and with those kids at a local public elementary school was truly just short of fantastic, and I ran for the school board in order to try to extend that kind of local education in my local community.

Over the years, all of us have seen some significant change in education and the way it works and sometimes does not work so well. Upon arriving in the Congress, that interest in education continued. The first thing I did was to look for leadership on my side of the aisle. The first person I looked to was BILL GOODLING.

So it is a great privilege for me to rise today and express my strong feelings of not just support, but the reality that the House will dearly miss his leadership in this very, very important field.

BILL has taught many of us many things. I remember in that first term, I was asking some of my colleagues about who provided the kind of leadership we needed in education, and I had a conversation with my friend, Dick Cheney, who was then a part of my freshman class, but he had been around Washington for a while. He pointed to BILL GOODLING as the guy to seek out if I wanted some counsel.

I wanted to share with BILL probably the most important lesson I think he has reminded me of during these years by way of a story that relates to my comments about Dick Cheney. Not very long ago in my home town of Redlands, Dick Cheney and his wife, Lynn, were present and they were involved in a panel in a classroom with about 90 people present, and of course the media is always there. But on the right-hand side there was this very interesting panel made up of two administrators, a Hispanic and an Anglo, a second grade teacher of Asian descent and a Hispanic mother.

The reason they were there is because they had recently participated in a program where for some weeks they went to Texas to look at what was going on in education there and they brought it back to Redlands to implement those programs in our schools. They described the fantastic result of this effort, making the point that BILL GOODLING has made for me that local schools run best when they are run by local people, and that we at the Federal level need to make sure we are careful about the way we spend those

10 cents on the dollar that we give to the schools and not try to dominate those schools from Washington, D.C.

Mr. Speaker, I thank BILL GOODLING for that and for all of his leadership for years in the Congress.

TRIBUTES TO CHAIRMAN BILL GOODLING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Pennsylvania (Mr. HOEFFEL) is recognized during morning hour debates for 5 minutes.

Mr. HOEFFEL. Mr. Speaker, I yield to my colleague from Ohio (Mr. SAWYER).

Mr. SAWYER. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. HOEFFEL) for yielding.

Mr. Speaker, in a few days, or maybe a little longer, all of us will be heading home. Most of us will be flying. BILL will be driving. And for the first time in his more than 25 years in Congress, he will be going home without the expectation of returning for the long term. That will be sad for all of us who have worked with him.

He has provided lessons to us all in more ways than we can count. I want to concentrate on just one though. When most of us go home, we will go home by getting on airplanes. And at some point before that plane takes off, there will be a flight attendant who comes and stands before us and announces all of the emergency procedures and will say that in the unlikely event of an emergency, that oxygen masks will deploy from the compartment overhead. If we are traveling with children, they will tell us to put on our own oxygen mask first and then put on those for the children.

It seems kind of counterintuitive, those of us who care as deeply as all of us do about children. We do not think that that is the right thing to do. But in the end, it is, of course, the right thing to do, because we need to be in a position to take care of those children.

Mr. Speaker, BILL GOODLING has understood that in a way that has borne itself out in policy across this Congress throughout his 13 terms. One of his proudest accomplishments I am sure is the development of the Even Start program. When he was superintendent at Spring Grove area schools, BILL GOODLING noticed that the youngsters who were having the most difficulty in school were often the children of some former students who had also not performed well academically. Working with his best teachers, he developed a program which would provide focused literacy assistance to those children and to their parents at the same time, so that the parents could help reinforce the skills of the children.

When he came to Congress, he developed this into the Even Start program, which has been a model of what it means for parents to be their children's first and most important teacher by improving the academic skills of the parents themselves.

His work on the National Literacy Act, during a time when we were having enormous difficulty getting anything passed through this Congress, the National Literacy Act was the only education legislation that was enacted into law during that session of Congress.

Today, the Literacy Involves Family Together Act, the LIFT Act, will extend his literacy legacy into the 21st century and beyond.

The truth of the matter is that what the gentlewoman from New York (Mrs. MCCARTHY) implied is a vivid truth in the life of BILL GOODLING. If one has ever really been a teacher, they are always a teacher.

Mr. Speaker, I say to the gentleman, We are learning from you still, BILL.

Mr. HOEFFEL. Mr. Speaker, reclaiming my time, I thank the gentleman from Ohio for his eloquence.

Mr. Speaker, those of us in Pennsylvania are very proud of BILL GOODLING. I would simply like to add my best wishes to him and my congratulations to him for his long and illustrious career and note in particular with my support and gratitude, his dedication to the concept of local control of education.

Every time we try in Congress to deal with educational matters, we can be accused of trying to interfere somehow with the very valid principle of local control of education. I think that Mr. GOODLING has always held our feet to the fire as an institution to make sure we did not interfere with that. But he has supported notable legislation, like the Education Flexibility Act, which gives more flexibility locally, while also understanding that the Federal Government has a significant role to play in promoting public schools.

I think that BILL GOODLING got that balance just about right, and we will remember his leadership on that, and so many other educational issues, after he has left these halls, but certainly not left our memory. We will be grateful to him for many years to come.

BILL GOODLING, THE MAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Pennsylvania (Mr. PETERSON) is recognized during morning hour debates for 5 minutes.

Mr. PETERSON of Pennsylvania. Mr. Speaker, today, I do not want to talk about the legislative accomplishments of the gentleman from Pennsylvania (Mr. GOODLING). I want to talk about the man.

Mr. Speaker, I had a 26-year business career. I met a lot of business leaders. I was fortunate to have 19 years in State government, and I know most of Pennsylvania's leaders of today. This is my fourth year here in Congress and I have gotten to know many of the fine Members of this body. But in my view, BILL GOODLING is a class act.

BILL GOODLING exemplifies what all Members of Congress ought to be. First, he came here with experiences in a multitude of fields. I think we are always served best by people who have succeeded in what I call the ''real world'' and then come to government and help us govern, because they have the wisdom and the knowledge from the fields they left.

He was in agriculture, Pennsylvania's leading industry. He was an educator, a top flight educator. BILL GOODLING is the kind of person we would like to have as a neighbor, as a business partner, as a personal friend. He not only is competent and qualified; he is a fine human being. He is an example we can hold up to our young people that this is how they ought to live their lives. Be successful in a field and then give back as he has given.

Mr. Speaker, I guess what has amazed me about the gentleman from Pennsylvania, and it is unfortunate he has to leave before we say these things, but he has been here 26 years. Today, in his final weeks, he still has the passion of his convictions. He still feels passionately about local education and the importance of keeping the decisions locally. He has been fighting tenaciously in his last weeks in Congress espousing things he has been espousing for a long time, but with no less gusto. Not many people do that.

I want the gentleman to know that I admire him. He is a person that I look up to. He is the kind of person that I believe exemplifies what we all ought to be, and we are going to miss him.

Mr. Speaker, I yield to the gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. PETERSON) for yielding.

Mr. Speaker, I would say first of all that I know that my colleague from Wisconsin and a long-time member of the committee, STEVE GUNDERSON, had wished that he could be here today as a Member of this body to participate in this occasion.

Mr. Speaker, it has been an honor and a privilege to learn about education at the knee of BILL GOODLING, a true expert who spent his life in the field. He will be sorely missed.

It is with immense pleasure and honor that I rise to express a few thoughts about my colleague and good friend, BILL GOODLING. I would like to say at the outset that I know that my former colleague from Wisconsin, Steve Gunderson, would very much like to be here today to participate in this occasion. He is a great admirer of Chairman GOODLING.

The Education and the Workforce Committee, formerly the Education and Labor Committee, was blessed the day BILL was first elected to Congress. Drawing on his experiences as a coach, a high school principal, and a Superintendent of schools, BILL has always approached the issue of education with the interests of America's children at heart. I can remember many conversations we have had, especially in the days when we had adjoining offices in Rayburn, discussing ways to more effectively educate the children of his nation.

Given all the work we still have to do in that regard, I hope and trust that those conversations will continue, for BILL's experience, insight, and thorough understanding of these issues are a priceless resource. Both as a member of the majority and of the minority, BILL has maintained his loyalty to our children, often in the face of fervid opposition by many who put their own special interests ahead of the well being of America's kids. His career in Congress is a monument and a tribute to a man of honor, integrity, courage, and vision.

I know there are several other Members here who would like some time to share their comments for Mr. GOODLING, so I won't go into the details of BILL's accomplishments as a Member of Congress. I'm not sure I could do it even if I had all forty minutes to speak! But I would like to say that many, many programs—not just the Literacy Involves Families Together Act, which we appropriately renamed a few weeks ago as the William F. Goodling Even Start Family Literacy Program—owe a debt of gratitude to Chairman GOODLING. These are programs near and dear to his heart, and they are a reflection of BILL's tireless efforts and passion for providing the children of this nation, all of them, with the best possible education.

It has been my pleasure and honor to have known Chairman GOODLING for 22 years, and he will be missed—as much as he misses his horses when he's here in Washington—when he retires at the end of this session.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I yield to the gentleman from California (Mr. MCKEON).

Mr. MCKEON. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding.

Mr. Speaker, a couple of weeks ago, many of us traveled to southern Virginia to attend the funeral of a good friend and colleague, Herb Bateman, and many wonderful things were said about him at that time. I wish we had been able to have that kind of a meeting for Herb when he was with us.

I am really happy that we are able to stand today and say just a few good things about our good friend, BILL GOODLING.

When the gentlewoman from New York (Mrs. MCCARTHY) was talking earlier about him starting meetings at 9:30, and the gentleman from Michigan (Mr. KILDEE) remarked about him getting up early, being a farmer; when he started meetings at 9:30, he has already probably been up at 5 o'clock, fed the horses, done the things that he needed to do at the farm and then driven down here from Pennsylvania to start his day's activities in Congress. Or if he did not go home the night before and spent the night in his office, he had already been to the gym and done a good day's work before he started that meeting at 9:30.

It has been an honor and a privilege to serve with BILL GOODLING. It is ironic that now education seems to be the top issue in the country. He has been speaking about education as a voice in the wilderness for 26 years.

He is a man of integrity and passion. His passion includes many things: horses, music, and golf. And I have been able to participate in some of those things with him. But really his main passion is education and literacy. He truly cares about helping people through education. His work ethic is second to none. He is a strong Christian and stands tall for what he believes in.

A beloved king once told his people, ''When you are in the service of your fellow man, you are only in the service of your God.'' I know of no one who has exemplified that better than BILL GOODLING. I am privileged to call him a friend.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I yield to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. PETERSON) for yielding.

Mr. Speaker, let me join with my colleagues in thanking BILL GOODLING for having the honor to have served with him, in my case, for 10 years, but for his service in the House for 26 years.

BILL's background as an educator for 20 years, as we have heard, brought him to this Chamber with a wealth of experience. He had seen a lot of programs out of Washington, some that worked, many that did not, and brought that knowledge and that background in working with parents and teachers at the local level here to Washington. And over the 10 years that I have been here, I do not think there is any Member of Congress, not of the 435 that are here today, or the hundreds that have come and gone in just my short tenure, who have cared and delivered more on the issue of education than BILL GOODLING. It really is his passion.

And we have heard much about that this morning, but knowing BILL GOODLING for the years that I spent on the committee with him, what a lot of people do not realize is that his interest in music is far beyond superficial. Not only is he part of a singing group, and has been here in town for some 20 years-plus, but he is known for waking up his neighbors and keeping the janitorial staff awake at night as he is playing his piano that he keeps in his office.

Mr. Speaker, I think all of us here are going to regret his leaving and his decision to retire. I can say as someone who spent an awful lot of time with him in an awful lot of battles, I would want him on my side every time.

BILL GOODLING: DEDICATED CHAMPION OF EDUCATION POLICY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Wisconsin (Mr. KIND) is recognized during morning hour debates for 5 minutes.

Mr. KIND. Mr. Speaker, as a Member of the Committee on Education and the Workforce, I also rise to pay tribute to an individual that is clearly one of the most dedicated champions of education policy in this country, our departing chairman, BILL GOODLING.

As a relatively new member of the Committee on Education and the Workforce, I can honestly say that Chairman GOODLING has been the best chairman it has been my pleasure to serve with, but also the worse because he has been the only chairman that I have had the chance to work with on the Committee.

Mr. Speaker, what has impressed me over the last 4 years, is an opportunity to sit there in front of him, to watch, listen, to learn, but also to watch how he runs the committee with such decency and fairness. Even though we had some heated discussions, disagreements at times over the best policy to pursue in regards to education, he was always eminently fair and decent in allowing Members to make their arguments during the course of debate.

But what also impressed me about the Chairman was that in the final analysis, everyone knew that for the chairman it always came down to one thing, and that was the kids. And for the chairman, it was really one word that we heard repeatedly during the course of committee work, and that was ''quality, quality, quality.'' I especially appreciated, that emphasis given the fact that I sat right in front of him during committee, so I would be bombarded with quality, quality, quality, every day during the course of debates. Granted, some of that may have gone over my head, but a lot of it did sink in.

I appreciated the chance to work with the gentleman on a few very important education initiatives: the Education Flexibility Act, which will provide local school districts greater flexibility in the use of Federal funds for programs that are working for them at the local level.

The hard work that we put in on the Teacher Empowerment Act, again emphasizing quality. He knew that it does not matter what else goes on, but if we do not have quality teachers in the classroom, we are not going to see the type of student performance that all of us hope to see in the course of education reform.

And the chairman has been one of the strongest earliest proponents of early childhood literacy and family literacy programs. That is why a lot of Members have already paid tribute to him for the work he did with the gentleman from Michigan (Mr. KILDEE) on the Even Start program and now the LIFT Act that recently passed in this session of Congress.

These are things that I think we have a lot of hope and promise of building upon, realizing that ultimately it is going to take quality educational instruction to see the type of student achievement that all of us would like to see achieved in this country.

I do not know what the outcome of the November elections are going to be, and I do not know if I would hold much sway in a possible Bush administration if it comes to that, but I for one would be one of the first to recommend under

a Bush administration for Secretary of Education, a person of the integrity and fairness and knowledge that Chairman GOODLING would bring to that postition. I wish him well in retirement and I hope he realizes his leadership will be missed on the committee and in this House.

Mr. Speaker, I yield to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. KIND) for yielding me this time. I want to join in this tribute to our chairman, BILL GOODLING.

Mr. Speaker, we have had our battles. They even got to the point one time where he threatened to hit me over the head with the gavel, and I thought the next committee meeting I would come wearing a helmet so that we could continue our amicable discussions.

But I think the gentleman from Wisconsin (Mr. KIND) has hit it on the head. There was a core principle there. And as much as we come from different parts of the ideological spectrum, I was amazed at how well we were able to work together, once I understood the code. The code was simply: You mean what you say and you say what you mean.

BILL GOODLING has held that principle all of the time that he has served on the Committee on Education and the Workforce. We came together to the Congress and served our entire careers on that committee. His focal point was the children and whether or not we really meant what we said. If we were going to have quality, then we were going to have quality and we were going to hold someone accountable for delivering that quality. And if they were not going to do that, we were not going to fund them or we were going to know why.

When we said we were going to fund the excess cost of special education, the 40 percent, in his time as chairman he has moved us further toward that goal than any other single individual. When they said that a diploma ought to mean something, he asked those questions and that is what teacher empowerment was about, whether or not a diploma would, in fact, mean something.

For schools of education where we are turning out our teachers of the future, if they did not know the subjects they were teaching, he wanted to know why, and has dramatically changed the manner in which schools of education will now educate the teachers of the future so they will be better equipped to provide that quality education that has always been at the core of all of his dealings on this committee.

He has not been much for the politics. He has not been much for the posturing. But he has certainly done a great deal for the education and the well-being of the children of this Nation, and we are going to miss him.

Mr. Speaker, it has been a pleasure to serve with the gentleman from Pennsylvania (Mr. GOODLING).

TRIBUTE TO CHAIRMAN GOODLING OF THE COMMITTEE ON EDUCATION AND THE WORKFORCE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Pennsylvania (GREENWOOD) is recognized during morning hour debates for 4 minutes.

Mr. GREENWOOD. Mr. Speaker, my mother once said to me that no matter how important you think you are, remember that the number of people who come to your funeral will be primarily determined by the weather. It must be a good day today because Mr. GOODLING is blessed with too many speakers, and we will all have to be brief.

Mr. Speaker, I will miss Mr. GOODLING as a member of the Committee on Education and the Workforce and a fellow Pennsylvanian. The children and the teachers and the parents and the school board administrators will miss BILL GOODLING, because he is someone that has become a rarity in this town. He believes that politics belongs on the campaign trail, and here in Washington in the Nation's capital, because we are supposed to do the people's business, we are supposed to compromise. We are supposed to put politics second to people.

BILL GOODLING has done that every day for his 26-year career. It is an honor to serve with him and join in this tribute today.

Mr. Speaker, because time is limited, I will cut my remarks brief and I yield to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. GREENWOOD) for yielding.

Mr. Speaker, like others today, I am here to recognize the tremendous contribution that Congressman GOODLING has made to this Congress, to this country, and particularly to education.

BILL GOODLING spent his entire career with a focus on education. As a teacher, as a coach, as a guidance counselor, as a school administrator, and when he was elected to Congress by the people from the 19th district in Pennsylvania, he chose to go on the committee that focused on education.

He became the chairman of that committee. He has been a tireless advocate for making public schools better through real reform. He has pursued full funding of IDEA, understanding that the Federal Government needs to first of all keep its word.

As a former college president, I particularly appreciate all the chairman has done to substantially increase the Pell Grant funding. And during his leadership of that committee, Pell Grant funding has increased in a way that it has never increased before.

There are really too many accomplishments to talk about all of them, certainly the signature piece of legislation, the William F. Goodling Child Nutrition Reauthorization Act. This legislation gives more flexibility to school districts as they try to meet the needs of children, as they try to do what is best for the children of America.

On behalf of America's students, on behalf of America's educators, as the cochairman of the Education Caucus here in the Congress, I just want to thank the chairman for his outstanding record of public service, for his commitment to education, for his great work for the people of Pennsylvania.

Mr. GREENWOOD. Mr. Speaker, I yield to the gentleman from Michigan (Mr. EHLERS).

Mr. EHLERS. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. GREENWOOD) for yielding me this time.

Mr. Speaker, when I hear the name GOODLING, I immediately think of four different words. The first pair is ''quality and accountability.'' We kept hearing that over and over in the committee. And those are very, very important words for us to hear. Will a proposal bring forth quality? Will it provide for accountability?

The second pair of words is ''reading and literacy,'' obviously, very, very great needs in this country. I believe we should improve math and science education in this country, and but the gentleman from Pennsylvania (Mr. GOODLING) is totally dedicated to improving reading and literacy; I totally agree with that as well, because we need to do both.

It has been a pleasure to serve on the Committee on Education and the Workforce with Mr. GOODLING. He is an experienced teacher, administrator, and a Congressman. As an educator myself for 22 years, I was delighted to have a person heading that committee who had experience in education too, because there are many people in this world who think they know exactly what is wrong with the schools and how to fix it, but they do not have any experience at it. Mr. GOODLING has that experience, and I was delighted to have him as chairman.

Mr. GREENWOOD. Mr. Speaker, I yield to the gentleman from Georgia (Mr. ISAKSON).

Mr. ISAKSON. Mr. Speaker, I will be very brief in order to leave enough time for the chairman himself to speak, by simply saying this, most politicians put their careers first. BILL GOODLING has put children first. Most politicians will compromise at a time to move an inch. BILL GOODLING is patient, but he is always persistent.

He believes in quality education for our children, trained teachers for our children, and local control. America is better off and her children far better off for the service of BILL GOODLING.

HON. BILL GOODLING: A BRILLIANT CAREER

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from

Pennsylvania (Mr. KANJORSKI) is recognized during morning hour debates for 4 minutes.

Mr. KANJORSKI. Mr. Speaker, no one could deny our colleague that we honor today, BILL GOODLING, has had a brilliant career in education in this Congress and is well known. But I can attest to the fact that he has more horse sense than any Member that ever served in the United States Congress, and that is saying something.

BILL is the type of guy that has a twinkle in his eye and love for what he does and for his colleagues that we are going to miss, because he is of the old tradition of the House. As I drive back to my district in Pennsylvania, I go through the gentleman's district. So many times, I have had the occasion to see him when we have stopped for coffee or something. I am going to miss those occasions.

Mr. Speaker, I would just suggest that the Members of the House today that have not had the opportunity to spend late evenings with BILL at dinner when we are in session and hear about his horses or hear about his violets, it is a great treat. Because here is a sensitive man who has dedicated his career to the 19th District of Pennsylvania that has not only served his district, but has served this Nation with honor and distinction.

As his colleagues have attested to today, he is probably known as ''Mr. Education'' in the House of Representatives. I am going to miss my good friend, BILL GOODLING. And as a member of the Pennsylvania delegation, I wish him well, he and Hilda, in their retirement. But I am sure we will hear from him in all of those special occasions.

Mr. Speaker, I yield to the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Speaker, when one mentions improvements in education, they mention Chairman GOODLING. When one mentions advocating for America's children, they mention Chairman GOODLING. When one mentions good schools, they mention Chairman GOODLING. When one mentions enhanced curriculum, they mention Chairman GOODLING. When one mentions support for local school boards, they mention Chairman GOODLING.

When one mentions honor and accountability, they mention Chairman GOODLING. When one mentions great American leaders who have placed their fingerprints on America's future greatness, they mention Chairman GOODLING.

Chairman Goodling will be sorely missed. When we mention America, we have to mention the presence of Chairman GOODLING.

Mr. Speaker, I say to the gentleman, My best to you, Chairman. God bless you in your appointed rounds. You will be sorely missed.

QUALITY, NOT QUANTITY; RESULTS, NOT PROCESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Pennsylvania (Mr. GOODLING) is recognized during morning hour debates for 5 minutes.

Mr. DREIER. Mr. Speaker, I would like to take this opportunity to offer my best wishes to our colleague Chairman BILL GOODLING as he returns to the private sector and express my thanks for his many years of service to the nation and to the people of Pennsylvania. I have had the privilege to serve with BILL GOODLING since I was elected to the House in 1980 and throughout that time I have been impressed with his strong commitment to putting people before politics.

BILL GOODLING's 22 years of experience as a public school teacher, coach and principal in York County, Pennsylvania were the perfect preparation for his service as Chairman of the Committee on Education and the Workforce. Throughout his tenure as Chairman, Congressman GOODLING has made a lasting impact on how we view the federal role in both education and the workforce. Chairman GOODLING has emphasized allowing decisions to be made on the local level and creating a federal system that works effectively and efficiently with local authorities.

Since Republicans came into the majority, BILL GOODLING has taken the primary leadership role on some of the most important legislation affecting Americans. He has been central to Congressional efforts to pass legislation to reform the welfare system and to eliminate waste in the Department of Education. Through bills like Dollars to the Classroom which would direct 90 percent of federal funding for education directly to the States and local school districts and allow no more than 10 percent to be used for administrative purposes and the EdFlex legislation which provide States with the flexibility to decide where federal funding is most needed without the typical red tape and regulations from Washington, he has been successful in forcing us to reexamine the role of the federal government in education.

Along with these accomplishments, his work to address the needs of the disabled in both our education system and the workforce will remain a strong legacy for BILL. Since it's enactment in 1975, he has shown a strong dedication to the Individuals with Disabilities Education Act (IDEA). IDEA has helped to ensure that students with disabilities receive the same access to a quality education as other children. he has been tireless in his work to improve the program and to push for the full federal funding requirement 40 percent which, under his leadership and commitment is expected to happen by 2004.

I would like to express my personal appreciation for Chairman GOODLING's help in my attempt to promote financial literacy education in our schools. With his support, the House passed my concurrent resolution encouraging the Secretary of Education to promote financial literacy programs in schools. As well as this resolution, he also supported my request for inclusion of language in the Elementary and Secondary Reauthorization Act that would provide grants to states and implement financial literacy programs in their schools.

While we will all miss BILL GOODLING's leadership and friendship, I know he will enjoy this next step in his life and I wish him and his wife Hilda all the best.

Mr. COYNE. Mr. Speaker, I want to pay tribute to one of our colleagues, BILL GOODLING, who is retiring this year after 26 years of service in the House of Representatives.

BILL GOODLING has served his constituents well in his time in Congress. He has honestly and consistently reflected their views, and he has worked hard to improve the economic health of Pennsylvania's 19th Congressional District. He also worked tirelessly and in a bipartisan fashion as a member of Pennsylvania's Congressional delegation to address problems facing the Commonwealth.

BILL GOODLING's public service is by no means limited to his time in the House of Representatives. Before being elected to Congress, he worked as a teacher, coach, principal, and school board president. His experience in education allowed him to bring a practitioner's knowledge and experience to his service on the House Education and Labor Committee—and eventually to his chairmanship of the House Committee on Education and the Workforce. His lifelong dedication to education is an outstanding example of a life spent in public service.

I am sorry to see BILL leave this body. I want to wish him and his family the best in the coming years.

Mr. GILMAN. Mr. Speaker, It is with a great deal of sadness that I join in bidding farewell to an outstanding Member of this chamber, one of the leading Members of Congress of the last quarter century, and a good and dear friend.

BILL GOODLING was initially elected to Congress to succeed his father, who represented the 19th District of Pennsylvania for 12 years. but BILL soon made it clear that his agenda of outstanding representation of his district coupled with sincerely held beliefs was his own. BILL brought his own distinct style to this chamber, and for this he is going to be sorely missed.

For the past six years, BILL GOODLING served as Chairman of the Committee on Education and the Workforce. In that position, he has been one of the more outstanding Members of our House leadership. BILL was never afraid to remind us that he who governs the least governs the best. He especially championed the right of local school boards to make their own decisions, free from the dictates of Washington bureaucrats.

BILL chose to retire this year, and his shoes are going t0 be extremely difficult to fill. To his wife, Hilda, and his two children, we state that while you are gaining a full time family member we in the House are losing an inspiration and role model.

Mr. Speaker, I invite all of our colleagues to join with me in wishing BILL GOODLING and his family all of the best in the future, and many happy healthy years to come.

Mr. BARRETT of Nebraska. Mr. Speaker, I want to join my colleagues in honor of Chairman BILL GOODLING. For the last ten years, I've had the privilege of working with BILL GOODLING on the Education and Workforce Committee to promote fairness in labor as well as education policy. Those that are closest to my heart are policies particularly affecting our nation's rural children. Our nation's children are fortunate to have had someone as dedicated and experienced at the helm of the committee charged with creating and refining

education policy. Through his steadfast commitment to promoting children's issues like literacy, technology, quality teachers, and IDEA funding—BILL GOODLING has truly been a champion for children across this country.

At the end of this session, BILL GOODLING and I will both be stepping down and moving on to new challenges in private life. But no matter what the future has in store for BILL GOODLING, I know his commitment to our nation's children will continue and that our country is a better place because of his service.

Mr. THOMAS. Mr. Speaker, it is my pleasure to honor my good friend BILL GOODLING, who retires this year after a quarter-century of service to this country in this House, during which he has become one of the nation's foremost advocates on common-sense education policy.

Since becoming Chairman of the Education and the Workforce Committee, BILL GOODLING has fought tirelessly to send more control over our schools to local authorities. BILL'S leadership and success in education policy have created options for educators and students throughout the U.S. which were not previously available.

For the last quarter-century, BILL GOODLING has been a friend, mentor, and leader on education issues. Like many other Members, I have looked to him for guidance. I am proud to have been his colleague, and honored to call him a friend. The people of Adams, York, and Cumberland Counties are truly fortunate to have had BILL GOODLING represent them in Congress for all of these years. I thank him for his friendship and wish BILL and Hilda the very best for the years to come.

Mr. GOODLING. Mr. Speaker, first of all, I want to thank everyone for their overly generous comments that were made this morning. It has been a labor of love. We have done a lot of wonderful things together in a bipartisan fashion, always with the best interest of children in mind.

Mr. Speaker, I hope that when I leave here, the echoes will still be in the Chamber saying: Quality, not quantity. Results, not process.

But I want to leave three challenges to Members. First of all, this is the greatest institution in the world. It is the most important institution in the world. We do not do a very good job of making sure that everybody in this country understands that and everybody in the world understands.

I know how it is at home. They bad mouth this institution. They say disparaging remarks about some of our colleagues, and we let them get away with it because they will always say, Now, we are not talking about you. You are a good Member.

Well, I always tell them, I would like to see anyone get 435-plus members in any organization together to do as well as this group does, to be as honorable as this group, to be as dedicated as this group. And we just have to make sure that everybody understands that and we do not let them get away with making bad remarks.

Philosophically, we may have awful arguments and disagreements and so on. But man-to-man, woman-to-woman, man-to-woman, et cetera, in this institution, all of these people were very successful people before they ever came here, and I would hope that we would take that challenge and make sure that everybody understands everything we do, everything we say, not only affects our constituents but all over the country, all over the world. We are the greatest institution and the most important institution.

Secondly, I would hope that every vote is cast with the best interest, and particularly in the area of education, with children. I do not care about perception or anything else. What is it that we are doing that will assure a quality education for all of our children? Fifty percent of our children are not at the present time receiving a quality education, and I am sorry that I could not do more about bringing about that quality while we were here.

And then last, I worry about the young Members and their young families. In fact, they are in my prayers constantly. This is not a family-friendly institution. All I say to my colleagues is put that family first, always put the family first. And I am sure that they will reap great rewards by doing that.

Mr. Speaker, lastly let me say, we owe so much to our staffs. I am not going to recite all the staff members that I have. But my district staff, my staff on the committee, the staff in my office here, they are just wonderful, wonderful dedicated people giving hours and hours and hours of their time and sometimes not paid too well for doing it. And so my hat is off to the staff.

Again, I thank my colleagues for their generous comments. And always remember: quality, not quantity; results, not process.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m. today.

Accordingly (at 9 o'clock and 50 minutes a.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. BASS) at 10 a.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Heavenly Father, You know the disobedient son and daughter as well as Your obedient children. Your loving attention may be even more focused on the disobedient who are in need of Your tender mercy.

Help all in this Nation to become better citizens of the world community. Take us beyond ourselves. Transform us by Your own spirit to be more concerned for the safety of others and a broad security that bears Your gift of peace to all.

You have called the Members of this assembly to be public servants. Their pledge of a good conscience empowers them to speak and act on behalf of their brothers and sisters everywhere. Grant them guidance in the monumental task before them. For You are living and present now and forever. 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 Pennsylvania (Mr. HOLDEN) come forward and lead the House in the Pledge of Allegiance.

Mr. HOLDEN led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Cheek, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4392. An act to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4392) ''An Act to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SHELBY, Mr. LUGAR, Mr. KYL, Mr. INHOFE, Mr. HATCH, Mr. ROBERTS, Mr. ALLARD, Mr. MACK, Mr. WARNER, Mr. BRYAN, Mr. GRAHAM, Mr. KERRY, Mr. BAUCUS, Mr. ROBB, Mr. LAUTENBERG, and Mr. LEVIN, to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4733) ''An Act making appropriations for energy and water development for

the fiscal year ending September 30, 2001, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to the bill (H.R. 2392) ''An Act to amend the Small Business Act to extend the authorization for the Small Business Innovation Research Program, and for other purposes,'' with amendment.

PRIVATE CALENDER

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

LUIS A. LEON-MOLINA, LIGIA PADRON, JUAN LEON PADRON, RENDY LEON PADRON, MANUEL LEON PADRON, AND LUIS LEON PADRON

The Clerk called the bill (H.R. 3414) for the relief of Luis A. Leon-Molina, Ligia Padron, Juan Leon Padron, Rendy Leon Padron, Manuel Leon Padron, and Luis Leon Padron.

There being no objection, the Clerk read the bill as follows:

H.R. 3414

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

SECTION 1. PERMANENT RESIDENCE.

(a) IN GENERAL.—Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Luis A. Leon-Molina, Ligia Padron, Juan Leon Padron, Rendy Leon Padron, Manuel Leon Padron, and Luis Leon Padron shall each be held and considered to have been selected for a diversity immigrant visa for fiscal year 2001 as of the date of the enactment of this Act upon payment of the required visa fee.

(b) ADJUSTMENT OF STATUS.—If Luis A. Leon-Molina, Ligia Padron, Juan Leon Padron, Rendy Leon Padron, Manuel Leon Padron, or Luis Leon Padron enters the United States before the date of the enactment of this Act, he or she shall be considered to have entered and remained lawfully and shall, if otherwise eligible, be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of the enactment of this Act.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Luis A. Leon-Molina, Ligia Padron, Juan Leon Padron, Rendy Leon Padron, Manuel Leon Padron, and Luis Leon Padron as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by 6 during the current fiscal year the total number of immigrant visas available to natives of the country of the aliens' birth under section 203(c) of the Immigration and Nationality Act (8 U.S.C. 1153(c)).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZOHREH FARHANG GHAHFAROKHI

The Clerk called the bill (H.R. 3184) for the relief of Zohreh Farhang Ghahfarokhi.

There being no objection, the Clerk read the bill as follows:

H.R. 3184

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

SECTION 1. PERMANENT RESIDENT STATUS FOR ZOHREH FARHANG GHAHFAROKHI.

(a) IN GENERAL.—Notwithstanding subsections (a) and (b) of section 201 of the Immigration and Nationality Act, Zohreh Farhang Ghahfarokhi shall be eligible for issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of such Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Zohreh Farhang Ghahfarokhi enters the United States before the filing deadline specified in subsection (c), she shall be considered to have entered and remained lawfully and shall, if otherwise eligible, be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of the enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees within 2 years after the date of the enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBER.—Upon the granting of an immigrant visa or permanent residence to Zohreh Farhang Ghahfarokhi, the Secretary of State shall instruct the proper officer to reduce by 1, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of the alien's birth under section 202(e) of such Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEPANDAN FARNIA AND FARBOD FARNIA

The Clerk called the bill (H.R. 848) for the relief of Sepandan Farnia and Farbod Farnia.

There being no objection, the Clerk read the bill as follows:

H.R. 848

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

SECTION 1. PERMANENT RESIDENT STATUS FOR SEPANDAN FARNIA AND FARBOD FARNIA.

(a) IN GENERAL.—Notwithstanding subsections (a) and (b) of section 201 of the Immigration and Nationality Act, Sepandan Farnia and Farbod Farnia shall each be eligible for issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of such Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Sepandan Farnia or Farbod Farnia enters the United States before the filing deadline specified in subsection (c), he shall be considered to have entered and remained lawfully and shall, if otherwise eligible, be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of the enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees within 2 years after the date of the enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBER.—Upon the granting of an immigrant visa or permanent residence to Sepandan Farnia and Farbod Farnia, the Secretary of State shall instruct the proper officer to reduce by 2, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of the aliens' birth under section 202(e) of such Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAEED REZAI

The Clerk called the bill (H.R. 5266) for the relief of Saeed Rezai.

There being no objection, the Clerk read the bill as follows:

H.R. 5266

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

SECTION 1. PERMANENT RESIDENT STATUS FOR SAEED REZAI.

(a) IN GENERAL.—Notwithstanding subsections (a) and (b) of section 201 of the Immigration and Nationality Act, Saeed Rezai shall be eligible for issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of such Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Saeed Rezai enters the United States before the filing deadline specified in subsection (c), he shall be considered to have entered and remained lawfully and shall, if otherwise eligible, be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of the enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees within 2 years after the date of the enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBER.—Upon the granting of an immigrant visa or permanent residence to Saeed Rezai, the Secretary of State shall instruct the proper officer to reduce by 1, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of the alien's birth under section 202(e) of such Act.

(e) DENIAL OF PREFERENTIAL IMMIGRATION TREATMENT FOR CERTAIN RELATIVES.—The

natural parents, brothers, and sisters of Saeed Rezai shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KERANTHA POOLE-CHRISTIAN

The Clerk called the Senate bill (S. 302) for the relief of Karantha Poole-Christian.

There being no objection, the Clerk read the Senate bill as follows:

S. 302

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

SECTION 1. CLASSIFICATION AS A CHILD UNDER THE IMMIGRATION AND NATIONALITY ACT.

(a) IN GENERAL.—In the administration of the Immigration and Nationality Act, Kerantha Poole-Christian shall be classified as a child within the meaning of section 101(b)(1)(E) of such Act, upon approval of a petition filed on her behalf by Clifton or Linette Christian, citizens of the United States, pursuant to section 204 of such Act.

(b) LIMITATION.—No natural parent, brother, or sister, if any, of Kerantha Poole-Christian shall, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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 on the table.

The SPEAKER pro tempore. This concludes the call of the Private Calendar.

THE 23 FUND KEEPING ALIVE THE MEMORY OF RAMIRO ''TOTI'' MENDEZ

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, baseball continues to be Americans' favorite pastime. Young boys who favor this sport dream of playing for their college teams.

This dream came true for Ramiro Mendez, warmly known as Toti to his teammates, his family and friends. He was number 23 for Florida International University's baseball team until the day he succumbed to a rare heart disease.

Little is known about this heart problem, which is oftentimes not found until it is too late. Toti's family is working to pass legislation in Florida that would make heart tests mandatory for student physical exams.

In an effort to keep his memory alive, Toti's family and friends have established the 23 Fund for tuition assistance for other student athletes at Florida International University.

On October 19, FIU and the AXA Foundation will raise scholarship funds to memorialize Toti and the hundreds of other athletes who have been affected by this heart ailment.

Toti will continue to live in the spirit of his family, his teammates and all of us who were privileged to know him.

TRIBUTE TO KRISTY KOWAL

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

Mr. HOLDEN. Mr. Speaker, I rise today to ask all of my colleagues in the House to join me in paying tribute to my constituent, Kristy Kowal. Kristy recently won the silver medal in the Woman's 200 Meter Breaststroke at the Olympic Games in Sydney, Australia.

Kristy, the daughter of two very proud parents, Edward and Donna Kowal, is a resident of Colony Park, Berks County, Pennsylvania, and is a graduate of Wilson High School.

She is a 21-year-old all-American from the University of Georgia and holds three American records in swimming.

As impressive as that may sound, Kristy says she is most proud of the fact that she is also an academic all-American. Her major is education, because her mother is a teacher, and like her mother, Kristy wants to be able to influence people and make a difference in their lives.

As Kristy traveled to Australia to compete in this year's Olympics, the many flags and banners displayed around the Colony Park community are a testament to the pride and support that Kristy has in the community.

To be specific, there were 365 flags and 30 banners displayed on homes, area businesses, and schools. We are also proud of her accomplishments at Sydney. Kristy, congratulations on a job well done.

BOLSTERING OUR MILITARY FORCES

(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, the first responsibility of government is to protect and defend the American citizens from threats. To meet this responsibility, the United States must maintain a modern, highly skilled and well-trained military force.

As a veteran of both the Vietnam and Persian Gulf Wars, I am very proud of this Republican-led Congress that remains committed to rebuilding and strengthening our military and to treating our troops with the respect that they deserve.

In addition to bolstering America's military readiness, this Republican-led Congress is working to provide a better quality of life for our servicemen and women.

We are working to ensure sure that no U.S. serviceman or woman will ever have to rely on food stamps just to feed their family. Again, this Republican-led Congress is committed to providing our military members, both current and past, with quality health care service.

Mr. Speaker, I am proud of the accomplishments of this Republican-led Congress, and I am proud of all the men and women who have served and sacrificed for their country in our military service.

ISSUES ON CHINA

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

Mr. TRAFICANT. It is a proven fact, China has missiles pointed at America. China bought submarines and attack aircraft from Russia. China has spied on America. China has illegally purchased American secrets, and China is now taking $100 billion a year in cash out of our economy in sweetheart trade deals. If that is not enough to smell the gun powder, a Chinese spokesman announced, and I quote, Cuba is our Communist ally and China will now embrace Castro.

Beam me up. Let me caution Members, China has more soldiers than America has citizens. I yield back both the treason of Janet Reno and the blindness of the Congress of the United States of America.

MEDIA TILTS LEFT

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute).

Mr. SMITH of Texas. Mr. Speaker, the evidence is mounting that the media tilts left. In its recent poll, ''Editor and Publisher'' magazine found that two-thirds of newspaper readers feel that AL GORE receives preferential treatment. Most revealing, two-thirds of the newspaper readers who consider themselves independents also said there is bias favoring AL GORE.

It is no surprise that over half of George Bush's supporters says there is press bias, compared to less than a third of AL GORE's supporters.

Media bias is dangerous to our democracy. It prevents the American people from getting the facts, and if we do not have the facts, we cannot make good decisions. We should help the media remember that their job is to give us fair, objective, and impartial news reports.

No one should play games with the people's right to know the facts. The media should give us the news straight.

U.S. CUSTOMS SERVICE CYBERSMUGGLING CENTER

(Mr. LAMPSON asked and was given permission to address the House for 1 minute.)

Mr. LAMPSON. Yesterday I participated in the ribbon-cutting ceremony

for the new location of the U.S. Customs Service Cybersmuggling Center. Child pornography was a worldwide industry that was all but eradicated in the 1980s. And unfortunately, it has resurfaced with vengeance thanks to computer technology.

Although, I learned of the work of the U.S. Customs Service through the National Center for Missing and Exploited Children's leader, Ernie Allen, I was so impressed with the work of the Cybersmuggling Center and its agents that I introduced legislation that would authorize much needed funds specifically for the U.S. Customs Service, Child Pornography Enforcement Program.

The U.S. Customs Service has long been recognized by law enforcement and the international community for its knowledge and skill in investigating cases of child pornography and child exploitation. Proper funding of the Cybersmuggling Center will allow the Customs Service to continue its worldwide leadership in the prevention of the sexual exploitation and abuse of children in the United States and abroad. Congress got the message and now we can commend the work done by the men and women who spend their days and nights protecting our most vulnerable citizens, our children.

LET US LOOK AT THE FACTS

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

Mr. SAM JOHNSON of Texas. Mr. Speaker, let us look at the facts. Republicans have locked away 100 percent of the Social Security and Medicare surplus. Republicans have eliminated over $350 billion of our Nation's debt and will totally eliminate it by 2012.

We asked the Vice President to join us in dedicating another 90 percent or $240 billion of next year's surplus toward eliminating the debt. Unfortunately, the Vice President does not agree. You see he wants to spend over $1 trillion on increasing the size of our government.

Most Americans would agree the Vice President's plan to spend 1 trillion more dollars is shortsighted. We do not need a bigger government. Americans do not want, do not need and do not deserve a big government spending spree. They deserve a secure retirement and a debt-free America.

BEYOND CANCER: JOURNEYS OF THE HUMAN SPIRIT

(Mr. BARRETT of Wisconsin asked and was given permission to address the House for 1 minute.)

Mr. BARRETT of Wisconsin. Mr. Speaker, Wes Scott, Josie Wisialowski, Linda Smith, Lyle Beres, Raksha Chand, Erik Oliverson, Pat Kaldor, Charlotte Lass, Val Banks, Tim Cleary, Marcia Boler, Barbara Kluth, these people are men and women, black and white, students and executives, community leaders, young and old. Despite their differences, these people all share one terrible reality, they have all had cancer. They also share one wonderful reality, they have all survived cancer.

Our guests today are a few of the survivors featured in the photographic exhibit Beyond Cancer: Journeys of the Human Spirit, on display through October 14th in the Rotunda of the Cannon House Office Building. The exhibit features pictures just like this one here showing the very human face of cancer in America and telling the very personal stories of the people who have fought and overcome this terrible disease. Beyond Cancer was developed by Milwaukee's St. Joseph Hospital and brought to Washington with the support of Abbott Labs. I am honored to have sponsored its display here on Capitol Hill.

Beyond Cancer is an inspiring tribute to the enduring strength of everyday Americans who decide that they will not allow cancer to define them, they will fight to survive, and that their life is beyond cancer.

Mr. Speaker, I ask that my colleagues join me in giving heartfelt thanks to these individuals, they offer examples of strength, faith, and perseverance to which we all might aspire.

□ 1015

CHARLOTTE, NORTH CAROLINA, THE HORNET'S NEST

(Mrs. MYRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MYRICK. Mr. Speaker, while Charlotte is proud of its professional basketball teams, the Hornets and the Sting, I would like to share with Members how the area first became known as the Hornet's Nest.

On October 3 of 1780, hungry British soldiers, coming off victories in South Carolina, were driven away by our local farmers. In the commotion, the soldiers knocked over the beehives at McIntyre's farm, and the insects, along with the Charlotteans, swarmed all over the fleeing Redcoats.

Four days later, frontiersmen from Georgia, Virginia, and both Carolinas destroyed the left wing of General Cornwallis's army in less than 1 hour of battle.

News of the victory revived hopes, and soon patriots like Thomas Sumter, Elijah Clarke, and Francis ''the Swamp Fox'' Marion stepped up their harassment of the British troops.

As they say, the rest is history. Cornwallis referred to Charlotte as a ''hornet's nest of rebellion,'' and his stay lasted there only 16 days.

I encourage Members to join me and my fellow Carolinians in celebrating the 220th anniversary of both the Battle of the Bees and the Battle of Kings Mountain.

A MISSED DEADLINE TO REAUTHORIZE THE VIOLENCE AGAINST WOMEN ACT

(Mrs. MALONEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MALONEY of New York. Mr. Speaker, 3 days ago the deadline passed for reauthorizing the Violence Against Women Act.

There was no good reason for the Congress not to pass this important bill. After all, it passed this House with an overwhelming majority, 415 to 3. Judges support this bill, police officers support this bill, prosecutors support the bill, victims, social workers, health care workers, men and women around the Nation support this bill. It protects women from violence, it protects children from witnessing violence, it stops the cycle of violence.

Unfortunately, some in Congress are talking about using this bill as a sweetener, adding it to other bills to help them pass. The Violence Against Women Act deserves to pass on its own, and adding it to another bill to sweeten it is an insult to the women of America. Let us get our work done. Let us pass the Violence Against Women Act.

REPUBLICAN-SPONSORED LEGISLATION TO HELP AMERICA'S SENIORS

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

Mr. KINGSTON. Mr. Speaker, what is it like to be retired in the 1990s on a fixed income with rising health care costs, high prescription drugs, and expensive, long-term residential treatment?

It does not have to be this way, though. That is why this Congress, this Republican Congress, has worked to take social security money off-budget so that the social security trust fund will be secure and the money will not be taken out of that lockbox and used for roads and bridges or congressional salaries. We believe that is an important commitment to America's seniors.

That is why this Congress has passed the only prescription drug program, to make prescription drugs available and affordable to our seniors.

I might add that the other body across the hall has yet to act on this important piece of legislation. Neither has the White House. But we think it is important.

That is why this Congress has worked hard for cops on the streets and local law enforcement grants, to make sure that American seniors at home in their retirement will be safe and secure, so they can sit on their porch or walk down the street and not be worried about being a victim of crimes.

Mr. Speaker, it is our moms and dads we are talking about. They looked after us all these years. Let us not forget them.

TRIBUTE TO HON. WILLIAM GOODLING, CHAIRMAN OF THE COMMITTEE ON EDUCATION AND THE WORKFORCE

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

Mr. FATTAH. Mr. Speaker, I seek the opportunity to join my colleagues in saying a word for our party member, the retiring gentleman from Pennsylvania (Mr. GOODLING).

I have had the opportunity to serve with him for a number of terms as he has led the House Committee on Education and the Workforce. His work in regard to improving the life skills and life chances of millions of young people, and in particular his work in developing the Even Start Program and his support for additional resources to be provided in terms of special education, are of particular note.

I join with my colleagues from the State of Pennsylvania and many of us who served with him on the House Committee on Education and the Workforce in wishing the gentleman God speed in his retirement.

THE FIRST LADY SHOULD PUT TAXPAYERS' INTERESTS AHEAD OF PERSONAL AMBITION

(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, there appears to be a double standard at the White House. At last count, the First Lady's campaign for the U.S. Senate has cost the taxpayers well over $1 million. She is flying around the Empire State in grand style using military aircraft, full-time Secret Service protection, not only for herself but also for her campaign aides, and continues to drag her feet in reimbursing the taxpayers.

She has reimbursed the Treasury just over $6,000 for one 4-day campaign trip in August, but in reality, this trip cost about $60,000 as they flew around in an Air Force C–20. So far she has only reimbursed the taxpayers $185,000, about 5 percent of what she owes.

As First Lady, Mrs. Clinton should get the same security and security measures that previous First Ladies have had, but the taxpayers should not be footing the bill for a political campaign for public office.

The First Lady should put the American taxpayers' interests first above a personal desire for power.

ILLEGAL DIAMOND SALES SUPPORT BRUTAL REBEL GROUPS IN SIERRA LEONE

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

Mr. EHLERS. Mr. Speaker, I rise today to discuss a very serious situation in Africa, the situation in Sierra Leone.

Last week, under the leadership of the gentleman from California (Mr. ROYCE), who serves as chairman of the Subcommittee on Africa, we had a special meeting or hearing at which we heard from victims of the violence in Africa.

Just as an example, there were two 4-year-old children, both of whom had had an arm chopped off, when they were 2 years old, by the rebels. We also saw a student who had said, please, don't chop off my right hand; I am a student and I have to write with it. They chopped off his right hand. Another gentleman had both arms chopped off. This is the type of violence taking place.

But this is not a political revolution, this is a revolution of bandits who wanted to get control of the diamond mines, and in fact, they have achieved that. They are financing their war with the revenue from the mines.

These so-called ''conflict diamonds,'' which I call bloody diamonds, are fueling the conflict over there, and many of those diamonds are being sold in the United States. We must stop the importation of those diamonds.

Our State Department has to enforce international law, and bring pressure on Charles Taylor of Liberia and others to stop their meddling in the affairs of Sierra Leone, Above all, we must end the conflict.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BASS). 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.

Any record votes on postponed questions will be taken later today.

CONVEYANCE OF CERTAIN REAL PROPERTY AT CARL VINSON DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5139) to provide for the conveyance of certain real property at the Carl Vinson Department of Veterans Affairs Medical Center, Dublin, Georgia.

The Clerk read as follows:

H.R. 5139

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

SECTION 1. CONVEYANCE OF CERTAIN PROPERTY AT THE CARL VINSON DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER, DUBLIN, GEORGIA.

(a) CONVEYANCE TO STATE BOARD OF REGENTS.—The Secretary of Veterans Affairs shall convey, without consideration, to the Board of Regents of the State of Georgia all right, title, and interest of the United States in and to two tracts of real property, including any improvements thereon, at the Carl Vinson Department of Veterans Affairs Medical Center, Dublin, Georgia, consisting of 39 acres, more or less, in Laurens County, Georgia.

(b) CONVEYANCE TO COMMUNITY SERVICE BOARD OF MIDDLE GEORGIA.—The Secretary of Veterans Affairs shall convey, without consideration, to the Community Service Board of Middle Georgia all right, title, and interest of the United States in and to three tracts of real property, including any improvements thereon, at the Carl Vinson Department of Veterans Affairs Medical Center, Dublin, Georgia, consisting of 58 acres, more or less, in Laurens County, Georgia.

(c) CONDITIONS ON CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the real property conveyed under that subsection be used in perpetuity solely for education purposes. The conveyance under subsection (b) shall be subject to the condition that the real property conveyed under that subsection be used in perpetuity solely for education and health care purposes.

(d) SURVEY.—The exact acreage and legal description of the real property to be conveyed under this section shall be determined by a survey or surveys satisfactory to the Secretary of Veterans Affairs. The cost of any such survey shall not be borne by the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of Veterans Affairs 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.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. STUMP) and the gentleman from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. STUMP).

GENERAL LEAVE

Mr. STUMP. 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 materials on H.R. 5139.

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

There was no objection.

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

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

Mr. STUMP. Mr. Speaker, H.R. 5139 provides for the conveyance of certain real property at the Carl Vinson Department of Veterans Affairs Medical Center in Dublin, Georgia.

Due to changes in the way health care is delivered, the VA has consolidated its health care in the central part of this large campus in Dublin. However, it continues to spend hundreds of hours and tens of thousands of dollars each year to maintain vacant buildings and grounds on this campus.

The State of Georgia has identified two uses for part of this campus. One part would be used to expand the Middle Georgia College, a State-run institution of higher learning. The other

would be used by the State to expand mental health services to residents in the Dublin area.

In addition to ridding itself of the annual maintenance costs, the VA would receive services for veterans and employees from these State-sponsored institutions.

I urge my colleagues to support the passage of H.R. 5139.

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

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

Mr. Speaker, I rise in support of H.R. 5139. The gentleman from Georgia (Mr. NORWOOD) has brought forth a measure that is a good deal for the VA, a good deal for veterans, and a great deal for the State of Georgia. It will allow the VA to gain the benefit from two parcels of land which are no longer needed.

The first parcel will be conveyed to the State Board of Regents to expand Middle Georgia College. The second will go to Middle Georgia's Community Service Board to provide mental health services.

In addition to helping the VA in the cost of maintaining unnecessary grounds and obsolete buildings, the State will also assume the cost of remediation of hazardous materials. In exchange, the VA will be able to provide veterans and its employees with some good new benefits.

Middle Georgia College will provide free tuition and fees to employees, their spouses, and dependents, and to any veteran receiving treatment at the Dublin VA Medical Center. It also offers the VA priority consideration to offer the Board of Regents maintenance and food services. This may allow the VA to develop new funding streams that will allow improved health care services for veterans.

I am pleased to lend my support for this measure, and ask my colleagues to join with me in giving it favorable consideration.

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

Mr. STUMP. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. NORWOOD), the author of the bill, to provide further details on H.R. 5139.

Mr. NORWOOD. Mr. Speaker, I thank the chairman for yielding me the time.

Mr. Speaker, I would like to begin my remarks today by thanking my colleagues who have been very helpful in bringing this bill to the floor on the suspension calendar.

The gentleman from Arizona (Chairman STUMP) and the ranking member, the gentleman from Illinois (Mr. EVANS), of the Committee on Veterans' Affairs, have been very helpful to us on this. I thank them and their staffs.

As has been pointed out, Mr. Speaker, this bill provides for the conveyance of property from the Carl Vinson VA Medical Center in Dublin, Georgia, to Middle Georgia College and the Community Service Board of Middle Georgia.

There are many benefits with this transfer of land. The VA obviously is going to be able to save on the cost of renovating several rundown old buildings, as well as the maintenance and upkeep costs on those buildings.

The VA Center employees and patients are going to receive free tuition and fees to the Middle Georgia College, and free mental health counseling at a mental health facility that will occupy one of these buildings that is being transferred.

Probably one of the most important features of this entire bill is that that property that will be transferred to the university system of the State of Georgia is going to be used to build a nursing treatment facility there.

Now, in Middle Georgia it is absolutely a wonderful quality of life, but it is rural Georgia, and they have a very hard time competing for nurses, for example, with the Medical College of Georgia in Augusta and Atlanta, Georgia. This is going to give us a nursing facility right next to the hospital, which is so desperately needed at this particular VA hospital.

In addition to that, and I am very pleased about this, this is a perfect example of the government and private citizens working together to improve the quality of life for all of our citizens.

Part of this property goes to the Community Services Board, and the private citizens of Lawrence County, Dublin, Georgia, have raised over half a million dollars already to renovate one of the buildings that will be used for mental health, which later, after it is finished and completed, will be used for our veterans or their employees. Any of them that need any of these facilities, it will be made available to them.

So I am proud of the people of Lawrence County because they are going to work to do their part to raise the private funds to restore these buildings that at the present time are frankly draining the VA Treasury, and are not helping one veteran in Dublin, Georgia.

This move is going to help a great number of veterans by increasing our nursing staff, by making facilities available to those veterans.

So again, let me thank the gentleman from Illinois (Mr. EVANS), the gentleman from Arizona (Mr. STUMP), and all who have been involved. I encourage each of my colleagues to let us please pass this and let these folks down in Dublin, Georgia, improve the VA Center and improve their mental health and improve their nursing facilities.

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

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

I want to thank the gentleman from Illinois (Mr. EVANS) for his concurrence in considering this legislation in such a timely manner. I would also like to commend the gentleman from Georgia (Mr. NORWOOD) for all his work on this measure, and for pursuing a new and creative use of VA property to benefit both veterans and the low-income.

□ 1030

This is a bipartisan measure, and I urge all Members to support it.

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

The SPEAKER pro tempore (Mr. BASS). The question is on the motion offered by the gentleman from Arizona (Mr. STUMP) that the House suspend the rules and pass the bill, H.R. 5139.

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

A motion to reconsider was laid on the table.

HONOR GUARD FOR VETERANS EMPOWERMENT ACT

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 284) to amend title 38, United States Code, to require employers to give employees who are members of a reserve component a leave of absence for participation in honor guard for a funeral of a veteran, as amended.

The Clerk read as follows:

H.R. 284

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 ''Honor Guard for Veterans Empowerment Act''.

SEC. 2. EMPLOYERS REQUIRED TO GRANT LEAVE OF ABSENCE FOR EMPLOYEES TO PARTICIPATE IN HONOR GUARDS FOR FUNERALS OF VETERANS.

(a) DEFINITION OF SERVICE IN THE UNIFORMED SERVICES.—Section 4303(13) of title 38, United States Code, is amended—

(1) by striking ''and'' after ''National Guard duty''; and

(2) by inserting before the period at the end '', and a period for which a person is absent from employment for the purpose of performing funeral honors duty as authorized by section 12503 of title 10 or section 115 of title 32.''.

(b) REQUIRED LEAVE OF ABSENCE.—Section 4316 of such title is amended by adding at the end the following new subsection:

''(e)(1) An employer shall grant an employee who is a member of a reserve component an authorized leave of absence from a position of employment to allow that employee to perform funeral honors duty as authorized by section 12503 of title 10 or section 115 of title 32.

''(2) For purposes of section 4312(e)(1) of this title, an employee who takes an authorized leave of absence under paragraph (1) is deemed to have notified the employer of the employee's intent to return to such position of employment.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect 180 days after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. STUMP) and the gentleman from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. STUMP).

GENERAL LEAVE

Mr. STUMP. 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. 284, as amended.

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

There was no objection.

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

Mr. Speaker, H.R. 284 would require employers to give employees who are a member of a reserve component a leave of absence for participation in an honor guard for the funeral of a veteran.

Mr. Speaker, there has been substantial progress made over the last several years towards making military honors available for funerals of veterans. The plan adopted recently by the Department of Defense envisions that reservists and guardsmen will perform a substantial part of this important funeral duty. Under existing law, a reservist is entitled to job protection for absences due to military obligations. This bill would simply clarify that performing funerals is treated like any other military obligation for purposes of the law which provide reservists job protection.

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

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

Mr. Speaker, I thank the gentleman from New York (Mr. SWEENEY) for his leadership on this important legislation on behalf of the Nation's veterans and their family. As one of the House authors of the law that mandated standards for honor guard participation in the funerals of veterans, I believe this bill will help our Nation live up to its commitment to those veterans.

Mr. Speaker, the bill would amend title 38, U.S. Code, to require employers to give employees who are members of the ready reserve a leave of absence to participate in honor guard funerals for veterans.

It is sad when a veteran of the armed services dies. Often his or her family wants a simple honor guard to accompany that service. It is sadder still when no such honor guard can be provided.

This bill would make provisions for such an honor guard without requiring the Department of Defense to send active-duty personnel for the task. Members of the reserve components, veterans themselves, can volunteer to provide those honors.

Mr. Speaker, H.R. 284 is a bipartisan effort to honor our Nation's veterans and their families for their sacrifices. I strongly support H.R. 284, as amended, and urge my colleagues to approve this important legislation.

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

Mr. STUMP. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. SWEENEY), the author of H.R. 284, for further explanation.

Mr. SWEENEY. Mr. Speaker, I thank the gentleman from Arizona (Chairman STUMP) for yielding me this time.

Mr. Speaker, I rise today to ask my colleagues to support H.R. 284, the Honor Guard for Veterans Empowerment Act.

First, I want to give my heartfelt thanks to the gentleman from Arizona (Chairman STUMP). I know it was his great efforts that got this bill to the floor today on suspension, and the gentleman from Illinois (Mr. EVANS), ranking member, for all of their work in assisting me to bring this legislation to the floor today.

Mr. Speaker, H.R. 284 codifies the performance of voluntary inactive-duty funeral honors by reserve component members as protected under title 38, chapter 43 of the United States Code.

H.R. 284 makes sense because it clarifies current law. It protects members of our reserve forces. It educates employers and requires no government spending. Finally, it supports our Nation's veterans.

Mr. Speaker, we know that our veteran population is growing older. We know that more of these heroes are beginning to pass away. The Department of Veterans Affairs expects the annual veteran death rate to peak at 614,000 in the year 2008. That averages out to about 1,700 veterans' funerals each day by the year 2008.

Mr. Speaker, with this trend comes increasing requests by veterans and their families for military honors at funerals. The Department of Defense estimates these funeral requests could reach anywhere from 270,000 to 465,000 per year by 2008.

Coupled with the increasing death rate, there has also been a shrinking of our active duty military forces. The active duty military has declined by 1.4 million today, a 35 percent decrease from 1989.

Active duty forces are just not available in sufficient quantity to perform the enormous number of military honor funerals which are being anticipated to occur over the next several years. That is why we introduced H.R. 284.

This year, the Department of Defense, as well, implemented new policies on military honor funerals, Mr. Speaker. At a minimum, the military now must send two service members, a flag, a recording of Taps to be played at each veterans funeral service. At least one of the two-member honor guard must be from the service of the deceased veteran.

The combination of an increased veteran death rate and reduction in active duty forces has placed us in a troubling situation. We have committed support to our veterans, yet appear not to have the active duty forces to provide adequate funeral honors for veterans who deserve it.

As a result, the Department of Defense is increasingly turning to its reserve component to assist with the performance of these honored burial duties. In fact, it is hard to imagine how the new burial policies would succeed without the enthusiastic support and participation of reservists.

Mr. Speaker, the ready reservists represent a quality force of nearly 1.3 million soldiers, sailors, and airmen who can assist with the performance of honor guard duty at a veteran's funeral.

The Department of Defense is developing a statistical program to track the number of funeral honors performed by the service. That information is currently unknown, but I can tell my colleagues those numbers will grow rapidly in the next several years.

Current defense policy allows reservists to receive a $50 stipend, one retirement point, and travel reimbursement for expenses if they travel over 50 miles from home during the performance of the funeral duties for a veteran.

These soldiers are placed on inactive duty status and perform a function on a voluntary basis without a full day's pay, primarily out of patriotism, Mr. Speaker, and respect for our veteran population.

The compensation they receive, I should point out, is hardly enough to risk losing a full-time civilian job should their employer balk at the prospect of the service member missing a day of work. H.R. 284 addresses that potential service member-employer situation.

H.R. 284 clarifies title 38, United States Code, chapter 43 regarding employment and reemployment rights of members of the uniformed services by ensuring reserve component members performing voluntary inactive-duty funeral honors duty are protected.

This bill provides an additional incentive for reserve component members to perform burial service duty and educates employers about the reservists' vital role in these funerals.

Before closing, let me briefly mention the amendments to the version of H.R. 248 which is before us today.

After substantial discussion with the Department of Defense and the Department of Labor, it was determined that two technical corrections were necessary to fine-tune this legislation. Based on the Department's recommendations, we have inserted the leave of absence language and specific duty authorization language into section 4303, subsection 13 of title 38, as well as section 4312. These changes help clarify title 38.

H.R. 284 makes sense, Mr. Speaker, because it clarifies current law, protects members of our reserve forces, educates employers, creates no new government spending, and supports our Nation's veterans. I ask my colleagues to support its passage.

Mr. Speaker, in closing, I again want to give my substantial thanks to the gentleman from Arizona (Chairman STUMP) and to the gentleman from Illinois (Mr. EVANS), ranking member, for

assisting me in bringing this legislation to the floor. I would also like to thank the members of the committee for moving on this. Finally, I would like to thank the over 100 members who cosponsored this important legislation.

The Honor Guard for Veterans Empowerment Act is an important effort to protect the reserve component service members, educate and motivate employers, and support our veteran population.

Mr. EVANS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. SANCHEZ).

Ms. SANCHEZ. Mr. Speaker, I cannot tell my colleagues how many times I have received a phone call to my office from somebody whose father or brother or sister are now deceased, who have been a veteran, and the phone call has usually been about trying to get an honor guard to the funeral.

Usually they are distraught because, of course, when we go through something like that, especially for someone who has served with honor in the military, and not to be able to have an honor guard at their funeral seems unjust. And, in fact, it is.

In the year 2000 Defense authorization bill, we actually wrote legislation, we wrote some words that talked about each and every veteran having an honor guard at their funeral. Well, that is because it is a promise that we made. It is something for our country to uphold.

But due to the large and aging population of World War II and Korean veterans, we anticipate about 600,000 funerals this year. What that means is, as we have cut back on our current service personnel, and as we send them around the world, we have fewer and fewer of them around to help with that duty at funerals. So we have begun to rely on our reservists to help with this. The more the reservists go out to conduct that, the more time actually they have to spend away from their employment.

So this is really a resolution to let employers know how important it is for our reservists to take the time to go and honor the commitment that this Nation has made. It is important for us to explain to employers. It is important for Americans to understand that we are trying to hold to that commitment. It is important that, when duty calls, reservists do not jeopardize their jobs.

This Nation and this Congress must stand behind our reservists. That is why I would ask my fellow colleagues to approve House Resolution 284, because it is a reaffirmation of great honor to those who have served with honor to our country. Congress reaffirms that; and when we do that, America reaffirms the work that these veterans have done.

I support this bill, and I urge my colleagues to support the bill also.

Mr. STUMP. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. QUINN), the chairman of our Subcommittee on Benefits.

Mr. QUINN. Mr. Speaker, I want to begin by thanking the gentleman from Arizona (Mr. STUMP) and the gentleman from Illinois (Mr. EVANS) for their normal bipartisan approach to this issue here this morning, as we always approach these issues in the Committee on Veterans Affairs in the Congress.

Also, besides thanking the gentleman from Arizona and the gentleman from Illinois, it is an opportunity for me to thank the gentleman from New York (Mr. SWEENEY) from the Saratoga region of New York, who just opened, by the way, a brand-new national cemetery in Saratoga, New York, Mr. Speaker, this past year, and understands clearly what it is about to pay tribute to veterans who have served their country.

So I join in support from the Subcommittee on Benefits' perspective to support H.R. 284 this morning, the Honor Guard for Veterans Empowerment Act, and also urge all of our colleagues later today to vote in the affirmative on this.

In the Subcommittee on Benefits, Mr. Speaker, we have had opportunity this past year or two to visit this whole discussion of burial for our veterans. It is interesting to me when we have an opportunity, and just last year a number of us traveled over to Arlington to view right here in D.C. and over in Arlington, Virginia, the situation for burials in the columbarium as well as full burial service.

It is interesting for us to see on the committee the support we get when we bring bills like this to the floor and the support that we need during the course of the year to make certain that we budget the kind of money, the kind of personnel that would be necessary to make certain when we have an opportunity that we treat our veterans the way they should be treated, with dignity and with honor.

□ 1045

That is why the gentleman from New York (Mr. SWEENEY) has really hit the mark this morning with a common sense approach to this issue. He understands what that means, and we all owe him a debt of gratitude.

It is also an opportunity for me to just take a few brief moments this morning to talk about other work on the subcommittee. We, from time to time, debate here on the floor, and certainly back in our district, I know in Buffalo, New York and Saratoga, New York and Arizona and Illinois and other places have a chance to discuss whether or not we are meeting the needs of our veterans when it comes to health care, for example; when it comes to education benefits for our veterans; when it comes to housing benefits; or whether or not we are discussing the important issue of homelessness among our veterans.

Fully one-third of the homeless people in this country are veterans. So we will agree to disagree sometimes about whether or not we have full funding or adequate funding for health coverage, for education benefits, for housing benefits for the homeless veterans, but when it comes to burial, when it comes time, as the gentlewoman from California (Ms. SANCHEZ) just pointed out a few moments ago, to talk about the family that remains after a veteran passes on, we really need to step up to the plate and make certain that these veterans and their families are given the honor and dignity that they deserve.

The gentleman from New York (Mr. SWEENEY) brings us a bill this morning that does exactly that and, at the same time, makes certain that our reservists are also given the opportunities that they need to protect the job back home, and to make certain that they have done what they have done for their families at the right time and place.

H.R. 284, then, is that bipartisan approach that we talk about so often here in the House of Representatives. I am happy to join, and my colleague, the gentleman from California (Mr. FILNER), the ranking member on the Subcommittee on Benefits, joins me this morning and all others in supporting H.R. 284. This is common sense approach to making certain that dignity and honor is afforded to the veterans in our country.

Mr. Speaker, I want to thank the chairman of the committee, the gentleman from Arizona (Mr. STUMP), and the ranking member, the gentleman from Illinois (Mr. EVANS), as well as the gentleman from New York (Mr. SWEENEY).

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

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume, and I want to thank again the gentleman from Illinois (Mr. EVANS), the ranking member, and the gentleman from New York (Mr. QUINN), the chairman of the subcommittee, as well as the ranking member of that subcommittee for all their work in bringing this to the floor.

I also want to commend the gentleman from New York (Mr. SWEENEY) for all the hard work he has done and for sponsoring this bill, as the chief sponsor.

Mr. Speaker, this may be the last bill the Committee on Veterans' Affairs brings to the House floor under suspension, and I believe we can be very proud of the legislative achievements we have passed in the House during this last 106th Congress. From health care, to disability compensation and national cemetery issues, the House has maintained its bipartisan tradition. By working together, with the best interest of veterans in mind, and putting partisan politics aside, Congress has improved the lives of veterans and their families throughout the Nation.

I want to express my appreciation to the leadership of this House, to the members of the committee, and especially to the chairmen of the subcommittees and their ranking members. And I want to single out and offer a special note of thanks to the gentleman from Illinois (Mr. EVANS), the ranking Democrat of the Committee on Veterans' Affairs, for all his work and for the legislation that we have been able to enact. He and his staff have been truly great to work with this year, as well as previous years. He is thoroughly committed to improving the lives of veterans; and due to his contributions to the legislative process, we have improved our work products immensely.

I want to acknowledge the contribution of the majority staff for this committee's work. Staff plays a key role in getting bills enacted, and it is important to recognize the contribution they make to the legislative process, and I thank them all for the work that they have done this year. That said, Mr. Speaker, I urge my colleagues to support H.R. 284.

Mr. PICKERING. Mr. Speaker, I rise today, as a cosponsor of H.R. 284, to support this measure, the ''Honor Guard for Veterans Empowerment Act.'' This bill does a tremendous service to the men and women who so honorably served our country to preserve the freedom and prosperity we enjoy today. There is no doubt that those women and men deserve to have an Honor Guard funeral on their burial day. The Honor Guard for Veterans Empowerment Act is a critical piece in fulfilling this countries obligation to our Veteran community.

As the member who represents Congressman Sonny Montgomery's district I am proud to continue his legacy as a defender of our Veterans' rights. I believe this legislation continues the work he left in defending and honoring those who served this country in the time of greatest need.

I strongly support the Defense Departments January 1st, 2000 decision, ensuring that all veterans desiring a military funeral will have the opportunity. This legislation makes that commitment viable. H.R. 284 responds to the 21% growth in request for an honor guard funeral. It is critical that we have the resources to provide the greatest generation with the honor they are due on the day they are laid to rest.

Mr. KUCINICH. Mr. Speaker, I strongly support H.R. 284, which will allow Reservists to serve at military funerals by granting them the necessary release of time from their civilian jobs. Active military personnel are shrinking in numbers and the number of funerals performed are rising each year. Add to this the new policy adopted by the Department of Defense ensuring that all veterans receive a proper military honor funeral, and we must call upon the Reservists to perform occasionally in this capacity. These people should be supported for their willingness to serve this function and this bill will protect them in regard to their civilian employers. For these reasons I urge passage of this important bill.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of H.R. 284, the Honor Guard for Veterans Empowerment Act. I urge my colleagues to join in supporting this urgently needed legislation.

H.R. 284 sets in statute language protecting the performance of voluntary inactive-duty funeral honors by Reserve component members. This is an important development in light of the increase in military funerals over the past 2 years.

Last year the Congress passed legislation requiring the Department of Defense to provide personnel for military funerals whenever an eligible veteran's family made such a request. However, manpower shortages in our active duty forces have made fulfillment of this task problematic.

Moreover, the number of requests by veterans and their families for military honors at funerals is on the rise. During the first 6 months of 2000, the number of such requests was 21 percent higher over the same period in the previous year.

As a result of these two factors, the Department of Defense has had to place an increasing reliance on its Reserve components for the performance of their duties. Yet current regulations do not reflect this reality, offering small compensation to the Reservist in exchange for the possible loss of a full-time job.

H.R. 284 protects Reservists by ensuring the performance of voluntary inactive-duty funeral honors by Reserve component members is protected under title 38, United States Code, chapter 43. It also offers additional incentives to reservists for the performing of these duties, and educates employers about the vital role played by reservists in veterans funerals.

Mr. Speaker, since this legislation is desperately needed, I urge my colleagues to lend it their wholehearted support.

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

The SPEAKER pro tempore (Mr. BASS). The question is on the motion offered by the gentleman from Arizona (Mr. STUMP) that the House suspend the rules and pass the bill, H.R. 284, as amended.

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

A motion to reconsider was laid on the table.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess for approximately 10 minutes.

Accordingly (at 10 o'clock and 53 minutes a.m.), the House stood in recess for approximately 10 minutes.

□ 1101

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PEASE) at 11 o'clock and 1 minute a.m.

SENSE OF HOUSE REGARDING FIGHT AGAINST BREAST CANCER

Mr. COBURN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 278) expressing the sense of the House of Representatives regarding the importance of education, early detection and treatment, and other efforts in the fight against breast cancer.

The Clerk read as follows:

H. RES. 278

Whereas an estimated 175,000 women and 1,300 men will be diagnosed with breast cancer in 1999, and an estimated 43,300 women and 400 men will die of the disease;

Whereas breast cancer is the most common form of cancer among women, excluding skin cancers;

Whereas breast cancer is the second leading cause of cancer death among all women and the leading cause of cancer death among women between ages 40 and 55;

Whereas breast cancer can often be treated most successfully if detected early on;

Whereas education, regular clinical and self-examinations, regular mammograms, and biopsies (when appropriate) are critical to detecting and treating breast cancer in a timely manner;

Whereas the American Cancer Society recommends that all women aged 40 and over have annual screening mammograms and clinical breast examinations by health professionals, that women aged 20 to 39 have clinical examinations every three years, and that all women aged 20 and over perform a breast self-examination every month; and

Whereas the House of Representatives as an institution and Members of Congress as individuals are in unique positions to help raise public awareness about the detection and treatment of breast cancer and to support the fight against breast cancer: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) all Americans, and above all women, should take an active role in the fight against breast cancer by using all the means available to them, including regular clinical and self-examinations, regular mammograms, and biopsies (when appropriate);

(2) the role played by national and community organizations and health care providers in promoting awareness of the importance of regular clinical and self-examinations, regular mammograms, and biopsies (when appropriate), and in providing information, support, and access to services, should be recognized and applauded; and

(3) the Federal Government has a responsibility to—

(A) endeavor to raise awareness about the importance of the early detection of, and proper treatment for, breast cancer;

(B) continue to fund research so that the causes of, and improved treatment for, breast cancer may be discovered; and

(C) continue to consider ways to improve access to, and the quality of, health services for detecting and treating breast cancer.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oklahoma (Mr. COBURN) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. COBURN).

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

Mr. Speaker, October is National Breast Cancer Awareness Month. In our country this year, 175,000 women will be diagnosed with breast cancer. That is very personal to me in that my sister has been diagnosed with it, my sister-in-law, and a very close first cousin recently died of this disease.

The facts that face American women is one in eight women in this country will encounter this disease at some time in the future. Prevention is a key to diagnosis. And as a practicing physician that has diagnosed multiple women with breast cancer, I know the importance of improving awareness and improving the knowledge of women in our country and men as to the preventive measures that can take place.

I also think it is incumbent upon me to make sure that the American public is aware of the connection between the incidence of breast cancer and abortion.

There has now been, throughout the United States and Europe, 32 studies of which 29 absolutely connect a marked increase in the likelihood of breast cancer when one has had an abortion. That goes up if that abortion occurred before 18 or after 30, but nevertheless, the risk is twofold.

Unfortunately, many in our country do not want the benefits of that scientific data known, and that is unfortunate. Nevertheless, I think the key thing is that we want women to be aware of what they can do to protect themselves against breast cancer. We want to encourage the awareness on the part of women in our country for risk factors associated with that besides family members, smoking, as well as abortion.

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

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

Mr. Speaker, I rise in support of H. Res. 278, the importance of education, early detection and treatment, and other efforts in fighting breast cancer. I will be brief because I believe we will have a handful of speakers that want to talk on this.

As my friend the gentleman from Oklahoma (Mr. COBURN) said, October is National Breast Cancer Month. One out of eight women in this country will at some point in their lives be diagnosed with breast cancer.

Nothing is more important than early detection. Clearly, we know that nothing is more important than education and women doing everything from self-examination to mammograms to making sure that they make frequent visits to the doctor and especially examinations after the age of 40.

We founded in Ohio some time ago, about 6 or 7 years ago, the Northeast Ohio Breast Cancer Task Force. That task force has been especially active in working with local physicians and nurses and working with other providers and especially has been active in educating women of all ages throughout Northeast Ohio in terms of education and in terms of self-examination and all of that.

So, Mr. Speaker, this resolution is important for all of us. It is important for our daughters and for our wives and for our mothers and for our sisters and for our families.

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

Mr. COBURN. Mr. Speaker, I yield such time as he may consume to the gentleman from New Hampshire (Mr. BASS).

Mr. BASS. Mr. Speaker, I thank the distinguished gentleman from Oklahoma for yielding to me.

Mr. Speaker, I am pleased today to rise to ask my colleagues to support this breast cancer awareness resolution, a similar one I introduced last year, as well, which also passed.

This will indeed be the second consecutive Congress to pass such a resolution. I look forward to building on this work with my colleagues in future Congresses.

I also want to thank the House leadership and the gentleman from Virginia (Chairman BLILEY) and the gentleman from Florida (Mr. BILIRAKIS) and, of course, the gentlemen on both sides of the aisle here for their help and leadership on this issue, as well as the leadership of Members like the gentlewoman from California (Ms. DUNN) and the gentlewoman from New York (Mrs. KELLY) and the gentleman from Texas (Mr. BENTSEN) as well as over a hundred other Members of Congress who chose to cosponsor this resolution.

Mr. Speaker, the resolution outlines the devastating impact that breast cancer has on far too many women as well as men every single year. But it also notes the critical difference that education, early detection and effective treatment can make.

Moreover, it reminds each and every one of us of the role that we can play both as individual Members and as an institution in educating our constituents and raising awareness of breast cancer. And that is really the key to this resolution. The Congress can play a role in communicating an important message to the American people and that message and the effective communication of it may save countless lives over the next year.

Now, the last decade saw a leveling off of the incidence rate and an increase in the survival rate. But as we heard a minute ago, breast cancer continues to remain the most common form of cancer among women and the second leading cause of cancer deaths nationwide.

More than 180,000 women and some 1,400 men will be diagnosed with breast cancer this year; and nearly 41,000 women and 400 men will die of this disease.

Mr. Speaker, no woman, no man, no family should have to suffer all that comes with breast cancer. But each and every one of us must do everything we can to raise awareness of this disease and the importance and methods of early detection and treatment.

As was mentioned before, October is Breast Cancer Awareness Month; and National Mammography Day is on October 20. With this in mind, I urge my colleagues to pass this resolution today and to adhere to its call upon us all to fight this deadly disease.

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

Mr. Speaker, I have a couple of comments.

The Congress is considering H. Res. 278, which it is late in the session, and this is a good thing. As I said, I support it. I am a cosponsor. It seems like if we look at this, virtually every Member of the House almost is a cosponsor. But this is a resolution that other than saying, we are against breast cancer, we are fighting against breast cancer, we as a body want to go on record saying we think breast cancer is a bad thing, encouraging women to do self-examination beginning at the age of 20, encouraging women between 20 and 40 to get every-three-year examinations from their doctor, encouraging women from 40 to get annual examinations especially if they have a family history, all of those things, and this Congress has not, Mr. Speaker, tackled the real issues in health care.

We still have not passed a prescription drug bill through this Congress. We still have not passed a Patients' Bill of Rights through this Congress. It is locked in conference committee. We still have not sent to the President the Ryan White bill. We still have not sent to the President the bill on health disparities. The real issues that we ought to be addressing we have simply shunted side.

We are passing this resolution. Again, I support this resolution. But we are passing resolutions that say nice things and tell us all to do good things, but we simply are not moving in the direction this Congress should move.

Mr. Speaker, I yield 2½ minutes to my friend, the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, I thank the gentleman from Ohio (Mr. BROWN) for yielding me the time and also recognize and commend the work of the gentleman from New Hampshire (Mr. BASS) for his leadership on this issue.

Mr. Speaker, breast cancer is the most common form of cancer in America excluding skin cancers and claims the lives of approximately 40,000 women in the United States each year. My friend, the gentleman from Oklahoma (Mr. COBURN), has brought this to our attention time and time again on health matters.

An estimated three million women in the United States are living with breast cancer. Another two million have been diagnosed. And an estimated one million do not yet know they have the disease.

One out of every eight women in the United States will develop breast cancer in her lifetime, a risk that was one out of 14 in 1960. So we are making progress. But it is not good enough.

This year a new case will be diagnosed every 3 minutes, and a woman will die from breast cancer every 12 minutes. Of all women diagnosed with

breast cancer, 48 percent will die from it within 20 years.

This resolution recognizes the importance of education, early detection and treatment of breast cancer, which is critical to millions of women and men and their families across this country.

This resolution is especially timely because October is the month we recognize this horrible disease. All across America people are walking, spreading education materials, sponsoring free mammograms, and hosting charity walks to commemorate loved ones that are still fighting the battle against breast cancer.

As Members of Congress, we have a responsibility to follow the tenet laid out in this resolution. We must raise the profile of the significance, the importance of regular checkups, breast self-examinations, and early mammograms.

I encourage my colleagues to do the same and to promote and participate in Breast Cancer Awareness Month activities across this country. I commend those who brought it to this floor, and I am proud to be a cosponsor of this legislation. I salute Members on both sides of the aisle.

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

Mr. Speaker, I would like to thank the gentleman from New Hampshire (Mr. BASS) for his leadership on this resolution. It is important to note that in fact information is power and power leads to decisions that can save people's lives.

The other thing I would like to answer in direction to the gentleman from Ohio (Mr. BROWN) and his comments, we have the breast and cervical awareness bill that is being held up at this very time. The reason it is not coming out of conference is because there are people who do not want women to have information about cervical cancer.

The fact that they are objecting to the fact that women would be notified that human pappiloma virus, the number one sexually transmitted disease in the country that infects almost 40 million women today and 30 million men, is the number one cause 99 percent of the time that causes cervical cancer and we cannot get that bill that will help women of moderate and poor means the treatment that they need for breast and cervical cancer is because somebody does not want them to have that information.

And so, the people that do not want women to have that information are the people that do not want us to ever do anything despite the fact that condoms are not 100 percent effective protection, and in fact they are not protective at all according to the director of the NIH and the National Cancer Institute.

So, back to the subject at hand. This is an important bill. I am very thankful to the gentleman from New Hampshire (Mr. BASS), as is the whole Committee on Commerce, for his leadership in this.

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

□ 1115

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I want to thank the gentleman from New Hampshire (Mr. BASS) for bringing this resolution to the floor today. Increased awareness is vital if we are, in fact, to empower women in the fight against breast cancer. I thank my colleague for drawing attention to this issue.

Over the past 10 years, we have made great strides in the fight against breast cancer through an increased investment in biomedical research at the National Institutes of Health. But sadly, for many women, the fight against breast cancer also means waging a battle with their HMO over the amount of time that they can stay in a hospital.

Studies have shown that the average hospital stay for breast cancer patients in Connecticut and across the Nation is decreasing. Despite the medical standard of 2 to 4 days to recuperate and gain physical and emotional strength, insurance companies regularly refuse to cover a hospital stay and women find themselves forced to leave the hospital only hours after surgery, still groggy from the anesthesia and in physical and emotional pain.

This is the reason I introduced the Breast Cancer Patient Protection Act, H.R. 116. The legislation ensures that women receive the care they need and deserve while recovering from breast cancer surgery by guaranteeing a minimum stay of 48 hours for a woman who is having a mastectomy and 24 hours for a woman undergoing a lymph node removal. It simply says that any decision in favor of a longer or shorter hospital stay will be made by a doctor and a patient, not an HMO.

The bill has the bipartisan support of over 220 cosponsors, more than enough, I might add, to be able to pass this House. Yet regrettably the leadership of this House has refused to allow the Breast Cancer Patient Protection Act to be considered on the floor. Resolutions and raising awareness are vital, and I wholeheartedly support this effort. It is through education and the awareness of this issue that, in fact, so much and so many of our resources have been directed at breast cancer. We also need to empower women as they struggle with breast cancer. I urge the leadership of this House to bring this bipartisan bill to the floor.

I have said on this floor many times in the past that I am a survivor of ovarian cancer. When I went home, I had a very loving family. They were not health care professionals but they cared deeply and took care of me. Having the additional stay in the hospital for someone who is facing a life-threatening illness is so critically important to both their physical well-being and survival as well as their emotional well-being and survival. We can pass a bill that has 220 cosponsors. It is a bipartisan bill. I hope that I can engage my colleagues in this effort to help us to bring this bill to the floor.

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

In response, I would just say I would hope that the gentlewoman would help us provide the knowledge about human papilloma virus as she has on this because that causes 99 percent of the cervical cancer in this country and we have an attempt at covering up the pathogenesis and the significant penetration of that disease in this country. I thank the gentlewoman for her work.

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

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY of New York. Mr. Speaker, I rise in support of this legislation because this disease is too close for comfort for so many women and their families. On Long Island, one in nine women have had to face the living nightmare of breast cancer.

October is Breast Cancer Awareness Month. I look forward to the day when we no longer have to dedicate a month to bring attention to this disease, because that will mean we have found a cure.

Mr. Speaker, as a nurse, I have seen firsthand the toll that this disease takes on everyone involved. In addition, my area has one of the highest incidences of breast cancer in the country. On Long Island, approximately 127 of every 100,000 women will be diagnosed with breast cancer compared with 100 of every 100,000 nationwide. Because of these frightening statistics, we must increase funding for research, we must find what the environmental causes are, we must raise awareness, and we must find a cure today, because time is running out for too many of our loved ones.

I urge all of my colleagues to pass this legislation and help find a cure today.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. BENTSEN).

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

Mr. BENTSEN. Mr. Speaker, I rise today in strong support of this legislation that would express the sense of the House of Representatives that all Americans should take an active role in the fight against breast cancer. As a cosponsor of this legislation, I believe it is vitally important that we raise awareness about this disease.

The statistics about breast cancer are alarming. In 1999, an estimated 175,000 Americans will be diagnosed with breast cancer. In addition, more than 45,000 Americans will die of this disease this year. Breast cancer is the leading cause of death among women aged 40 to 55. This legislation will help to educate more Americans about this disease and how early detection of breast cancer can save lives.

With early detection, many breast cancer patients can have successful outcomes. All Americans should use all of the diagnostic tools available to them to catch this disease in its earliest stages. If found, many breast cancers can be cured. However, late detection reduces the survival rates of these patients. Today, all Americans should get regular clinical breast exams as well as mammograms. All women should also be encouraged to conduct monthly self-examinations. These self-examinations can empower women to learn more about their bodies and to seek treatment if irregularities are found. Women should also get biopsies when appropriate to determine whether any cancer is present.

This legislation would also urge the House of Representatives to provide maximum Federal funding for breast cancer research. As a cochair of the Congressional Biomedical Caucus, I am strongly supporting efforts to provide this funding for such research. Earlier this year, we voted in the fiscal year 2001 Department of Defense appropriations bill to include $175 million in Federal funds for peer-reviewed breast cancer research.

I am also working to double the budget for the National Institutes of Health where much of our biomedical, basic clinical research is funded. For the past 2 years, we have successfully provided 15 percent more funding for the NIH. This year, the House is working to provide a $20 billion budget for the NIH, the third installment on our 5-year effort to double the NIH's budget. Today, only one-third of peer-reviewed, merit-based research grants are funded by the NIH. This additional investment will ensure that our Nation's scientists have the resources they need to find a cure for breast cancer and other ailments. The NIH budget has not been finalized, but I am hopeful that we can get this passed.

Mr. Speaker, I believe that we in Congress have a role in informing all Americans about breast cancer and the need for early detection. This legislation is an important first step in providing the information that Americans need to combat breast cancer while encouraging more Federal funding for finding a cure. I urge my colleagues to support the measure.

Mr. COBURN. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. SHAW).

Mr. SHAW. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of this bill. I think the fact that we have Breast Cancer Awareness Month is a very positive step forward. There is technology out there that helps tremendously in early detection. I have a very special interest in this particular subject. My wife Emily lost both her sister and her mother to cancer, and they both had breast cancer. Obviously in my family, my daughters and my wife are very, very cautious to be sure that they have their regular mammograms and that they do what is necessary in order to find early detection should they be stricken with this terrible disease.

Also, I would like to point out the new technology, the digital technology out there that is just now coming online. The gentleman from Wisconsin (Mr. KLECZKA) and I have cosponsored a bill along with others in order to fund the digital equipment and this new technology. I would urge all of my colleagues to vote in favor of this bill.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. BARRETT).

Mr. BARRETT of Wisconsin. Mr. Speaker, I rise in support of this resolution. This is an important resolution and one that I hope all Members of the House will support as well.

This is important for me personally. Today is my mother's birthday, and I want to wish my mother a happy birthday. But I also want to tell my fellow Members that it is equally important because she is a breast cancer survivor, and she is able to celebrate this birthday because of the treatment that she received. This is a disease that, if treated at its earliest stages, is certainly a curable disease; and I think the message that we have to get across to all women in this country is the importance of self-examinations and the importance of getting treatment at the earliest possible stage.

In honor of my mother, I would urge all my fellow Members to support this resolution.

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

Mr. Speaker, I rise in support of this resolution. Breast cancer, as the gentleman from Wisconsin said, is a formidable threat. Complacency is a luxury that we cannot afford, not when 180,000 women are diagnosed with breast cancer each year in this country, not when one in eight women will be diagnosed during their lifetime, not when 46,000 women die each year from this disease.

I am proud to be an original cosponsor of H. Res. 278 which underscores how important it is to combat breast cancer with every tool at our disposal. It means early detection, it means education and efforts to raise public awareness, it means research, it means access to treatment. It is going to take this momentum of what all the people around the country are doing and a commensurate response from the public sector to fight and win this battle.

It is also going to take a Congress which does its job, not just in reminding the public that education, that early detection, that prevention, all of those are important but it is also going to take a Congress which does its job by passing a prescription drug bill which this Congress has failed to do, by passing the Patients' Bill of Rights which the House-Senate conference committee has locked up, with passing the Ryan White bill, with passing other legislation that really matters in the fight against breast cancer.

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

Mr. COBURN. Mr. Speaker, I yield myself such time as I may consume. I want to relate a story about a woman by the name of Sharon Coburn Wetz. She was a scrub nurse RN for a surgeon in Midwest City, Oklahoma. The vast majority of her early career was spent in assisting on surgery of the breast. Ironically, in 1983 she developed breast cancer herself as a very young woman. This last year she died as a result of that disease. She spent the 15 years before she died doing nothing but helping other women in diagnosis, treatment and reaching for recovery as an expert in mammography, treatment medically and assistance in the breast cancer center at the University of Oklahoma. I think it is fitting that her name be mentioned at this time because in the true spirit of most women and most mothers, what she did was gave of herself.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Hampshire (Mr. BASS) for the concluding statements.

Mr. BASS. Mr. Speaker, I thank the gentleman for yielding me this time. I want to thank all of my colleagues in this body for supporting this significant resolution. As we have seen, there is probably no Member of Congress who cannot cite someone close to them who has had breast cancer. I will only relate one individual who is close to me who died of breast cancer some 28 years ago during a time when treatment for breast cancer was barbaric at best. She was 48 years old when she was diagnosed, and she died at the age of 51. That individual was my mother.

I want to commend this Congress for paying special attention to this significant disease, celebrating the progress that we have made in the last 20 years but understanding that there is enormous work yet to go, and we all must put our shoulders to the wheel to find a cure for this horrible disease.

GENERAL LEAVE

Mr. COBURN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material on the bill.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EVERETT. Mr. Speaker, today, I lend my wholehearted support to H. Res. 278, the Importance of Education and Early Detection in Fighting Breast Cancer Act and thank my colleague, Representative CHARLIE BASS, for introducing this resolution.

Breast cancer strikes an estimated 180,000 women a year and kills over 46,000 annually. As we all know, the best defense against this dreaded disease is early preventative screenings and treatment. This is crucial.

If cancer is detected, it is extremely important to have access to reliable and understandable information on breast cancer.

Sources of knowledge and assistance, such as the American Cancer Society, deserve our thanks and recognition for their continued good work.

Americans also need information on all of the treatment options available to them. Unfortunately, I have learned this from personal experience.

Last January, my wife received the life-altering news that she had breast cancer. Despite her annual check-ups and mammograms, our doctors told us that she faced undergoing a radical bilateral mastectomy. We felt extreme shock that the prognosis was so drastic.

However, after much research on the subject, she made the decision that this was indeed the best option for her. Her surgery was a complete success, and she has not even required any followup chemotherapy or medication.

So, I close with the same message—We must support and encourage the utilization of all of the modern-day prevention, detection and treatment options available. Our experience has shown us that this is essential in the battle against breast cancer.

Mr. POMEROY. Mr. Speaker, I rise in strong support of H. Res. 278 and in honor of the millions of women who have shown the strength and courage to fight back against breast cancer. Breast cancer is the most common form of cancer among women in the United States. This year, almost 182,800 new cases of breast cancer will be diagnosed and an estimated 40,800 women will die from this terrible disease.

Breast cancer touches not only the lives of those afflicted with the disease, but also their loved ones. Recently, my fellow North Dakotans came together to pray for a courageous woman, a woman who has dedicated her life to improving the health and welfare of others. Heidi Heitkamp, our state Attorney General, was diagnosed with breast cancer. Like so many afflicted with this disease, however, the strength, determination, and sheer will that Heidi has displayed through this most difficult of times has been an inspiration to her family, friends and all who know her.

Mr. Speaker, the story of Heidi Heitkamp, like that of so many other women, is also a story of hope. Each year, the number of deaths caused by breast cancer has slowly fallen. Increased education and increased technology has extended the life and increased the survival rate of those afflicted with this disease. The fight against breast cancer can be won. I call on my colleagues to join the fight by increasing funding for breast cancer research, increasing access to screening and treatment options, and increasing awareness. I call on my colleagues to fight for the lives of their mothers, sisters and other loved ones.

Mr. GILMAN. Mr. Speaker, I rise today in support of H. Res. 278, which expresses the sense of the House that all Americans, and above all women, should take an active role in the fight against breast cancer by using all the means available to them, including regular clinical and self-examinations, regular mammograms, and biopsies.

By calling for greater awareness and education for all women, may will benefit from early detection and by following up a screening with medical treatment, fewer women will succumb to this devastating disease.

Mr. Speaker, this issue is especially important to me and to my constituents, especially those in Rockland County. Recent studies have found that Rockland County has the highest rate of breast cancer in New York State and according to some studies, in the Nation. This legislation will help inform many of my constituents of how they can take an active role in the flight against breast cancer. Moreover, this resolution applauds and recognizes the role played by national and community organizations and health care providers in promoting awareness of the importance of regular clinical and self-examinations, regular mammograms, and biopsies and in providing information, support, and access to services. I strongly support this legislation and urge my colleagues to fund support this measure.

Mr. COBURN. 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 Oklahoma (Mr. COBURN) that the House suspend the rules and agree to the resolution, House Resolution 278.

The question was taken.

Mr. BASS. 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.

CERVICAL CANCER PUBLIC AWARENESS RESOLUTION

Mr. COBURN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 64) recognizing the severity of the issue of cervical health, and for other purposes.

The Clerk read as follows:

H. CON. RES. 64

Whereas cervical cancer annually strikes an estimated 15,000 women in the United States;

Whereas during an average woman's lifetime cervical cancer strikes one out of every 50 American women;

Whereas it is estimated that during this decade more than 150,000 women will be diagnosed with cervical cancer in the United States;

Whereas according to the Surveillance, Epidemiology, and End Results Program of the National Cancer Institute, when cervical cancer is detected at an early stage, the five-year survival rate is 91 percent;

Whereas in most cases cervical cancer is a preventable disease yet is one of the leading causes of death among women worldwide;

Whereas according to the Centers for Disease Control and Prevention, the mortality rate among American women with cervical cancer declined during the period 1960 through 1997, but now has begun to rise;

Whereas clinical studies have confirmed that the human papillomavirus (HPV) is a major cause of cervical cancer and unknown precursor lesions; and

Whereas cervical cancer survivors have shown tremendous courage and determination in the face of adversity: Now, therefore, be it

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

SECTION 1. SHORT TITLE.

This resolution may be cited as the ''Cervical Cancer Public Awareness Resolution''.

SEC. 2. RECOGNIZING THE SEVERITY OF CERVICAL CANCER.

The Congress—

(1) recognizes the severity of the issue of cervical health;

(2) calls on the United States as a whole to support both the individuals with cervical cancer as well as the family and loved ones of individuals with cervical cancer through public awareness and education;

(3) calls on the people of the United States to take this opportunity to learn about cervical cancer and the improved detection methods available;

(4) recognizes through education and early detection, women can lower their likelihood for developing cervical cancer;

(5) recognizes the importance of federally funded programs that provide cervical cancer screenings and follow-up services to medically underserved individuals; and

(6) encourages all women to have regular Pap smear tests.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oklahoma (Mr. COBURN) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. COBURN).

☐ 1130

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

Mr. Speaker, prior to coming to Congress, I had a full-time practice in obstetrics and family medicine; and it was not uncommon that 50 to 200 times a year I would diagnose cervical cancer, and over the 15 years in practice prior to coming here, what I saw was an ever-increasing number of people who were being diagnosed with either cancer or pre-cancer of their cervix.

What we have come to know on the science of this is this is all caused by one virus, different strains of the same virus. Squamous carcinoma of the cervix is rarely caused by anything other than human papilloma virus. What we have today is a bill to make awareness of this issue for women in our country.

I want to thank the gentlewoman from California (Ms. MILLENDER-MCDONALD) for her work in this area, and also in the area of HIV and her care for those most affected by this. Raising the awareness of the high risk of cervical cancer is important not just to the more mature women in our country, but also to the young women in our country.

Along with that comes the very sad fact that our institutions that we should be trusting in this area have failed us. The Center for Disease Control has failed, because the full name of the Center for Disease Control is the Center for Disease Control and Prevention. The NIH has released a statement, as well as NCI, and on their Web site you can find that this disease is caused by human papilloma virus and that a condom fails to protect. We are so sold on this concept of ''safe sex'' in this country that we refuse to accept the etiology and pathogenesis of this disease, and we refuse to be honest with the American public in that a condom cannot protect them from this.

The thing that is exciting to me about this resolution coming up is it perhaps will have some honesty coming

out of the institutions that are funded with the taxpayers' money in this country, both the NIH and the NCI, as well as the CDC.

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

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

Mr. Speaker, it is tragic that this year alone 15,000 women will be diagnosed with cervical cancer. More than 4,500 women will lose their lives to it. It is tragic that cervical cancer remains such a virulent killer when it is within our power to prevent it. In my own State of Ohio, over 200 deaths each year are attributable to cervical cancer.

Experts believe that cervical cancer deaths can be virtually eliminated through behavioral changes, early detection, and timely access to treatment, all of which hinge on public awareness.

The public needs to know that safe behaviors and proper screening can reduce cervical cancer death rates dramatically. The public needs the facts about screening test accuracy, new detection methods and about treatment breakthroughs so that all of us can play an active role in prevention and in treatment decisions.

The public needs to know about initiatives like the CDC's breast and cervical cancer early detection program, which has reached millions of uninsured women with free screening tests. Public awareness can help us garner the resources needed for CDC and its State and local partners to do more than scratch the surface of this problem.

As currently funded, the CDC program can only reach 15 percent of uninsured women. Unfortunately, because of congressional inaction, we make the early detection almost a cruel hoax on uninsured women, because we have not funded well enough the treatment for these women if early detection actually shows cervical cancer. We can do much better than that.

Mr. Speaker, knowledge fuels advocacy, and in the case of cervical cancer, advocacy can save countless lives. I am proud to be a cosponsor of the resolution offered by the gentlewoman from California (Ms. MILLENDER-MCDONALD) affirming that principle. I thank my colleague from California for her excellent work on this issue.

Mr. Speaker, I would add that I would hope that Congress, while passing this resolution, would do its job and move forward on other health care legislation that has the force of law, that sends money where it is needed, that changes laws where they are needed, that can help with prescription drugs, that can help with the Patients' Bill of Rights, that can help with Ryan White, that can do all the things that this Congress in the health care areas all too unfortunately bottled up.

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

Mr. COBURN. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding me time. I would like to say the gentleman is certainly going to be missed next year. I wish he were coming back.

Mr. Speaker, today I rise in strong support of H. Con. Res. 64, the Cervical Cancer Public Awareness Resolution. Educating women of all ages on risk factors associated with cervical cancer and the importance of early diagnosis is imperative in reducing the number of women who are diagnosed and die of the disease each year.

I have been a long-standing supporter of efforts to raise the public's awareness of cervical cancer, and I strongly believe education is a critical first step in our fight against this dreadful disease that strikes one out of every 50 American women.

A real tragedy exists, because in many cases, cervical cancer is a disease that, if detected in its initial stage, can be successfully treated. We have a proven and effective screening tool in the Pap test, and we have the medical advances necessary to treat and save women's lives. Yet, unfortunately, cervical cancer remains a leading cause of death among women.

Increasing public awareness about cervical cancer will help educate women about the need to seek preventive care. It is a vital part of our fight against this disease.

Also vital to our fight is to make certain that women have access to and coverage for appropriate preventive care that will reduce cervical cancer deaths. That is why I, along with my colleague, the gentlewoman from Florida (Mrs. THURMAN), have introduced the Providing Annual Pap Test to Save Women's Lives Act of 2000, which would require Medicare to cover Pap tests and pelvic exams.

Medicare generally only covers Pap tests for women every 3 years. Since the Pap test's introduction shortly after World War II, death rates from cervical cancer have decreased 70 percent in the United States. However, despite the Pap test's unparalleled record of success, studies show of those women who die of cervical cancer, 80 percent had not had a Pap test in 5 years preceding their death. A January 1999 report on cervical cancer by the Agency for Health Care Research and Quality showed that cancer deaths and cancer cases are reduced with annual screening.

Fighting cervical cancer should be a national priority. Without question, we need to promote public awareness about the severity of cervical cancer and the risk factors associated with the disease. At the same time, we must promote a health care policy that allows women to be routinely covered for screening Pap tests. Therefore, Mr. Speaker, I urge my colleagues to take this important step in the battle against cervical cancer and support H. Con. Res. 64.

I look forward to continuing to work to improve coverage policies so that women across this country can get the life-saving care that they need and they deserve.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD), the sponsor of the resolution.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I would like to thank all of those Members, the gentleman from Oklahoma (Mr. COBURN) for his leadership in helping me with this resolution and the input for the language, as well the ranking member and the chairman.

Mr. Speaker, I am proud to sponsor the Cervical Cancer Public Awareness Resolution with the gentleman from Oklahoma (Mr. COBURN). Together we have worked to raise awareness of cervical cancer throughout the past 2 years. Our work began with the Committee on Commerce, which held an eye-opening hearing on cervical cancer in early 1999.

I appreciate all of the support the gentleman from Virginia (Chairman BLILEY), the ranking member, the gentleman from Michigan (Mr. DINGELL), the gentleman from Florida (Mr. BILIRAKIS), and the gentleman from Ohio (Mr. BROWN) have given to this cause, and especially the gentleman from Ohio (Mr. BROWN). He has been most helpful.

More than 50 years ago, Dr. George Papanicolaou developed what is considered the most effective cancer screen in the history of medicine, the Pap smear test. This test is still one of the most effective tools in saving lives and preventing invasive cervical cancer.

When cervical cancer is detected at an early stage, the 5-year survival rate is 91 percent, according to the National Cancer Institute. The CDC reports that the mortality rate among American women with cervical cancer declined from 1960 to 1997 in large part because of the extensive use of the Pap smear test.

However, in 1997, the number of women with cervical cancer began to rise. An estimated 15,000 women in the United States develop cervical cancer each year, and far too many of these women do not get annual screenings.

In October of 1997, a Gallup survey found that almost 87 percent of the women surveyed know they should have a Pap smear every year. Nearly 40 percent of these same women failed to do so in the previous year. One in four of the women who had not had an annual Pap smear test said they did not have the time. Other reasons include the belief that they are too old, feel embarrassed, are afraid of the results, or think it is too expensive. While all of these reasons are valid, they are not acceptable, when one considers that 80 percent of the women who die of cervical cancer have not had a Pap smear test in the past 5 years or more.

Women must understand what cervical cancer is, what steps they can

take to reduce the likelihood of getting cervical cancer, how it can be detected early, and what all of their treatment options are when facing this disease.

While it is encouraging that women seem to know of the Pap smear test, many women do not understand just how life-saving this annual screening can be. That is why I sponsored this resolution, Mr. Speaker, with the gentleman from Oklahoma (Mr. COBURN).

Our resolution is part of a national campaign to raise awareness and increase annual screenings among women. I want to end the confusion, discomfort, and misunderstanding that form an unnecessary barrier to too many women, and particularly low-income and minority women. One out of every three Hispanic women reported in an HHS study that they failed to get a Pap smear test in the preceding 3 years, compared with about one-quarter of all American women. In addition, another survey by HHS found that 87 percent of employed women had a recent Pap test within the past three years, while 73 percent of women who were not in the labor force had done so.

More disturbing than the gap in lack of screening is that more women of color are dying from this disease. The rate of mortality for African American women is nearly twice that of Caucasian women, according to HHS. Equally disturbing is the high rate of STD transmission within this community. The World Health Organization and the National Institutes of Health report that the principal cause of cervical cancer is HPV infection, which is also the most common STD.

In my own district of South-Central Los Angeles, including Watts, the County Health Department reports that the rates of STD among African Americans are up to 20 percent higher than among Caucasians. The main reason is lack of information on how to prevent this transmission, which undetected years later, can lead to cervical cancer.

Although the risk factors for cervical cancer can vary, the cultural, financial and even geographical areas that complicate the fluid delivery of quality health care linger as a dangerous indication of the need for more dialogue on this issue.

Mr. Speaker, let me thank my colleagues, the gentleman from Oklahoma (Mr. COBURN) first for his leadership in joining me on this resolution and all of the national effort in raising the awareness of this deadly disease. I applaud the thousands of persons who are out there helping to make this awareness possible.

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

Mr. Speaker, I want to read some literature from experts at the National Cancer Institute and the American Cancer Society, their published statements, and I will include them for the record. This is a quote from the National Cancer Institute:

''Condoms are ineffective against human papilloma virus because the virus is present not only in the mucosal tissue, but also on dry skin of the surrounding abdomen and groin, and it can migrate from those areas into other areas into the vagina and the cervix. Additional research efforts by NCI on the effectiveness of virus transmission are not warranted.''

□ 1145

The American Cancer Society recent research shows that condoms cannot protect against infection with HPV. The absence of visible signs of this disease cannot be used to decide whether caution is warranted since this disease can be passed on to another person when there are no visible signs of the disease externally. That is the American Cancer Society and the National Institutes of Health.

National Institutes of Health, April 3, 1996, the data on the use of barrier methods of contraception condoms to prevent the spread of human papilloma virus is controversial but does not support it as an effective method of prevention.

I include for the RECORD the following information:

DO CONDOMS PROTECT AGAINST HPV INFECTION?—ACCORDING TO THE SCIENTIFIC EXPERTS, THE ANSWER IS A RESOUNDING AND CONCLUSIVE ''NO''.

NATIONAL CANCER INSTITUTE

''Condoms are ineffective against HPV because the virus is prevalent not only in mucosal tissue (genitalia) but also on dry skin of the surrounding abdomen and groin, and it can migrate from those areas into the vagina and the cervix. Additional research efforts by NCI on the effectiveness of condoms in preventing HPV transmission are not warranted.''—Excerpt from a February 19, 1999 letter to House Commerce Committee Chairman Tom Bliley from Dr. Richard D. Klausner, Director of the National Cancer Institute at the National Institutes of Health.

AMERICAN CANCER SOCIETY

''Recent research shows that condoms (''rubbers'') cannot protect against infection with HPV. This is because HPV can be passed from person to person with any skin-to-skin contact with any HPV-infected area of the body, such as skin of the genital or anal area not covered by the condom. The absence of visible warts cannot be used to decide whether caution is warranted, since HPV can be passed on to another person even when there are no visible warts or other symptoms. HPV can be present for years with no symptoms.''—Excerpt from the American Cancer Society website (www.cancer.org).

NATIONAL INSTITUTES OF HEALTH

''The data on the use of barrier methods of contraception to prevent the spread of HPV is controversial but does not support this as an effective method of prevention. . . . Reducing the rate of HPV infection by encouraging changes in the sexual behavior of young people and/or through developing an effective HPV vaccine would reduce the incidence of this disease.''—National Institutes of Health Consensus Development Conference Statement on Cervical Cancer, April 1–3, 1996.

Mr. Speaker, the reason that is important is we have a breast and cervical cancer treatment bill by the gentleman from New York (Mr. LAZIO) and the gentlewoman from North Carolina (Mrs. MYRICK) that is being held up at this time on the basis of the Senate conferees not wanting to agree to the language in that in regards to HPV and cervical cancer.

Mr. Speaker, I would like to ask the body that they would put pressure on their fellow Senators that they might accede to this. The fact is, the reason we have this awareness up is we want women to get treated. This is a disease that is absolutely curable. It is not like breast cancer; we cannot always cure breast cancer.

This disease, if diagnosed properly and treated, is 100 percent curable. Knowledge and the fact that we are allowing a safe sex message of condoms preventing this disease to continue will do nothing but harm women. It will not undermine anybody's position on sexuality or abortion or any other issue. The fact is, it is harmful to women to let that lie continue.

Mr. Speaker, I would ask that as we support this, that we remember what we are really talking about is our sisters, our nieces and our daughters in the future that they would be given the knowledge with which to make great decisions, and the knowledge is that a condom does not prevent transmission of this disease. And until young women know that and know that certainly so that they can make a different choice, at least allow the young women in this country the ability to make an informed choice.

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

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

Mr. Speaker, I ask for support of this resolution, and I also ask that Congress move on the conference committee on the breast and cervical cancer bill. Public health officials want us to move on the Senate version of the bill. We should not bog this legislation down in this argument that we heard today. We should move forward, pass this legislation, and also move forward and pass the Millender-McDonald resolution

Mr. Speaker, I have no other speakers, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the motion offered by the gentleman from Oklahoma (Mr. COBURN) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 64.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. COBURN. 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. 64.

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

There was no objection.

WAIVING POINTS OF ORDER ON CONFERENCE REPORT ON H.R. 4578, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 603 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 603

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Speaker, H. Res. 603 is a rule waiving all points of order against the conference report to accompany H.R. 4578, the Department of Interior and Related Agencies Appropriations Act of 2001, and against its consideration. The rule provides that the conference report shall be considered as read.

The Interior conference report appropriates $18.8 billion in new fiscal year 2001 budget authority, which is $3.9 billion more than the House passed and $2.5 billion above the President's request. Approximately half of this funding, $8.4 billion finances Interior Department programs to manage and study the Nation's animal, plant and mineral resources and to support Indian programs.

Among the Interior agencies receiving increases in this conference report are the National Park Service, the Fish and Wildlife Service, the Bureau of Land Management, the Minerals Management Service and the U.S. Geological Survey.

The balance of the measure's funds support other non-Interior agencies that carry out related functions. These include the Forest Service in the Department of Agriculture, conservation and fossil programs run by the Department of Energy as well as the Smithsonian Institution and similar cultural organizations.

Notably, the bill includes increased funding $300 million above the President's request, for wildfire readiness, wildfire suppression and the rehabilitation of areas damaged by wildfires this summer.

Finally, I am particularly pleased that the bill appropriates $5 million to be used solely for the reduction of the national debt. Mr. Speaker, although many Members, myself included, have concerns about certain sections of the bill, overall this is a responsible and balanced conference agreement. Accordingly, I urge my colleagues to support both the rule and the Interior conference report itself.

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

Ms. SLAUGHTER. Mr. Speaker, I yield myself such as time as I may consume and I thank the gentleman from Washington (Mr. HASTINGS) for yielding me the customary 30 minutes.

Mr. Speaker, the conference report has come after extensive negotiations to produce a bill that the President can sign. The underlying bill will provide $18.8 billion for fiscal year 2001, $3.9 billion more than the current fiscal year.

The measure will establish a new land legacy trust program which will provide $12 billion over 6 years for land conservation, preservation and maintenance and provides $1.8 billion for efforts to fight forest fires. Moreover, $8 million is slated for the Northeast for the heating oil reserve, a program of critical importance to the Northeast.

I am especially pleased that the conferees provided $105 million for the National Endowment for the Arts, a $7 million increase over fiscal year 2000 and the first increase since fiscal year 1992. We still lack the funding levels that truly reflect the importance of arts to the American people. My colleagues may recall, Mr. Speaker, our earlier efforts to secure the funding increase. I was proud to lead the fight on the House floor and hope that this modest increase sparks a trend for increased funding in the years ahead.

Mr. Speaker, the arts enhance so many facets of our lives from the educational development of our children to the economic growth of our towns and cities. We learn more every day about the ways in which the arts contribute to our children's learning. One recent study showed that children with 4 years of instruction in the arts scored 59 points higher on the verbal portion and 44 points higher on the math portion of the SATs than did students with no art classes.

New research in the area of human brain development shows a strong link between the arts and early childhood development. Obviously, arts education pays great dividends in a wide range of fields, and no other Federal program yields such great rewards on such a small investment.

The investment that we make contributes to a return of $3.4 billion to the Federal Treasury. The arts support 1.3 million jobs all over the country and has revitalized small cities such as Providence, Rhode Island; Rock Hill, South Carolina; and Peekskill, New York.

The conference report also funds the new Women's Progress Commemoration Commission, the provision that I strongly endorse. I sponsored the legislation, established a commission, and was recently elected commission chair. The funding will allow us to fulfill our mandate to identify national sites significant to women's history that we may be in danger of losing due to lack of privatization or other factors.

We will make recommendations to the Secretary of Interior for action to preserve endangered sites. The long-term goal is to further educate the public regarding significant contributions of women in America.

Mr. Speaker, there are still other things that are important in this bill, but I was disappointed to see that the conference report contains language that will undermine the passage of the CARA act, a measure I long supported. The CARA would provide more than $3 billion each year for important conservation and recommend recreation projects. But the conference report contemplates less than half of the funding and at levels similar to recent years. Moreover, CARA would dedicate funds for specific programs each year while the conference report provides no such guarantees.

For more than 30 years, the Committee on Appropriations has failed to provide funds and live up to the promise of existing conservation and recreation programs. Unfortunately, this report provides more of the same.

With those reservations, Mr. Speaker, I want to thank my colleagues on the conference committee for their hard work, particularly for their efforts in regards to the NEA.

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

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gentleman from Alaska (Mr. YOUNG), distinguished chairman of the Committee on Resources.

(Mr. YOUNG of Alaska asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Alaska. Mr. Speaker, of course, I rise to oppose the rule, not because the rule is structured incorrectly, because it did not include CARA, as the gentlewoman from New York (Ms. SLAUGHTER) mentioned. Most of my colleagues are aware that this House passed my Conservation Reinvestment Act 315 to 100 some odd votes. That is what the public wants, 5,285 organizations support that legislation.

Unfortunately, the Committee on Interior tried to have ''CARA-lite'' passed, but I again stressed the point that for those that are listening to this program and those on the floor understand this is not CARA. It is, in fact, a

system set forth that for each part of our CARA bill, historical preservation, urban parks, fish and wildlife restoration, native lands reclamation, land purchasing, all of it has to come back to the appropriating committee.

For those listening to this, this is not CARA. I will say this to the Committee on Appropriations, I think that my biggest concern is, my colleagues have asked us to authorize, and when we authorize, unfortunately, my colleagues have decided our authorization is not correct, and my colleagues are going to do the authorization. So the rule recognizes my colleagues' role to authorize legislation and that is inappropriate and I think it is against the House rules. That is one reason why I am voting against this rule.

And for the leadership of this House on my side of the aisle, I have never voted against a rule before that my colleagues asked me to vote for, and it is unfortunate my colleagues have not asked me to vote for this rule, in fact, my colleagues have not communicated with me on this issue.

This issue is not going to go away I say to the appropriating committee, I will be here long after my colleagues are gone. I will win this battle to preserve our wildlife, because my colleagues do not do it in this bill. My colleagues have given a great authority to fish and wildlife but do not say how it shall be spent. My colleagues do not recognize the importance of fish and wildlife; and for those sportsmen, I hope they understand what the appropriating committee has done.

This is a battle that is not over. We have a long ways to go, and I will win this battle for the people of America. My colleagues owe us $13 billion dollars and have not spent it. We will not spend it in the future. My colleagues will spend it for land acquisition with no property rights. Oh, my colleagues will do that, but will not protect the people of this Nation and provide them for the spaces that they need, because my colleagues did not do it in the past and will not do it in the future.

My colleagues can say all they want about how great you have done in this bill, I say this out of friendship, my colleagues have actually put forth something that is hollow, something to appease the voters. When they do not read this bill, they will say what a great job. But when they find out, I will be back. I will be able to prevail.

I am going to make sure that the space is there for our young people, to have the hunting and fishing and recreation is required and the urbans parts are put in place and the past is preserved for us. My colleagues do not do it in this bill. It is a hollow promise.

Ms. SLAUGHTER. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin (Mr. OBEY).

□ 1200

Mr. OBEY. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, it is very true, this is not CARA. This is not an entitlement. In my view, we should add no new entitlements to the Federal budget until we first declare that every American has an entitlement to basic health care. That is the first new entitlement that I want to see added. After that happens, I will be happy to look at adding others, but not before.

But this bill is an amazing victory for those who care about preserving our precious natural resources, who care about preserving our outdoor resources, who care about setting aside crucial pieces of land for enjoyment by future generations.

This bill, for the programs included in it, takes what would otherwise be a $4 billion appropriation level over the next 6 years and expands it to $12 billion. That is a huge advance forward, and has been described so by a variety of environmental organizations, and by, for instance, the Council on Environmental Quality at the White House and others.

This bill essentially says that, for this year, we will set aside $1.6 billion for these activities, and those funds will rise each year for the next 5 years until we hit $2.4 billion. That money is fenced. It is not an entitlement, but if it is not spent on these programs, it cannot be spent on any others.

It is modeled precisely after the violent crime trust account which we established a number of years ago, the same duration, 6 years, and the same principle. That virtually guarantees, for anybody who wants to look at legislative reality, that these funds will go for the purposes that they are supposed to go for; namely, these conservation and environment programs.

I would say to our friends from coastal States who feel that they have not been given a big enough break in this bill, we take the appropriation for their States from a little over $100 million a year to about $400 million. That is not bad. That is not hay. That is taxpayers' dollars put to a good and worthy purpose. For people to make or to claim that that is a defeat requires a new definition of that word for Webster's dictionary.

I would also say to those conservation groups who are not happy that this is not CARA, there are lots of times in life when we have to settle for a little bit less than what we regard as perfect. But I am reminded of old Ben Reihle, the fellow who used to represent rural Marathon County, my home county, in the legislature.

He was talking to education groups one night who were unhappy because he had not voted for exactly the amount of money that they wanted in the State budget that year for education. He had voted for an increase, but it was not a big enough increase.

Old Ben looked at them and said, ''Folks, I ask you to remember one thing. I may not have voted for every dime you ever asked for, but I voted for every dime you ever got.''

If we think about it, there is a lesson in that for every single person interested in preserving wildlife, in preserving land, in preserving pristine coastal areas. This is a terrific bill for all of the purposes laid out in this legislation.

Members will hear from the gentleman from Washington (Mr. DICKS) and others what the bill contains in more detail, but I want to congratulate him. I want to congratulate everyone who had anything to do with putting this package together. I certainly want to congratulate the White House for recognizing a good deal when they saw one. I want to congratulate the gentleman from Ohio (Mr. REGULA) and the staff.

No, this is not CARA, but CARA was dead as a dodo bird in the Senate, and this bill resurrected the effort to put aside important pieces of land for future generations. It creates new State programs for their protection, and this rule should be supported, and so should the bill.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 7 minutes to the gentleman from Ohio (Mr. REGULA), the subcommittee chairman for the Committee on Appropriations.

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding time to me.

This is a bipartisan bill. It is a good bill. It is fair. As the gentleman from Wisconsin said, it does not give everybody everything they want, but I think it does a remarkable job of balancing the challenges to those of us wanting to preserve the good things in our natural heritage, along with meeting the needs immediately of the American public.

I would urge all of the Members to vote for this rule. If they look at the facts, I am sure they will be convinced that this is a bill that meets the needs of the Nation in a good way. I think that is evident by the fact that every member of the conference, both parties, both Houses, every member, signed the conference report. This is the first time that I can remember that happening, and certainly since I have been chairman. I think it is evidence of the fact that there is strong bipartisan support for the bill.

The White House has indicated the President will sign the bill. I think all of America will be benefited by that set of circumstances.

I want to specifically address the wildlife conservation issue. There have been some facts bandied around about wildlife conservation which perhaps do not give the full picture. I just want to give Members the accurate facts on it.

This bill contains $540 million for Federal and State programs under the Land and Water Conservation Fund. This number represents an increase of $93 million over fiscal year 2000, 21 percent. Keep in mind that the fiscal year 2000 bill had the Baca Ranch land acquisition in it, which increased that number considerably. Without that purchase, it would have been much greater in terms of an increase this year.

The conference report provides $300 million for State and other conservation programs. That is an increase of $232 million over the fiscal year 2000 bill. Particularly, it has a new $50 million State wildlife grant program, $50 million to the States. All of this is a 293 percent increase. That is not bad, 293 percent to the States for their programs.

We have heard from a few States that said, well, you may submit a plan. For shame. Submit a plan? We have a responsibility for accountability.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, is the gentleman saying, there have to be competitive bids for wildlife. Who makes the decision what it will be, the Federal government or the States?

Mr. REGULA. Is the gentleman saying as to the allocation between Federal and State?

Mr. YOUNG of Alaska. The Federal government makes the decision, whether it is correct or not, is that correct?

Mr. REGULA. The people who administer the funds make the decision.

Mr. YOUNG of Alaska. So the States do not have the say-so? If the Federal Government does not agree, they do not get the money?

Mr. REGULA. That is not necessarily true. They have to submit a plan.

Mr. YOUNG of Alaska. If they do not agree, they do not get the money?

Mr. REGULA. States have to be accountable.

Mr. YOUNG of Alaska. If the States submit a plan for rehabilitation of wildlife in a certain area and if the Federal government does not want to do that, they do not get the money, under the gentleman's program?

Mr. REGULA. There has to be accountability.

Mr. YOUNG of Alaska. But the gentleman is letting the Federal government do it and not the States. That was the whole idea of CARA. CARA had an an idea how to spend the money on the ground. The gentleman likes big government.

Mr. REGULA. This is not CARA. The gentleman makes his point very clearly. This is not CARA. It requires accountability on the part of the States.

I think if we are disbursing Federal dollars that we collect from the taxpayers throughout the Nation, then we have a right to ask for accountability for that money. That is what we have said.

Nevertheless, there is a 293 percent increase for the State Wildlife Grant programs, $50 million for the new program, and an additional amount for the existing programs.

It provides $66 million for urban parks and forests, an increase of $33 million, a 100 percent increase over last year, recognizing that it is important in the urban areas to have the development of parks, because this is where the compression of people exists, in our urban areas, and they need open spaces. For that reason we expand that program by 100 percent.

Of course, it has been pointed out that there will be 12 billion additional dollars over the next 6 years to be spent on land programs and the acquisition of open spaces in the jurisdictions under this Nation. Certainly, this I think is a remarkable step forward in providing all of these funds.

On the more practical side, we have $2.9 billion to deal with fires. We all recognize what has happened in the west, so we have a large amount of money, a very substantial increase.

We have increased PILT by $65 million. There is a lot of concern on the part of Westerners that there be additional money spent on PILT. We have increased that very substantially.

In the Northeast, we have doubled the funding for home heating oil from $4 million to $8 million. We have a substantial amount for backlogged maintenance. We have had testimony in our committee that there is over $12 billion in backlogged maintenance. We are addressing that problem.

We have increased many of the other areas. In the energy field, we are providing for new technology, to recognize the need to meet our energy challenges: fuel cells, weatherization, the development of an 80-mile per gallon automobile. So again, these are important things to the people of America.

One that I think reflects the compassion of this bill is Indian health care. We have increased Indian health care $214 million. I am pleased that the committee has supported this funding, because there is a great need. We had some testimony from the American Dental Association that only 25 percent of Native Americans have dental care. That should be 100 percent; if Members can imagine, going without dental care. So we put a large increase in the Indian health care.

Parks funding is up. We took care of the south Florida area. As it was mentioned earlier on coastal funding, we have put in $400 million, an increase from $100 million, to deal with the challenges of our coastal States. This will be managed by NOAA. Obviously, NOAA is a Federal agency, but these are Federal dollars. Therefore, we want to give this responsibility to an agency that has experience in dealing with coastal areas.

I just think on balance this is a very bipartisan bill. It is very well balanced in meeting all of the needs. I certainly urge my colleagues to support this rule and support the bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. GEORGE MILLER).

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

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I rise in opposition to this rule. I do so not because this is a bad bill, I do so not because this bill has failed to dramatically increase the monies for the various environmental accounts. In many ways, this is the most environmentally friendly bill we have had out of this subcommittee in a number of years.

I do so because I have strongly believed there was another way to redeem the promise that was made to the American people about the use of offshore oil royalties. I believed that the method by which that should have been done was in CARA, H.R. 701.

It has been said several times that this appropriations bill is not CARA. Nobody is more aware of that than the gentleman from Alaska and myself. This approach is not CARA. This was devised within the Committee on Appropriations in responding to CARA and the grass roots support that was lobbying on behalf of CARA. They chose to do it in a Washington fashion.

CARA was the outgrowth of grass roots organizations, over 5,000 organizations from across the country, that looked at what the Congress had done over the last 20 years and decided there had to be another way. There had to be certainty for communities to be able to plan for the protection of their environmental assets, whether that was open space or whether that was trails or whether that was trying to solve endangered species problems.

There clearly had to be a way to help those States that have suffered the impacts of offshore oil.

Also, there had to be a commitment established so we could go out and try to secure private financing, fundraising from foundations, from corporations, and from individuals over the long term to help pay for land acquisitions. That is why the certainty of funding was a key feature of CARA occurs, so it is not a start-again, stop-again operation.

We believed that was important, and 315 Members of this House believed that was important, the biggest bipartisan vote I think we have had on any controversial legislation in this Congress.

We sent it to the Senate. Unfortunately, there it started to stall out. We ask our colleagues to oppose this rule so we can have a chance to pass CARA and not undermine it with the actions of the Committee on Appropriations. We hoped that the same kind of bipartisan support could be resurrected in the Senate to see this bill through to the desk of the President, who has promised to sign it.

□ 1215

I have to admit that I am a little disappointed in the signals from the Senate leadership about the improbability of scheduling the CARA legislation this year. But I believe the underlying proposition of CARA is the correct way for the Congress to deal with these issues, because local governments and park agencies and fish and wildlife agencies are struggling every day where the

people and the species and the open space and the lands and the assets meet on a daily basis.

What they need is a diversity of funding, and a certainty of funding; and they need a level of funding that will let them attack those problems in a manner that they understand best.

I believe that that is what the CARA legislation did. It is unfortunate, that we will not be able to complete acton on that legislation in the Congress if the current indications from the Senate continue to hold true, because we believe that legislation, supported by a bipartisan coalition would have truly redeemed the promise that this Congress made to the American people about taking the monies from exploitation of nonrenewable resources and putting them into a permanent fund to protect renewable resources.

While it is very clear to anybody who reads this legislation that this is clearly the most dramatic increase in the environmental accounts that we have seen in 25 years, I would have hoped that we would have been able to include the CARA program that would have guaranteed to local communities the kind of certainty they need to support private and public partnerships at the local level for the protection of these assets.

It is for that reason that I will ask Members to vote against this rule.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE). The Chair would remind all Members it is inappropriate to cast reflections on the actions or inactions of the United States Senate, collectively or individually.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Utah (Mr. HANSEN).

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

Mr. HANSEN. Mr. Speaker, let me point out that, as I looked at this and finally got the inspired version of what was in it, I would have to say there are awfully good things in it. People have worked very hard on this bill. I have the greatest respect for the gentleman from Ohio (Mr. REGULA), the gentleman from Washington (Mr. DICKS), the gentleman from Wisconsin (Mr. OBEY), the gentleman from Alaska (Mr. YOUNG), and others who have worked on it. I know they had to probably tear their hair out a lot to come up with this.

Just last Friday or Thursday, I got a lecture from the appropriators saying there are certain things they could not put in the bill. Well, why cannot we put it in the bill? Well, it has not gone through the procedure of this House. We cannot do it that way, because on the House floor we do different things. We look at the rules, and the rules do not let us do that.

So I pick this up now; and as one of the authorizers with the gentleman from Alaska (Mr. YOUNG) over here, I can count maybe 20 things in here that were never authorized. Now, how come last Thursday I get a lecture and say we cannot do these things like San Rafael Swell and other areas, but we can put these 20 in it when we are behind closed doors somewhere? That kind of bothers me a little bit, Mr. Speaker. I thought if it was good for one deal, it was good for all of us.

So I know there is some good things in here. I compliment the gentleman from Washington (Mr. DICKS) and the gentleman from Ohio (Mr. REGULA), two very, very fine legislators. However, in good conscience, I really feel, as chairman of the Subcommittee on National Parks and Public Lands, there are things in here, in this list and this list, that just blow my mind. I do not know where we can come up with these things.

There is $12 billion over the next 6 years; $12 billion is an awful lot of money. My little State of Utah, the entire budget is only $6 billion. They are going to spend $12 billion here.

There is no protection for property rights. Who is going to be the wise all-knowing guru who is going to say this is right and wrong with some of this stuff? I wish somebody would tell me this. So a blank check goes to somebody.

Even though there are some awfully good things in this bill, I very reluctantly have to vote against the bill and the rule. I say that feeling bad in a way because it has got the genesis of being a fine piece of legislation. But where we are now I think we are taking the American people down the primrose path.

I honestly urge my colleagues to vote against this and hope we can come up with something a little better and hope we can authorize from now on.

Ms. SLAUGHTER. Mr. Speaker, I yield 7 minutes to the gentleman from Washington (Mr. DICKS).

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

Mr. DICKS. Mr. Speaker, first of all, I rise in very strong support of this rule. I think it is a very good rule, a very fair rule. I want to compliment the gentlewoman from New York (Ms. SLAUGHTER), who worked with me on the floor of the House and has been one of the advocates for increasing the funding for the National Endowment for the Arts.

We were able to add $7 million in this bill for the endowment. Also a program that is very important to the gentlewoman from New York is the home heating oil provision, $8 million, which will help every Northeasterner in this country.

I am here today to talk to my colleagues a little bit about this superior appropriations bill and the land conservation preservation and infrastructure improvement program. The gentleman from Wisconsin (Mr. OBEY) and I worked on this. We offered it in the conference. The gentleman from Ohio (Mr. REGULA), Mr. GORTON, and Mr. BYRD, they all agreed to this.

I think it is a day we should be here celebrating. I would say to my friends who worked so hard on CARA, and I realize 4 years of effort on CARA, but I want my colleagues to understand something. I believe that that work was translated into this legislation. This is a blend between the President's Land Legacy Program and CARA.

We have the most dramatic increase in conservation spending in the history of this country. Last year, we spent about $782 million. This year, for the same programs, it goes up to $1.6 billion. Then in increments of $160 million a year, it goes up to $2.4 billion in the year 2006. These are some of the most popular programs in our country for protecting precious lands in both the Federal and State categories, for urban parks, for historic preservation, for restoring our salmon runs. There is also $400 million that goes through the State, Justice and Commerce appropriations for coastal programs, including the Pacific salmon recovery program. This is the most dramatic increase in conservation spending in the history of the country.

Let me just read to my colleagues a few quotations from people who have looked at this program. A good friend of mine, a fellow University of Washington graduate, Roger Schlickeisen, president of the nonprofit Defenders of Wildlife Society called it ''probably the best conservation funding bill in our lifetime.'' Then George Frampton, chairman of the White House Council on Environmental Quality. ''This represents a historic breakthrough in conservation funding,'' said Frampton. ''It is a fantastic step forward.''

Today, the New York Times in an editorial, lead editorial said ''Congressional Dos and Don'ts. Land conservation. The White House and Congressional negotiators reached agreement last Friday on a plan to set aside some $12 billion over 6 years for a range of Federal and State land conservation programs. It is the most important land conservation bill in many years and deserves prompt approval on the House and Senate floors. Budget purists are annoyed that the money will be fenced off in a special conservation account similar to the Highway Trust Fund. But open space has been shortchanged for years, and this is a way to make restitution.''

Then finally, the White House, the President supports this bill. He also, in his statement of administration policy, it says, ''By doubling our investment next year in land and water conservation, and guaranteeing even more funding in the years ahead, this agreement is a major step toward ensuring communities the resources they need to protect the most precious lands, from neighborhood parks to threatened farmland to pristine coastal areas.''

Mr. Speaker, this is, as the Washington Post said, landmark legislation. This is legislation that this Congress can be proud of. I am proud of the fact that this amendment was adopted in a

bipartisan spirit. It will be the most important step forward in conservation spending probably in our lifetime.

I would urge my colleagues who support CARA to think about this. We have moved dramatically in the direction that they laid out in their legislation. No, it is not an entitlement. This money is in a special account. The money must be spent for the purpose, or it remains in the account.

If we look at the precedent of the Violent Crime trust fund, all of that money is spent because these are important programs to the American people.

As the ranking Democrat, I want to tell my colleagues that it is my intent that this money gets spent for all the people. I would say to the gentleman from Alaska (Mr. YOUNG) this bill has so much money. This bill has so much for the great State of Alaska. This is one of the greatest funding bills in Alaska's history. I would hope that the gentleman, after he has his vote on the rule, would think about all of that money for all of those Alaskan programs and that he would be with me on final passage on the bill.

I would say to the gentleman from Alaska, I want to correct one thing that was in his letter. The money for the State games is not just for nongame. It is for game and nongame.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. DICKS. Yes, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, that shows my colleagues how deeply I believe that CARA was the right way to go when I can take and sacrifice the great work that has been done for the State of Alaska that I worked on for the benefit of the Nation as a whole.

Mr. DICKS. Also, Mr. Speaker, I think it is because the gentleman from Alaska knows that the chairman of the appropriations committee in the other body is going to make sure that the money remains in there.

Mr. Speaker, I yield to the gentleman from Wisconsin (Mr. OBEY). I appreciate his hard work and his guidance and his effort on this legislation.

Mr. OBEY. Mr. Speaker, I would just like to say that some of the environmental groups who think they are getting a bad deal remind me of what some of the senior citizen groups did when Social Security was passed in the 1930s. They opposed Social Security, which is a compromise with the Townsend plan. Some of those senior citizen groups opposed the creation of Social Security because they wanted the Townsend plan to pass, which was a straight $100 a month check to seniors with no contributions or anything else. So they savaged Members who voted for the compromise.

This is a similar compromise. Five years from now they will be out to ring the neck of anybody who tries to cut this program.

Mr. DICKS. Mr. Speaker, I would like to read, by the way, the names of the conservation groups that are supporting this rule and the bill: the American Oceans Campaign, Center for Marine Conservation, Defenders of Wildlife, Environmental Defense, Friends of the Earth, National Audubon Society, National Parks Conservation Association, the National Trust for Historic Preservation, the Natural Resource Defense Council, Scenic America, the Wilderness Society, and the Worldwide Fund. I mean, this is an amazing group of people supporting this. The President supports it.

I want my colleagues to know, I believe that this is one of the most important things on a bipartisan basis done in this Congress. So we should be celebrating today. We should be happy with this work product. Let us get on with it. Let us vote for the rule and pass this excellent conference report.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all Members it is not in order during debate to characterize the legislative positions of the Senate or individual Senators.

Mr. HASTINGS of Washington. Mr. Speaker, how much time is remaining on both sides?

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) has 16 minutes remaining, and the gentlewoman from New York (Ms. SLAUGHTER) has 10 minutes remaining.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Speaker, let there be no mistake about it, CARA is not in this bill. CARA is not in this bill. Everybody should know that.

I want to speak especially to the 102 Members of this body who voted against CARA. If my colleagues will examine their conscience, they will have to admit with me that most of them voted against CARA because they did not think there was enough property rights protection in a bill that was going to authorize an enormous amount of land acquisition in this country.

Some of my colleagues are from western States where the government already owns 60, 70, 80 percent of the property in their State. They were concerned about the government acquiring some more land without real strong private property protections.

Well, guess what we are going to vote on today when we vote on this Interior appropriations bill. We are going to vote on $540 million of new land acquisitions in this country with no private property protections. CARA had 21 separate provisions in it protecting private property. That is not in this bill. There is no provision saying one can only buy from a willing seller.

In other words, under this bill, one can spend $540 million of acquiring property from people who do not want to sell their land. That is called expropriation. When we vote for this bill without CARA, that is what we will be getting. Keep in mind that CARA guaranteed for the first time a distribution of funds to the coastal States of America.

What kind of distribution was that all about? It was simply to try to give coastal States some contribution for the minerals produced offshore in some kind of way commensurate with the money that America automatically mandates is provided to interior States for minerals produced on Federal lands in interior States.

The law currently mandates 50 percent of all Federal royalties on interior States' federally owned property goes to the States. Committee on Appropriations does not spend it. No yielding of appropriations. It is a mandate to the interior States. This bill would have provided 27 percent to be shared among all coastal States. That is gone. There is no guarantee for coastal money. There is just a lot of Federal land acquisition with no private property rights. That is not the deal that CARA would have offered us.

□ 1230

Ms. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL).

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

Mr. DINGELL. Mr. Speaker, I express my thanks to the distinguished gentlewoman for yielding me this time, and I want to commend and compliment my good friends from the Committee on Appropriations. They have ''done good.'' The problem is, they have not done good enough.

I want to express my respect and affection for the distinguished gentleman from Wisconsin (Mr. OBEY) and the gentleman from Washington (Mr. DICKS) and also the gentleman from Ohio (Mr. REGULA). They are good Members, and I do not want them to take anything I say here today as being hostile to them. However, they have chosen to legislate without hearings; without opportunity to perfect.

What those of us who oppose the rule want the House to do is to allow us to vote the rule down so that we may come up with a better piece of legislation, one which was approved by the House by an overwhelming vote. I refer to CARA, H.R. 701. It passed the House by a very heavy margin, 315 to 102. It is interesting to note that this was one of the most bipartisan bills that I have ever seen, but also certainly the single most bipartisan piece of legislation that has passed this Congress.

Those of us who led that effort to pass CARA share a common passion, providing a meaningful and dedicated and continuing source of conservation funding for fish, for wildlife, for lands and waters, for recreation and open spaces, and to meet the concerns that confront so many of our States and our communities. Remember, we will not have many opportunities to pass a

piece of legislation like this. This is an opportunity that will probably come once in a lifetime. In all the years that I have served in this body, never once have I seen an opportunity of this magnitude to do good for Americans, for conservation, for fish and wildlife that matched this. And never once have I seen anything which did so much to realize the hopes and the ideals of those of us who love the out-of-doors.

Now, I have no doubt that the language contained in the Interior appropriation bill and this land conservation program was drafted with the best of intentions. It is again, I note, an effort by my good friends on the Committee on Appropriations to legislate well. And part of that legislating well is preserving the jurisdiction of that committee and part of it is in sidetracking CARA, something which that committee found to be highly offensive, as we had this legislation on the floor at an earlier time, because it did take away from the Committee on Appropriations the ability to function by whim and caprice, to deny new conservation money and, in effect, to supplant the efforts of the legislative committees around here which are strongly and deeply and sincerely conversed in this.

The premise of CARA was to take Federal resource revenues from the Outer Continental Shelf to reinvest them for conservation purposes. And it was originally intended, when the Congress passed the Land and Water Conservation Fund in the 1960s, that this would be done. Since that time, the Committee on Appropriations has had the opportunity to do the kinds of things we are talking about today. Without the pressure of CARA, they never would have done them.

So I say let us assist our good friends on the Committee on Appropriations. Let us help them. Let us see to it that we have an opportunity, if we are going to legislate, to legislate well. Vote the rule down. A new rule can be brought back, and we can have a full opportunity then to address all of the important questions that exist with regard to conservation, and with regard to spending proper levels of funds to save and protect open spaces and the conservation and environmental values that are so important to this country.

The language of the conference report is quite clear. It says the program is not mandatory and does not guarantee annual appropriations. If Members need a reason to vote against this rule so that they can vote for something which is of more lasting and permanent character, this is the reason right here. This is what the Committee on Appropriations is saying to us. This is not permanent. I am sure that they have the best of intentions at this time, but within a year there will be new pressures upon the Committee on Appropriations which will tell the Committee on Appropriations that they should perhaps cavil just a little bit on the commitment that they make today and come forward with less money.

Now, they will tell us about the violent crime reduction trust fund. That expired the other day, and it was never fully funded. They have always told us what a great thing it was. And it was great, and I commend them for it. But it did not come through a legislative committee and it did not have the supervision and the care and the attention that goes to it. And it also was not as fully honored as it could have been and should have been. Certainly we are going to meet the same situation, where the Committee on Appropriations will shave conservation values just is a little here and just a little there, because it is easy to do when the pressures are on to expend monies for other purposes.

Again, I announce my respect for my good friends, the gentleman from Wisconsin (Mr. OBEY), the gentleman from Washington (Mr. DICKS), the gentleman from Ohio (Mr. REGULA), and my colleagues on the Committee on Appropriations; but they are not meeting the real challenges of greatness. They are passing aside an opportunity. They are urging this body to reject something which is perhaps the greatest piece of conservation legislation we can pass in this Congress or indeed in any other.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. BALLENGER).

Mr. BALLENGER. Mr. Speaker, I thank the gentleman for yielding me this time.

Today, we have an opportunity to reward an agency which has completely turned itself around. For the first time in over 8 years, we have the chance to give the National Endowment for the Arts a small increase. It should be noted that this increase is dedicated to grants such as Challenge America.

Challenge America is an opportunity to serve smaller communities around the United States. Sixty percent of Challenge America grants will be distributed to communities under 200,000 in population in all 50 States. The intent of this program is to reach previously unserved communities in the same way that ArtsREACH programs work.

My colleagues may recall that in the first 2 years of ArtsREACH grants were made to the 123 mostly new communities, including places like Ft. Washakie, Wyoming; Deadwood, South Dakota; and Hattiesburg, Mississippi.

The remaining 40 percent of the Challenge America grants will be passed through the 56 State and Territorial arts agencies in keeping with the congressional practice of splitting NEA funds between State and national programs.

These new grant initiatives are part of a new NEA which supports projects in over 4,000 locations in the country. Today, NEA is doing more for communities in need than ever before, and I urge my colleagues to pass this bill which gives NEA a minimal but monumental increase.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. JOHN).

Mr. JOHN. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise in opposition to this conference report. With all due respect to the gentleman from Wisconsin and the gentleman from Washington, my friends on this side of the aisle and the other side of the aisle, who have done a pretty good job putting a piece of legislation that is controversial year to year on the floor before us, we have heard other speakers before me say that this is not CARA and I can tell my colleagues that this is not CARA.

The energy behind the Conservation and Reinvestment Act, H.R. 701, is about one thing, it is about permanency. It is about making sure that they can plan for the future. Coastal programs, ball parks, conservation, wildlife management programs, they can all function if they know that they are going to have a revenue stream that is certain from year to year. That is the energy behind CARA and why 3,000 groups supported this piece of legislation and 300 Members of the House voted for it.

Let me remind my colleagues that it is not CARA, if I take just an excerpt of the conference report of the Interior bill that we are voting on today in the rule, and see where it says this program is not mandatory and does not guarantee annual appropriations. That is obviously what they have meant because they put it in black and white. Well, that undermines, I believe, and unravels the energy and the excitement behind a piece of legislation that is, I believe, one of the greatest pieces of legislation that we have had.

We have a wonderful opportunity here. The year is 2000. We have surpluses that we are dealing with. We have the greatest opportunity, I believe, in our lifetime to put in permanent funding for building ball parks, to save our coastline in Louisiana. We talk about an energy policy and the suspect of time that we are entering into with oil and gas prices. Well, Louisiana, which produces 80 percent of that, is eroding.

I firmly believe that we still have time for CARA. Let us not go forward with the rule that halfway gets us to where we need to go. I urge my colleagues to oppose the rule.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. NETHERCUTT).

Mr. NETHERCUTT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I am happy to stand in favor of this rule and stand in favor of this Interior Conference Report. As a member of the Subcommittee on Interior of the Committee on Appropriations, I have been proud to work with the Democrats and Republicans. Certainly my chairman, the gentleman

from Ohio (Mr. REGULA), has done a masterful job of being sensitive to all sides of these issues of conservation and reinvestment and fire protection and all the things that go into the Interior Appropriation Bill.

One thing is certain about this business: Nobody is ever satisfied. We cannot ever get perfection, but the conference committee, Democrats and Republicans alike, struggled over this bill to try to make it right, to get it the best we could for everybody concerned. People in my part of the State of Washington are very concerned about CARA and the mandatory spending requirement. Whether it is needed or not, it is mandatory.

I think our system of appropriations and discretionary spending in the years ahead is going to be better to have the Committee on Appropriations and the Congress as a whole making these judgments about conservation lands on an annual basis rather than forcing a mandatory spending program whether it is needed or not.

So I have great respect for the gentleman from Alaska (Mr. YOUNG). But I think he has to have great respect for the gentleman from Washington (Mr. DICKS) and the gentleman from Wisconsin (Mr. OBEY) and the gentleman from Ohio (Mr. REGULA), as well as myself and others who worked so hard to craft this compromise to make sure that it meets the White House's needs and the Republicans and the Democrats needs, and that is fair under the circumstances.

If we vote against this bill, we are voting against National Park Service operations; against fire remedies that occurred this summer in the West; we will be voting against Indian Health Service. That is critically important in my part of the country and across this Nation, as Indian populations have increased in their health needs. We will be voting against the weatherization grants if we vote against this bill.

The bottom line for me is this is a fair compromise. It puts the conservation decision-making right where it ought to be, on Congress, making its best judgments on an annual basis, and I hope the membership will approve it.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia (Mr. RAHALL).

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

Mr. RAHALL. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I rise in support of the rule and, indeed, the underlying measure, the conference report on the fiscal year 2001 interior appropriation bill.

Contained in this legislation is up to $94.5 million to bolster the financially ailing, congressionally mandated program that provides health care to certain retired coal miners and their dependents. If this funding is not forthcoming, some 60,000 beneficiaries, whose average age is 78 years old, will see their health care cut. So I ask that my colleagues who represent coal field communities, whether they be in Appalachia, in the Midwest or the western States, not turn their backs on these retirees. They were made a promise, a promise endorsed by the Federal Government, of lifetime health care. This legislation keeps faith with that promise.

Mr. Speaker, we are currently dealing with a situation where what is known as the Combined Benefit Fund (CBF) is facing financial insolvency. In this regard, Senator ROBERT C. BYRD championed a provision in the pending legislation that would transfer up to $94.5 million to the CBF to insure that health care benefits are not curtailed or halted in the immediate future. This provision is modeled after legislation I sponsored in the House, H.R. 4144, known as the CARE 21 bill.

By way of background, the CBF was created in the Coal Act of 1992 to provide health care benefits for retired United Mine Workers of America coal miners who were eligible to receive benefits as of July 20, 1992, under one of two prior multi-employer funds. Under the terms of the Coal Act, companies which signed past National Coal Wage Agreements with the union are responsible for paying premiums for retired miners assigned as being their responsibility. For those retirees where there is no responsible company can be identified, the Coal Act provides for an annual transfer to the CBF of a portion of the interest which accrues to the unspent balance of the Abandoned Mine Reclamation Fund to pay premiums for these unassigned beneficiaries.

Today, however, the CBF is facing funding shortfalls primarily due to a rash of litigation brought by companies on a variety of fronts. First, under the Eastern case, the Supreme Court relieved what are called the "super reachback" companies from responsibility to their former employees thereby adding some 8,000 retirees to the unassigned beneficiary roles. These companies had at one time been signatories to the National Coal Wage Agreement, but were not parties to the 1978 Agreement which included what is known as the "evergreen clause" in which companies committed to a continuing payment obligation. Litigation has also been brought in what are called the Dixie Fuel cases where companies challenge the validity of assignments made to them. And a third round of major litigation is taking place challenging beneficiary premium rates under what is known as the Chater decision.

This litigation is chipping away at the financial solvency of the CBF and it should be noted these cases are being brought by companies that are both current signatories to the National Coal Wage Agreement as well as what are called "reachback" operators who were parties to the 1978 Agreement but not to the current agreement. In effect, and there is no way to get around this fact, these companies are seeking to reduce or walk away from their past collectively bargained obligations to provide lifetime health care coverage for their former employees. This creates a certain dilemma for the Congress as it is the Congress which created the CBF and I believe we have a moral obligation to these retirees despite the actions being taken by their former employers. However, at the same time, I do not believe it is prudent to use General Fund revenues for this purpose. Instead, the provision in the pending legislation would tap additional amounts of interest in the reclamation fund to provide for the cash infusion into the CBF. This is an important consideration because it is the coal industry itself which pays a fee that finances the Abandoned Mine Reclamation Fund. It is, as such, the coal industry which is still paying for the health care benefits of these retirees under the provision contained in this legislation.

There is no doubt in anyone's mind involved with this issue that a long term solution must be devised. My CARE 21 legislation would have done just that. Unfortunately, it has not been brought to the House floor and its counterpart has not been considered in the other body. Indeed, there is still a level of greed among certain entities involved in this issue as reflected in the litigation they are bringing against the CBF that is stymieing legislative efforts in this matter. This is going to have to change because the current impasse on devising a long term solution has in my view no benefit. It certainly does not benefit the many thousands of elderly retired coal miners and their widows who are being held hostage to this situation.

Mr. Speaker, I urge adoption of this rule, and I commend the ranking minority member, the gentleman from Washington (Mr. DICKS); the gentleman from Wisconsin (Mr. OBEY); the gentleman from Ohio (Mr. REGULA); and the gentleman from Alaska (Mr. YOUNG) for their help in including this provision in the legislation.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 1 minute to the gentleman from Alabama (Mr. CALLAHAN).

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

Mr. CALLAHAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, let me first say that I certainly sympathize with the appropriators, and I sympathize with the authorizers as well.

□ 1245

We are always faced as to whether or not we are going to be able to come along with a rider, whether or not this time it is okay, or this time it is not okay. But in this particular case I think the House's will is not being taken into consideration.

When we passed the CARA legislation through the House with 315 votes, I think that is a pretty good expression of what this House of Representatives wants us to do. When the chairmen of the authorizing committees come to the chairmen of the appropriation committees and say we want you to put this rider on here, then we are faced with a different situation, Mr. Speaker. We are in a dilemma.

I am going to vote for the rule today, but I disagree with the fact that we are not given the opportunity to bring forth the will of the House somewhere during this process. If it were possible to recommit this to the Committee on Rules, then I would recommit it and ask the Committee on Rules to give us an opportunity to amend the rule so we

could bring forth an amendment which could be set back. Maybe there will be an opportunity of recommittal, maybe we will have a voice, but I think that those of us that are interested in CARA have been shortchanged.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I would just say to my colleagues, this is an indication of where the money will go under the amendment that I and the gentleman from Wisconsin (Mr. OBEY) offered. First of all there would be $550 million for the Federal and State Land and Water Conservation Fund. State and other conservation programs would get $300 million. Urban parks and historic preservation, $150 million; $150 million for the maintenance backlog; and $50 million for PILT.

This is not guaranteed, but this money is prioritized in the budget allocation and Congress is going to spend this money as we have spent the money on the Violent Crimes trust fund. So it is not a guarantee, but it is about as close as we are going to get to one and still let the Congress have some oversight over these programs. This is a tremendous increase. The President supports it. Most of the outside conservation groups support it. It is a chance for us to triple the amount of funding spent on these programs.

Now, it is not CARA; but I actually think it is better than CARA because it is a blend between the President's land legacy and the CARA program.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 1 minute to the gentleman from Alaska (Mr. YOUNG).

(Mr. YOUNG of Alaska asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Alaska. Mr. Speaker, there has been a lot said about George Frampton supporting it. That is probably the biggest reason to vote against the rule.

The second thing is that every governor in the country now has blasted this agreement. Every governor. The mayors, the legislative bodies have blasted this so-called Interior appropriations.

So do not give everybody how much they support it. In reality, the governors know right now we are back to square one. We have got to go back to the appropriators and grovel, hold our hand out and beg at the end of the session.

By the way, Mr. Speaker, this has happened to us now for 6 years, 8 years, 10 years. Wait until the last moment, the Senate does not do anything, they hold it; and then the appropriators get together in the back room, and the cardinals decide what legislation is going to pass and not pass. The natives are getting restless, buddy. I am going to suggest respectfully, that is not the way this Congress was set up. It is not good legislation; it is wrong and against the House rules, but we are ready to go home, so everybody wants to vote for this thing.

I am voting no and I am going to ask for a vote on the rule.

Ms. SLAUGHTER. Mr. Speaker, I yield the balance of my time to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, what we hear today is that there are four oil-producing coastal States who this year get $100 million and who under CARA want to get $1 billion, and they are unhappy because we only gave them $400 million. That is the truth. We spread the money around more fairly among all the States, and we make no apology for it.

The fact is this is a historic bill. It is the best conservation funding bill that we have seen in a generation. This raises conservation funding from $4 billion to $12 billion over a 6-year period, and that money if it is not spent on these conservation programs cannot be spent on any other item. That is as close to a guarantee as we can get. It is a phenomenal victory for the environmental movement and a phenomenal victory for those who want to protect our outdoor resources.

The rule should be supported. The bill should be supported. This is something we can all go home and be proud of.

Mr. HASTINGS of Washington. Mr. Speaker, I urge my colleagues to support this rule so we can get on with this process.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 354, nays 65, not voting 15, as follows:

[Roll No. 506]

YEAS—354

Aderholt
Allen
Archer
Armey
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Castle
Chabot
Chenoweth-Hage
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeLauro
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hill (MT)
Hilleary
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kilpatrick
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (NY)
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Nussle
Obey
Olver
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanford
Sawyer
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Wu
Wynn
Young (FL)

NAYS—65

Abercrombie	Gonzalez	Norwood
Ackerman	Hansen	Oberstar
Andrews	Hill (IN)	Ortiz
Baldacci	Hilliard	Peterson (MN)
Barcia	Holt	Phelps
Blagojevich	Isakson	Rivers
Bono	Jefferson	Roemer
Brown (OH)	John	Sanchez
Callahan	Jones (NC)	Sanders
Cardin	Kildee	Sandlin
Carson	Kind (WI)	Saxton
Chambliss	Lee	Shuster
Clay	Levin	Souder
Conyers	Lewis (GA)	Stark
Crane	Luther	Stupak
Danner	McCarthy (MO)	Tauscher
DeFazio	McDermott	Thompson (CA)
DeGette	McKinney	Watt (NC)
Delahunt	Meeks (NY)	Waxman
Deutsch	Miller, George	Woolsey
Dingell	Mink	Young (AK)
Gilchrest	Moore	

NOT VOTING—15

Dunn	King (NY)	Napolitano
Eshoo	Klink	Paul
Franks (NJ)	Lazio	Riley
Hastings (FL)	McCollum	Vento
Hefley	McIntosh	Wexler

□ 1310

Mr. VITTER and Mr. HINOJOSA changed their vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mrs. NAPOLITANO. Mr. Speaker, on rollcall No. 506, the Rule for Interior Appropriations Conference Report, I was unavoidably detained in a business meeting. Had I been present, I would have voted ''yea.''

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I may include tabular and extraneous material on the conference report to accompany H.R. 4578.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Ohio?

There was no objection.

CONFERENCE REPORT ON H.R. 4578, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

Mr. REGULA. Mr. Speaker, pursuant to House Resolution 603, I call up the conference report on the bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 603, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 29, 2000, at page H8472.)

The SPEAKER pro tempore. The gentleman from Ohio (Mr. REGULA) and the gentleman from Washington (Mr. DICKS) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. REGULA).

□ 1315

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

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

Mr. REGULA. Mr. Speaker, first of all I want to thank those that supported the rule; and to all Members, I believe that this bill today is something we can point to with pride in supporting it.

I know there are differences on how we approached it, but this bill provides for the future of this Nation in terms of our assets, our land and our unique ecology; and I hope that all of my colleagues will look carefully at all the things that are in this bill, to realize what it means, not only to your district, but to the Nation.

As my term as chairman of the Subcommittee on Interior Appropriations nears an end with this conference agreement, I would especially like to take the opportunity to thank the Members of the subcommittee. I might say that this conference was unique. For the first time in my 6 years on this subcommittee, the conference report was signed by every member of the conference committee from both parties in both Houses, and it will be supported by the administration.

I thank the Members for their support as we did work together to produce this agreement. Especially I extend my appreciation to the gentleman from Washington (Mr. DICKS) and the gentleman from Wisconsin (Mr. OBEY) for their hard work during our conference and throughout the year.

Finally, I want to express my appreciation to the excellent staff on the subcommittee who have dedicated hours, numerous hours on this bill. And I wanted to also make a comment here, and that is that this bill is in the true tradition of Sid Yates, who was the previous chairman of this subcommittee. I think Sid would be very proud of what is in this bill. In his many years as chairing the subcommittee, much of what we have done are things that he cherished and worked for. And I say to you, Sid, if you are watching, that we thank you for all of your good service. This bill today perhaps is an accumulation of some of the things that you were pushing for for years and years as you chaired the committee.

This is a good bill, I say to my colleagues, one that all of us should support. It provides $18.8 billion in the funding for the Department of the Interior and related agencies. It includes wildfire funding, a recognition that the fires are a problem on our 200 million acres of forest land. It has $2.9 billion and of that amount, $1.6 billion is emergency funding. And for those of my colleagues who noticed the size of this bill, keep in mind that we had to address not only fire emergencies, but we also had to address other emergencies that were overlooked in the supplemental appropriations bill.

While it is a large number, it does represent a number of dollars that were meant to address the interests of many Members in the House. The conference report includes a new land conservation, preservation and infrastructure improvement title which makes available $12 billion over the next 6 years for programs such as Federal and State land acquisition, urban parks, State and wildlife conservation, PILT and backlog maintenance. State and other conservation programs receive $300 million, $300 million to the States, including a new $50 million State wildlife grant program.

We do ask for accountability, and I think that is our responsibility to the taxpayers to say to the States we want you to be accountable in the expenditures of these monies.

Also in this report, there is $200 million for PILT, that is $65 million more than what was in the bill that passed the House. And again I think it is a recognition that we have to support these local governments, the schools and local government agencies with some type of substitute for the losses that they have because of the Federal lands, and so I am pleased that we have a very substantial amount in PILT.

We have initiated several new funding provisions to prepare for wildfires, wildfires that have swept across the West. There is $128 billion for State and rural fire and economic assistance. We recognize, and I know many of my colleagues watched the shows that the people were coming even from offshore to help fight the wildfires, and, of course, the States and local communities were very instrumental in this effort.

We have $377 million to increase wildfire readiness, $422 million for additional wildfire suppression and $277 million for hazardous fuel reduction work. To address the impact of the current fire season, we have also provided $227 million to rehabilitate areas damaged by fires and $351 million to reimburse firefighting costs already incurred.

And I say one of the good features is that we try to clean up forests through the readiness programs and through the suppression programs, so that when we get lightning strikes, they do not burn with such intensity, because as you have fuel buildup by failure to thin and so on, you obviously add to the intensity of any blazes.

I am especially pleased that we have addressed the numerous operational and maintenance shortfalls. We have $1.4 billion for the operation of the national parks, $25 million more than last year. We have $1.6 billion for the BLM which includes a $66 million increase overall, and $18 million for revision of the Bureau's land management plans, and $356 million for national wildlife refuges.

Funding has been included within these operational accounts to address

maintenance priorities. This is something I have always been interested in, probably harped on it a little bit, that we must take care of what we have; We recognize this need with an additional amount of funding. We put in $12 billion, a portion of that has to be used for maintenance, because we recognize that while it is nice to build new buildings and buy more land, it is also just as important to take care of what you have.

Funding for urban parks has increased to $30 million and funding for State and private forestry is increased by $48 million to $251 million. I think particularly in the case of the urban parks, there is a recognition that as our populations become more urbanized, it is important for the quality of life in urban areas to have parks, install pocket parks, to have trees planted, to enhance the overall quality of the programs and the communities in which our urban population lives.

The conference agreement contains funding for a number of important environmental efforts, including South Florida Ecosystem Restoration Initiative, the North American Wetlands Conservation Fund, a public-private program which is funded at $40 million for wildlife, habitat projects, and $187 million for environmental restoration through the Abandoned Mine Reclamation Fund, which provides funding for cleanup of abandoned mine lands.

I wish that number could be more, because I think it really is kind of a sad commentary on what we have done to some of our lands by virtue of mining without any form of reclamation, but we have to do what we can to restore these areas.

Up to $10 million of the Abandoned Mine Reclamation Fund may be used for the Appalachian Clean Streams Initiative, because obviously abandoned mines have an impact on streams through acid mine drainage and other types of pollutants that get into the streams.

Further, through funding for the U.S. Geological Survey, scientists can assist our land management agencies in making informed, environmentally sound decisions in natural resources that may not sound like a lot. But that is very important, because it means that these agencies work together.

Sometimes I am struck by the fact that agencies almost sound like they serve two different countries, and I am delighted that the USGS will be working with parks and forests and other agencies to use their scientific knowledge which is for the betterment of America.

We are pleased to report increases for funding American Indian health care services and education. Funding for the Indian Health Service is $214 million more than fiscal year 2000, for a total of $2.6 billion. I know we are all troubled by what happens in Indian health, and we are recognizing that by substantially increasing this program.

Likewise in education, we provided funding for the construction of six new Indian schools from the Bureau of Indian Affairs priority list.

We have increased funding for important energy research and conservation programs to address the needs of consumers as we approach what is anticipated to be a difficult winter heating season. Funding for energy conservation is $815 million; and of that, $153 million is provided for weatherization grants that are distributed through local communities.

I might say fuel cells show a lot of promise. We are making progress in automobiles and making them more energy efficient. All of those things will help us deal with the crisis, which I think is probably here to stay, over the long period of time; we, therefore, need to be prepared for that.

The managers included increases for the several cultural agencies in the bill, including the National Gallery of Art, the U.S. Memorial Holocaust Museum, the Kennedy Center, and the Smithsonian. Further we have provided $98 million to the National Endowment for the Arts and $7 million for the Challenge America Arts Fund to provide art education funding to rural America and other underserved areas.

Let me emphasize that the additional money in the arts is $7 million; it is in a separate account. It will be administered by the NEA, but it is directed to rural America and to underserved areas. We want this to be widespread, small grants.

There are a couple of stories in my local paper this week about a small grant of something like $20,000 and what a difference it made in a school program.

Funding for the National Endowment for the Humanities is increased to $120.3 million.

Mr. Speaker, through this bill, we will be able to accomplish a number of high priority projects for many people across this great Nation, especially in the area of land conservation and habitat restoration. The conference agreement strikes a delicate balance between those in this House who would urge us to go further and provide larger sums and those who believe that in the area of Federal land acquisition, the Federal Government already owns enough.

We have a dichotomy among our Members on this subject, but let me say I think we have tried to strike a balance in the way we have handled the funding, and we have made it subject to appropriations. I wanted to say, on the basis of my experience of 28 years in the House, that I have a lot of confidence in the Congress. I mean we have our differences and sometimes we may come to a problem in a different way, but on balance, I have been impressed by the dedication of Members over these years.

And I am pleased, frankly, that in the disbursement of the $12 billion for State and Federal land acquisition, the responsibility for appropriating this money rests with the Members of this House. We are elected by the people to make policy decisions, and I believe that in this bill we recognize the importance of that role.

I have great confidence that in the years ahead those who have that responsibility will exercise it wisely.

Finally, Mr. Speaker, I have two technical changes to the conference report that I ask unanimous consent be printed in the RECORD at this time.

First on page 177, the increase of $4 million for heavy vehicle propulsion is an error. The $4 million increase is for advanced power electronics.

Secondly, page 135, the Lincoln Pond/Colonial Theater should be Lincoln Road Colony Theater.

The SPEAKER pro tempore (Mr. LAHOOD). Let the Chair just clarify for the gentleman from Ohio. Those corrections, the gentleman needs to make those in the RECORD. The gentleman cannot correct the conference report or joint statement by asking unanimous consent.

So the gentleman knows, they will show up in the RECORD; the RECORD will reflect congressional intent. But the Chair does not want the gentleman to be left with the impression that it was done by asking unanimous consent, to correct the joint statement that cannot be done.

Mr. REGULA. Mr. Speaker, one last comment, I urge all the Members to look at the press release, and my colleagues will see what all is in this bill. I think we will be proud to say I voted for it.

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

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Mr. DICKS. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, I rise in support of the fiscal year 2001 appropriations conference report. I wish to commend my colleague, the gentleman from Ohio (Mr. REGULA), who I think brings us today a historic bill to the floor of the House of Representatives.

I want to compliment him and his staff, led by the very able Debbie Weatherly. I also want to thank my staff, Mike Stephens and Lesley Turner, for the outstanding work and the work of all the staff members on the Committee on the Interior.

I have been impressed over the 24 years that I have served on this committee, and the last 2 years as the ranking Democratic member, about the bipartisan nature of our effort. I am particularly pleased about this bill. This is an historic measure.

I know there was some debate on the rule, but I want to thank all of the Members who voted for the rule from both parties. I think this is a good rule and it gives us a chance to consider this legislation today.

I think the reason this is historic is because we will, with the enactment of this legislation, in the first year double the amount of conservation spending that we have done in this country from

$782 million up to $1.6 billion, and $400 million of that goes to coastal programs under State, Justice, and Commerce; $1.2 billion goes to the Interior appropriations bill.

I appreciate the fact that the conference was willing to accept the amendment that I offered, with the able help of the gentleman from Wisconsin (Mr. OBEY), who had many good suggestions, and helped advocate for this in the conference. He was a prime sponsor of this amendment with me.

I just hope we can bring the House together now, because this is such a good bill. This should be a day of celebration. This should be a day of celebration, because the President is going to sign this bill. The administration, George Frampton, said many very positive things about this legislation.

Also, the outside environmental groups, and I want to particularly thank my friend, Roger Schlickeisen of Defenders of Wildlife, and the 12 environmental groups who endorsed this legislation, and recommended that the House vote for the rule and vote for the bill, and who recognize the historic nature of this bill.

I think we can do many, many positive things from this legislation for land acquisition, both for the Federal and State. We can do work on endangered species. I see that the gentleman from California is here, who has been one of the great advocates for urban parks, which is included.

I just want to say to the gentleman from California, I know that for 4 years he and his group worked for CARA. What we tried to do is do the best we can on the Committee on Appropriations, following as much of it as we could. I hope we can work together in the future to expand upon this legislation and to make it even better.

Mr. GEORGE MILLER of California. Mr. Speaker, will the gentleman yield?

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

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for yielding, and I thank him for his remarks on behalf of CARA, which I am very proud of. I think we did put together an incredible coalition.

I also thank him for mentioning the UPARR program on urban parks and recreation. As the gentleman has said, for the last 4 years I have tried to resurrect the funding for the urban parks initiative, and in this legislation, clearly the committee has done that. The appropriation of $30 million will allow us to rehabilitate some of those recreational spaces, including sports facilities at public schools or regional centers available for all young people in this country that have fallen into disrepair for a whole host of reasons. We ought not to abandon them. We ought to reclaim them. We ought to give those children the recreational opportunities so many of us have had.

I want to thank the committee for that effort to put that money into the urban parks legislation.

I want to say this, that yes, we have had our differences over CARA. We have had our differences from time to time over this bill. But this committee did a remarkable job with this bill this year. What they have done in the various environmental accounts will give us an opportunity in a whole range of areas in this country, whether they are urban, suburban, or rural areas, to deal with some of the problems we are confronting in trying to hold onto agricultural land, to try to solve endangered species areas, to save the wetlands, to create the urban park space and recreational opportunities for our children, and for something that I know the gentleman from Ohio (Mr. REGULA) has been a very outspoken person on, and that is maintenance of the Federal effort in our national parks. We can wear these parks out if we do not take care of them with the visitors that we have gotten. I appreciate the committee addressing this.

I have had my tussles with this committee, but I have always tried to say every year that this committee has had far more demands on it than resources; that they have been able to meet the demands of the Members. I think what has been done here with $12 billion over the next 6 years, the manner in which it has been capped and fenced and reserved for resource programs is a magnificent start on that effort.

We know the backlog. We know the troubles our communities face. But I think we would be remiss if we did not understand that this may be the single greatest increase for the protection of the environment in this country, certainly of the natural resources in this country, in the last 25 years. Members of Congress ought to be very proud of that.

Does that mean that others and myself will not continue to fight for CARA? Of course we will. We will continue that effort, but we should not lose sight of what is happening here today with the passage of this legislation and what it means.

Finally, I just want to say to a great guy, the gentleman from Ohio (Mr. REGULA), as much as we have battled, I must say, I have never had more respect for an individual, because day in and day out he has tried to do the right thing with the limited resources that he has had available to him.

He has been a tough guy. He has been kind of a tough guy on the street. He understands, I think, the Federal role. We have argued about that from time to time.

I just want to say, Mr. Chairman, it has been a pleasure working with you. I am sorry that the gentleman's side chose term limits, because I think the gentleman's continued role on this committee would have been good for the country.

I want to thank the gentleman from Washington (Mr. DICKS) and the gentleman from Wisconsin (Mr. OBEY) for all their effort on behalf of this particular bill, and the final result brought about on behalf of the environment in this country.

Mr. DICKS. Mr. Speaker, I thank the gentleman.

I want to also commend the gentleman from Ohio (Chairman REGULA) for his leadership on this committee.

I have served with two great chairman, Sid Yates and the gentleman from Ohio (Chairman REGULA), and the gentleman from Ohio has done a fantastic job, and been fair to everybody. He has worked hard to do a better job on maintenance on our national parks. He pushed through the historic fee demonstration program, which will allow parks to raise money all over the country to make the parks better.

I just want to commend him for his 6 years as chairman of this committee. I have really enjoyed personally working with the gentleman. We all will see what happens next year, but I hope that the gentleman from Ohio and I can still work together on these important issues.

I want to say how much I appreciate his willingness to adopt the amendment that the gentleman from Wisconsin (Mr. OBEY) and I presented. I felt it was crucial to getting the bill enacted. I thought it moved in the direction of some of the ideas of CARA. I think it is, frankly, a better bill than CARA, in my own judgment.

But the gentleman from Ohio (Mr. REGULA) was a gentleman and advocated for the House, and has been a great person to work with. I just want to say to him, I thank him for a job well done. The American people will never fully appreciate what the gentleman has done to improve our parks, our recreation areas, and to make this a better country, but we in the House understand that. We want to compliment the gentleman for his great leadership.

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

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. YOUNG), the chairman of the Committee on Appropriations, and a gentleman who has given this committee great leadership this year.

The House has moved its bills expeditiously, and a lot of this is thanks to the chairman of the Committee and the way in which he has handled the responsibilities of leadership.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding me the time.

I take the time to support the bill and to urge a very strong vote for the bill. But I wanted primarily to applaud the chairman, the gentleman from Ohio (Mr. REGULA), for having led this subcommittee through some very difficult times, and also the ranking member, the gentleman from Washington (Mr. DICKS), and my counterpart on the minority side, the gentleman from Wisconsin (Mr. OBEY).

When we listen to the debate and understand that this is a very good bipartisan bill, it just proves what can be

accomplished when we work together and try to resolve the differences.

I would say that when we listen to the debate, some might think this bill breezed through the conference committee with no trouble at all. But Mr. Speaker, this bill had all kinds of problems in conference. The debates were vigorous, the arguments were pretty powerful at times, but cooler heads prevailed. The issues were resolved in a most positive way.

So I really want to applaud especially the chairman, who led this effort. I certainly would be one who would be regretting strongly if in fact he had to step down as chairman because of the term limits requirements, but that will be whatever it will be.

The managers have done a really good job. They have brought to us today a bill that we can all support and that we can all go home and brag about, if Members feel like bragging, because this is a good bill. It does a good job for the people, and it is one the Congress can be very proud of.

Mr. DICKS. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, as the Members of this House know, it is my view that many of the appropriation bills which passed this House were pretty pitiful. This is not one of them. This is one of those times when the House has been able to come together and to produce a bill which will really mark a significant turning point in Congress' dealing with our trust over public lands and our wildlife resources.

It could not have happened if we had not had some very tough fights. We are supposed to come here and fight for what we believe in, and fight for what will enhance the country's future. Sometimes that means having some very tense moments. But out of that has come a product which has been unanimously supported by the committee.

That is what we are supposed to do, we are supposed to fight like the devil for what we believe in, and then resolve our differences in a constructive way, which moves the country forward. That is exactly what has happened on this bill.

As has been said, the chairman of the subcommittee is the best advertisement I know for the idiocy of term limits. He has done a fine job, and it makes no sense to have to say that, if his party stays in the majority, he would not return as chair. He has done a fine job.

Certainly the gentleman from Washington (Mr. DICKS) has performed yeoman's service in moving forward this entire question that we have wrestled with for 2 years about how to expand public support and congressional support for preserving our outdoor resources without creating a new entitlement that raises one group of people above everybody else. This will deliver the goods without putting Congress in a procedural straightjacket.

One of the new things we do is to create a new State wildlife protection program. I know some of the State DNRs are unhappy that we did not just turn that into a simple revenue-sharing program. Frankly, I did not come here to be a tax collector for my DNR. I came here to try to protect the resources, and preserve our ability to oversee the protection of those resources at the same time.

In addition to what we do on the outdoor resource front, which is a magnificent achievement, we expand the weatherization program to deal with the needs of low-income people, now that we are having rising energy prices. We increase research into energy efficiency. We strengthen the clear water action plan. We have the first funding increase for the National Endowment for the Arts since 1996.

There are some things that I am concerned about. I would warn the Park Service that I do think that they need to recognize that there still needs to be a compromise with respect to the question of snowmobile use in our national parks. There needs to be a compromise on that. This committee did not have the jurisdiction to deal with that issue, but the Park Service needs to be flexible on that.

I also want to thank the White House, because they were teriffic in seeing to it that the egregious anti-environmental riders attached to this bill were stripped out or worked into a fashion where we could grudgingly accept a couple of them. But they did wonderful work on behalf of the public that they represent. This is a great victory for them and for all of us who believe in the preservation of our outdoor resources.

I want say that this is one of those times when this institution has produced something which will move the country forward, and as I said earlier, it may not be seen as all the money that some people wanted, but any time that we can say that over a 6-year period we have tripled the amount of funding for a worthy national goal from $4 billion to $12 billion, we have done a good day's work.

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We have a right to be proud of the work that we have done. I congratulate everyone, staff and Members, who had anything to do with it. I only wish that some of the other appropriation bills that are being produced could represent the same quality that this does. This is one of the truly finest chapters of this session of Congress.

Mr. REGULA. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Speaker, I thank the gentleman from Ohio (Chairman REGULA) for yielding me this time.

Mr. Speaker, the Subcommittee on Interior has really done fine work in supporting two very important innovations in my part of the country, south Florida. One is natural, and the other is man-made.

As the country knows, America's Everglades is an important part of our natural environmental heritage. People often speak about it in the same breath as the Grand Canyon, Old Faithful, Yosemite, or Redwood Forest.

I have introduced legislation which passed the other Chamber last week by a vote of 85 to 1, and that is to enact a comprehensive plan to restore the Everglades. But pending that authorization bill, the appropriations for Interior dedicates $75.9 million towards ongoing Everglades restoration, including $17 million for land acquisition, which is a vital step forward for the coming year.

I thank the gentleman from Ohio (Chairman REGULA) and the Subcommittee on Interior staffers, especially Debbie Weatherly, for making sure that the National Park Service has enough money, $9.23 million, to continue the science research, construction, and land accession necessary for the environmental restoration of the Everglades National Park. I also want to thank the gentleman from Washington (Mr. DICKS), ranking member.

In the NPS construction account, the conference report allocates $242 million, including $9 million for water delivery modifications in south Florida for a total of $75 million, a part of which is allocated to the Everglades restoration projects.

Turning now to one of the man-made cultural legacies in south Florida, the 465-seat art deco Colony Theater is a former movie house that anchors the western end of Lincoln Road Pedestrian Mall in Miami Beach and is listed on the National Register of Historic Places.

Originally built in 1934, the theater's art deco architecture is a local landmark and has been a vital part of the economic and social fabric of Miami Beach since the years following the stock market crash of 1929, when the winter season tourist economy developed and the modestly sized art deco hotels and theaters were built. The theater has also served as a primary entertainment location for many of the 500,000 United States troops who trained in Miami Beach between 1942 and 1945.

I might also add that this was a favorite movie theater for my wife and I when we were dating when we were back in high school.

The Colony Theater Restoration Project, which has already raised $1.8 million in State, local, and private funds, will certainly benefit from the Federal matching of $837,000 contained in this conference report.

Again, I thank the gentleman from Ohio (Chairman REGULA) and the gentleman from Washington (Mr. DICKS) and the entire subcommittee and the full committee for working so hard on behalf of the people I represent in south Florida.

Mr. DICKS. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from West Virginia (Mr. RAHALL), in order to enter into a colloquy.

Mr. RAHALL. Mr. Speaker, I thank the distinguished gentleman from Washington for yielding me this time.

Mr. Speaker, I rise to make note of the fact that the pending legislation once again carries a rider relating to the BLM's proposal to strengthen the regulations governing hardrock mining on lands under its jurisdiction. This is the fifth appropriations bill rider on this matter.

However, unlike some of the past riders, this one does not appear to hinder the ability of the BLM to finalize its proposed rule. In fact, I have before me letters from both the National Mining Association and the Mineral Policy Center, groups which are normally opposed to each other, both supporting the pending legislation. In this regard, I would ask the gentleman from Washington (Mr. DICKS), the distinguished ranking member of the Subcommittee on Interior, to engage in this colloquy.

It is my understanding that the hardrock mining provision of the conference report does not impede the BLM's ability to prevent undue degradation of public lands with a new and stronger rule so long as that rule is not inconsistent with the recommendations contained within a National Research Council's report on the adequacy of existing mining regulations. Is this understanding correct?

Mr. Speaker, I yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I would say to the gentleman from West Virginia, that is correct.

Mr. RAHALL. Mr. Speaker, does not one of those recommendations direct the BLM to clarify the agency's authority to protect valuable resources not protected by other laws?

Mr. DICKS. Mr. Speaker, if the gentleman will yield, that is correct.

Mr. RAHALL. Mr. Speaker, so under the provision of the conference report, it would not be inconsistent with the Research Council report for the BLM to issue a rule that would allow the disapproval of a mine proposal if it would cause undue environmental degradation of public lands, even if the proposal complied with all other regulations.

Mr. Speaker, I yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, my understanding is the same as the gentleman's, and I appreciate his bringing this to our attention.

Mr. RAHALL. Mr. Speaker, I thank the gentleman from Washington (Mr. DICKS), and I commend him for his work on the pending legislation, as well as the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Speaker, I yield 3 minutes to the gentleman from Montana (Mr. HILL).

(Mr. HILL of Montana asked and was given permission to revise and extend his remarks.)

Mr. HILL of Montana. Mr. Speaker, I thank the gentleman from Ohio (Chairman REGULA) for yielding me this time.

Mr. Speaker, I rise in support of this bill, and I want to thank the gentleman from Ohio (Chairman REGULA), and I also want to thank the gentleman from Washington (Mr. DICKS), ranking member, for their sensitivity to issues that are very important to my State of Montana in this conference report.

As everybody I think in the Congress knows, in the month of August and early September, we had over a million acres in Montana destroyed by wildfire. This, as my colleagues know, Mr. Speaker, was a man-made disaster. The administration's neglect in preparation for this fire season and its neglect in managing the risk of wildfire on our public lands greatly increased the hazard these fires created.

In this bill, Congress finally addressed this issue, recognizing the growing threat of wildfire and providing very necessary funds for us to manage these risks in the future.

I particularly want to compliment the gentleman for the funds for the fire fighting effort that took place as well as additional funds to recover those areas that were badly impacted by these fires.

I also want to compliment the gentleman from Ohio (Chairman REGULA) for funds to implement restoration forestry so that we can manage the 40 million to 80 million acres that the General Accounting Office has identified as at-risk forests in the West so that we can restore the health of these forests, we can reduce the wildfire risks, and we can eliminate the prospects of ecological and economic disasters.

I want to compliment them both for the increase in PILT funding. The Federal Government is a neighbor to us. It owns about a third of the State of Montana, and they provide for or help pay for local services through what we call PILT, payment in lieu of taxes. This bill has a 50 percent increase in PILT funding for rural Montana and rural communities.

I have seven reservations, and Indian health increases which we passed on this floor when we debated this bill is very important to the increasing population on those reservations.

I want to thank the gentleman for including the provision to fund the Travelers Rest acquisition, a national historic site where Lewis and Clark and the Corps of Discovery camped twice, and where, for 10,000 years, Native Americans camped in western Montana.

The dollars for park maintenance. Montana shares with Wyoming and Idaho Yellow Stone Park, and it is home to Glacier Park. I have advocated for a long time to increase funding to deal with the backlogs of needs in our national parks, and these parks will benefit from those funds.

It is very important the funds for threatened and endangered species management at the State level. In my State, we are struggling with the impacts, budgetary and economic, of grizzly bear recovery and gray wolf recovery, and more recently east slope cutthroat trout recovery. These dollars to help these States manage these endangered and threatened species is very important.

I want to thank particularly the gentleman from Washington (Mr. DICKS) for coming to a compromise with us on the Interior Columbia Basin management plan issue, which my colleagues will recall was a very controversial issue on the floor when we debated this bill. It is a matter of great importance to those of us in the West. The fact that we are able to take measures that will ensure that any future decision on Interior Columbia Basin will work for the recovery of the forests and to benefit our economy, and that is very important.

There are many other important provisions. I just want to urge my colleagues to support the bill.

Mr. DICKS. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New York (Mr. HINCHEY), who is also a valued member of our subcommittee.

Mr. HINCHEY. Mr. Speaker, this has been unquestionably a very contentious and hard fought process; but the results of it will be welcomed, I think, by every person in the country who cares about America's natural resources.

There are a lot of people that made major contributions, including the gentleman from California (Mr. GEORGE MILLER) and the gentleman from Alaska (Mr. YOUNG), that built the foundation upon which this bill is constructed.

The gentleman from Florida (Mr. YOUNG), the chairman of our full committee, we need to thank him, particularly, for his thoughtful and gentlemanly leadership. I thank the gentleman from Ohio (Mr. REGULA), who has been an outstanding chairman of the Subcommittee on Interior and has done an outstanding job in virtually every aspect of his responsibilities. I think of the Everglades and a whole host of other areas where he has made a very lasting and substantial contribution that will be a very important legacy for him and for all of Americans.

I want to also thank the gentleman from Wisconsin (Mr. OBEY) and the gentleman from Washington (Mr. DICKS) on our side who made an outstanding contribution to the final provisions of this bill. I think both of these leaders on the Democratic side of the aisle made a major contribution to the preservation of America's natural resources here, and I express my appreciation to them.

The bill provides a historic level of funding to protect our parks and natural resources, $3.9 billion more than

the current fiscal year. The National Park Service is funded at $1.4 billion. That is $25 million more than the current year. National wildlife refuges are increased by $33 million over last year. Even the National Endowment for the Arts gets a small increase, $7 million over the current fiscal year. Both the National Endowment for the Humanities and Office of Museums and Library Services will receive modest increases. Obviously we must do more in these areas, and we will in the future.

The bill also provides $8 million for the Northeast Home Heating Oil Reserve, and people are going to be very grateful for that because the cost of heating homes, offices, and businesses this winter will be less expensive as a result of that provision in this bill, Mr. Speaker.

The administration and the House Senate negotiators eliminated the most egregious antienvironmental riders, and they scaled back those that remain in the bill.

The Land Conservation Preservation and Infrastructure Improvement Program provides a historic $12 billion over 6 years for high-priority Federal and State conservation and preservation programs, a wonderful contribution.

This proposal actually improves on CARA by getting rid of the environmentally harmful provisions that would have encouraged new offshore drilling, would have allowed coastal funding to be used for environmentally damaging activities, and impose burdensome new restrictions on Federal land acquisitions. All that has been taken out in this terrific piece of legislation.

Twelve distinguished environmental conservation and historic preservation groups recognize the importance of this bill when they said as follows: ''This important and historic conservation initiative represents a major contribution to the effort to protect what remains of our irreplaceable natural heritage before it is lost.''

Mr. Speaker, I want to say to my colleagues that, in the 6 years that the gentleman from Ohio (Mr. REGULA) has chaired this subcommittee, he has done an outstanding job. I can only thank him for that on behalf of my constituents and all the people of this country. I only regret that his party put in place these term limitations because the kind of leadership that he has provided has been absolutely outstanding, and he is going to be a great loss. I know he is going to continue to be on the committee, I certainly hope so; and we will have the benefit of his wisdom in that sense. I thank the gentleman from Ohio.

I thank the gentleman from Washington (Mr. DICKS), our ranking member on the subcommittee, for the outstanding work that he has done, for the hard-fought contentious battles that he was engaged in to make certain that this bill is the kind of bill that every Member of this House can be proud of and every American citizen can be grateful for.

Mr. DICKS. Mr. Speaker, how much time is remaining?

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Ohio (Mr. REGULA) has 9½ minutes remaining. The gentleman from Washington (Mr. DICKS) has 11½ minutes remaining.

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

Mr. DICKS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. FARR), a member of the Committee on Appropriations and a person who cares deeply about natural resource issues in our country.

Mr. FARR of California. Mr. Speaker, I thank the gentleman from Washington (Mr. DICKS) for yielding me this time. I thank the gentleman from Ohio (Mr. REGULA) for bringing this bill to the floor.

Many of us came to Washington, came to this House hoping that we could better use the national resources, the national treasure that we have to help preserve local initiatives in trying to build more livable communities.

□ 1400

In thinking about it, I am sure my colleagues will agree that the most beautiful communities in the United States are usually the most economically successful. So economic development goes hand-in-hand with environmental protection or land stewardship, and this is the bill for the first time in history that allows this relationship to truly work.

I am here to applaud, to thank and praise my colleagues. For the first time since the inception of the Land and Water Conservation Fund in 1965, these funds are now earmarked for the purpose they were originally intended. That means they cannot be used for other purposes. Historically, in Congress, every time we had another problem, we would dip into that pot and use those funds. This committee changed that, and I thank them.

The people that will really thank this committee and this Congress is every county in the United States, every State in the United States, every community that now has a lot of passion about trying to work in environmental stewardship because they now have a new partner, and that partner will be the Federal Government, in a lot of different programs. Certainly every employee of the BLM, and people who follow the Bureau of Land Management; every employee of the U.S. Forest Service, of the United States Park Service, of the U.S. Wildlife Service, and the refuges that they help protect will benefit.

I just want to conclude, Mr. Speaker, by thanking the gentleman from Ohio (Mr. REGULA). I have served in the Congress with him and know him very well, and he is truly one of the leaders that people have talked about. Things do not get done in politics unless there is leadership. I want to thank all my colleagues, all the names that have been mentioned here today, because all America benefits. It takes leadership to lift the political tide, and those Members have lifted that political tide forever.

Mr. DICKS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. NADLER), one of the strongest supporters of the Interior appropriation bill, and in particular the National Endowment for the Arts.

Mr. NADLER. Mr. Speaker, I rise in support of this bill, and I want to join my colleagues in applauding the role played by the outgoing chairman of the subcommittee, the gentleman from Ohio (Mr. REGULA) and also the role played by the gentleman from Washington (Mr. DICKS) and the gentleman from Wisconsin (Mr. OBEY), as well as the others in producing this bill.

This bill, Mr. Speaker, is far better than the version this House passed last June and is free of the most objectionable provisions of that bill. I am disappointed it does not contain the Conservation and Reinvestment Act as it was passed by the House, but I understand the reasons for it. This bill does greatly increase protections for open spaces, but I hope we will revisit the CARA, which would provide even greater protections.

At the same time, I strongly support the modest increase provided to the arts and humanities in this bill. Most notably, at long last, the National Endowment for the Arts will receive a well-deserved and much-needed increase.

The modest increase included in this bill would not ordinarily be cause for celebration, but when its comes to the NEA, it is historic. Given the unfortunate record this Congress has produced over the last 6 years and the parliamentary chicanery we witnessed earlier this year, it is a major victory for supporters of the arts and humanities. With this increase, we have turned a corner in our debate on the arts.

Just a few years ago, we were debating whether the NEA should be allowed to continue to exist; whether it was the proper role of government to subsidize the arts. But this increase is an acknowledgment that those of us who support government subsidy to the arts have won that fight.

The American people believe the Federal Government has a role in cultivating the arts and humanities and that we must increase our commitment in this area. With this increase, the NEA will be able to continue its mission to reach those parts of the country that have not historically received grants.

The appropriators should be hailed for increasing our commitment to arts education and community activity programs. They have also increased our support for the humanities and many cultural institutions. This is truly a victory for the cultural community.

But we cannot be satisfied with this victory. While this increase is a significant step forward, we must do more. The arts can flourish throughout this country, but only if we make a significant investment. With enormous budget surpluses projected for years to come, we clearly have the money to make this a reality. The question is will we have the will to follow up on this fine step forward.

Again, Mr. Speaker, I thank the people involved in this bill.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. DICKS. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I can say it in shorter words; I am in awe of what the chairman, the gentleman from Ohio (Mr. REGULA) and the ranking member, the gentleman from Washington (Mr. DICKS), have done in this legislation. This is landmark legislation that Members seek for years and years to accomplish. Its impact is monumental.

To think that in the next 6 years there will be $12 billion for land acquisition, $2.4 of that for coastal management, is extraordinary. There will be unbelievable benefit for years because of this legislation.

I want to specifically thank both the chairman, and the ranking member, for honoring and recognizing my predecessor Stewart McKinney for what he attempted to do before he passed away—establish the McKinney Wildlife Refuge, off the coast of Connecticut.

Ninety-seven percent of the Connecticut shoreline has been developed, and 10 percent of the population of the United States lives in the immediate vicinity of Long Island Sound. We need to protect our islands and coastal wetlands.

I thank my colleagues for setting aside $1.5 million in appropriations for the acquisition of Calves Island for the McKinney Refuge. This is a continual process $2.5 million has already been appropriated, of the $6 million final purchase price, leaving only a $2 million balance for the 26 acre island off the coast of Greenwich.

I know my colleague, the gentlewoman from Connecticut (Ms. DELAURO) also appreciates what the committee has done for Calves Island and in the past for the Stratford Salt Marsh. We have worked on a bipartisan basis for that.

So I am here to acknowledge the good work the committee has done and to say that I am in awe of what the committee has accomplished. I thank them.

Mr. DICKS. Mr. Speaker, I yield myself such time as I may consume, and I would just conclude by saying that I think this is a great bill. I want to thank everyone who voted for the rule. I think we should pass this bill with an overwhelming vote. I would love to see it unanimous, though I doubt it will be.

Again, I want to commend our chairman and the staff. This is truly bipartisan legislation. I want to thank the White House, the President for his commitment to conservation. I want to thank George Frampton, head of the Council on Environmental Qualities, Jack Lu, Wesley Warren, Sylvia Matthews, Martha Foley, all the people from the White House who helped us through the negotiation process.

And I also want to thank the outside environmental groups who, when they evaluated our bill, came down almost unanimously on the side that it truly was what we told the American people it was: Historic legislation that will do much to improve our outdoor environment and protect it and protect endangered species. And out there in the great Northwest the money under this bill will be used to help restore our salmon runs and to restore our forests and do watershed restoration, all of these important things.

It also supports the arts. Also, out in the West, very importantly, $2.9 billion to deal with these wildfires. This is a huge problem throughout the West. I think there is much work that we need to do as a Congress, working with the Forest Service and the BLM and the other land agencies, in order to make sure that we have taken care of those forests so that they are not susceptible to catastrophic fire. All of that is done in this bill.

So again, Mr. Speaker, I appreciate the leadership of the gentleman from Ohio. I have enjoyed working with him on this bill. I urge all Members of the House to support this conference report.

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

Mr. REGULA. Mr. Speaker, I thank the gentleman for his comments.

I think, as the gentleman from Wisconsin (Mr. OBEY) said earlier, this conference was a great example of a lot of give and take, some of it a little testy at times, but in the final analysis I think we have a product that is good for the future of these United States.

I would like to close and just quote one section from the conference report. Section 141: The building housing the visitors center within the boundaries of the Chincoteague National Wildlife Refuge on Assateague Island, Virginia, shall be known and designated as the Herbert H. Bateman Educational and Administrative Center, and shall hereafter be referred to in any law, map, regulation, document, paper, or other record of the United States, as the Herbert H. Bateman Educational and Administrative Center.

I think our beloved colleague would be proud to have a building that is an educational and administrative center bear his name, and I am pleased that we could do that in our bill.

Mr. Speaker, I urge all our colleagues to vote for this landmark gift to the American people.

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today in strong support for the $7 million increase in funding for the National Endowment for the Arts (NEA) over the FY2000 budget. This much needed funding is included in the FY2001 Interior Appropriations bill before us today which I support.

These additional funds will enable art education programs to flourish and continue to reduce youth violence and enhance youth development. If we are serious about curtailing youth violence, we must continue funding projects that achieve positive results. One such project, YouthArts, is a collaboration between the NEA, the Department of Justice and national and local arts agencies. This project is located in Portland, OR, Atlanta, GA and San Antonio, TX and has been successful in positive behavior change for the at risk youth participants. These adolescents have demonstrated improved communication, self-discipline, and intrapersonal skills, as well as a decreased frequency of delinquent behavior. For example, in Portland, communications skills in the YouthArts participants shot up from 43% at the beginning of the program to a full 100% by the end of the twelve weeks. Equally impressive, in San Antonio, 16.4% of participants had a decrease in delinquent behavior compared with 3.4% of their peers in a control group. It's obvious that the NEA and this program have the potential to inspire millions of America's youth across America to explore positive alternatives in their lives.

In my district, NEA has successfully cofunded the Ailey Camp in Kansas City. Alvin Ailey is a national dance troupe which conducts a six week dance camp now in its eleventh year which has provided opportunities for more than 1,000 urban, disadvantaged middle schoolers in Kansas City. This camp provides a vehicle, through art, for children to acquire self esteem and enjoy the experience of success. In addition to dance, the camp also has creative writing, personal development, antiviolence and drug abuse programs. Statistics confirm the success of this program through improved behavior and learning by these at risk children.

Art and music education programs extend back to the ancient Greeks who applied music when teaching math, for example. Current studies reaffirm that when music such as jazz is introduced by teachers into the classrooms, learning comes alive and improves math and verbal scores. A 1999 national report by the College Entrance Examination Board found that high school students with coursework in music performance and appreciation scored higher on SAT; 55 points higher on the verbal section and 40 points higher on the math section.

The NEA also funds several programs at the American Jazz Museum in Kansas City, the only museum of its kind in the country. Throughout the 1930's, Kansas City was known for its celebrated jazz music, and hosted music luminaries such as Count Basie and Charlie ''Bird'' Parker. NEA funding enables the museum to preserve and present jazz so that people from all over the city, the country, and the world may appreciate one of the first original American art forms.

Mr. Speaker, I urge my colleagues to join me in full support for increased funding for the National Endowment for the Arts. This support sends a message that art and music in the classroom and in the public sphere are valued and vital to a more creative and enriched future for all Americans.

Mr. UNDERWOOD. Mr. Speaker, I rise in support of H.R. 4578, a bill making appropriations to the Department of Interior and Related Agencies for FY 2001. I would also like to take this opportunity to thank Chairman BILL YOUNG and Ranking Member Mr. DAVID OBEY of the Committee on Appropriations, and Chairman RALPH REGULA and Ranking Member Mr. NORMAN DICKS of the Subcommittee on Interior Appropriations for their work on this important bill and for their support on issues affecting the territories.

I thank the members of the appropriations committee and the subcommittee for their work to ensure that Guam received $10 million for Compact Impact Aid in this year's interior appropriations bill given Guam's continuing economic recovery from the Asian financial crisis and our unprecedented 15.3 percent unemployment rate. Increasing Compact Aid for Guam has been a priority as the responsibility of supporting an unfunded federal mandate has placed a heavy financial burden on the people of Guam.

Also included in this legislation is the Lands Legacy Trust Fund which will provide $12 billion over the next six years to pay for land conservation, preservation and maintenance. This is an important program that will assist the territories conserve and preserve scarce lands and natural resources for future generations. While I am appreciative of the work the members have put into this legislation, I encourage them to continue to be mindful of the needs of the territories when funding for this important program is allocated.

Mrs. MALONEY of New York. Mr. Speaker, I rise today in support of this legislation, and particularly in support of the additional funding to combat invasive species and to provide arts education in rural and underserved communities.

Although I am disappointed that this legislation does not include all of the provisions included in the Conservation and Reinvestment Act, a bill that certainly has strong bipartisan support in both chambers, I am pleased that this bill funds a number of important national environmental priorities. I am also excited that we have finally given additional funding to the Challenge America Arts programs, the National Endowment for the Humanities and the Office of Museum Services.

The NEA has been working hard to support quality arts projects across the country. I strongly believe that these programs help all of America's communities develop critically important cultural resources.

Through NEA grants to local communities, support is provided for more than 7,400 K–12 arts educational programs in more than 2,600 communities all across this great Nation.

The additional investment in the Challenge America Arts Fund will target additional resources to rural and underserved communities around the country. I am pleased that we have taken this positive step to ensure that every community in America has the opportunity to enjoy local arts programming and activities.

Research has consistently shown that children who are exposed to the arts do better in school and have higher self-esteem. This extra funding will help bring these benefits with children in rural and urban communities that need it most.

I would also like to commend the additional funding included in this legislation to help eradicate invasive species. In New York, we have been forced to deal with the Asian Longhorned Beetle, which has already destroyed more than 2,600 trees. Earlier this year, these beetles were found again in New York City. This legislation will provide additional resources to fight the beetle and specifically includes $12 million in additional funds for forest health treatments to help control and eradicate invasive species.

I commend the conferees for including these additional resources, and I urge all of my colleagues to support this legislation.

Mr. LARSON. Mr. Speaker, I rise today to commend my colleagues on the Interior Appropriations Committee for including $8 million in this Conference Report on HR 4578, the Department of the Interior Appropriations Act for FY2001, specifically for the maintenance of a Home Heating Oil Reserve in the Northeast.

I have fought to see this reserve created for most of the last year. I was an original cosponsor of HR 3608, the Home Heating Oil Price Stability Act, which directs the Secretary of Energy to create a fuel oil reserve containing a total of 6.7 million barrels of heating oil. Under this legislation two million barrels of heating oil would be stored in leased storage facilities in the New York Harbor Area, and 4.7 million would be stored in one of the four existing Strategic Petroleum Reserve caverns in the Gulf Coast. The bill would give the President the authority to immediately release home heating oil to the Northeast when fuel oil prices in the United States rise sharply, during a fuel oil shortage, or during periods of extreme winter weather. I was pleased that the provisions of HR 3608 were ultimately included in HR 2884, the Strategic Petroleum Reserve Reauthorization bill, which passed the House on April 12, 2000. However, this bill has seen no further action in Congress' other legislative body.

During the initial debate on this bill, we put forth an amendment on June 15, 2000, that would have provided $10 million to actually create the Home Heating Oil Reserve. That amendments was defeated by a vote of 193–195. However, we were later successful in passing an amendment on June 27, 2000, authorizing a new regional home heating oil reserve in the Northeast during consideration of HR 4733, the Department of Energy Appropriation Act for Fiscal Year 2001. Unfortunately, the Conferees on the FY01 Department of Energy Appropriation bill saw fit to eliminate that authorization from the final Conference Report, the main reason I opposed final of that bill.

However, despite this Congress' inability to reauthorize the Strategic Petroleum Reserve and authorize the creation of a Home Heating Oil Reserve, the President has decided to move forward and create the Home Heating Oil Reserve in the Northeast under his executive authority. It is my understanding that the Department of Energy has already contracted to store one million barrels of home heating oil as part of this reserve in my home state of Connecticut. I am pleased that the members of the Interior Appropriations Subcommittee have included funding to ensure that the Reserve will be ready before the long New England winter has settled in.

This is a simple bread and butter, kitchen table issue that the people of this country should expect their government to address. There is no reason that people should have to choose between putting food on their table and heating their homes. I want to thank the members of the Committee for working to ensure that we have one more tool to combat the rising price of oil and protect our constituents from winter supply shortages.

Mr. BEREUTER. Mr. Speaker, this Member rises today to express his strong support for H.R. 4578, the conference report on the Interior appropriations bills. This Member would like to especially thank the distinguished gentleman from Ohio (Mr. REGULA), the Chairman of the Interior appropriations Subcommittee and the distinguished gentleman from Washington (Mr. DICKS), the Ranking Member of the Subcommittee for their hard work on this important bill.

This Member greatly appreciates the inclusion of funding for the Homestead National Monument of America near Beatrice, Nebraska, to begin implementing the recommendations of the recently completed General Management Plan. This bill provides $400,000 for land acquisition for a new visitors center.

Homestead National Monument of America commemorates the lives and accomplishments of all pioneers and the changes to the land and the people as a result of the Homestead Act of 1862, which is recognized as one of the most important laws in U.S. history. This Monument was authorized by legislation enacted in 1936. At the initiative of this Member, the FY96 Interior Appropriations legislation directed the National Park Service to complete a General Management Plan to begin planning for the General Management Plan, which was completed earlier this year, made recommendations for improvements that are needed to help ensure that Homestead is able to reach its full potential as a place where Americans can more effectively appreciate the Homestead Act and its effects upon the nation.

The General Management Plan calls for the creation of a new ''Homestead Heritage Center,'' a 28,000-square-foot energy-efficient facility which will house the Monument's collections, interpretive exhibits, public research facilities, and administrative offices. The focal point of the Center will be the Palmer-Epard Cabin, which will provide visitors with a realistic setting in which to learn about the life of homesteaders.

It is important to note that the current visitor center complex is located within a 100-year floodplain, which exposes the Monument's facilities as well as valuable artifacts and supporting materials to the threat of flood damage. The new ''Homestead Heritage Center'' would be located outside of the 100-year floodplain and offer protection for the Monument's historic and prehistoric collections, archives and museum galleries.

Homestead National Monument of America is truly a unique historical and interpretative treasure among the National Park Service jewels. The authorizing legislation makes it clear that Homestead was intended to have a special place among Park Service units. According to the original legislation:

''It shall be the duty of the Secretary of the Interior to lay out said land in a suitable and enduring manner so that the same may be maintained as an appropriate monument to retain for posterity a proper memorial emblematic of the hardships and the pioneer life through which the early settlers passed in settlement, cultivation, and civilization of the great

West. It shall be his duty to erect suitable buildings to be used as a museum in which shall be preserved literature applying to such settlement and agricultural implements used in bringing the western plains to its present state of high civilization, and to use the said tract of land for such other objects and purposes as in his judgment may perpetuate the history of this country mainly developed by the homestead law.''

Clearly, this authorizing legislation sets some lofty goals. I believe that the establishment of the ''Homestead Heritage Center'' would begin the process of realizing these goals.

In closing, Mr. Speaker, this Member urges his colleagues to support passage of the conference report on H.R. 4578.

Mr. JONES of North Carolina. Mr. Speaker, I rise today to protest the funding levels for the National Endowment for the Arts.

Last week my colleague from Indiana stood in this well to discuss the play called ''Corpus Christi'' a play that depicts all the Apostles as the homosexual lovers of Christ.

While the Government did not directly fund the play, the American taxpayer funded the theater through the National Endowment for the Arts. Last year, this theater received two grants, $50,000 apiece.

Many of us in this Chamber believe that Jesus Christ is our Lord and Savior. It is immoral and reprehensible to us that we must fund a theater that would stage this depraved production that some government bureaucrat considered art.

In the name of art, many on the other side of the aisle will suggest this issue be about freedom of speech. But, once again the National Endowment for the Arts has shown it has little responsibility or accountability to the taxpayers.

Does freedom of speech not come with a modicum of responsibility? Not if you're the National Endowment for the Arts. The NEA has developed a pattern, continuing to this day, of throwing dollars to organizations so that they may promote religious bigotry and pornography.

Now, I'm not against the arts. I believe there is an important role for arts in society. But let's have a standard for what should be publicly funded.

This chamber agreed to a freeze, to cap the funds for the National endowment for the Arts. But again, I see we're increasing funding for this program with little or no accountability to the taxpayer to the tune of $105 million next year. I'm a music lover but this tune sounds flat to me.

I am offended that this program allows obscene, pornographic, immoral and blasphemous theaters to be funded with our tax dollars. Let the theater or the production company find the funding for that. From someplace other than the American taxpayer.

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

The SPEAKER pro tempore (Mr. LAHOOD). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The Chair will reduce to 5 minutes the time for any electronic vote on the motion to suspend the rules on which the yeas and nays were postponed earlier today.

The vote was taken by electronic device, and there were—yeas 348, nays 69, not voting 16, as follows:

[Roll No. 507]

YEAS—348

Abercrombie	Doyle	Larson
Ackerman	Dreier	Latham
Aderholt	Edwards	LaTourette
Allen	Ehlers	Leach
Andrews	Ehrlich	Lee
Armey	Engel	Levin
Bachus	English	Lewis (CA)
Baird	Etheridge	Lewis (GA)
Baker	Evans	Lewis (KY)
Baldacci	Everett	Linder
Baldwin	Ewing	Lipinski
Ballenger	Farr	LoBiondo
Barcia	Fattah	Lofgren
Barrett (NE)	Filner	Lowey
Barrett (WI)	Fletcher	Lucas (KY)
Bartlett	Foley	Lucas (OK)
Bass	Forbes	Luther
Becerra	Ford	Maloney (CT)
Bentsen	Fossella	Maloney (NY)
Bereuter	Fowler	Manzullo
Berkley	Frank (MA)	Markey
Berman	Frelinghuysen	Mascara
Biggert	Frost	Matsui
Bilbray	Gallegly	McCarthy (MO)
Bilirakis	Ganske	McCarthy (NY)
Bishop	Gejdenson	McCrery
Blagojevich	Gekas	McDermott
Bliley	Gephardt	McGovern
Blumenauer	Gilchrest	McHugh
Boehlert	Gillmor	McInnis
Boehner	Gilman	McIntyre
Bonilla	Gonzalez	McKeon
Bonior	Goodlatte	McKinney
Bono	Goodling	McNulty
Borski	Gordon	Meehan
Boswell	Goss	Meek (FL)
Boucher	Granger	Meeks (NY)
Boyd	Green (TX)	Menendez
Brady (PA)	Greenwood	Mica
Brown (FL)	Gutierrez	Millender-McDonald
Brown (OH)	Hall (OH)	Miller (FL)
Buyer	Hastings (WA)	Miller, George
Callahan	Hayes	Minge
Calvert	Herger	Mink
Camp	Hill (IN)	Moakley
Campbell	Hill (MT)	Mollohan
Canady	Hilleary	Moore
Capps	Hilliard	Moran (KS)
Capuano	Hinchey	Moran (VA)
Cardin	Hinojosa	Morella
Carson	Hobson	Murtha
Castle	Hoeffel	Nadler
Clay	Holden	Napolitano
Clayton	Holt	Neal
Clement	Hooley	Nethercutt
Clyburn	Horn	Ney
Coble	Houghton	Northup
Collins	Hoyer	Norwood
Condit	Hunter	Nussle
Conyers	Hyde	Oberstar
Cook	Inslee	Obey
Cooksey	Isakson	Olver
Costello	Jackson (IL)	Ortiz
Coyne	Jackson-Lee (TX)	Ose
Cramer	Jenkins	Owens
Crowley	Johnson (CT)	Oxley
Cubin	Johnson, E.B.	Packard
Cummings	Jones (OH)	Pallone
Cunningham	Kanjorski	Pascrell
Danner	Kaptur	Pastor
Davis (FL)	Kasich	Payne
Davis (IL)	Kelly	Pease
Davis (VA)	Kennedy	Pelosi
Deal	Kildee	Peterson (PA)
DeFazio	Kilpatrick	Phelps
DeGette	Kind (WI)	Pickett
Delahunt	Kingston	Pomeroy
DeLauro	Kleczka	Porter
DeLay	Klink	Portman
Deutsch	Knollenberg	Price (NC)
Diaz-Balart	Kolbe	Pryce (OH)
Dickey	Kucinich	Quinn
Dicks	Kuykendall	Radanovich
Dingell	LaFalce	Rahall
Dixon	LaHood	Rangel
Doggett	Lampson	Regula
Dooley	Lantos	Reyes
Doolittle	Reynolds	Skeen
Rivers	Skelton	Turner
Rodriguez	Slaughter	Udall (CO)
Roemer	Smith (NJ)	Udall (NM)
Rogan	Smith (TX)	Upton
Rogers	Smith (WA)	Velazquez
Ros-Lehtinen	Snyder	Visclosky
Rothman	Spence	Walden
Roukema	Spratt	Walsh
Roybal-Allard	Stabenow	Wamp
Rush	Stark	Waters
Sabo	Stenholm	Watkins
Sanchez	Strickland	Watt (NC)
Sanders	Stump	Watts (OK)
Sandlin	Sununu	Waxman
Sawyer	Sweeney	Weiner
Saxton	Tanner	Weldon (FL)
Schakowsky	Tauscher	Weldon (PA)
Scott	Taylor (MS)	Weller
Serrano	Taylor (NC)	Weygand
Shaw	Terry	Whitfield
Shays	Thomas	Wicker
Sherman	Thompson (CA)	Wilson
Sherwood	Thompson (MS)	Wise
Shimkus	Thune	Wolf
Shows	Thurman	Woolsey
Shuster	Tierney	Wu
Simpson	Towns	Wynn
Sisisky	Traficant	Young (FL)

NAYS—69

Archer	Green (WI)	Ramstad
Barr	Gutknecht	Rohrabacher
Barton	Hall (TX)	Royce
Berry	Hansen	Ryan (WI)
Blunt	Hayworth	Ryun (KS)
Brady (TX)	Hoekstra	Salmon
Bryant	Hostettler	Sanford
Burr	Hulshof	Scarborough
Burton	Hutchinson	Schaffer
Cannon	Istook	Sensenbrenner
Chabot	Jefferson	Sessions
Chambliss	John	Shadegg
Chenoweth-Hage	Johnson, Sam	Smith (MI)
Coburn	Jones (NC)	Stearns
Combest	Largent	Stupak
Cox	Metcalf	Talent
Crane	Miller, Gary	Tancredo
DeMint	Myrick	Tauzin
Duncan	Peterson (MN)	Thornberry
Emerson	Petri	Tiahrt
Gibbons	Pickering	Toomey
Goode	Pitts	Vitter
Graham	Pombo	Young (AK)

NOT VOTING—16

Baca	King (NY)	Riley
Dunn	Lazio	Souder
Eshoo	Martinez	Vento
Franks (NJ)	McCollum	Wexler
Hastings (FL)	McIntosh	
Hefley	Paul	

☐ 1431

Messrs. METCALF, HUTCHINSON, SCARBOROUGH, PETRI, BURTON of Indiana, TANCREDO and PICKERING changed their vote from ''yea'' to ''nay.''

Ms. SCHAKOWSKY and Mr. FOSSELLA changed their vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SENSE OF HOUSE REGARDING FIGHT AGAINST BREAST CANCER

The SPEAKER pro tempore (Mr. LAHOOD). The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 278.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma (Mr.

COBURN) that the House suspend the rules and agree to the resolution, H. Res. 278, on which the yeas and nays are ordered.

This will be a 5 minute vote.

The vote was taken by electronic device, and there were—yeas 420, nays 0, not voting 14, as follows:

[Roll No. 508]

YEAS—420

Abercrombie	Danner	Hooley
Ackerman	Davis (FL)	Horn
Aderholt	Davis (IL)	Hostettler
Allen	Davis (VA)	Houghton
Andrews	Deal	Hoyer
Archer	DeFazio	Hulshof
Armey	DeGette	Hunter
Baca	Delahunt	Hutchinson
Bachus	DeLauro	Hyde
Baird	DeLay	Inslee
Baker	DeMint	Isakson
Baldacci	Deutsch	Istook
Baldwin	Diaz-Balart	Jackson (IL)
Ballenger	Dickey	Jackson-Lee (TX)
Barcia	Dicks	Jefferson
Barr	Dingell	Jenkins
Barrett (NE)	Dixon	John
Barrett (WI)	Doggett	Johnson (CT)
Bartlett	Dooley	Johnson, E. B.
Barton	Doolittle	Johnson, Sam
Bass	Doyle	Jones (NC)
Becerra	Dreier	Jones (OH)
Bentsen	Duncan	Kanjorski
Bereuter	Edwards	Kaptur
Berkley	Ehlers	Kasich
Berman	Ehrlich	Kelly
Berry	Emerson	Kennedy
Biggert	Engel	Kildee
Bilbray	English	Kilpatrick
Bilirakis	Etheridge	Kind (WI)
Bishop	Evans	Kingston
Blagojevich	Everett	Kleczka
Bliley	Ewing	Klink
Blumenauer	Farr	Knollenberg
Blunt	Fattah	Kolbe
Boehlert	Filner	Kucinich
Boehner	Fletcher	Kuykendall
Bonilla	Foley	LaFalce
Bonior	Forbes	LaHood
Bono	Ford	Lampson
Borski	Fossella	Lantos
Boswell	Fowler	Largent
Boucher	Frank (MA)	Larson
Boyd	Frelinghuysen	Latham
Brady (PA)	Frost	LaTourette
Brady (TX)	Gallegly	Leach
Brown (FL)	Ganske	Lee
Brown (OH)	Gejdenson	Levin
Bryant	Gekas	Lewis (CA)
Burr	Gephardt	Lewis (GA)
Burton	Gibbons	Lewis (KY)
Buyer	Gilchrest	Linder
Callahan	Gillmor	Lipinski
Calvert	Gilman	LoBiondo
Camp	Gonzalez	Lofgren
Campbell	Goode	Lowey
Canady	Goodlatte	Lucas (KY)
Cannon	Goodling	Lucas (OK)
Capps	Gordon	Luther
Capuano	Goss	Maloney (CT)
Cardin	Graham	Maloney (NY)
Carson	Granger	Manzullo
Castle	Green (TX)	Markey
Chabot	Green (WI)	Martinez
Chambliss	Greenwood	Mascara
Chenoweth-Hage	Gutierrez	Matsui
Clay	Gutknecht	McCarthy (MO)
Clayton	Hall (OH)	McCarthy (NY)
Clement	Hall (TX)	McCrery
Clyburn	Hansen	McDermott
Coble	Hastert	McGovern
Collins	Hastings (WA)	McHugh
Combest	Hayes	McInnis
Condit	Hayworth	McIntyre
Conyers	Herger	McKeon
Cook	Hill (IN)	McKinney
Cooksey	Hill (MT)	McNulty
Costello	Hilleary	Meehan
Cox	Hilliard	Meek (FL)
Coyne	Hinchey	Meeks (NY)
Cramer	Hinojosa	Menendez
Crane	Hobson	Metcalf
Crowley	Hoeffel	Mica
Cubin	Hoekstra	Millender-McDonald
Cummings	Holden	Miller (FL)
Cunningham	Holt	Miller, Gary
		Miller, George
		Minge
		Mink
		Moakley
		Mollohan
		Moore
		Moran (KS)
		Moran (VA)
		Morella
		Murtha
		Myrick
		Nadler
		Napolitano
		Neal
		Nethercutt
		Ney
		Northup
		Norwood
		Nussle
		Oberstar
		Obey
		Olver
		Ortiz
		Ose
		Owens
		Oxley
		Packard
		Pallone
		Pascrell
		Pastor
		Payne
		Pease
		Pelosi
		Peterson (MN)
		Peterson (PA)
		Petri
		Phelps
		Pickering
		Pickett
		Pitts
		Pombo
		Pomeroy
		Porter
		Portman
		Price (NC)
		Pryce (OH)
		Quinn
		Radanovich
		Rahall
		Ramstad
		Rangel
		Regula
		Reyes
		Reynolds
		Rivers
		Rodriguez
		Roemer
		Rogan
		Rogers
		Rohrabacher
		Ros-Lehtinen
		Rothman
		Roukema
		Roybal-Allard
		Royce
		Rush
		Ryan (WI)
		Ryun (KS)
		Sabo
		Salmon
		Sanchez
		Sanders
		Sandlin
		Sanford
		Sawyer
		Saxton
		Scarborough
		Schaffer
		Schakowsky
		Scott
		Sensenbrenner
		Serrano
		Sessions
		Shadegg
		Shaw
		Shays
		Sherman
		Sherwood
		Shimkus
		Shows
		Shuster
		Simpson
		Sisisky
		Skeen
		Skelton
		Slaughter
		Smith (MI)
		Smith (NJ)
		Smith (TX)
		Smith (WA)
		Snyder
		Souder
		Spence
		Spratt
		Stabenow
		Stark
		Stearns
		Stenholm
		Strickland
		Stump
		Stupak
		Sununu
		Sweeney
		Talent
		Tancredo
		Tanner
		Tauscher
		Tauzin
		Taylor (MS)
		Taylor (NC)
		Terry
		Thomas
		Thompson (CA)
		Thompson (MS)
		Thornberry
		Thune
		Thurman
		Tiahrt
		Tierney
		Toomey
		Towns
		Traficant
		Turner
		Udall (CO)
		Udall (NM)
		Upton
		Velazquez
		Visclosky
		Vitter
		Walden
		Walsh
		Wamp
		Waters
		Watkins
		Watt (NC)
		Watts (OK)
		Waxman
		Weiner
		Weldon (FL)
		Weldon (PA)
		Weller
		Weygand
		Whitfield
		Wicker
		Wilson
		Wise
		Wolf
		Woolsey
		Wu
		Wynn
		Young (AK)
		Young (FL)

NOT VOTING—14

Coburn	Hefley	Paul
Dunn	King (NY)	Riley
Eshoo	Lazio	Vento
Franks (NJ)	McCollum	Wexler
Hastings (FL)	McIntosh	

☐ 1441

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 110, FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 2001

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 604 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 604

Resolved, That upon adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the joint resolution (H.J. Res. 110) making further continuing appropriations for the fiscal year 2001, and for other purposes. The joint resolution shall be considered as read for amendment. The previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations; and (2) one motion to recommit.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 604 is a closed rule providing for consideration of H.J. Res. 110, a resolution making further continuing appropriations for fiscal year 2001.

H. Res. 604 provides for one hour of debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The rule waives all points of order against consideration of the joint resolution. Finally, the rule provides one motion to recommit, as is the right of the minority.

☐ 1445

Mr. Speaker, as my colleagues know, the current continuing resolution expires at the end of the day on Friday, and a further continuing resolution is necessary to keep the government operating while Congress completes consideration of the remaining appropriations bills. H.J. Res. 110 is a clean continuing resolution that simply extends the provisions included in the H.J. Res. 109 through October 14.

Mr. Speaker, it takes a lot of hard work and tough decision-making to fund the Federal Government. We have been working hard to overcome the hurdles in our path and complete the appropriations process as soon as possible. However, honest disagreement exists between the majority and the minority on many of the appropriations bills. This fair, clean, continuing resolution will give us the time we need to resolve these differences and complete the remaining fiscal year 2001 appropriations bills.

This rule was unanimously approved by the Committee on Rules yesterday, and I urge my colleagues to support it so we may proceed with the general debate and consideration of this bill.

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

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

Mr. Speaker, I thank my colleague, the gentleman from Georgia (Mr. LINDER) for yielding me the customary half hour.

Mr. Speaker, this is the second continuing resolution and it should come as no surprise to anyone. The 1974 Budget Act requires us to finish 13 appropriation bills before October 1, so this is really nothing new.

But at the beginning of the session, my Republican colleagues said they planned to have all this work finished on time, but a few months ago, my Republican colleagues passed a budget containing $1 trillion in tax cuts, mostly for the rich. Their budget left no money for middle-class tax cuts, Social Security preservation, school construction, Medicare prescription drug benefits.

Now, it is October 3, Mr. Speaker, and my Republican colleagues' unrealistic budget has left them very much behind on the appropriation process.

So to make matters worse, Mr. Speaker, most of last week we spent our time voting on noncontroversial suspension bills. Today, 2 days into the new fiscal year, 11 out of 13 appropriation bills have yet to be signed into law. The Senate has yet to pass VA-HUD, the Commerce-Justice, and they have not even reported Treasury-Postal.

The House has just to pass Agriculture, Transportation, and our Labor, Health and Human Services conference reports. The Senate has not passed either the legislative branch of the Interior conference reports. President Clinton has vowed to veto the Energy and Water conference report.

Mr. Speaker, Foreign Operations, and the District of Columbia have not even been sent to conference. Mr. Speaker, in order to keep the Federal Government open for business, Congress must either pass 11 more appropriation bills that the President can sign by Friday or pass this continuing resolution. So this continuing resolution will keep the Federal Government open until October 14, despite the unfinished bills.

Mr. Speaker, I urge my Republican colleagues to finish the work to pass the bills that President Clinton will sign and to fulfill their responsibility to the American people.

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

Mr. LINDER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.J. Res. 110 and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Florida?

There was no objection.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2001

Mr. YOUNG of Florida. Mr. Speaker, pursuant to House Resolution 604, I call up the joint resolution (H.J. Res. 110) making further continuing appropriations for the fiscal year 2001, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The text of H.J. Res. 110 is as follows:

H.J. RES. 110

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 106–275 is amended by striking ''October 6, 2000'' in section 106(c) and inserting in lieu thereof ''October 14, 2000''.

The SPEAKER pro tempore. Pursuant to House Resolution 604, the gentleman from Florida (Mr. YOUNG) and the gentleman from Wisconsin (Mr. OBEY) each will control 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the second CR which is before us today merely extends the date of the original CR from October 6, 2000 through October 14, 2000. We need to do this because, although the House has passed all 13 bills, and as of a few minutes ago we now passed 6 of the conference reports, there are several that still have not passed, and we need to get those done.

We are moving along fairly well. We finished the conference report on the Transportation bill this morning. We will file that this afternoon and hopefully have it on the floor tomorrow.

Also we are scheduled to meet in conference on the Agricultural appropriations bill this afternoon, and we would hope that we can finish that tonight and have it ready for consideration by the House before the week is over.

We are moving, but there are still a few outstanding issues that need to be resolved, most of which, by the way, Mr. Speaker, are not really appropriations items, but they have to do with other items that have been placed upon these bills.

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

Mr. OBEY. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, again, there is nothing new with what we are doing here today. We have in the past had Congresses that have failed to get their appropriations work done on time and so they have required continuing resolutions; that is not the issue. The issue is why we are here on this occasion still in this same crunch, and when you answer that question, you see why this session is different from so many others in the history of the Congress.

It is different, because in past years when the Congress failed to get its appropriations work done on time, it was usually because there were honest fights which were occurring over funding levels for programs all the way through, and you had honest fights between honest pieces of legislation. And it was clear what each side in those controversies were trying to do.

This year has been different. This year we have seen bill after bill after bill come to the floor initially and each time those bills came to the floor, we were told by the majority leadership, well, we know the bill does not make sense at this point, but this is only the first inning, we will fix it up along the way.

Basically, the reason that we are stuck here today and the problem we face today does not have so much to do with what people are now doing or not doing to bring this session to a close, what we are really faced with is the consequences of what was not done in the first 10 months of this session. What was not done was to bring bills to the floor which were a genuine reflection of the intention of the majority party and which were a genuine reflection of what we really in the end expected the Congress to produce in each of the 13 appropriation categories.

Those bills essentially were political press releases put out so that the majority party could continue to pretend that there was room in the budget to fund their huge tax packages, the large majority of the breaks in those packages being directed to the most well-off among us in this society. They wanted to continue the fiction they could afford those huge tax packages, also at the same time provide a pay down of debt, a huge increase in the military budget of some $20 billion, although not nearly as much of it went to readiness as the President asked for.

In order to maintain those fictions, they maintained the pretense that this Congress is going to spend about $40 billion less than, in fact, it will wind up now spending. So now we are stuck here seeing this institution having great difficulty finding the off button so that people can go home.

As I said many times, that is not the fault of the majority on the Committee on Appropriations, they are practical realists. They have tried time and time again to demonstrate what kind of legislation could be passed. And when you deal with legislation straightforwardly and forthrightly and produce legislation which honestly reflects the priorities of the House, then you can pass it with a bipartisan majority on both sides; that was just demonstrated on the previous appropriations bill that we passed today.

The problem we have is now after pretending to be fiscal tightwads for almost 9 months, the majority party is now in its rush to go home, now trying to jam a lot of money into a lot of bills in a very short period of time in order to get out of here. But they were still refusing to recognize that of the new money being put on the table, a good piece of that needs to be put in the bill that funds the education, health, social service and worker protection programs in the Federal budget.

They are refusing to put money in that bill, but they put billions more in the energy and water bill, and they will put billions more in other appropriation bills as they move through this

place. Some of those decisions will be responsible, a good many of them, in my view, will not be. So this Congress has no choice but to vote for this continuing resolution in order to keep the government open.

The reason we are in this situation is simply because the product that the Committee on Appropriations was forced by the majority leadership to produce was not a genuine product in the first place. The committee knew that on the majority side of the aisle. The committee knew that on the minority side of the aisle. I think everyone knew that on both sides of the aisle on and off the committee, but for the sake of pretense, this charade has gone on for 10 months, and only now are the real choices being faced and wrestled with.

Mr. Speaker, I regret the fact that my friend, the gentleman from Florida (Mr. YOUNG), has to bring another continuing resolution before us. He has no institutional choice, we have no institutional choice but to vote for it if we are to be responsible. But I regret very much the 9-month charade that has preceded what we are now trying to do in the last inning days of the session.

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

Mr. YOUNG of Florida. Mr. Speaker, I have no further requests for time, except to close, and I reserve the balance of my time.

Mr. OBEY. I yield 4 minutes to the distinguished gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I thank the gentleman from Texas for yielding me the time.

Mr. Speaker, I rise in support of the CR today and take no quarrel with the gentleman from Florida (Chairman YOUNG) for his handling of this bill and any other bill that he has been handling.

I am somewhat disappointed by, as the gentleman from Wisconsin (Mr. OBEY) has been talking about, the process to the extent that we have taken action on appropriation bills. We have been increasing spending appropriations in bills above the amounts requested by the President, without any indication how all the increased spending we have passed will fit within a fiscally responsible budget.

Mr. Speaker, I think people need to understand how this game is being played today, because the majority, the leadership I might say, has said that we are going to put our priorities and we are going to take out the President's priorities, and then any increase that is going to be on increased spending we are going to blame on him. That is not the way it ought to work.

This place ought to work if we are interested in keeping a fiscally responsible budget. If there is a plan on how we can continue to pass appropriation bills which spend more than the President has requested, plus all the tax cut items and other spending items and fit them into the new budgetary framework, I wish someone would explain it to me, and I think I speak for the majority on both sides of the aisle.

□ 1500

According to recent press accounts, the congressional leadership intends to quietly raise the discretionary spending limits for 2001 in the first omnibus appropriation bill.

I do not object to raising the caps for 2001. Everybody realizes the spending caps set in the Balanced Budget Act of 1997 were unrealistic. But if we are going to raise the spending cap for 2001, we should be looking at setting new, realistic discretionary spending caps for 2002, 2003, 2004, 2005, and 2006.

The existing caps for fiscal year 2002 are even more unrealistic than they are for next year. Unless we set new, realistic caps, we will face the same problem next year with discretionary caps that are ignored and no discipline on discretionary spending, and the finger of blame being pointed on both sides of the aisle.

More importantly, the discretionary spending caps expire after 2002, leaving no discipline on discretionary spending at all.

If the Republican leadership is truly interested in controlling spending, I would encourage them to again consider the Blue Dog proposal to set new discretionary caps for the next 5 years now, while we have an opportunity.

We are suddenly hearing a lot of rhetoric from the other side regarding the 90/10 plan and the majority's commitment to debt reduction. I would have preferred that the leadership had been as enthusiastic about that position 6 months ago when we offered the same budget, which would have made debt reduction the top priority for the surplus, instead of pursuing tax cuts that would consume all the surplus.

But I am glad we have come around to our way of thinking. Unfortunately, the substance of the 90/10 plan falls short of the recent rhetoric coming from the other side about debt reduction. If we have a moral obligation to pay off the debt as soon as possible, as the leadership has said, then why does the Republican leadership's debt reduction plan only apply to next year? Why can we not take action now to extend the plan to set aside surpluses for debt reduction until we have eliminated the entire national debt?

The 90/10 plan being touted by my Republican colleagues would leave Congress free to abandon our moral obligation to debt reduction and return to fiscally irresponsible proposals to use the entire surplus for tax cuts and increased spending next year.

Instead of continuing an ad hoc process without any real plan, we need to reach agreement between Congress and the President on an overall budget framework that ensures that we have enough resources to meet our various tax cut and spending priorities and pay down the debt, and then extend the discipline by setting new discretionary caps and agreeing on a plan to eliminate the national debt.

There are some on this side of the aisle that would like very much to join in that endeavor.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the distinguished gentlewoman from the District of Columbia (Ms. NORTON), who sadly has no vote on this floor, but happily, at least, has a voice.

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding time to me, especially given the very special circumstance in which I find myself.

This process has to be as frustrating for my Republican colleagues as for Democrats. After all, we are stuck here with the overwhelming number of our appropriations unresolved this late, and into a new fiscal year.

I do believe I have a right to be more frustrated than most because mine is not a case of delay in funding Federal agencies. It is more complicated than that. You are asking me to put an entire city of half a million people on hold, the city that I represent.

It is important for the House to be aware of what happens when we put a city on hold. In this high-crime big city, 175 new police officers now cannot be hired; 88 new firefighters, to help fill out the depletion that occurred when the District was in financial crisis in the 1990s, cannot be hired.

We have five new charter schools, and that is what this Congress has most wanted. They are now in operation. We have the largest number of charter schools in the United States, but there is no money for these new charter schools, making their start very shaky, because they are already in operation. School has begun.

There is $4.5 million for school recreation centers to get our kids off the streets during the busy crime hours between 3 and 6; that is on hold.

To the public, this seems like games we play with ourselves. Games or not, it is far more serious for the District of Columbia than for any other place in the United States. The District got its work done on time. We have submitted a balanced budget with a surplus. Because the Congress has not done its work, the District cannot begin to spend its own money, raised in the District of Columbia from its own taxpayers.

We cannot continue to treat this city this way. We need a new process, Mr. Speaker.

I have just called the Mayor to say to our new Mayor, the mayor who has received so much in lip service compliments for the work that he has done already in the District, to say ''Mr. Mayor, your city is on hold for CR number 2.''

We have a new Mayor. We have a new council exercising excellent oversight. They have done what the Congress said they should do. Everything in the District is new. Painstaking reforms are occurring. There is a new government in the throes of wholesale

reform. The very least this body should do is to let that government take care of itself and begin to spend its own money.

The only thing that is not new about the District of Columbia is the process that the Congress forces upon it in order for the city to spend its own money. I ask that we look closely at this process, and I ask Members to help me next year to change this process and free D.C.

Mr. OBEY. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I thank the distinguished ranking member for yielding time to me, and again I rise, as the gentleman from Texas (Mr. STENHOLM) rose, to say to my distinguished chairman and friend, who does a great service for this institution of the House and a great service for the Committee on Appropriations, and it is a better committee for his service, but unfortunately, he was given a no-win task at the beginning of this year.

Mr. Speaker, let me quote: ''Nobody has ever done this many this quick in less time.'' Some may recall that that was the self-congratulatory statement in July of the majority leader, the gentleman from Texas (Mr. ARMEY), regarding this body's passage of all 13 appropriation bills through the House.

Even, frankly, the New York Times could not contain itself. The headline over a story earlier this year cried out, ''GOP passes spending bills at record clip.'' But oh, what a difference a few months makes, and, I might say, a dose of reality. We had passed in July and sent to the President two of 13 appropriation bills that were signed into law. August came and went. September came and went. We have two bills signed by the President of the United States and 11 still pending.

Now, we have passed the energy and water, and the President says he is going to veto that. So the two out of 13 was the same as we had in July, and despite the fact that both chambers have since passed the energy and water spending bill, the President vowed again just the other day to veto it.

In addition to the haste, I might say, that we passed these bills in, there was a great deal of hubris, too, on the part of the leadership, which acted as if we could disregard the views of the minority and the fact that it only held a six-seat margin.

My friends on the other side of the aisle have said that that makes it difficult. I agree. The only way it can be done is for us to come together and work together, realizing that the American people have elected 435 folks who have differences of opinion, 100 members of the Senate who have differences of opinion, and, as Speaker Gingrich pointed out and I referenced last week when we passed the CR, a president of the United States who does not agree with some of us.

Apparently it just never occurred to the Republican leadership that it needed to or should reach out to Democrats and to the President and try to strike a bipartisan budget resolution last April. That is why we are here, because the budget resolution passed on a partisan vote was not reasonable, was not acceptable, and could not be implemented, no matter how talented the gentleman from Florida (Mr. YOUNG) or the subcommittee chairmen were on the Committee on Appropriations. Everybody knew that and said it in April. That is why we are here.

Instead, they forged ahead, and I do not mean the chairman. He was directed to do that. They forged ahead with a budget plan that even many of my Republican friends knew was unrealistic and could not be implemented.

Were we really going to eliminate Head Start for more than 40,000 children to make room for big tax cuts? Were we really going to cut more than 600 FBI agents and 500 DEA agents? Were we really going to provide Pell grants to 316,000 less young people to go to college? Of course not. Neither that side of the aisle nor this side of the aisle thought that was going to occur.

So in failing to come up with a reasonable budget resolution, and I want to tell the Members, I voted for a couple. I particularly voted for the one that the gentleman from Texas (Mr. STENHOLM) offered which said, let us do 50 percent debt reduction, 25 percent for investment and 25 percent for targeted tax cuts. That made sense. Even if we did one-third and one-third and one-third, that would have made sense.

Now, however, because of our failure to enact a reasonable budget resolution, we are operating in an unrestrained, unidentified budget context without parameters. I do not think that is what anybody wants to do. It is certainly not what I want to do.

Yesterday my good friend, the gentleman from Alabama (Mr. CALLAHAN), a Republican leader in this House, a man of great wisdom, in my opinion, and great integrity, he is a member of the Committee on Appropriations whom I respect and who understands the necessity of legislative consensus, he was quoted in Roll Call: ''We knew all along we would appear to be losing when we broke these limits in the budget resolution.''

So this was predictable. The day of reckoning was as foreseeable as the beginning of the new school year, the turning of leaves, and the start of the football season.

The responsibility for this logjam lies with those who thought this budget resolution was reasonable.

Mr. Chairman, I urge my colleagues, however, obviously, to vote for this continuing resolution. It is not the Chairman's fault that this continuing resolution is here. We have not finished our business. Who is responsible for that? All of us. We understand that.

But I speak not so much in a partisan vein but for this institution, because if we come together, whether it is next year or the year after or whatever, in an attempt to pass appropriation bills that we can send to the President in a timely fashion, then we will not lose the leverage as a legislature, and forget about Republicans, Democrats, or who is president, but as a legislative body.

But every week that goes by, we lose leverage. That is not good for the institution of the Congress. I argued that when we were in control, and I will argue it when they are in control. Let us work together to approve the remaining spending bills. I just voted for one. I was glad to see it passed. I hope the President signs it. That is what we should have been doing all along.

I want to tell my friends, I think that 90 percent of the Republicans on the Committee on Appropriations knew that to be the case and wanted to do that. I hope we can do that, Mr. Chairman, as we conclude this session, and I hope we certainly can do it next year, whatever the outcome of the election.

Again, in closing, let me congratulate the chairman. Let me congratulate the ranking member. I do not know anybody in this body who works harder, who is more conscientious, who is more courageous in standing up for his beliefs and the beliefs of his party than the gentleman from Wisconsin (Mr. OBEY).

But I very frankly think that the gentleman from Florida (Mr. YOUNG) and the gentleman from Wisconsin (Mr. OBEY) are working together in a way in which America can be proud and can place its trust in. I am just sorry that they could not get the rest of us perhaps to go along in as bipartisan a fashion as they most of the time have the opportunity to do.

Mr. OBEY. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, the problem we face, as was described by the gentleman from Texas (Mr. STENHOLM), is that we essentially have no idea what the limits are. We had a phony limit that was produced in the original budget resolution in the spring, and the House pretended that it was going to live with the spending limit or discretionary funds laid out in that resolution.

☐ 1515

But we all know that, for the third year in a row, that understated the reality by about $40 billion in terms of what the Congress would eventually do.

Now, following that pretense, for a long period of time this year, we now have been given a new construct by the majority party leadership. They have said, well, under our new 90/10 arrangement for use of our surplus, $28 billion will be available plus $13 billion because they are recomputing the base from which they were operating. That gives us about $40 billion on the table which can be used for tax actions or for spending actions or for entitlement actions.

The problem is that that is outlays. We measure the deficit in outlays. But

because we do not spend all of the money that we appropriate in any given year, there is a difference between what the committee actually appropriates and what is actually outlaid in any given fiscal year.

So because of that difference, what is really on the table is up to $80 billion in additional spending. The problem is no one knows what the plans are for using that huge amount of money. So we are asked to approve a bill at a time. I voted against the Energy-Water bill because I did not know whether we ought to be providing that much money in that bill when we still did not know what the other bills were going to look like.

So we are drifting along with no idea of what the limits are, no context, no limits, no discipline, someone in the leadership office having some idea of what the game plan is. That changes from day to day. But we do not know so we cannot tell our constituents, and the press certainly does not know.

So in the end, we will do what about six anonymous people in the leadership office tells us will be done, but that is not the way we ought to run a railroad or a legislative body. We ought to be able to know what the limits are so that we can choose within those limits. That is not a privilege which is being afforded us. There is not much we can do about that on the minority side of the aisle. But it is an irresponsible way to run what is supposed to be the greatest legislative body in the world.

Mr. Speaker, is the gentleman from Florida (Mr. YOUNG) going to yield back?

Mr. YOUNG of Florida. Mr. Speaker, I will yield back after I make a closing statement.

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

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the indication of support for the CR. The gentleman from Wisconsin (Mr. OBEY) is exactly right. We have to do this from the institutional standpoint. So we are going to pass this CR today.

I listened to the gentleman from Maryland (Mr. HOYER), one of the more articulate members of this Congress. I would have to say that I agree with an awful lot of what he said. Our budget process is less than perfect. But I want to make sure that everybody understands that the budget process is just one piece of the process. The appropriations process is something entirely different, although it might seem to some that they are both one and the same; but they are not.

But, unfortunately, the appropriations process becomes captive to the budget process on occasion, and we are not the masters of our own destiny sometimes when it comes to the appropriations process.

But we have done a good job in the House. The House can be proud of the fact that, yes, in fact we did pass all of our bills, and we passed them fairly early. In fact, all 13 bills were passed before the end of July, except for D.C., The D.C. bill was actually on the floor in July but was pulled off the floor for some other measure that apparently had more importance at one point or another.

Also, we have passed, in terms of conference reports, through the House the Defense conference report, the Military Construction conference report, the Energy and Water conference report, the Treasury-Postal conference report, the Legislative Branch conference report, and the Interior conference report, which we passed just a short time ago today.

We have completed the conference on the Transportation appropriations bill this morning. At 4 o'clock this afternoon, we will convene a conference meeting on the Agricultural appropriations bill.

So we are moving on our responsibility, but we, in the House, are only one-third of the players. The other body is a player and the President of the United States is a player. When it gets to the point that bills are sent to the President, and we do not know what he is going to do on some of these bills, he becomes as powerful as two-thirds of this House and two-thirds of the Senate. Because if he vetoes one of our bills, it takes two-thirds of both Houses to override the veto.

So we try to work together. I think what we saw earlier today on the Interior appropriations bill was an indication of how, if we work together, both sides, the majority, the minority, understanding that there are strong differences, to resolve those differences, it is amazing what we can accomplish. I am really proud of the House for the strong vote that we received for the Interior bill just a short time ago.

So Mr. Speaker, it is essential that we pass this CR today, and I again appreciate those statements from the minority, from the gentleman from Wisconsin (Mr. OBEY), recognizing that it is important to pass the CR today that would keep the government operating to the 14th of October. Hopefully by then we will have much more positive and constructive news to report.

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

The SPEAKER pro tempore (Mr. LAHOOD). All time for debate is expired.

The joint resolution is considered as having been read for amendment.

Pursuant to House Resolution 604, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the joint resolution.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 415, nays 1, not voting 17, as follows:

[Roll No. 509]

YEAS—415

Abercrombie	Crowley	Hobson
Ackerman	Cubin	Hoeffel
Aderholt	Cummings	Hoekstra
Allen	Cunningham	Holden
Andrews	Danner	Holt
Archer	Davis (FL)	Hooley
Armey	Davis (IL)	Horn
Baca	Davis (VA)	Hostettler
Bachus	Deal	Hoyer
Baird	DeGette	Hulshof
Baker	Delahunt	Hunter
Baldacci	DeLauro	Hutchinson
Baldwin	DeLay	Hyde
Barcia	DeMint	Inslee
Barr	Deutsch	Isakson
Barrett (NE)	Diaz-Balart	Istook
Barrett (WI)	Dickey	Jackson (IL)
Bartlett	Dicks	Jackson-Lee (TX)
Barton	Dingell	Jefferson
Bass	Dixon	Jenkins
Becerra	Doggett	John
Bentsen	Dooley	Johnson (CT)
Bereuter	Doolittle	Johnson, E. B.
Berkley	Doyle	Johnson, Sam
Berman	Dreier	Jones (NC)
Berry	Duncan	Jones (OH)
Biggert	Edwards	Kanjorski
Bilbray	Ehlers	Kaptur
Bilirakis	Ehrlich	Kasich
Bishop	Emerson	Kelly
Blagojevich	Engel	Kennedy
Bliley	English	Kildee
Blumenauer	Etheridge	Kilpatrick
Blunt	Evans	Kind (WI)
Boehlert	Everett	Kingston
Boehner	Ewing	Kleczka
Bonilla	Farr	Klink
Bonior	Fattah	Knollenberg
Bono	Filner	Kolbe
Borski	Fletcher	Kucinich
Boswell	Foley	Kuykendall
Boucher	Forbes	LaFalce
Boyd	Ford	LaHood
Brady (PA)	Fossella	Lampson
Brady (TX)	Fowler	Lantos
Brown (FL)	Frank (MA)	Largent
Brown (OH)	Frelinghuysen	Larson
Bryant	Frost	Latham
Burr	Gallegly	LaTourette
Burton	Ganske	Leach
Buyer	Gejdenson	Lee
Callahan	Gekas	Levin
Calvert	Gephardt	Lewis (CA)
Camp	Gibbons	Lewis (GA)
Campbell	Gilchrest	Lewis (KY)
Canady	Gillmor	Linder
Cannon	Gilman	Lipinski
Capps	Gonzalez	LoBiondo
Capuano	Goode	Lofgren
Cardin	Goodlatte	Lowey
Carson	Goodling	Lucas (KY)
Castle	Gordon	Lucas (OK)
Chabot	Goss	Luther
Chambliss	Graham	Maloney (CT)
Chenoweth-Hage	Granger	Maloney (NY)
Clay	Green (TX)	Manzullo
Clayton	Green (WI)	Markey
Clement	Greenwood	Martinez
Clyburn	Gutierrez	Mascara
Coble	Gutknecht	Matsui
Coburn	Hall (OH)	McCarthy (MO)
Collins	Hall (TX)	McCarthy (NY)
Combest	Hansen	McCrery
Condit	Hastings (WA)	McDermott
Conyers	Hayes	McGovern
Cook	Hayworth	McHugh
Cooksey	Herger	McInnis
Costello	Hill (IN)	McIntyre
Cox	Hill (MT)	McKeon
Coyne	Hilleary	McKinney
Cramer	Hilliard	McNulty
Crane	Hinchey	

Meek (FL)	Rahall	Stark
Meeks (NY)	Ramstad	Stearns
Menendez	Rangel	Stenholm
Metcalf	Regula	Strickland
Mica	Reyes	Stump
Millender-McDonald	Reynolds	Stupak
Miller (FL)	Rivers	Sununu
Miller, Gary	Rodriguez	Sweeney
Miller, George	Roemer	Talent
Minge	Rogan	Tancredo
Mink	Rogers	Tanner
Moakley	Rohrabacher	Tauscher
Mollohan	Ros-Lehtinen	Tauzin
Moore	Rothman	Taylor (MS)
Moran (KS)	Roukema	Taylor (NC)
Moran (VA)	Roybal-Allard	Terry
Morella	Royce	Thomas
Murtha	Rush	Thompson (CA)
Myrick	Ryan (WI)	Thompson (MS)
Nadler	Ryun (KS)	Thornberry
Napolitano	Sabo	Thune
Neal	Salmon	Thurman
Nethercutt	Sanchez	Tiahrt
Ney	Sanders	Tierney
Northup	Sandlin	Toomey
Norwood	Sanford	Towns
Nussle	Sawyer	Traficant
Oberstar	Saxton	Turner
Obey	Scarborough	Udall (CO)
Olver	Schaffer	Udall (NM)
Ortiz	Schakowsky	Upton
Ose	Scott	Velazquez
Owens	Sensenbrenner	Visclosky
Oxley	Serrano	Vitter
Packard	Sessions	Walden
Pallone	Shadegg	Walsh
Pascrell	Shaw	Wamp
Pastor	Shays	Waters
Payne	Sherman	Watkins
Pease	Sherwood	Watt (NC)
Pelosi	Shimkus	Watts (OK)
Peterson (MN)	Shows	Waxman
Peterson (PA)	Shuster	Weiner
Petri	Simpson	Weldon (FL)
Phelps	Sisisky	Weldon (PA)
Pickering	Skeen	Weller
Pickett	Skelton	Weygand
Pitts	Slaughter	Whitfield
Pombo	Smith (MI)	Wicker
Pomeroy	Smith (NJ)	Wilson
Porter	Smith (TX)	Wise
Portman	Smith (WA)	Wolf
Price (NC)	Snyder	Woolsey
Pryce (OH)	Souder	Wu
Quinn	Spence	Wynn
Radanovich	Spratt	Young (AK)
	Stabenow	Young (FL)

NAYS—1

DeFazio

NOT VOTING—17

Ballenger	Hinojosa	Meehan
Dunn	Houghton	Paul
Eshoo	King (NY)	Riley
Franks (NJ)	Lazio	Vento
Hastings (FL)	McCollum	Wexler
Hefley	McIntosh	

□ 1543

Mr. CONDIT changed his vote from ''nay'' to ''yea.''

So the joint resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 506, H. Res. 603, waiving Points of Order against the Conference Report on H.R. 4578. Had I been present I would have voted ''yea.'' Mr. Speaker, I was unavoidably detained for rollcall No. 507, H.R. 4578, the Interior Appropriations Conference Report for Fiscal Year 2001. Had I been present I would have voted ''yea.'' Mr. Speaker, I was unavoidably detained for rollcall No. 508, H.J. Res. 278, expressing the sense of the House of Representatives regarding the importance of education, early detection and treatment, and other efforts in the fight against breast cancer. Had I been present I would have voted ''yea.'' Furthermore, Mr. Speaker, I was unavoidably detained for rollcall No. 509, H.J. Res. 110, making further appropriations for fiscal year 2001. Had I been present I would have voted ''yea.''

FURTHER MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3767. An act to amend the Immigration and Nationality Act to make improvements to, and permanently authorize, the visa waiver pilot program under section 217 of such Act.

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

S. 2045. An act to amend the Immigration and Nationality Act with respect to H–1B nonimmigrant aliens.

□ 1545

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. MORELLA). Pursuant to clause 8 of rule XX, the Chair announces that she will postpone further proceedings today on the remaining motions 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.

Any record votes on postponed questions will be taken tomorrow.

PROVIDING FOR CONCURRENCE BY HOUSE WITH AN AMENDMENT IN SENATE AMENDMENTS TO H.R. 707, DISASTER MITIGATION ACT OF 2000

Mrs. FOWLER. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 607) providing for the concurrence by the House with an amendment in the Senate amendments to H.R. 707.

The Clerk read as follows:

H. RES. 607

Resolved, That upon the adoption of this resolution the House shall be considered to have taken from the Speaker's table the bill H.R. 707, with the amendment of the Senate thereto, and to have concurred in the amendment of the Senate to the text with the following amendment:

In lieu of the matter proposed to be inserted by the amendment of the Senate, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Disaster Mitigation Act of 2000''.

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

Sec. 1. Short title; table of contents.

TITLE I—PREDISASTER HAZARD MITIGATION

Sec. 101. Findings and purpose.
Sec. 102. Predisaster hazard mitigation.
Sec. 103. Interagency task force.
Sec. 104. Mitigation planning; minimum standards for public and private structures.

TITLE II—STREAMLINING AND COST REDUCTION

Sec. 201. Technical amendments.
Sec. 202. Management costs.
Sec. 203. Public notice, comment, and consultation requirements.
Sec. 204. State administration of hazard mitigation grant program.
Sec. 205. Assistance to repair, restore, reconstruct, or replace damaged facilities.
Sec. 206. Federal assistance to individuals and households.
Sec. 207. Community disaster loans.
Sec. 208. Report on State management of small disasters initiative.
Sec. 209. Study regarding cost reduction.

TITLE III—MISCELLANEOUS

Sec. 301. Technical correction of short title.
Sec. 302. Definitions.
Sec. 303. Fire management assistance.
Sec. 304. President's Council on Domestic Terrorism Preparedness.
Sec. 305. Disaster grant closeout procedures.
Sec. 306. Public safety officer benefits for certain Federal and State employees.
Sec. 307. Buy American.
Sec. 308. Treatment of certain real property.
Sec. 309. Study of participation by Indian tribes in emergency management.

TITLE I—PREDISASTER HAZARD MITIGATION

SEC. 101. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) natural disasters, including earthquakes, tsunamis, tornadoes, hurricanes, flooding, and wildfires, pose great danger to human life and to property throughout the United States;

(2) greater emphasis needs to be placed on—

(A) identifying and assessing the risks to States and local governments (including Indian tribes) from natural disasters;

(B) implementing adequate measures to reduce losses from natural disasters; and

(C) ensuring that the critical services and facilities of communities will continue to function after a natural disaster;

(3) expenditures for postdisaster assistance are increasing without commensurate reductions in the likelihood of future losses from natural disasters;

(4) in the expenditure of Federal funds under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), high priority should be given to mitigation of hazards at the local level; and

(5) with a unified effort of economic incentives, awareness and education, technical assistance, and demonstrated Federal support, States and local governments (including Indian tribes) will be able to—

(A) form effective community-based partnerships for hazard mitigation purposes;

(B) implement effective hazard mitigation measures that reduce the potential damage from natural disasters;

(C) ensure continued functionality of critical services;

(D) leverage additional non-Federal resources in meeting natural disaster resistance goals; and

(E) make commitments to long-term hazard mitigation efforts to be applied to new and existing structures.

(b) PURPOSE.—The purpose of this title is to establish a national disaster hazard mitigation program—

(1) to reduce the loss of life and property, human suffering, economic disruption, and disaster assistance costs resulting from natural disasters; and

(2) to provide a source of predisaster hazard mitigation funding that will assist States and local governments (including Indian tribes) in implementing effective hazard mitigation measures that are designed to ensure the continued functionality of critical services and facilities after a natural disaster.

SEC. 102. PREDISASTER HAZARD MITIGATION.

(a) IN GENERAL.—Title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.) is amended by adding at the end the following:

''SEC. 203. PREDISASTER HAZARD MITIGATION.

''(a) DEFINITION OF SMALL IMPOVERISHED COMMUNITY.—In this section, the term 'small impoverished community' means a community of 3,000 or fewer individuals that is economically disadvantaged, as determined by the State in which the community is located and based on criteria established by the President.

''(b) ESTABLISHMENT OF PROGRAM.—The President may establish a program to provide technical and financial assistance to States and local governments to assist in the implementation of predisaster hazard mitigation measures that are cost-effective and are designed to reduce injuries, loss of life, and damage and destruction of property, including damage to critical services and facilities under the jurisdiction of the States or local governments.

''(c) APPROVAL BY PRESIDENT.—If the President determines that a State or local government has identified natural disaster hazards in areas under its jurisdiction and has demonstrated the ability to form effective public-private natural disaster hazard mitigation partnerships, the President, using amounts in the National Predisaster Mitigation Fund established under subsection (i) (referred to in this section as the 'Fund'), may provide technical and financial assistance to the State or local government to be used in accordance with subsection (e).

''(d) STATE RECOMMENDATIONS.—

''(1) IN GENERAL.—

''(A) RECOMMENDATIONS.—The Governor of each State may recommend to the President not fewer than 5 local governments to receive assistance under this section.

''(B) DEADLINE FOR SUBMISSION.—The recommendations under subparagraph (A) shall be submitted to the President not later than October 1, 2001, and each October 1st thereafter or such later date in the year as the President may establish.

''(C) CRITERIA.—In making recommendations under subparagraph (A), a Governor shall consider the criteria specified in subsection (g).

''(2) USE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), in providing assistance to local governments under this section, the President shall select from local governments recommended by the Governors under this subsection.

''(B) EXTRAORDINARY CIRCUMSTANCES.—In providing assistance to local governments under this section, the President may select a local government that has not been recommended by a Governor under this subsection if the President determines that extraordinary circumstances justify the selection and that making the selection will further the purpose of this section.

''(3) EFFECT OF FAILURE TO NOMINATE.—If a Governor of a State fails to submit recommendations under this subsection in a timely manner, the President may select, subject to the criteria specified in subsection (g), any local governments of the State to receive assistance under this section.

''(e) USES OF TECHNICAL AND FINANCIAL ASSISTANCE.—

''(1) IN GENERAL.—Technical and financial assistance provided under this section—

''(A) shall be used by States and local governments principally to implement predisaster hazard mitigation measures that are cost-effective and are described in proposals approved by the President under this section; and

''(B) may be used—

''(i) to support effective public-private natural disaster hazard mitigation partnerships;

''(ii) to improve the assessment of a community's vulnerability to natural hazards; or

''(iii) to establish hazard mitigation priorities, and an appropriate hazard mitigation plan, for a community.

''(2) DISSEMINATION.—A State or local government may use not more than 10 percent of the financial assistance received by the State or local government under this section for a fiscal year to fund activities to disseminate information regarding cost-effective mitigation technologies.

''(f) ALLOCATION OF FUNDS.—The amount of financial assistance made available to a State (including amounts made available to local governments of the State) under this section for a fiscal year—

''(1) shall be not less than the lesser of—

''(A) $500,000; or

''(B) the amount that is equal to 1.0 percent of the total funds appropriated to carry out this section for the fiscal year;

''(2) shall not exceed 15 percent of the total funds described in paragraph (1)(B); and

''(3) shall be subject to the criteria specified in subsection (g).

''(g) CRITERIA FOR ASSISTANCE AWARDS.—In determining whether to provide technical and financial assistance to a State or local government under this section, the President shall take into account—

''(1) the extent and nature of the hazards to be mitigated;

''(2) the degree of commitment of the State or local government to reduce damages from future natural disasters;

''(3) the degree of commitment by the State or local government to support ongoing non-Federal support for the hazard mitigation measures to be carried out using the technical and financial assistance;

''(4) the extent to which the hazard mitigation measures to be carried out using the technical and financial assistance contribute to the mitigation goals and priorities established by the State;

''(5) the extent to which the technical and financial assistance is consistent with other assistance provided under this Act;

''(6) the extent to which prioritized, cost-effective mitigation activities that produce meaningful and definable outcomes are clearly identified;

''(7) if the State or local government has submitted a mitigation plan under section 322, the extent to which the activities identified under paragraph (6) are consistent with the mitigation plan;

''(8) the opportunity to fund activities that maximize net benefits to society;

''(9) the extent to which assistance will fund mitigation activities in small impoverished communities; and

''(10) such other criteria as the President establishes in consultation with State and local governments.

''(h) FEDERAL SHARE.—

''(1) IN GENERAL.—Financial assistance provided under this section may contribute up to 75 percent of the total cost of mitigation activities approved by the President.

''(2) SMALL IMPOVERISHED COMMUNITIES.—Notwithstanding paragraph (1), the President may contribute up to 90 percent of the total cost of a mitigation activity carried out in a small impoverished community.

''(i) NATIONAL PREDISASTER MITIGATION FUND.—

''(1) ESTABLISHMENT.—The President may establish in the Treasury of the United States a fund to be known as the 'National Predisaster Mitigation Fund', to be used in carrying out this section.

''(2) TRANSFERS TO FUND.—There shall be deposited in the Fund—

''(A) amounts appropriated to carry out this section, which shall remain available until expended; and

''(B) sums available from gifts, bequests, or donations of services or property received by the President for the purpose of predisaster hazard mitigation.

''(3) EXPENDITURES FROM FUND.—Upon request by the President, the Secretary of the Treasury shall transfer from the Fund to the President such amounts as the President determines are necessary to provide technical and financial assistance under this section.

''(4) INVESTMENT OF AMOUNTS.—

''(A) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

''(B) ACQUISITION OF OBLIGATIONS.—For the purpose of investments under subparagraph (A), obligations may be acquired—

''(i) on original issue at the issue price; or

''(ii) by purchase of outstanding obligations at the market price.

''(C) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

''(D) 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.

''(E) TRANSFERS OF AMOUNTS.—

''(i) IN GENERAL.—The amounts required to be transferred to the Fund under this subsection shall be transferred at least monthly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the Treasury.

''(ii) ADJUSTMENTS.—Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

''(j) LIMITATION ON TOTAL AMOUNT OF FINANCIAL ASSISTANCE.—The President shall not provide financial assistance under this section in an amount greater than the amount available in the Fund.

''(k) MULTIHAZARD ADVISORY MAPS.—

''(1) DEFINITION OF MULTIHAZARD ADVISORY MAP.—In this subsection, the term 'multihazard advisory map' means a map on which hazard data concerning each type of natural disaster is identified simultaneously for the purpose of showing areas of hazard overlap.

''(2) DEVELOPMENT OF MAPS.—In consultation with States, local governments, and appropriate Federal agencies, the President shall develop multihazard advisory maps for areas, in not fewer than 5 States, that are subject to commonly recurring natural hazards (including flooding, hurricanes and severe winds, and seismic events).

''(3) USE OF TECHNOLOGY.—In developing multihazard advisory maps under this subsection, the President shall use, to the maximum extent practicable, the most cost-effective and efficient technology available.

''(4) USE OF MAPS.—

''(A) ADVISORY NATURE.—The multihazard advisory maps shall be considered to be advisory and shall not require the development

of any new policy by, or impose any new policy on, any government or private entity.

''(B) AVAILABILITY OF MAPS.—The multihazard advisory maps shall be made available to the appropriate State and local governments for the purposes of—

''(i) informing the general public about the risks of natural hazards in the areas described in paragraph (2);

''(ii) supporting the activities described in subsection (e); and

''(iii) other public uses.

''(l) REPORT ON FEDERAL AND STATE ADMINISTRATION.—Not later than 18 months after the date of enactment of this section, the President, in consultation with State and local governments, shall submit to Congress a report evaluating efforts to implement this section and recommending a process for transferring greater authority and responsibility for administering the assistance program established under this section to capable States.

''(m) TERMINATION OF AUTHORITY.—The authority provided by this section terminates December 31, 2003.''.

(b) CONFORMING AMENDMENT.—Title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.) is amended by striking the title heading and inserting the following:

''TITLE II—DISASTER PREPAREDNESS AND MITIGATION ASSISTANCE''.

SEC. 103. INTERAGENCY TASK FORCE.

Title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.) (as amended by section 102(a)) is amended by adding at the end the following:

''SEC. 204. INTERAGENCY TASK FORCE.

''(a) IN GENERAL.—The President shall establish a Federal interagency task force for the purpose of coordinating the implementation of predisaster hazard mitigation programs administered by the Federal Government.

''(b) CHAIRPERSON.—The Director of the Federal Emergency Management Agency shall serve as the chairperson of the task force.

''(c) MEMBERSHIP.—The membership of the task force shall include representatives of—

''(1) relevant Federal agencies;

''(2) State and local government organizations (including Indian tribes); and

''(3) the American Red Cross.''.

SEC. 104. MITIGATION PLANNING; MINIMUM STANDARDS FOR PUBLIC AND PRIVATE STRUCTURES.

(a) IN GENERAL.—Title III of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5141 et seq.) is amended by adding at the end the following:

''SEC. 322. MITIGATION PLANNING.

''(a) REQUIREMENT OF MITIGATION PLAN.—As a condition of receipt of an increased Federal share for hazard mitigation measures under subsection (e), a State, local, or tribal government shall develop and submit for approval to the President a mitigation plan that outlines processes for identifying the natural hazards, risks, and vulnerabilities of the area under the jurisdiction of the government.

''(b) LOCAL AND TRIBAL PLANS.—Each mitigation plan developed by a local or tribal government shall—

''(1) describe actions to mitigate hazards, risks, and vulnerabilities identified under the plan; and

''(2) establish a strategy to implement those actions.

''(c) STATE PLANS.—The State process of development of a mitigation plan under this section shall—

''(1) identify the natural hazards, risks, and vulnerabilities of areas in the State;

''(2) support development of local mitigation plans;

''(3) provide for technical assistance to local and tribal governments for mitigation planning; and

''(4) identify and prioritize mitigation actions that the State will support, as resources become available.

''(d) FUNDING.—

''(1) IN GENERAL.—Federal contributions under section 404 may be used to fund the development and updating of mitigation plans under this section.

''(2) MAXIMUM FEDERAL CONTRIBUTION.—With respect to any mitigation plan, a State, local, or tribal government may use an amount of Federal contributions under section 404 not to exceed 7 percent of the amount of such contributions available to the government as of a date determined by the government.

''(e) INCREASED FEDERAL SHARE FOR HAZARD MITIGATION MEASURES.—

''(1) IN GENERAL.—If, at the time of the declaration of a major disaster, a State has in effect an approved mitigation plan under this section, the President may increase to 20 percent, with respect to the major disaster, the maximum percentage specified in the last sentence of section 404(a).

''(2) FACTORS FOR CONSIDERATION.—In determining whether to increase the maximum percentage under paragraph (1), the President shall consider whether the State has established—

''(A) eligibility criteria for property acquisition and other types of mitigation measures;

''(B) requirements for cost effectiveness that are related to the eligibility criteria;

''(C) a system of priorities that is related to the eligibility criteria; and

''(D) a process by which an assessment of the effectiveness of a mitigation action may be carried out after the mitigation action is complete.

''SEC. 323. MINIMUM STANDARDS FOR PUBLIC AND PRIVATE STRUCTURES.

''(a) IN GENERAL.—As a condition of receipt of a disaster loan or grant under this Act—

''(1) the recipient shall carry out any repair or construction to be financed with the loan or grant in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable codes, specifications, and standards; and

''(2) the President may require safe land use and construction practices, after adequate consultation with appropriate State and local government officials.

''(b) EVIDENCE OF COMPLIANCE.—A recipient of a disaster loan or grant under this Act shall provide such evidence of compliance with this section as the President may require by regulation.''.

(b) LOSSES FROM STRAIGHT LINE WINDS.—The President shall increase the maximum percentage specified in the last sentence of section 404(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c(a)) from 15 percent to 20 percent with respect to any major disaster that is in the State of Minnesota and for which assistance is being provided as of the date of enactment of this Act, except that additional assistance provided under this subsection shall not exceed $6,000,000. The mitigation measures assisted under this subsection shall be related to losses in the State of Minnesota from straight line winds.

(c) CONFORMING AMENDMENTS.—

(1) Section 404(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c(a)) is amended—

(A) in the second sentence, by striking ''section 409'' and inserting ''section 322''; and

(B) in the third sentence, by striking ''The total'' and inserting ''Subject to section 322, the total''.

(2) Section 409 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5176) is repealed.

TITLE II—STREAMLINING AND COST REDUCTION

SEC. 201. TECHNICAL AMENDMENTS.

Section 311 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5154) is amended in subsections (a)(1), (b), and (c) by striking ''section 803 of the Public Works and Economic Development Act of 1965'' each place it appears and inserting ''section 209(c)(2) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3149(c)(2))''.

SEC. 202. MANAGEMENT COSTS.

(a) IN GENERAL.—Title III of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5141 et seq.) (as amended by section 104(a)) is amended by adding at the end the following:

''SEC. 324. MANAGEMENT COSTS.

''(a) DEFINITION OF MANAGEMENT COST.—In this section, the term 'management cost' includes any indirect cost, any administrative expense, and any other expense not directly chargeable to a specific project under a major disaster, emergency, or disaster preparedness or mitigation activity or measure.

''(b) ESTABLISHMENT OF MANAGEMENT COST RATES.—Notwithstanding any other provision of law (including any administrative rule or guidance), the President shall by regulation establish management cost rates, for grantees and subgrantees, that shall be used to determine contributions under this Act for management costs.

''(c) REVIEW.—The President shall review the management cost rates established under subsection (b) not later than 3 years after the date of establishment of the rates and periodically thereafter.''.

(b) APPLICABILITY.—

(1) IN GENERAL.—Subject to paragraph (2), subsections (a) and (b) of section 324 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as added by subsection (a)) shall apply to major disasters declared under that Act on or after the date of enactment of this Act.

(2) INTERIM AUTHORITY.—Until the date on which the President establishes the management cost rates under section 324 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as added by subsection (a)), section 406(f) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172(f)) (as in effect on the day before the date of enactment of this Act) shall be used to establish management cost rates.

SEC. 203. PUBLIC NOTICE, COMMENT, AND CONSULTATION REQUIREMENTS.

Title III of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5141 et seq.) (as amended by section 202(a)) is amended by adding at the end the following:

''SEC. 325. PUBLIC NOTICE, COMMENT, AND CONSULTATION REQUIREMENTS.

''(a) PUBLIC NOTICE AND COMMENT CONCERNING NEW OR MODIFIED POLICIES.—

''(1) IN GENERAL.—The President shall provide for public notice and opportunity for comment before adopting any new or modified policy that—

''(A) governs implementation of the public assistance program administered by the Federal Emergency Management Agency under this Act; and

''(B) could result in a significant reduction of assistance under the program.

''(2) APPLICATION.—Any policy adopted under paragraph (1) shall apply only to a

major disaster or emergency declared on or after the date on which the policy is adopted.

''(b) CONSULTATION CONCERNING INTERIM POLICIES.—

''(1) IN GENERAL.—Before adopting any interim policy under the public assistance program to address specific conditions that relate to a major disaster or emergency that has been declared under this Act, the President, to the maximum extent practicable, shall solicit the views and recommendations of grantees and subgrantees with respect to the major disaster or emergency concerning the potential interim policy, if the interim policy is likely—

''(A) to result in a significant reduction of assistance to applicants for the assistance with respect to the major disaster or emergency; or

''(B) to change the terms of a written agreement to which the Federal Government is a party concerning the declaration of the major disaster or emergency.

''(2) NO LEGAL RIGHT OF ACTION.—Nothing in this subsection confers a legal right of action on any party.

''(c) PUBLIC ACCESS.—The President shall promote public access to policies governing the implementation of the public assistance program.''.

SEC. 204. STATE ADMINISTRATION OF HAZARD MITIGATION GRANT PROGRAM.

Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c) is amended by adding at the end the following:

''(c) PROGRAM ADMINISTRATION BY STATES.—

''(1) IN GENERAL.—A State desiring to administer the hazard mitigation grant program established by this section with respect to hazard mitigation assistance in the State may submit to the President an application for the delegation of the authority to administer the program.

''(2) CRITERIA.—The President, in consultation and coordination with States and local governments, shall establish criteria for the approval of applications submitted under paragraph (1). The criteria shall include, at a minimum—

''(A) the demonstrated ability of the State to manage the grant program under this section;

''(B) there being in effect an approved mitigation plan under section 322; and

''(C) a demonstrated commitment to mitigation activities.

''(3) APPROVAL.—The President shall approve an application submitted under paragraph (1) that meets the criteria established under paragraph (2).

''(4) WITHDRAWAL OF APPROVAL.—If, after approving an application of a State submitted under paragraph (1), the President determines that the State is not administering the hazard mitigation grant program established by this section in a manner satisfactory to the President, the President shall withdraw the approval.

''(5) AUDITS.—The President shall provide for periodic audits of the hazard mitigation grant programs administered by States under this subsection.''.

SEC. 205. ASSISTANCE TO REPAIR, RESTORE, RECONSTRUCT, OR REPLACE DAMAGED FACILITIES.

(a) CONTRIBUTIONS.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (a) and inserting the following:

''(a) CONTRIBUTIONS.—

''(1) IN GENERAL.—The President may make contributions—

''(A) to a State or local government for the repair, restoration, reconstruction, or replacement of a public facility damaged or destroyed by a major disaster and for associated expenses incurred by the government; and

''(B) subject to paragraph (3), to a person that owns or operates a private nonprofit facility damaged or destroyed by a major disaster for the repair, restoration, reconstruction, or replacement of the facility and for associated expenses incurred by the person.

''(2) ASSOCIATED EXPENSES.—For the purposes of this section, associated expenses shall include—

''(A) the costs of mobilizing and employing the National Guard for performance of eligible work;

''(B) the costs of using prison labor to perform eligible work, including wages actually paid, transportation to a worksite, and extraordinary costs of guards, food, and lodging; and

''(C) base and overtime wages for the employees and extra hires of a State, local government, or person described in paragraph (1) that perform eligible work, plus fringe benefits on such wages to the extent that such benefits were being paid before the major disaster.

''(3) CONDITIONS FOR ASSISTANCE TO PRIVATE NONPROFIT FACILITIES.—

''(A) IN GENERAL.—The President may make contributions to a private nonprofit facility under paragraph (1)(B) only if—

''(i) the facility provides critical services (as defined by the President) in the event of a major disaster; or

''(ii) the owner or operator of the facility—

''(I) has applied for a disaster loan under section 7(b) of the Small Business Act (15 U.S.C. 636(b)); and

''(II)(aa) has been determined to be ineligible for such a loan; or

''(bb) has obtained such a loan in the maximum amount for which the Small Business Administration determines the facility is eligible.

''(B) DEFINITION OF CRITICAL SERVICES.—In this paragraph, the term 'critical services' includes power, water (including water provided by an irrigation organization or facility), sewer, wastewater treatment, communications, and emergency medical care.

''(4) NOTIFICATION TO CONGRESS.—Before making any contribution under this section in an amount greater than $20,000,000, the President shall notify—

''(A) the Committee on Environment and Public Works of the Senate;

''(B) the Committee on Transportation and Infrastructure of the House of Representatives;

''(C) the Committee on Appropriations of the Senate; and

''(D) the Committee on Appropriations of the House of Representatives.''.

(b) FEDERAL SHARE.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (b) and inserting the following:

''(b) FEDERAL SHARE.—

''(1) MINIMUM FEDERAL SHARE.—Except as provided in paragraph (2), the Federal share of assistance under this section shall be not less than 75 percent of the eligible cost of repair, restoration, reconstruction, or replacement carried out under this section.

''(2) REDUCED FEDERAL SHARE.—The President shall promulgate regulations to reduce the Federal share of assistance under this section to not less than 25 percent in the case of the repair, restoration, reconstruction, or replacement of any eligible public facility or private nonprofit facility following an event associated with a major disaster—

''(A) that has been damaged, on more than 1 occasion within the preceding 10-year period, by the same type of event; and

''(B) the owner of which has failed to implement appropriate mitigation measures to address the hazard that caused the damage to the facility.''.

(c) LARGE IN-LIEU CONTRIBUTIONS.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (c) and inserting the following:

''(c) LARGE IN-LIEU CONTRIBUTIONS.—

''(1) FOR PUBLIC FACILITIES.—

''(A) IN GENERAL.—In any case in which a State or local government determines that the public welfare would not best be served by repairing, restoring, reconstructing, or replacing any public facility owned or controlled by the State or local government, the State or local government may elect to receive, in lieu of a contribution under subsection (a)(1)(A), a contribution in an amount equal to 75 percent of the Federal share of the Federal estimate of the cost of repairing, restoring, reconstructing, or replacing the facility and of management expenses.

''(B) AREAS WITH UNSTABLE SOIL.—In any case in which a State or local government determines that the public welfare would not best be served by repairing, restoring, reconstructing, or replacing any public facility owned or controlled by the State or local government because soil instability in the disaster area makes repair, restoration, reconstruction, or replacement infeasible, the State or local government may elect to receive, in lieu of a contribution under subsection (a)(1)(A), a contribution in an amount equal to 90 percent of the Federal share of the Federal estimate of the cost of repairing, restoring, reconstructing, or replacing the facility and of management expenses.

''(C) USE OF FUNDS.—Funds contributed to a State or local government under this paragraph may be used—

''(i) to repair, restore, or expand other selected public facilities;

''(ii) to construct new facilities; or

''(iii) to fund hazard mitigation measures that the State or local government determines to be necessary to meet a need for governmental services and functions in the area affected by the major disaster.

''(D) LIMITATIONS.—Funds made available to a State or local government under this paragraph may not be used for—

''(i) any public facility located in a regulatory floodway (as defined in section 59.1 of title 44, Code of Federal Regulations (or a successor regulation)); or

''(ii) any uninsured public facility located in a special flood hazard area identified by the Director of the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

''(2) FOR PRIVATE NONPROFIT FACILITIES.—

''(A) IN GENERAL.—In any case in which a person that owns or operates a private nonprofit facility determines that the public welfare would not best be served by repairing, restoring, reconstructing, or replacing the facility, the person may elect to receive, in lieu of a contribution under subsection (a)(1)(B), a contribution in an amount equal to 75 percent of the Federal share of the Federal estimate of the cost of repairing, restoring, reconstructing, or replacing the facility and of management expenses.

''(B) USE OF FUNDS.—Funds contributed to a person under this paragraph may be used—

''(i) to repair, restore, or expand other selected private nonprofit facilities owned or operated by the person;

''(ii) to construct new private nonprofit facilities to be owned or operated by the person; or

''(iii) to fund hazard mitigation measures that the person determines to be necessary

to meet a need for the person's services and functions in the area affected by the major disaster.

''(C) LIMITATIONS.—Funds made available to a person under this paragraph may not be used for—

''(i) any private nonprofit facility located in a regulatory floodway (as defined in section 59.1 of title 44, Code of Federal Regulations (or a successor regulation)); or

''(ii) any uninsured private nonprofit facility located in a special flood hazard area identified by the Director of the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).''.

(d) ELIGIBLE COST.—

(1) IN GENERAL.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (e) and inserting the following:

''(e) ELIGIBLE COST.—

''(1) DETERMINATION.—

''(A) IN GENERAL.—For the purposes of this section, the President shall estimate the eligible cost of repairing, restoring, reconstructing, or replacing a public facility or private nonprofit facility—

''(i) on the basis of the design of the facility as the facility existed immediately before the major disaster; and

''(ii) in conformity with codes, specifications, and standards (including floodplain management and hazard mitigation criteria required by the President or under the Coastal Barrier Resources Act (16 U.S.C. 3501 et seq.)) applicable at the time at which the disaster occurred.

''(B) COST ESTIMATION PROCEDURES.—

''(i) IN GENERAL.—Subject to paragraph (2), the President shall use the cost estimation procedures established under paragraph (3) to determine the eligible cost under this subsection.

''(ii) APPLICABILITY.—The procedures specified in this paragraph and paragraph (2) shall apply only to projects the eligible cost of which is equal to or greater than the amount specified in section 422.

''(2) MODIFICATION OF ELIGIBLE COST.—

''(A) ACTUAL COST GREATER THAN CEILING PERCENTAGE OF ESTIMATED COST.—In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is greater than the ceiling percentage established under paragraph (3) of the cost estimated under paragraph (1), the President may determine that the eligible cost includes a portion of the actual cost of the repair, restoration, reconstruction, or replacement that exceeds the cost estimated under paragraph (1).

''(B) ACTUAL COST LESS THAN ESTIMATED COST.—

''(i) GREATER THAN OR EQUAL TO FLOOR PERCENTAGE OF ESTIMATED COST.—In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is less than 100 percent of the cost estimated under paragraph (1), but is greater than or equal to the floor percentage established under paragraph (3) of the cost estimated under paragraph (1), the State or local government or person receiving funds under this section shall use the excess funds to carry out cost-effective activities that reduce the risk of future damage, hardship, or suffering from a major disaster.

''(ii) LESS THAN FLOOR PERCENTAGE OF ESTIMATED COST.—In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is less than the floor percentage established under paragraph (3) of the cost estimated under paragraph (1), the State or local government or person receiving assistance under this section shall reimburse the President in the amount of the difference.

''(C) NO EFFECT ON APPEALS PROCESS.—Nothing in this paragraph affects any right of appeal under section 423.

''(3) EXPERT PANEL.—

''(A) ESTABLISHMENT.—Not later than 18 months after the date of enactment of this paragraph, the President, acting through the Director of the Federal Emergency Management Agency, shall establish an expert panel, which shall include representatives from the construction industry and State and local government.

''(B) DUTIES.—The expert panel shall develop recommendations concerning—

''(i) procedures for estimating the cost of repairing, restoring, reconstructing, or replacing a facility consistent with industry practices; and

''(ii) the ceiling and floor percentages referred to in paragraph (2).

''(C) REGULATIONS.—Taking into account the recommendations of the expert panel under subparagraph (B), the President shall promulgate regulations that establish—

''(i) cost estimation procedures described in subparagraph (B)(i); and

''(ii) the ceiling and floor percentages referred to in paragraph (2).

''(D) REVIEW BY PRESIDENT.—Not later than 2 years after the date of promulgation of regulations under subparagraph (C) and periodically thereafter, the President shall review the cost estimation procedures and the ceiling and floor percentages established under this paragraph.

''(E) REPORT TO CONGRESS.—Not later than 1 year after the date of promulgation of regulations under subparagraph (C), 3 years after that date, and at the end of each 2-year period thereafter, the expert panel shall submit to Congress a report on the appropriateness of the cost estimation procedures.

''(4) SPECIAL RULE.—In any case in which the facility being repaired, restored, reconstructed, or replaced under this section was under construction on the date of the major disaster, the cost of repairing, restoring, reconstructing, or replacing the facility shall include, for the purposes of this section, only those costs that, under the contract for the construction, are the owner's responsibility and not the contractor's responsibility.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on the date of enactment of this Act and applies to funds appropriated after the date of enactment of this Act, except that paragraph (1) of section 406(e) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as amended by paragraph (1)) takes effect on the date on which the cost estimation procedures established under paragraph (3) of that section take effect.

(e) CONFORMING AMENDMENT.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (f).

SEC. 206. FEDERAL ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS.

(a) IN GENERAL.—Section 408 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5174) is amended to read as follows:

''SEC. 408. FEDERAL ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS.

''(a) IN GENERAL.—

''(1) PROVISION OF ASSISTANCE.—In accordance with this section, the President, in consultation with the Governor of a State, may provide financial assistance, and, if necessary, direct services, to individuals and households in the State who, as a direct result of a major disaster, have necessary expenses and serious needs in cases in which the individuals and households are unable to meet such expenses or needs through other means.

''(2) RELATIONSHIP TO OTHER ASSISTANCE.—Under paragraph (1), an individual or household shall not be denied assistance under paragraph (1), (3), or (4) of subsection (c) solely on the basis that the individual or household has not applied for or received any loan or other financial assistance from the Small Business Administration or any other Federal agency.

''(b) HOUSING ASSISTANCE.—

''(1) ELIGIBILITY.—The President may provide financial or other assistance under this section to individuals and households to respond to the disaster-related housing needs of individuals and households who are displaced from their predisaster primary residences or whose predisaster primary residences are rendered uninhabitable as a result of damage caused by a major disaster.

''(2) DETERMINATION OF APPROPRIATE TYPES OF ASSISTANCE.—

''(A) IN GENERAL.—The President shall determine appropriate types of housing assistance to be provided under this section to individuals and households described in subsection (a)(1) based on considerations of cost effectiveness, convenience to the individuals and households, and such other factors as the President may consider appropriate.

''(B) MULTIPLE TYPES OF ASSISTANCE.—One or more types of housing assistance may be made available under this section, based on the suitability and availability of the types of assistance, to meet the needs of individuals and households in the particular disaster situation.

''(c) TYPES OF HOUSING ASSISTANCE.—

''(1) TEMPORARY HOUSING.—

''(A) FINANCIAL ASSISTANCE.—

''(i) IN GENERAL.—The President may provide financial assistance to individuals or households to rent alternate housing accommodations, existing rental units, manufactured housing, recreational vehicles, or other readily fabricated dwellings.

''(ii) AMOUNT.—The amount of assistance under clause (i) shall be based on the fair market rent for the accommodation provided plus the cost of any transportation, utility hookups, or unit installation not provided directly by the President.

''(B) DIRECT ASSISTANCE.—

''(i) IN GENERAL.—The President may provide temporary housing units, acquired by purchase or lease, directly to individuals or households who, because of a lack of available housing resources, would be unable to make use of the assistance provided under subparagraph (A).

''(ii) PERIOD OF ASSISTANCE.—The President may not provide direct assistance under clause (i) with respect to a major disaster after the end of the 18-month period beginning on the date of the declaration of the major disaster by the President, except that the President may extend that period if the President determines that due to extraordinary circumstances an extension would be in the public interest.

''(iii) COLLECTION OF RENTAL CHARGES.—After the end of the 18-month period referred to in clause (ii), the President may charge fair market rent for each temporary housing unit provided.

''(2) REPAIRS.—

''(A) IN GENERAL.—The President may provide financial assistance for—

''(i) the repair of owner-occupied private residences, utilities, and residential infrastructure (such as a private access route) damaged by a major disaster to a safe and sanitary living or functioning condition; and

''(ii) eligible hazard mitigation measures that reduce the likelihood of future damage to such residences, utilities, or infrastructure.

''(B) RELATIONSHIP TO OTHER ASSISTANCE.—A recipient of assistance provided under this paragraph shall not be required to show that the assistance can be met through other means, except insurance proceeds.

''(C) MAXIMUM AMOUNT OF ASSISTANCE.—The amount of assistance provided to a household under this paragraph shall not exceed $5,000, as adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

''(3) REPLACEMENT.—

''(A) IN GENERAL.—The President may provide financial assistance for the replacement of owner-occupied private residences damaged by a major disaster.

''(B) MAXIMUM AMOUNT OF ASSISTANCE.—The amount of assistance provided to a household under this paragraph shall not exceed $10,000, as adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

''(C) APPLICABILITY OF FLOOD INSURANCE REQUIREMENT.—With respect to assistance provided under this paragraph, the President may not waive any provision of Federal law requiring the purchase of flood insurance as a condition of the receipt of Federal disaster assistance.

''(4) PERMANENT HOUSING CONSTRUCTION.—The President may provide financial assistance or direct assistance to individuals or households to construct permanent housing in insular areas outside the continental United States and in other remote locations in cases in which—

''(A) no alternative housing resources are available; and

''(B) the types of temporary housing assistance described in paragraph (1) are unavailable, infeasible, or not cost-effective.

''(d) TERMS AND CONDITIONS RELATING TO HOUSING ASSISTANCE.—

''(1) SITES.—

''(A) IN GENERAL.—Any readily fabricated dwelling provided under this section shall, whenever practicable, be located on a site that—

''(i) is complete with utilities; and

''(ii) is provided by the State or local government, by the owner of the site, or by the occupant who was displaced by the major disaster.

''(B) SITES PROVIDED BY THE PRESIDENT.—A readily fabricated dwelling may be located on a site provided by the President if the President determines that such a site would be more economical or accessible.

''(2) DISPOSAL OF UNITS.—

''(A) SALE TO OCCUPANTS.—

''(i) IN GENERAL.—Notwithstanding any other provision of law, a temporary housing unit purchased under this section by the President for the purpose of housing disaster victims may be sold directly to the individual or household who is occupying the unit if the individual or household lacks permanent housing.

''(ii) SALE PRICE.—A sale of a temporary housing unit under clause (i) shall be at a price that is fair and equitable.

''(iii) DEPOSIT OF PROCEEDS.—Notwithstanding any other provision of law, the proceeds of a sale under clause (i) shall be deposited in the appropriate Disaster Relief Fund account.

''(iv) HAZARD AND FLOOD INSURANCE.—A sale of a temporary housing unit under clause (i) shall be made on the condition that the individual or household purchasing the housing unit agrees to obtain and maintain hazard and flood insurance on the housing unit.

''(v) USE OF GSA SERVICES.—The President may use the services of the General Services Administration to accomplish a sale under clause (i).

''(B) OTHER METHODS OF DISPOSAL.—If not disposed of under subparagraph (A), a temporary housing unit purchased under this section by the President for the purpose of housing disaster victims—

''(i) may be sold to any person; or

''(ii) may be sold, transferred, donated, or otherwise made available directly to a State or other governmental entity or to a voluntary organization for the sole purpose of providing temporary housing to disaster victims in major disasters and emergencies if, as a condition of the sale, transfer, or donation, the State, other governmental agency, or voluntary organization agrees—

''(I) to comply with the nondiscrimination provisions of section 308; and

''(II) to obtain and maintain hazard and flood insurance on the housing unit.

''(e) FINANCIAL ASSISTANCE TO ADDRESS OTHER NEEDS.—

''(1) MEDICAL, DENTAL, AND FUNERAL EXPENSES.—The President, in consultation with the Governor of a State, may provide financial assistance under this section to an individual or household in the State who is adversely affected by a major disaster to meet disaster-related medical, dental, and funeral expenses.

''(2) PERSONAL PROPERTY, TRANSPORTATION, AND OTHER EXPENSES.—The President, in consultation with the Governor of a State, may provide financial assistance under this section to an individual or household described in paragraph (1) to address personal property, transportation, and other necessary expenses or serious needs resulting from the major disaster.

''(f) STATE ROLE.—

''(1) FINANCIAL ASSISTANCE TO ADDRESS OTHER NEEDS.—

''(A) GRANT TO STATE.—Subject to subsection (g), a Governor may request a grant from the President to provide financial assistance to individuals and households in the State under subsection (e).

''(B) ADMINISTRATIVE COSTS.—A State that receives a grant under subparagraph (A) may expend not more than 5 percent of the amount of the grant for the administrative costs of providing financial assistance to individuals and households in the State under subsection (e).

''(2) ACCESS TO RECORDS.—In providing assistance to individuals and households under this section, the President shall provide for the substantial and ongoing involvement of the States in which the individuals and households are located, including by providing to the States access to the electronic records of individuals and households receiving assistance under this section in order for the States to make available any additional State and local assistance to the individuals and households.

''(g) COST SHARING.—

''(1) FEDERAL SHARE.—Except as provided in paragraph (2), the Federal share of the costs eligible to be paid using assistance provided under this section shall be 100 percent.

''(2) FINANCIAL ASSISTANCE TO ADDRESS OTHER NEEDS.—In the case of financial assistance provided under subsection (e)—

''(A) the Federal share shall be 75 percent; and

''(B) the non-Federal share shall be paid from funds made available by the State.

''(h) MAXIMUM AMOUNT OF ASSISTANCE.—

''(1) IN GENERAL.—No individual or household shall receive financial assistance greater than $25,000 under this section with respect to a single major disaster.

''(2) ADJUSTMENT OF LIMIT.—The limit established under paragraph (1) shall be adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

''(i) RULES AND REGULATIONS.—The President shall prescribe rules and regulations to carry out this section, including criteria, standards, and procedures for determining eligibility for assistance.''.

(b) CONFORMING AMENDMENT.—Section 502(a)(6) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5192(a)(6)) is amended by striking ''temporary housing''.

(c) ELIMINATION OF INDIVIDUAL AND FAMILY GRANT PROGRAMS.—Section 411 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5178) is repealed.

(d) EFFECTIVE DATE.—The amendments made by this section take effect 18 months after the date of enactment of this Act.

SEC. 207. COMMUNITY DISASTER LOANS.

Section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184) is amended—

(1) by striking ''(a) The President'' and inserting the following:

''(a) IN GENERAL.—The President'';

(2) by striking ''The amount'' and inserting the following:

''(b) AMOUNT.—The amount'';

(3) by striking ''Repayment'' and inserting the following:

''(c) REPAYMENT.—

''(1) CANCELLATION.—Repayment'';

(4) by striking ''(b) Any loans'' and inserting the following:

''(d) EFFECT ON OTHER ASSISTANCE.—Any loans'';

(5) in subsection (b) (as designated by paragraph (2))—

(A) by striking ''and shall'' and inserting ''shall''; and

(B) by inserting before the period at the end the following: '', and shall not exceed $5,000,000''; and

(6) in subsection (c) (as designated by paragraph (3)), by adding at the end the following:

''(2) CONDITION ON CONTINUING ELIGIBILITY.—A local government shall not be eligible for further assistance under this section during any period in which the local government is in arrears with respect to a required repayment of a loan under this section.''.

SEC. 208. REPORT ON STATE MANAGEMENT OF SMALL DISASTERS INITIATIVE.

Not later than 3 years after the date of enactment of this Act, the President shall submit to Congress a report describing the results of the State Management of Small Disasters Initiative, including—

(1) identification of any administrative or financial benefits of the initiative; and

(2) recommendations concerning the conditions, if any, under which States should be allowed the option to administer parts of the assistance program under section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172).

SEC. 209. STUDY REGARDING COST REDUCTION.

Not later than 3 years after the date of enactment of this Act, the Director of the Congressional Budget Office shall complete a study estimating the reduction in Federal disaster assistance that has resulted and is likely to result from the enactment of this Act.

TITLE III—MISCELLANEOUS

SEC. 301. TECHNICAL CORRECTION OF SHORT TITLE.

The first section of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 note) is amended to read as follows:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'Robert T. Stafford Disaster Relief and Emergency Assistance Act'.''.

SEC. 302. DEFINITIONS.

Section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122) is amended—

(1) in each of paragraphs (3) and (4), by striking ''the Northern'' and all that follows through ''Pacific Islands'' and inserting ''and the Commonwealth of the Northern Mariana Islands'';

(2) by striking paragraph (6) and inserting the following:

''(6) LOCAL GOVERNMENT.—The term 'local government' means—

''(A) a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (regardless of whether the council of governments is incorporated as a nonprofit corporation under State law), regional or interstate government entity, or agency or instrumentality of a local government;

''(B) an Indian tribe or authorized tribal organization, or Alaska Native village or organization; and

''(C) a rural community, unincorporated town or village, or other public entity, for which an application for assistance is made by a State or political subdivision of a State.''; and

(3) in paragraph (9), by inserting ''irrigation,'' after ''utility,''.

SEC. 303. FIRE MANAGEMENT ASSISTANCE.

(a) IN GENERAL.—Section 420 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5187) is amended to read as follows:

''SEC. 420. FIRE MANAGEMENT ASSISTANCE.

''(a) IN GENERAL.—The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State or local government for the mitigation, management, and control of any fire on public or private forest land or grassland that threatens such destruction as would constitute a major disaster.

''(b) COORDINATION WITH STATE AND TRIBAL DEPARTMENTS OF FORESTRY.—In providing assistance under this section, the President shall coordinate with State and tribal departments of forestry.

''(c) ESSENTIAL ASSISTANCE.—In providing assistance under this section, the President may use the authority provided under section 403.

''(d) RULES AND REGULATIONS.—The President shall prescribe such rules and regulations as are necessary to carry out this section.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect 1 year after the date of enactment of this Act.

SEC. 304. PRESIDENT'S COUNCIL ON DOMESTIC TERRORISM PREPAREDNESS.

Title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5195 et seq.) is amended by adding at the end the following:

''Subtitle C—President's Council on Domestic Terrorism Preparedness

''SEC. 651. ESTABLISHMENT OF COUNCIL.

''(a) IN GENERAL.—There is established a council to be known as the President's Council on Domestic Terrorism Preparedness (in this subtitle referred to as the 'Council').

''(b) MEMBERSHIP.—The Council shall be composed of the following members:

''(1) The President.

''(2) The Director of the Federal Emergency Management Agency.

''(3) The Attorney General.

''(4) The Secretary of Defense.

''(5) The Director of the Office of Management and Budget.

''(6) The Assistant to the President for National Security Affairs.

''(7) Any additional members appointed by the President.

''(c) CHAIRMAN.—

''(1) IN GENERAL.—The President shall serve as the chairman of the Council.

''(2) EXECUTIVE CHAIRMAN.—The President may appoint an Executive Chairman of the Council (in this subtitle referred to as the 'Executive Chairman'). The Executive Chairman shall represent the President as chairman of the Council, including in communications with Congress and State Governors.

''(3) SENATE CONFIRMATION.—An individual selected to be the Executive Chairman under paragraph (2) shall be appointed by and with the advice and consent of the Senate, except that Senate confirmation shall not be required if, on the date of appointment, the individual holds a position for which Senate confirmation was required.

''(d) FIRST MEETING.—The first meeting of the Council shall be held not later than 90 days after the date of the enactment of this Act.

''SEC. 652. DUTIES OF COUNCIL.

''The Council shall carry out the following duties:

''(1) Establish the policies, objectives, and priorities of the Federal Government for enhancing the capabilities of State and local emergency preparedness and response personnel in early detection and warning of and response to all domestic terrorist attacks, including attacks involving weapons of mass destruction.

''(2) Publish a Domestic Terrorism Preparedness Plan and an annual strategy for carrying out the plan in accordance with section 653, including the end state of preparedness for emergency responders established under section 653(b)(1)(D).

''(3) To the extent practicable, rely on existing resources (including planning documents, equipment lists, and program inventories) in the execution of its duties.

''(4) Consult with and utilize existing interagency boards and committees, existing governmental entities, and non-governmental organizations in the execution of its duties.

''(5) Ensure that a biennial review of the terrorist attack preparedness programs of State and local governmental entities is conducted and provide recommendations to the entities based on the reviews.

''(6) Provide for the creation of a State and local advisory group for the Council, to be composed of individuals involved in State and local emergency preparedness and response to terrorist attacks.

''(7) Provide for the establishment by the Council's State and local advisory group of voluntary guidelines for the terrorist attack preparedness programs of State and local governmental entities in accordance with section 655.

''(8) Designate a Federal entity to consult with, and serve as a contact for, State and local governmental entities implementing terrorist attack preparedness programs.

''(9) Coordinate and oversee the implementation by Federal departments and agencies of the policies, objectives, and priorities established under paragraph (1) and the fulfillment of the responsibilities of such departments and agencies under the Domestic Terrorism Preparedness Plan.

''(10) Make recommendations to the heads of appropriate Federal departments and agencies regarding—

''(A) changes in the organization, management, and resource allocations of the departments and agencies; and

''(B) the allocation of personnel to and within the departments and agencies,

to implement the Domestic Terrorism Preparedness Plan.

''(11) Assess all Federal terrorism preparedness programs and ensure that each program complies with the Domestic Terrorism Preparedness Plan.

''(12) Identify duplication, fragmentation, and overlap within Federal terrorism preparedness programs and eliminate such duplication, fragmentation and overlap.

''(13) Evaluate Federal emergency response assets and make recommendations regarding the organization, need, and geographic location of such assets.

''(14) Establish general policies regarding financial assistance to States based on potential risk and threat, response capabilities, and ability to achieve the end state of preparedness for emergency responders established under section 653(b)(1)(D).

''(15) Notify a Federal department or agency in writing if the Council finds that its policies are not in compliance with its responsibilities under the Domestic Terrorism Preparedness Plan.

''SEC. 653. DOMESTIC TERRORISM PREPAREDNESS PLAN AND ANNUAL STRATEGY.

''(a) DEVELOPMENT OF PLAN.—Not later than 180 days after the date of the first meeting of the Council, the Council shall develop a Domestic Terrorism Preparedness Plan and transmit a copy of the plan to Congress.

''(b) CONTENTS.—

''(1) IN GENERAL.—The Domestic Terrorism Preparedness Plan shall include the following:

''(A) A statement of the policies, objectives, and priorities established by the Council under section 652(1).

''(B) A plan for implementing such policies, objectives, and priorities that is based on a threat, risk, and capability assessment and includes measurable objectives to be achieved in each of the following 5 years for enhancing domestic preparedness against a terrorist attack.

''(C) A description of the specific role of each Federal department and agency, and the roles of State and local governmental entities, under the plan developed under subparagraph (B).

''(D) A definition of an end state of preparedness for emergency responders that sets forth measurable, minimum standards of acceptability for preparedness.

''(2) EVALUATION OF FEDERAL RESPONSE TEAMS.—In preparing the description under paragraph (1)(C), the Council shall evaluate each Federal response team and the assistance that the team offers to State and local emergency personnel when responding to a terrorist attack. The evaluation shall include an assessment of how the Federal response team will assist State and local emergency personnel after the personnel has achieved the end state of preparedness for emergency responders established under paragraph (1)(D).

''(c) ANNUAL STRATEGY.—

''(1) IN GENERAL.—The Council shall develop and transmit to Congress, on the date of transmittal of the Domestic Terrorism Preparedness Plan and, in each of the succeeding 4 fiscal years, on the date that the President submits an annual budget to Congress in accordance with section 1105(a) of title 31, United States Code, an annual strategy for carrying out the Domestic Terrorism Preparedness Plan in the fiscal year following the fiscal year in which the strategy is submitted.

''(2) CONTENTS.—The annual strategy for a fiscal year shall include the following:

''(A) An inventory of Federal training and exercise programs, response teams, grant programs, and other programs and activities related to domestic preparedness against a terrorist attack conducted in the preceding fiscal year and a determination as to whether any of such programs or activities may be duplicative. The inventory shall consist of a complete description of each such program

and activity, including the funding level and purpose of and goal to be achieved by the program or activity.

''(B) If the Council determines under subparagraph (A) that certain programs and activities are duplicative, a detailed plan for consolidating, eliminating, or modifying the programs and activities.

''(C) An inventory of Federal training and exercise programs, grant programs, response teams, and other programs and activities to be conducted in such fiscal year under the Domestic Terrorism Preparedness Plan and measurable objectives to be achieved in such fiscal year for enhancing domestic preparedness against a terrorist attack. The inventory shall provide for implementation of any plan developed under subparagraph (B), relating to duplicative programs and activities.

''(D) A complete assessment of how resource allocation recommendations developed under section 654(a) are intended to implement the annual strategy.

''(d) CONSULTATION.—

''(1) IN GENERAL.—In developing the Domestic Terrorism Preparedness Plan and each annual strategy for carrying out the plan, the Council shall consult with—

''(A) the head of each Federal department and agency that will have responsibilities under the Domestic Terrorism Preparedness Plan or annual strategy;

''(B) Congress;

''(C) State and local officials;

''(D) congressionally authorized panels; and

''(E) emergency preparedness organizations with memberships that include State and local emergency responders.

''(2) REPORTS.—As part of the Domestic Terrorism Preparedness Plan and each annual strategy for carrying out the plan, the Council shall include a written statement indicating the persons consulted under this subsection and the recommendations made by such persons.

''(e) TRANSMISSION OF CLASSIFIED INFORMATION.—Any part of the Domestic Terrorism Preparedness Plan or an annual strategy for carrying out the plan that involves information properly classified under criteria established by an Executive order shall be presented to Congress separately.

''(f) RISK OF TERRORIST ATTACKS AGAINST TRANSPORTATION FACILITIES.—

''(1) IN GENERAL.—In developing the plan and risk assessment under subsection (b), the Council shall designate an entity to assess the risk of terrorist attacks against transportation facilities, personnel, and passengers.

''(2) CONTENTS.—In developing the plan and risk assessment under subsection (b), the Council shall ensure that the following three tasks are accomplished:

''(A) An examination of the extent to which transportation facilities, personnel, and passengers have been the target of terrorist attacks and the extent to which such facilities, personnel, and passengers are vulnerable to such attacks.

''(B) An evaluation of Federal laws that can be used to combat terrorist attacks against transportation facilities, personnel, and passengers, and the extent to which such laws are enforced. The evaluation may also include a review of applicable State laws.

''(C) An evaluation of available technologies and practices to determine the best means of protecting transportation facilities, personnel, and passengers against terrorist attacks.

''(3) CONSULTATION.—In developing the plan and risk assessment under subsection (b), the Council shall consult with the Secretary of Transportation, representatives of persons providing transportation, and representatives of employees of such persons.

''(g) MONITORING.—The Council, with the assistance of the Inspector General of the relevant Federal department or agency as needed, shall monitor the implementation of the Domestic Terrorism Preparedness Plan, including conducting program and performance audits and evaluations.

''SEC. 654. NATIONAL DOMESTIC PREPAREDNESS BUDGET.

''(a) RECOMMENDATIONS REGARDING RESOURCE ALLOCATIONS.—

''(1) TRANSMITTAL TO COUNCIL.—Each Federal Government program manager, agency head, and department head with responsibilities under the Domestic Terrorism Preparedness Plan shall transmit to the Council for each fiscal year recommended resource allocations for programs and activities relating to such responsibilities on or before the earlier of—

''(A) the 45th day before the date of the budget submission of the department or agency to the Director of the Office of Management and Budget for the fiscal year; or

''(B) August 15 of the fiscal year preceding the fiscal year for which the recommendations are being made.

''(2) TRANSMITTAL TO THE OFFICE OF MANAGEMENT AND BUDGET.—The Council shall develop for each fiscal year recommendations regarding resource allocations for each program and activity identified in the annual strategy completed under section 653 for the fiscal year. Such recommendations shall be submitted to the relevant departments and agencies and to the Director of the Office of Management and Budget. The Director of the Office of Management and Budget shall consider such recommendations in formulating the annual budget of the President submitted to Congress under section 1105(a) of title 31, United States Code, and shall provide to the Council a written explanation in any case in which the Director does not accept such a recommendation.

''(3) RECORDS.—The Council shall maintain records regarding recommendations made and written explanations received under paragraph (2) and shall provide such records to Congress upon request. The Council may not fulfill such a request before the date of submission of the relevant annual budget of the President to Congress under section 1105(a) of title 31, United States Code.

''(4) NEW PROGRAMS OR REALLOCATION OF RESOURCES.—The head of a Federal department or agency shall consult with the Council before acting to enhance the capabilities of State and local emergency preparedness and response personnel with respect to terrorist attacks by—

''(A) establishing a new program or office; or

''(B) reallocating resources, including Federal response teams.

''SEC. 655. VOLUNTARY GUIDELINES FOR STATE AND LOCAL PROGRAMS.

''The Council shall provide for the establishment of voluntary guidelines for the terrorist attack preparedness programs of State and local governmental entities for the purpose of providing guidance in the development and implementation of such programs. The guidelines shall address equipment, exercises, and training and shall establish a desired threshold level of preparedness for State and local emergency responders.

''SEC. 656. POWERS OF COUNCIL.

''In carrying out this subtitle, the Council may—

''(1) direct, with the concurrence of the Secretary of a department or head of an agency, the temporary reassignment within the Federal Government of personnel employed by such department or agency;

''(2) use for administrative purposes, on a reimbursable basis, the available services, equipment, personnel, and facilities of Federal, State, and local agencies;

''(3) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, relating to appointments in the Federal Service, at rates of compensation for individuals not to exceed the daily equivalent of the rate of pay payable for GS–18 of the General Schedule under section 5332 of title 5, United States Code;

''(4) accept and use donations of property from Federal, State, and local government agencies;

''(5) use the mails in the same manner as any other department or agency of the executive branch; and

''(6) request the assistance of the Inspector General of a Federal department or agency in conducting audits and evaluations under section 653(g).

''SEC. 657. ROLE OF COUNCIL IN NATIONAL SECURITY COUNCIL EFFORTS.

''The Council may, in the Council's role as principal adviser to the National Security Council on Federal efforts to assist State and local governmental entities in domestic terrorist attack preparedness matters, and subject to the direction of the President, attend and participate in meetings of the National Security Council. The Council may, subject to the direction of the President, participate in the National Security Council's working group structure.

''SEC. 658. EXECUTIVE DIRECTOR AND STAFF OF COUNCIL.

''(a) EXECUTIVE DIRECTOR.—The Council shall have an Executive Director who shall be appointed by the President.

''(b) STAFF.—The Executive Director may appoint such personnel as the Executive Director considers appropriate. Such personnel shall be assigned to the Council on a full-time basis and shall report to the Executive Director.

''(c) ADMINISTRATIVE SUPPORT SERVICES.—The Executive Office of the President shall provide to the Council, on a reimbursable basis, such administrative support services, including office space, as the Council may request.

''SEC. 659. COORDINATION WITH EXECUTIVE BRANCH DEPARTMENTS AND AGENCIES.

''(a) REQUESTS FOR ASSISTANCE.—The head of each Federal department and agency with responsibilities under the Domestic Terrorism Preparedness Plan shall cooperate with the Council and, subject to laws governing disclosure of information, provide such assistance, information, and advice as the Council may request.

''(b) CERTIFICATION OF POLICY CHANGES BY COUNCIL.—

''(1) IN GENERAL.—The head of each Federal department and agency with responsibilities under the Domestic Terrorism Preparedness Plan shall, unless exigent circumstances require otherwise, notify the Council in writing regarding any proposed change in policies relating to the activities of such department or agency under the Domestic Terrorism Preparedness Plan prior to implementation of such change. The Council shall promptly review such proposed change and certify to the department or agency head in writing whether such change is consistent with the Domestic Terrorism Preparedness Plan.

''(2) NOTICE IN EXIGENT CIRCUMSTANCES.—If prior notice of a proposed change under paragraph (1) is not possible, the department or agency head shall notify the Council as soon as practicable. The Council shall review such change and certify to the department or

agency head in writing whether such change is consistent with the Domestic Terrorism Preparedness Plan.

"SEC. 660. AUTHORIZATION OF APPROPRIATIONS.

''There is authorized to be appropriated to carry out this subtitle $9,000,000 for fiscal year 2001 and such sums as may be necessary for each of fiscal years 2002 through 2005. Such sums shall remain available until expended.''.

SEC. 305. DISASTER GRANT CLOSEOUT PROCEDURES.

Title VII of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5101 et seq.) is amended by adding at the end the following:

"SEC. 705. DISASTER GRANT CLOSEOUT PROCEDURES.

''(a) STATUTE OF LIMITATIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no administrative action to recover any payment made to a State or local government for disaster or emergency assistance under this Act shall be initiated in any forum after the date that is 3 years after the date of transmission of the final expenditure report for the disaster or emergency.

''(2) FRAUD EXCEPTION.—The limitation under paragraph (1) shall apply unless there is evidence of civil or criminal fraud.

''(b) REBUTTAL OF PRESUMPTION OF RECORD MAINTENANCE.—

''(1) IN GENERAL.—In any dispute arising under this section after the date that is 3 years after the date of transmission of the final expenditure report for the disaster or emergency, there shall be a presumption that accounting records were maintained that adequately identify the source and application of funds provided for financially assisted activities.

''(2) AFFIRMATIVE EVIDENCE.—The presumption described in paragraph (1) may be rebutted only on production of affirmative evidence that the State or local government did not maintain documentation described in that paragraph.

''(3) INABILITY TO PRODUCE DOCUMENTATION.—The inability of the Federal, State, or local government to produce source documentation supporting expenditure reports later than 3 years after the date of transmission of the final expenditure report shall not constitute evidence to rebut the presumption described in paragraph (1).

''(4) RIGHT OF ACCESS.—The period during which the Federal, State, or local government has the right to access source documentation shall not be limited to the required 3-year retention period referred to in paragraph (3), but shall last as long as the records are maintained.

''(c) BINDING NATURE OF GRANT REQUIREMENTS.—A State or local government shall not be liable for reimbursement or any other penalty for any payment made under this Act if—

''(1) the payment was authorized by an approved agreement specifying the costs;

''(2) the costs were reasonable; and

''(3) the purpose of the grant was accomplished.''.

SEC. 306. PUBLIC SAFETY OFFICER BENEFITS FOR CERTAIN FEDERAL AND STATE EMPLOYEES.

(a) IN GENERAL.—Section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b) is amended by striking paragraph (7) and inserting the following:

''(7) 'public safety officer' means—

''(A) an individual serving a public agency in an official capacity, with or without compensation, as a law enforcement officer, as a firefighter, or as a member of a rescue squad or ambulance crew;

''(B) an employee of the Federal Emergency Management Agency who is performing official duties of the Agency in an area, if those official duties—

''(i) are related to a major disaster or emergency that has been, or is later, declared to exist with respect to the area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); and

''(ii) are determined by the Director of the Federal Emergency Management Agency to be hazardous duties; or

''(C) an employee of a State, local, or tribal emergency management or civil defense agency who is performing official duties in cooperation with the Federal Emergency Management Agency in an area, if those official duties—

''(i) are related to a major disaster or emergency that has been, or is later, declared to exist with respect to the area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); and

''(ii) are determined by the head of the agency to be hazardous duties.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies only to employees described in subparagraphs (B) and (C) of section 1204(7) of the Omnibus Crime Control and Safe Streets Act of 1968 (as amended by subsection (a)) who are injured or who die in the line of duty on or after the date of enactment of this Act.

SEC. 307. BUY AMERICAN.

(a) COMPLIANCE WITH BUY AMERICAN ACT.—No funds authorized to be appropriated under this Act or any amendment made by this Act may be expended by an entity unless the entity, in expending the funds, complies with the Buy American Act (41 U.S.C. 10a et seq.).

(b) DEBARMENT OF PERSONS CONVICTED OF FRAUDULENT USE OF ''MADE IN AMERICA'' LABELS.—

(1) IN GENERAL.—If the Director of the Federal Emergency Management Agency determines that a person has been convicted of intentionally affixing a label bearing a ''Made in America'' inscription to any product sold in or shipped to the United States that is not made in America, the Director shall determine, not later than 90 days after determining that the person has been so convicted, whether the person should be debarred from contracting under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

(2) DEFINITION OF DEBAR.—In this subsection, the term ''debar'' has the meaning given the term in section 2393(c) of title 10, United States Code.

SEC. 308. TREATMENT OF CERTAIN REAL PROPERTY.

(a) IN GENERAL.—Notwithstanding the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), the Flood Disaster Protection Act of 1973 (42 U.S.C. 4002 et seq.), or any other provision of law, or any flood risk zone identified, delineated, or established under any such law (by flood insurance rate map or otherwise), the real property described in subsection (b) shall not be considered to be, or to have been, located in any area having special flood hazards (including any floodway or floodplain).

(b) REAL PROPERTY.—The real property described in this subsection is all land and improvements on the land located in the Maple Terrace Subdivisions in the city of Sycamore, DeKalb County, Illinois, including—

(1) Maple Terrace Phase I;
(2) Maple Terrace Phase II;
(3) Maple Terrace Phase III Unit 1;
(4) Maple Terrace Phase III Unit 2;
(5) Maple Terrace Phase III Unit 3;
(6) Maple Terrace Phase IV Unit 1;
(7) Maple Terrace Phase IV Unit 2; and
(8) Maple Terrace Phase IV Unit 3.

(c) REVISION OF FLOOD INSURANCE RATE LOT MAPS.—As soon as practicable after the date of enactment of this Act, the Director of the Federal Emergency Management Agency shall revise the appropriate flood insurance rate lot maps of the agency to reflect the treatment under subsection (a) of the real property described in subsection (b).

SEC. 309. STUDY OF PARTICIPATION BY INDIAN TRIBES IN EMERGENCY MANAGEMENT.

(a) DEFINITION OF INDIAN TRIBE.—In this section, the term ''Indian tribe'' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(b) STUDY.—

(1) IN GENERAL.—The Director of the Federal Emergency Management Agency shall conduct a study of participation by Indian tribes in emergency management.

(2) REQUIRED ELEMENTS.—The study shall—

(A) survey participation by Indian tribes in training, predisaster and postdisaster mitigation, disaster preparedness, and disaster recovery programs at the Federal and State levels; and

(B) review and assess the capacity of Indian tribes to participate in cost-shared emergency management programs and to participate in the management of the programs.

(3) CONSULTATION.—In conducting the study, the Director shall consult with Indian tribes.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director shall submit a report on the study under subsection (b) to—

(1) the Committee on Environment and Public Works of the Senate;

(2) the Committee on Transportation and Infrastructure of the House of Representatives;

(3) the Committee on Appropriations of the Senate; and

(4) the Committee on Appropriations of the House of Representatives.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida (Mrs. FOWLER) and the gentleman from Minnesota (Mr. OBERSTAR) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Mrs. FOWLER).

Mrs. FOWLER. Madam Speaker, I yield myself such time as I may consume.

In 1998, the State of Florida endured one of the most tragic natural disasters, wildfires. Over 2,000 wildfires burned Statewide and every county in Florida felt the impact. When the smoke cleared, over half a million acres had been burned, numerous businesses were wiped out and over 300 homes were significantly damaged or completely destroyed.

Three hundred homes. It is hard to imagine what that means unless one of those homes is yours. I would like to relate a story about one of my constituents who lived in one of those houses.

Greg Westin is a resident of Flagler County and a deputy sheriff. In July of 1998, Deputy Westin left his home for work at 7 a.m. to help county officials and firefighters battle the ongoing fires. Throughout the day, Deputy Westin stayed in close contact with his wife and two children to give them updates on the fires. Then eventually he

had to tell his own family to evacuate. But despite his own home being in peril, Deputy Westin did not give up. He continued to fight the fires on the opposite side of the county. In fact, he was working side by side with firefighters in the southern part of Flagler County when his own home caught fire and burned to the ground.

I applaud Deputy Westin's heroic dedication and efforts. But more than that, I want to help him and all of the other people who suffer the devastation of and who respond to these emergencies.

This resolution will send to the other body a bill that could have spared the State, my district and people like Greg Westin from some of this devastation.

The House originally passed H.R. 707 by an overwhelming vote on March 5, 1999. The other body passed an amended version this past July. This resolution reflects provisions negotiated with the other body over the last few months.

The resulting language addresses two separate needs: First, it increases spending authority for projects that help prevent damage from disasters, like elevating structures in the flood plain or conducting preventive burns in fire hazard areas so that we focus on protecting American lives and homes.

Second, it adopts measures that would modify and streamline the current postdisaster assistance program so that we will reduce Federal disaster assistance costs without adversely affecting disaster victims.

There is one section of this bill, section 304, that we did not have time to come to complete agreement on with the other body. This section establishes the President's Council on Domestic Terrorism Preparedness in the Executive Office of the President. This section is identical to section 9 of H.R. 4210 which passed the House by a unanimous vote on July 25, 2000.

This is an important provision. We now live in a world where a small group of individuals can kill or injure hundreds, even thousands of people with such weapons as anthrax, nerve gas, or a truckload of readily available explosives. This section will coordinate the hundreds of terrorism preparedness programs currently run by over 40 agencies in the Federal Government.

The council is not an operational entity. Rather, the council will set out and oversee the implementation of a coherent governmentwide policy. Last week, a congressionally commissioned bipartisan panel, the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, known as the Gilmore-Bremer Commission, unanimously recommended that a single White House level office be established to coordinate terrorism preparedness efforts. That is precisely what section 304 will do.

I would like to thank the ranking member of the full committee the gentleman from Minnesota (Mr. OBERSTAR) for his continued counsel and support. He has really taken the time to listen to these issues, to learn the details when it was necessary and to really work with me on this very important, crucial issue to all Americans. I would also like to thank the chairman of the committee the gentleman from Pennsylvania (Mr. SHUSTER) for his advice and support. As the record shows, in the last 6 years the gentleman from Pennsylvania has been an extraordinarily effective and successful legislator. I thank him, also, for his support regarding this bill.

This legislation will help alleviate the pain and suffering and property damage not only of Floridians but of all Americans. It also has the added benefit of reducing our Federal disaster costs. In addition, this resolution will make an important step toward organizing the Federal programs designed to prepare our emergency responders to face the consequences of terrorist attacks.

Madam Speaker, I urge support for this resolution.

Madam Speaker, I reserve the balance of my time.

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

I rise in support of H.R. 707, the Disaster Mitigation Act of 2000, the second time that we have had to take up this legislation in this body. This legislation represents tireless work on the part of the gentlewoman from Florida who has given exhausting hours of her time to fashion a bill that will be effective and that will respond to the concerns that she has already laid out so well, not only in Florida but elsewhere around this country. The cooperative work that she has undertaken with our ranking member, the gentleman from Ohio (Mr. TRAFICANT), has been exemplary; and I appreciate the many visits that we have had about this and about the terrorism commission legislation which I will address in a moment.

The benefits of the disaster mitigation bill are that first of all it establishes a predisaster mitigation program based on the very effective Project Impact initiative. This is the first time that we will be attempting at the Federal level to address problems before they occur. I think properly so, because if we address problems that we have learned cause increased losses, we can avoid those losses in future disasters that we know are likely to occur. These initiatives, rather modest in this bill, will translate into millions of dollars of savings.

There is, however, one concern I have about the legislation, and, that is, both House and Senate bills require nonprofit entities to seek loans from the Small Business Administration as a precondition, a normal requirement of disaster legislation. But these nonprofits are singled out not for what they do but for who they are. They should not be discriminated against in this fashion. We ought to treat them as we do other entities. Certain facilities such as custodial care for aged or disabled, homeless shelters, senior citizens centers, community centers, museums, and libraries are less eligible for direct Federal assistance while private utilities and irrigation districts have a different standing. It is not a fatal flaw in the bill, not one that would cause me to oppose it but one that I hope can be revisited and substantially fixed in the future.

The second portion that the gentlewoman has added to this legislation is the establishment of a President's Council on Domestic Terrorism and Preparedness within the Executive Office of the President. The gentlewoman has, as I said, again devoted tireless hours and very deep personal conviction, which I greatly respect and I want this body to understand and I want the other body to understand this as well. This is not something that she has undertaken as a gesture but as a matter of very deep conviction. I have been greatly persuaded by her activism, by her profound self-assurance based on case studies, careful analysis of the situation and the failure of the existing system to perform as we intended.

I do support the initiative of the President's council. I have worked to mediate between the subcommittee and the Office of Management and Budget and White House staff. I think under the circumstances this is a sound, reasonable, responsible initiative. As the gentlewoman has said to me in years to come after she enters retirement, she does not want to look back on a tragedy and say, ''That could have been prevented. I could have done something while I was in Congress.'' She is doing something, Madam Speaker. She is doing something of great substance and of lasting value. I hope that the other body will concur in this initiative.

Madam Speaker, I reserve the balance of my time.

Mrs. FOWLER. Madam Speaker, I yield myself such time as I may consume, and I yield to the gentleman from Minnesota (Mr. OBERSTAR) for the purpose of a colloquy.

Mr. OBERSTAR. Mr. Speaker, I thank the gentlewoman for yielding.

The amendment adopted by this resolution would change the definition of ''private nonprofit facility'' and ''critical services'' regarding irrigation facilities. I would like the gentlewoman to explain the intention of these changes.

Mrs. FOWLER. Reclaiming my time, the intention of the amendment is to eliminate confusion over the current law. Irrigation facilities should be eligible for Federal assistance to the extent that they provide water for essential services of a governmental nature to the general public. This is water for other than agriculture, such as fire suppression, generating and supplying electricity and drinking water supply.

Facilities providing essential services such as these could be fully eligible for assistance. However, since facilities exclusively providing agricultural water supply are not eligible for assistance, where facilities provide both types of service, eligibility for assistance should be determined on a prorated basis. An irrigation facility, like all private nonprofit facilities eligible for assistance, should not be considered ineligible for assistance simply because it is located on private property.

Mr. OBERSTAR. I thank the gentlewoman for her clarification and explanation.

Mrs. FOWLER. Madam Speaker, I wish to extend my thanks to all the committee and subcommittee personnel on both the majority and minority side who have spent so much time and effort in working this resolution out.

Madam Speaker, I include the following statement of Virginia Governor, James Gilmore, on behalf of the congressionally authorized bipartisan Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction for the RECORD:

NATIONAL TERRORISM PANEL CALLS FOR WHITE HOUSE TERRORISM MANAGEMENT OFFICE

GOVERNOR GILMORE PANEL, CALL FOR ''SWEEPING CHANGES'' TO ADDRESS NATIONAL TERRORISM PREPAREDNESS

RICHMOND, VA.—Governor Jim Gilmore, chairman of a national panel that is assessing U.S. preparedness for a terrorist attack inside U.S. borders, today announced the panel's consensus that a single federal entity within the White House be given overall authority for the planning and coordination of the nation's preparedness for the consequences of a domestic terrorist strike.

''The issue of who-is-in-charge at the federal level is one of the key questions that must be addressed in order to develop a sensible, comprehensive national policy on how we can best respond to, and recover from, a terrorist attack inside our borders. Today, the panel agreed that at the forefront of sweeping changes to the way America prevents as well as deals with a terrorist attack on U.S. soil is the establishment of a White House-level Office of Domestic Preparedness for Terrorism Management,'' said Governor Gilmore.

Governor Gilmore is chairman of the commission known as the Congressional Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction. The panel is in the process of recommending a federal, state and local response and recovery strategy to be submitted to the President and Congress in two final reports, the first due December 15, 2000. The panel will offer its final report in December 2001. A copy of the first report can be found at www.rand.org/organization/nard/terrpanel.

The panel began two days of meetings in Richmond today. Governor Gilmore was appointed chairman in April 1999 of the panel.

As it did in the first report, the panel's December 2000 report is expected to further reiterate its call for a clear, comprehensive national strategy, especially one that takes into account the broad range of disaster-response experience of state and local first-responders—fire, police, health and medical, emergency managers.

''Integrating the nation's ability to effectively and simultaneously conduct concurrent law enforcement and consequence management operations is a key element of national preparedness. Terrorism events require these two distinct elements be integrated with multiple disciplines, including the military, and levels of government into a single response structure.''

''It is critical that we be able to 'operate as one,' within different levels of responsibility, ranging from the emergency first-response community to elected officials, whether at the local, state or federal levels,'' governor Gilmore said, ''Currently, we do not have such a focused, coordinated mechanism. Some federal agencies have good plans and operational strategies, but there is little or no strategic guidance because there is no one agency or entity in charge. That needs to change, and quickly.''

Members of the Panel include retired Lt. Gen. James Clapper, Jr., former Director, Defense Intelligence Agency; L. Paul Bremer III, former State Department ambassador-at-large for counter-terrorism; Dr. Richard Falkenrath, Harvard University Kennedy School of Government; James Greenleaf, former Assistant Director, FBI; retired Maj. Gen. William Garrison, former commander, U.S. Army Special Operations; Dr. Ken Shine, President, National Institute of Medicine; John O. Marsh, former Secretary of the Army, and other state, local and nationally recognized experts in emergency management, law enforcement, fire and rescue operations, and public health.

Panel activities for 2000 will focus on a survey of local and state emergency management and response officials; a thorough review of federal programs; interviews with federal, state, and local officials, including elected leaders, on their concerns and recommendations; case studies, and an analysis of training standards, equipment, notification procedures, communications; and planning.

Mrs. FOWLER. Madam Speaker, I yield back the balance of my time.

Mr. OBERSTAR. Madam Speaker, I have no 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 gentlewoman from Florida (Mrs. FOWLER) that the House suspend the rules and agree to the resolution, House Resolution 607.

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

A motion to reconsider was laid on the table.

□ 1600

GENERAL LEAVE

Mrs. FOWLER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 607.

The SPEAKER pro tempore (Mrs. MORELLA). Is there objection to the request of the gentlewoman from Florida?

There was no objection.

NEEDLESTICK SAFETY AND PREVENTION ACT

Mr. BALLENGER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5178) to require changes in the bloodborne pathogens standard in effect under the Occupational Safety and Health Act of 1970, as amended.

The Clerk read as follows:

H.R. 5178

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 ''Needlestick Safety and Prevention Act.''

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Numerous workers who are occupationally exposed to bloodborne pathogens have contracted fatal and other serious viruses and diseases, including the human immunodeficiency virus (HIV), hepatitis B, and hepatitis C from exposure to blood and other potentially infectious materials in their workplace.

(2) In 1991 the Occupational Safety and Health Administration issued a standard regulating occupational exposure to bloodborne pathogens, including the human immunodeficiency virus, (HIV), the hepatitis B virus (HBV), and the hepatitis C virus (HCV).

(3) Compliance with the bloodborne pathogens standard has significantly reduced the risk that workers will contract a bloodborne disease in the course of their work.

(4) Nevertheless, occupational exposure to bloodborne pathogens from accidental sharps injuries in health care settings continues to be a serious problem. In March 2000, the Centers for Disease Control and Prevention estimated that more than 380,000 percutaneous injuries from contaminated sharps occur annually among health care workers in United States hospital settings. Estimates for all health care settings are that 600,000 to 800,000 needlestick and other percutaneous injuries occur among health care workers annually. Such injuries can involve needles or other sharps contaminated with bloodborne pathogens, such as HIV, HBV, or HCV.

(5) Since publication of the bloodborne pathogens standard in 1991 there has been a substantial increase in the number and assortment of effective engineering controls available to employers. There is now a large body of research and data concerning the effectiveness of newer engineering controls, including safer medical devices.

(6) 396 interested parties responded to a Request for Information (in this section referred to as the ''RFI'') conducted by the Occupational Safety and Health Administration in 1998 on engineering and work practice controls used to eliminate or minimize the risk of occupational exposure to bloodborne pathogens due to percutaneous injuries from contaminated sharps. Comments were provided by health care facilities, groups representing healthcare workers, researchers, educational institutions, professional and industry associations, and manufacturers of medical devices.

(7) Numerous studies have demonstrated that the use of safer medical devices, such as needleless systems and sharps with engineered sharps injury protections, when they are part of an overall bloodborne pathogens risk-reduction program, can be extremely effective in reducing accidental sharps injuries.

(8) In March 2000, the Centers for Disease Control and Prevention estimated that, depending on the type of device used and the procedure involved, 62 to 88 percent of sharps injuries can potentially be prevented by the use of safer medical devices.

(9) The OSHA 200 Log, as it is currently maintained, does not sufficiently reflect injuries that may involve exposure to

bloodborne pathogens in healthcare facilities. More than 98 percent of healthcare facilities responding to the RFI have adopted surveillance systems in addition to the OSHA 200 Log. Information gathered through these surveillance systems is commonly used for hazard identification and evaluation of program and device effectiveness.

(10) Training and education in the use of safer medical devices and safer work practices are significant elements in the prevention of percutaneous exposure incidents. Staff involvement in the device selection and evaluation process is also an important element to achieving a reduction in sharps injuries, particularly as new safer devices are introduced into the work setting.

(11) Modification of the bloodborne pathogens standard is appropriate to set forth in greater detail its requirement that employers identify, evaluate, and make use of effective safer medical devices.

SEC. 3. BLOODBORNE PATHOGENS STANDARD.

The bloodborne pathogens standard published at 29 C.F.R. 1910.1030 shall be revised as follows:

(1) The definition of ''Engineering Controls'' (at 29 C.F.R. 1910.1030(b)) shall include as additional examples of controls the following: ''safer medical devices, such as sharps with engineered sharps injury protections and needleless systems''.

(2) The term ''Sharps with Engineered Sharps Injury Protections'' shall be added to the definitions (at 29 C.F.R. 1910.1030(b)) and defined as ''a nonneedle sharp or a needle device used for withdrawing body fluids, accessing a vein or artery, or administering medications or other fluids, with a built-in safety feature or mechanism that effectively reduces the risk of an exposure incident''.

(3) The term ''Needleless Systems'' shall be added to the definitions (at 29 C.F.R. 1910.1030(b)) and defined as ''a device that does not use needles for (A) the collection of bodily fluids or withdrawal of body fluids after initial venous or arterial access is established, (B) the administration of medication or fluids, or (C) any other procedure involving the potential for occupational exposure to bloodborne pathogens due to percutaneous injuries from contaminated sharps''.

(4) In addition to the existing requirements concerning exposure control plans (29 C.F.R. 1910.1030(c)(1)(iv)), the review and update of such plans shall be required to also—

(A) ''reflect changes in technology that eliminate or reduce exposure to bloodborne pathogens''; and

(B) ''document annually consideration and implementation of appropriate commercially available and effective safer medical devices designed to eliminate or minimize occupational exposure''.

(5) The following additional recordkeeping requirement shall be added to the bloodborne pathogens standard at 29 C.F.R. 1910.1030(h): ''The employer shall establish and maintain a sharps injury log for the recording of percutaneous injuries from contaminated sharps. The information in the sharps injury log shall be recorded and maintained in such manner as to protect the confidentiality of the injured employee. The sharps injury log shall contain, at a minimum—

''(A) the type and brand of device involved in the incident,

''(B) the department or work area where the exposure incident occurred, and

''(C) an explanation of how the incident occurred.''.

The requirement for such sharps injury log shall not apply to any employer who is not required to maintain a log of occupational injuries and illnesses under 29 C.F.R. 1904 and the sharps injury log shall be maintained for the period required by 29 C.F.R. 1904.6.

(6) The following new section shall be added to the bloodborne pathogens standard: ''An employer, who is required to establish an Exposure Control Plan shall solicit input from non-managerial employees responsible for direct patient care who are potentially exposed to injuries from contaminated sharps in the identification, evaluation, and selection of effective engineering and work practice controls and shall document the solicitation in the Exposure Control Plan.''.

SEC. 4. EFFECT OF MODIFICATIONS.

The modifications under section 3 shall be in force until superseded in whole or in part by regulations promulgated by the Secretary of Labor under section 6(b) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655(b)) and shall be enforced in the same manner and to the same extent as any rule or regulation promulgated under section 6(b).

SEC. 5. PROCEDURE AND EFFECTIVE DATE.

(a) PROCEDURE.—The modifications of the bloodborne pathogens standard prescribed by section 3 shall take effect without regard to the procedural requirements applicable to regulations promulgated under section 6(b) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655(b)) or the procedural requirements of chapter 5 of title 5, United States Code.

(b) EFFECTIVE DATE.—The modifications to the bloodborne pathogens standard required by section 3 shall—

(1) within 6 months of the date of enactment of this Act, be made and published in the Federal Register by the Secretary of Labor acting through the Occupational Safety and Health Administration; and

(2) at the end of 90 days after such publication, take effect.

The SPEAKER pro tempore (Mr. ROGAN). Pursuant to the rule, the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from New York (Mr. OWENS) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. BALLENGER).

GENERAL LEAVE

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 5178.

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

There was no objection.

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

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

Mr. Speaker, I am pleased to have the opportunity today to talk about H.R. 5178, the Needlestick Safety and Prevention Act, a bill that I introduced last week.

A tremendous amount of bipartisan discussion and effort has gone into this bill. Since its introduction last month, many Members, from both sides of the aisle, have joined as cosponsors, including many members of our full committee. I am especially pleased to have worked with my colleague from the Subcommittee on Workforce Protection, the gentleman from New York (Mr. OWENS), on this bill, and thank him for his support and sponsorship.

This bill represents the consensus agreement of many groups, from hospitals to nurses to health care workers to industry. I know there are compromises that have gone into this effort. I want to commend all those who have been involved in this work and who helped bring us here today.

I want to thank the gentleman from Pennsylvania (Chairman GOODLING) for his support of this bill, and also take another opportunity to acknowledge his distinguished service as chairman of our committee and for his leadership on so many workforce issues.

I also want to acknowledge my colleagues from the other body, Senators JEFFORDS, ENZI, KENNEDY and REID, for their work on this important workplace safety issue. On matters related to the Occupational Safety and Health Administration, it is not often that I find myself in such company. However, as we have all learned of the important basic public health issue at the heart of this bill, it was apparent the opportunity to work together and advance this legislation was at hand.

This legislation is the product of a hearing held this past June by the Subcommittee on Workforce Protection on the public health concern about accidental needlestick injuries to health care workers. Even more than that, this legislation will help to ensure that our Nation's nearly 8 million health care workers will not have to risk their own health, and perhaps their own lives, when providing care for all of us.

Our knowledge about needlestick and other ''sharps'' injuries and what can be done about them has greatly increased over the past decade. One estimate is that more than 600,000 needlestick and other sharps injuries occur in health care settings in the United States each year. The very consequences of such injuries to health care workers can mean exposure to serious viruses and diseases, including the HIV virus, hepatitis B and hepatitis C.

At the same time as our knowledge about the risks and consequences of needlestick injuries has increased, the technology of devices used in health care settings which can protect against these injuries has also advanced. Today, our knowledge about the effectiveness of such ''safer medical devices'' such as needleless systems, is also better known. H.R. 5178 will assure that safer medical devices will be used, and the lives of health care workers will be made better for it.

H.R. 5178 builds on the work of an OSHA guidance document, a compliance directive, issued last fall. Quite simply, H.R. 5178 amends the OSHA Bloodborne Pathogens Standard. It makes clear in the standard itself the direction already provided by OSHA in its compliance directive, that is, that employers who have employees with occupational exposure to bloodborne pathogens must consider, and where

appropriate, use effective engineering controls, including safer medical devices, in order to reduce the risk of injury from needlesticks and from other sharp medical instruments. This legislation requires employers to use safer medical devices only where the devices are appropriate, commercially available, and effective at reducing or eliminating sharps injuries.

Under no circumstances, either through this legislation or through the underlying Bloodborne Pathogen Standard, are employers required to use a safer medical device or engineering control where such a device jeopardizes a patient's safety and an employee's safety, or where such a device is medically contraindicated. All affirmative defenses are available to an employer and are kept intact in this legislation.

H.R. 5178 amends the OSHA standard in two additional ways. First, in considering and selecting safer medical devices, employers would be required to solicit input from the frontline health care workers who would actually use the devices. Testimony at our hearing in June indicated the importance of this requirement. Because there are so many new devices on the market and because each health care setting is different, careful evaluation of devices by the professionals who will use them is necessary to know what works and what does not in particular settings.

Second, this legislation requires employers to maintain a sharps injury log. Now, I am certainly not one to favor increased paperwork for employers. In this situation, however, I understand the importance of such a law as a tool to track high-risk areas for injury and also as a means to evaluate the effectiveness of particular devices. This legislation ensures that such a log will protect the confidentiality of the insured employee.

While it does all that, this legislation also provides employers with the needed flexibility to determine the best technology to use in particular circumstances. It is careful not to favor the use of a specific device. In fact, this legislation is crafted not to impede, but to encourage, technological development by encouraging the use of new technologies. It is left to the employer to evaluate the effectiveness of these available devices, and I would like to emphasize this to any Senator who may be listening to this: it is careful not to favor the use of a specific device. In fact, this legislation is crafted not to impede, but to encourage technological development, by encouraging the use of new technologies; and it is left to the employer to evaluate the effectiveness of the available devices.

H.R. 5178 will help resolve an important public health worker safety issue.

Mr. Speaker, this legislation has broad-based support from both employer and employee communities. The American Hospital Association; the American Nurses Association; Premier, the leading group health purchasing organization; the Service Employees International Union; AFSCME; the American Federation of Teachers; the Firefighters; and many manufacturers, are all supporters. And it certainly has the support of one nurse from Massachusetts, Karen Daley, who told us at our hearing in June of her personal experience with a needlestick injury and who so generously asked that we take this action; not to help her, for it was too late, but to make a difference in working lives of the Nation's nearly 8 million health care workers.

Mr. Speaker, at this time I am offering a substitute to the version of H.R. 5178 that passed the Subcommittee on Workforce Protection. This substitute makes a technical correction to clarify that the documentation of the consideration and implementation of safer medical devices is to be done annually.

Along with my distinguished colleague, the gentleman from New York (Mr. OWENS), I am offering a joint statement of legislative intent.

I would like to go out of my way now to thank Vickie Lipnic and Greg Maurer for the time and effort in resolving the many problems that arose in this effort. I want to thank all of my colleagues who have joined together in bringing this issue forward, and I urge its support in the full House.

Mr. Speaker, I include for the RECORD the joint statement of legislative intent on H.R. 5178.

H.R. 5178—NEEDLESTICK SAFETY AND PREVENTION ACT: JOINT STATEMENT OF LEGISLATIVE INTENT ON SUBSTITUTE BY HON. CASS BALLENGER OF NORTH CAROLINA AND HON. MAJOR OWENS OF NEW YORK IN THE HOUSE OF REPRESENTATIVES, TUESDAY, OCTOBER 3, 2000

Mr. Speaker, I am joined today by the ranking member of the Subcommittee on Workforce Protections of the Committee on Education and the Workforce, the Honorable Major Owens, in discussing the Needlestick Safety and Prevention Act. I am pleased to offer this bipartisan legislation which addresses an important public health issue confronting our nation's health care workers.

At this time, pending is a substitute to the version of H.R. 5178 which passed the Workforce Protections Subcommittee. I am pleased to be joined by Mr. Owens in offering the substitute. What follows is both the text of the substitute to H.R. 5178 and a statement of legislative intent which I offer on behalf of myself and Mr. Owens.

JOINT STATEMENT OF LEGISLATIVE INTENT ON SUBSTITUTE TO H.R. 5178

This legislation follows a hearing held by the Workforce Protections Subcommittee in late June of this year. The legislation derives from the convergence of two critical circumstances which have a profound effect on the safety of health care workers in the United States.

The first circumstance is the increased concern over accidental needlestick injuries suffered by health care workers each year in health care settings. ''Needlesticks'' is a term used broadly, as health care workers can suffer injuries from a broad array of ''sharps'' used in health care settings, from needles to IV catheters to lancets. The second circumstance is the technological advancements made over the past decade in the many types of ''safer medical devices'' that can be used in health care settings to help protect health care workers against sharps injuries. Because of the convergence of these two circumstances—and because of increasing concern over the public health issue related to the spread of hepatitis C, it is appropriate to take this action at this time.

Section 1 of the Bill provides the title the ''Needlestick Safety and Prevention Act.'' Section 2 of the bill provides the Congressional findings.

Section 3 of the bill directly modifies the Bloodborne Pathogens Standard, 29 C.F.R. 1910.1030, one of the health and safety standards promulgated by the Department of Labor's Occupational Safety and Health Administration (OSHA). The legislation builds on the most recent action taken by OSHA related to the Bloodborne Pathogens Standard—the revision in November 1999 to OSHA's Compliance Directive on Enforcement Procedures for the Occupational Exposure to Bloodborne Pathogens (''Compliance Directive'').

In modifying the Bloodborne Pathogens Standard (''BBP standard'') this bill makes narrowly-tailored changes to the BBP standard. It makes clear in the BBP standard the direction already provided by OSHA in its Compliance Directive: namely, that employers who have employees with occupational exposure to bloodborne pathogens must consider and, where appropriate, use effective engineering controls, including safer medical devices, in order to reduce the risk of injury from needlesticks and from other sharp medical instruments (''sharps'').

The bill accomplishes this in several ways. First, the BBP standard is modified so that the definition of ''engineering controls'' at 29 C.F.R. 1910.1030(b) includes as additional examples of such controls, ''safer medical devices, such as sharps with engineering sharps injury protections and needleless systems.'' Following that step, the BBP standard is amended so that both ''sharps with engineered sharps injury protections'' and ''needleless systems'' are added to the definitions of the standard.

While sharps with engineered sharps injury protections and needleless systems are examples of safer medical devices, it is not the intent of this legislation to limit engineering controls or, for that matter, safer medical devices, to the examples cited in this legislation. Nor should the citing of these examples be considered an endorsement or preference of a specific product or assurance of a specific product's effectiveness.

Rather, it is the intent of this legislation to reflect innovation and evolving technology in the marketplace. It is also the intent of this legislation that any devices that have been considered or determined to be engineering controls by OSHA shall continue to be considered as such. This legislation anticipates that hospitals and other employers, in crafting their Exposure Control Plans, will adopt procedures and use devices that have been proven to reduce the risk of needlestick injuries.

Employers use their Exposure Control Plans to evaluate appropriate practices and devices for reducing occupational exposure. To focus attention on the need for employees to look at changes in technology, this legislation further modifies the BBP standard by adding to the existing requirements concerning Exposure Control Plans at 29 C.F.R. 1910.1030(c)(1)(iv). Through these modifications, employers will be required to demonstrate in the review and update of their Exposure Control Plans that their Exposure Control Plans reflect changes in technology and also that they document annually the consideration and implementation of appropriate, commercially available and effective safer medical devices. The clarification that documentation of such devices is to be done

''annually'' is the only difference between the substitute bill described here and the bill as reported by the Subcommittee on Workforce Protections.

It is through an employers' Exposure Control Plan that engineering controls and safer devices are considered and deployed in the workplace. To the extent that specific types of devices, such as catheter securement devices or needle destruction devices can reduce the risk of needlestick injuries, such devices could be appropriate components of an employer's comprehensive exposure control plan. Nevertheless, it is impossible for this legislation to recommend any one type of engineering control. Perhaps better stated it is not the intent of this legislation to disturb the underlying flexible, performance-oriented nature of the Bloodborne Pathogens Standard, whereby the employer must evaluate the circumstances of the workplace and assess what is effective and what is not in that particular work setting.

It is important to note also that the requirement in this legislation for the consideration and implementation of safer medical devices is hinged upon the ''appropriateness'' and the ''commercial availability'' of such devices. Finally, while this may be stating the obvious, it is not the intent of this legislation, nor for that matter of the current Bloodborne Pathogens Standard, for employers to implement use of any engineering control, including a safer medical device, in any situation where it may jeopardize a patient's safety, an employee's safety or where it may be medically contraindicated. We do not expect an OSHA inspector to substitute his judgment for that of the professional clinical and medical judgment of health care professionals responsible for patient safety. Moreover, all of the affirmative defenses available to an employer under the current Bloodborne Pathogens Standard remain intact with this legislation.

Section 3 of the bill amends the BBP standard in two additional ways. First, it adds a requirement that in addition to the recordkeeping requirements already found in the BBP standard, employers must record percutaneous injuries from contaminated sharps in a sharps injury log. The legislation sets out the minimum information to be included in such a log, namely the type of device used, an explanation of the incident, and where the injury occurred. Employers are free to include other information should they find it helpful. However, this legislation does require that in recording the information and maintaining the log, the confidentiality of the injured employee is to be protected.

The requirement for a sharps injury log is consistent with current OSHA recordkeeping in two specific ways. First, the sharps injury log requirement does not apply to any employer who is not already required to maintain a log of occupational injuries and illnesses under 29 C.F.R. 1904. Second, employers are not required to maintain the logs for a period of time beyond that currently required for the OSHA 200 logs.

It is the sole intent of the sharps injury log requirement that it be used as a tool only for employers so that they may determine their high risk areas for sharps injuries and use it as a means to evaluate particular devices that may or may not be effective in reducing sharps injuries. At a Subcommittee on Workforce Protection hearings in June, representatives of the American Hospital Association testified that many health care settings, particularly hospitals, already have in place some type of ''surveillance system'' for tracking needlestick and other sharps injuries. The AHA witness noted that hospitals have found this to be an effective tool to provide necessary information to help reduce such injuries.

The second way in which Section 3 amends the BBP standard is by specifying that employers must solicit input from non-managerial employees responsible for direct patient care who are potentially exposed to injuries from contaminated sharps in the identification, evaluation and selection of effective engineering and work practice controls. Employers are also to document this in the Exposure Control Plans. The intent of this section is simple—to involve those workers who will actually be using the new devices in their selection. It is not the intent of this legislation to force a particular technology on employers or employees without some careful consideration and evaluation of the technology's effectiveness.

Section 4 of the legislation explains that the modifications as delineated by Section 3 of the bill can be changed by a future rulemaking by OSHA on the Bloodborne Pathogens Standards.

Finally, Section 5 of the bill directs that the modifications to the BBP standards are to be made without regard to the standard OSHA rulemaking requirements or the requirements of the Administrative Procedures Act. Admittedly, preemption of the OSHA rulemaking procedures is not an action to be undertaken lightly. Indeed, the requirements of this bill are driven by the unique circumstances surrounding this narrow and particular public health issue. Although there is no such thing as binding precedent for Congress, it is not the intent of this legislation, through the process used here, to diminish the carefully constructed requirements and procedures for OSHA rulemaking.

The legislation does prescribe, however, that the changes to the BBP standard are to be made by the Secretary of Labor and published in the Federal Register within six months of enactment and that the changes will take effect 90 days after such publication.

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

Mr. Speaker, it is not exaggerating to say this is legislation that will save lives. I rise in support of H.R. 5178. This legislation will significantly improve the health and safety of health care workers by reducing accidental needlesticks and other sharps injuries.

It is estimated that there are between 600,000 and 800,000 incidences of accidental needlestick injuries among health care workers every year. As a direct result, more than 1,000 of these workers will contract a serious potentially life-threatening disease such as HIV or hepatitis C. Studies have shown that as many as 80 percent of these accidental needlesticks can be avoided through the use of available safer medical devices.

The Occupational Safety and Health Administration, OSHA, has already taken action to reduce accidental needlestick injuries. In November 1999, OSHA issued a revised compliance directive on enforcement procedures for occupational exposure to bloodborne pathogens. The principal purpose of the new directive is to emphasize the requirement that health care employers identify, evaluate, and make use of effective, safer medical devices. H.R. 5178 builds upon OSHA's efforts.

Specifically, H.R. 5178 amends OSHA's 1991 Bloodborne Pathogen Standard to clarify and reiterate the requirement to use ''appropriate commercially available and effective safer medical devices designed to eliminate or minimize occupational exposure to bloodborne pathogens.'' H.R. 5178 provides definitions of ''engineering controls,'' ''sharps with engineered sharps injury protections,'' and ''needleless systems'' in order to provide greater clarity of the requirements of the standard.

The legislation ensures that employers regularly monitor and assess the development of appropriate commercially available and effective safer medical devices. It ensures that health care workers who must use the equipment will have a voice in its selection and will be properly trained in its use. Finally, the legislation promotes greater awareness and more active vigilance through the use of a sharps injury log.

The primary intent of H.R. 5178 is to protect the safety and health of health care workers. One of the principal ways the legislation accomplishes this is by encouraging the development of safer medical devices. Under the bill, it is the responsibility of health care employers, in consultation with their workers and subject to oversight by OSHA, to determine for themselves what are the safest devices on the market that meet their individual needs.

As newer safer devices come to the market, employers are required to consider and implement appropriate and effective safer medical devices. Since the bill anticipates and encourages technological development, the bill intentionally does not define any specific medical device as a safer medical device per se. To do so would be self-defeating.

While reinforcing the requirement that safer medical devices be used where they are commercially available, this legislation does not mandate the use of engineered controls where such controls are not commercially available. Neither this legislation, nor the underlying standard it amends, requires anyone to use any engineering control, including a safer medical device, where such use may jeopardize a patient's safety, an employee's safety, or where it may be medically contraindicated.

This legislation leaves intact all of the affirmative defenses available to employers related to the use of engineered controls under the Bloodborne Pathogen Standard.

Mr. Speaker, this is good legislation. This is life-saving legislation. It is supported by health care employers, including the American Hospital Association and Kaiser Permanente. It is supported by medical equipment manufacturers, including Becton-Dickinson and Retractable Technologies, Inc.; and it is supported by the unions that represent health care workers, including the American Nurses Association, the Service Employees, AFSCME, AFT, AFGE, and the Firefighters.

I commend the gentleman from North Carolina (Chairman BALLENGER)

for his leadership on this issue, and I urge my colleagues to support H.R. 5178.

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

Mr. BALLENGER. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. GOODLING).

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

Mr. GOODLING. Mr. Speaker, I want to encourage everyone to vote for that legislation, but particularly I want to thank our subcommittee Chair, the gentleman from North Carolina (Mr. BALLENGER), because if I were a betting person several months ago and they said this legislation was going to come to the floor of the House, I would have said I doubt that.

□ 1615

I did not think you could get the employees and the employers together on the issue, but the gentleman from North Carolina (Chairman BALLENGER) and his cunning ways overwhelmed them and brought that about, and what that means is an awful lot of people will not risk the danger of some horrible disease, and not only that, the expense of trying to prevent that disease from happening after the needlestick.

Again, I compliment the gentleman from North Carolina (Mr. BALLENGER), our subcommittee chair, the gentleman has done an outstanding job.

Mr. Speaker, I rise in support of H.R. 5178, the Needlestick Safety and Prevention Act. I want to congratulate Congressman BALLENGER for his leadership in forging a consensus between the employer and the employee communities on this once contentious issue. Congressman BALLENGER'S work on this issue is indicative of his excellent service as Chairman of the Subcommittee on Workforce Protections for the past six years.

More than 600,000 times a year, healthcare workers are accidentally stuck by needles and other devices in the course of their work. With every accidental needlestick, health care workers risk contracting fatal diseases such as AIDs and Hepatitis C. H.R. 5178 will help prevent many of these accidental needlesticks.

Even in the fortunate majority of these cases when no diseases are transmitted, employers incur thousands of dollars in expenses for blood tests and preventative medications.

Fortunately, rapidly improving technology offers workers and employers safer medical devices that reduce the risk of needlestick injuries. H.R. 5178 requires employers to consider using safer medical devices. When such devices are appropriate, commercially available and effective, employers must implement safer devices in the workplace.

H.R. 5178's flexible approach to safer medical devices puts the decision-making in the hands of employers rather than distant Washington bureaucrats.

Employers, with input from frontline health care employees, have the flexibility and the responsibility to choose practices and devices that will help protect their workers in their workplaces.

By embracing a flexible, decentralized solution, H.R. 5178 enables employer and employee representatives to unite behind legislation that will help make work safer for health care workers. As a result, both the American Hospital Association and the American Nurses Association have enthusiastically endorsed H.R. 5178. I encourage my colleagues to vote for H.R. 5178.

Mr. OWENS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY of New York. Mr. Speaker, before I make my remarks on this legislation, I also would like to compliment the gentleman from North Carolina (Chairman BALLENGER) for the work and how swiftly we have gotten this through the committee, and I appreciate that. I thank my colleague from New York (Mr. OWENS) again for his work to protect our health care workers, that is what it comes down to.

Mr. Speaker, I have spent over 30 years of nursing before I came here; and I certainly can tell my colleagues how many times I have gotten stuck with a needle. And I was probably very lucky, because many years ago, we did not face the diseases that we are facing today. Today, we are facing TB, Hepatitis B, Hepatitis C, HIV, AIDS, and these are the things we have to be concerned about. What people have to realize, it is not that nurses or health care workers are not being careful; but when we are dealing with life-threatening situations of taking care of a patient, we are concerned about giving the patient certainly the medications they need fast, starting IVs and everything else goes out of their minds.

This legislation is going to protect health care workers across this Nation. We heard that 600,000 to 800,000 healthcare workers are stuck every single year. We know that when a health care worker is stuck, they have to go down for a test. They have to be followed through. It can cost, for each person that is stuck, $3,000. We are not even talking about those that, unfortunately, do get fatal diseases from these injuries.

Mr. Speaker, I commend certainly the committee and the hard work that has been done on this and how fast it has gone, because now we know we have legislation that is out there that is going to protect our health care workers, and more than that, this is legislation that can save lives.

I am very proud to be here to encourage all of my colleagues, all of my colleagues to support this overwhelmingly. This is good legislation, and it should pass unanimously. I thank all my colleagues for their work.

Mr. BALLENGER. Mr. Speaker, I yield 2½ minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Speaker, I certainly thank the gentleman from North Carolina (Mr. BALLENGER), our subcommittee chairman, but I think we are here today to say in a very real and definite and substantial way that Congress, when it sets public policy, it should put health and safety first. And as such, the safety of our health care workers and their patients are of paramount concern in this legislation.

I will tell my colleagues, we have safer medical devices that are being added to OSHA, as we amend OSHA in this legislation today, but in addition, employers are required to consider and implement the use of such safe medical devices in their facilities. It is certainly because of the leadership of the gentleman from North Carolina (Mr. BALLENGER), the gentleman from New York (Mr. OWENS), and the gentleman from Pennsylvania (Chairman GOODLING) on this subject. It was mentioned earlier nobody thought we could get this kind of a compromise in this kind of a leadership in such a short period of time.

Mr. Speaker, I will not go into all the statistics that have already been noted here today, but they are alarming statistics about the health and the safety, not only of the workers, but also the spread of terrible diseases, because of the breakdown of these safety devices, to the patients in our hospitals.

These numbers are alarming as they have already been stated, but especially alarming since we already know that the technology exists that could prevent these injuries and this spread of infection.

The least we can do is see that the medical professionals have the latest in safety precautions available to them. We cannot prevent all the hospitals and doctor office accidents, but certainly we can with today's safety needles provide the lifesaving support for those that need it.

I would like to point out, too, that while the statistics are alarming, I must also say that we should put health and safety first, not only health and safety first, but the bottom line, we are saving money.

Mr. Speaker, I do want to finally commend again the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from New York (Mr. OWENS) for their leadership, but also we must remember the forward thinking companies like Becton-Dickinson in Bergen County, New Jersey for their contribution to the development of these safe technologies.

Mr. Speaker I rise in strong support of H.R. 5178, the Needlestick Safety and Prevention Act. When we in Congress set public policy, we must always put health and safety first. As such, the safety of health care workers and their patients are of a paramount concern.

H.R. 5178, the Needlestick Safety and Prevention Act, takes an important step in helping to reduce the risks of occupational exposure to bloodborne pathogens. The bill requires the Occupational Safety and Health Administrative (OSHA) to amend the Bloodborne Pathogens Standard to include the definition of ''safer medical devices.'' In addition, employers are required to consider and implement the use of such safer medical devices in their facilities. I would like to thank

Mr. BALLENGER and Mr. OWENS and Committee Chairman GOODLING for leading the charge to bring this bipartisan legislation to the floor.

It is currently estimated that there are between 800,000 and 1 million needlesticks and other sharps injuries to healthcare workers in the United states each year. An average hospital incurs approximately 30 worker needlestick injuries per 100 beds per year. These numbers are alarming, especially since the technology exists to prevent these injuries.

Many of these accidents are instant tragedies, infecting dedicated medical workers with blood-borne diseases, sometimes even the incurable AIDS virus. And ALL of these needlesticks leave the victim frightened of the consequences until a blood test can be done to determine whether they have been infected.

The least we can do is see that medical professionals have the latest in safety precautions available to them. We cannot prevent all hospital and doctor's office accidents, but we should prevent those we can. Today's safety needles are lifesavers for those trying to save lives. We need to encourage the use of safe needles and devices to improve healthcare worker safety in the workplace.

Numerous studies have demonstrated that the use of safe-needle devices, when they are part of an ''overall'' bloodborne pathogens risk-reduction program, are extremely effective in reducing accidental needlesticks. In fact, the Centers for Disease Control and Prevention estimates that 76 percent of needlestick injuries could be eliminated immediately if health care institutions switched to safe needles and similar devices. We should be doing everything possible to encourage the use of safe technology.

Not only does the use of safe technology save lives—it also saves money. For example, it is estimated that for a 300 bed hospital to convert to safe technology, it would cost $70,000 a year. When you compare that amount to the estimated $500,000 in testing and drug regimens for just one needlestick injury, it becomes clear—needlestick prevention makes practical and fiscal sense. And this does not begin to include the emotional toll of the injured worker or the countless lawsuits filed.

The use of safe technology should be viewed as an insurance policy: an insurance policy for workers and patients and an insurance policy for hospitals.

Mr. Speaker, I commend Mr. BALLENGER and Mr. OWENS for their leadership on this important issue. I also would like to commend forward-thinking companies like Becton-Dickinson of Bergen County, New Jersey, for their contribution to the development of this safe technology.

I strongly urge my colleagues to vote in favor of this important legislation.

Mr. OWENS. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. Mr. Speaker, I thank my friend, the gentleman from New York (Mr. OWENS), for yielding me the time.

Mr. Speaker, I rise in support of this legislation. I want to congratulate the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from New York (Mr. OWENS), my friend, for their intelligence in bringing this to the floor.

There are a lot of competing interests in this legislation, union and management, health care providers and product providers, and it was a substantial task to bring all of those parties together. The gentleman from North Carolina (Mr. BALLENGER) and the gentleman from New York (Mr. OWENS) took the lead in doing that, and I thank them and commend them for it.

The gentleman from New York (Mr. OWENS) said in his remarks that it is not an overstatement to say that this legislation will save peoples' lives; he is right. There are instances where people are injured and sometimes fatally injured as a result of injuries on the job that will be prevented as a result of passing this legislation.

This is what we are here to do, to bring the two parties together and both sides of the bargaining table to make this happen. I know the gentleman from New York (Mr. OWENS) in particular has been tenacious in pursuing this legislation for many numbers of years, and on behalf of my constituents, I thank him for it.

I also thank the gentleman from Pennsylvania (Mr. GOODLING) and the gentleman from Missouri (Mr. CLAY) for their leadership of the full committee in bringing us here.

I first heard about this legislation when members of the health care team, nurses, mainly, at the Camden County Health Services Center in my district visited me in my office here, they are members of the AFSCME union, and they had called it to the attention of their employer to voluntarily adopt a standard like this, which the employer, to its credit, did. That was then followed up here at the national level by any number of groups and interests to make sure that we could codify this effort by OSHA to balance the concerns of union and management, to balance all concerns and to write a good bill. I believe that we have done that.

I also appreciate the way that this bill incorporates technological changes and does not wed itself to any particular technology. I applaud that, because I believe that it will permit the development and evolution of even greater technologies as time goes by.

Mr. Speaker, I also applaud the fact that the bill reflects my own understanding that a device that does not use needles for the securement of devices for administration of medication or fluids and thereby diminishes or eliminates exposure to bloodborne pathogens clearly falls within the definition of a device that does not use needles for any other procedure involving the potential for occupational exposure to bloodborne pathogens due to the injuries from contaminated sharps.

I think I followed that, not being a medical professional. In other words, that OSHA can find the very best technology available in any given time in the future to protect workers, that is what we are here to do.

Mr. Speaker, I again thank the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from New York (Mr. OWENS). I rise in enthusiastic support of the legislation and urge its unanimous approval.

Mr. BALLENGER. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. BARRETT).

Mr. BARRETT of Nebraska. Mr. Speaker, I thank the gentleman from North Carolina (Mr. BALLENGER) for yielding me this time, and I compliment him as well, the job that he did in bringing this bill to the floor.

And I certainly am pleased to join with my colleagues in total support of H.R. 5178, the Needlestick Safety and Prevention Act. I think this is one of the major public health issues facing the health care community today, and I think it certainly deserves the attention of the Congress.

According to the Department of Labor, as has already been mentioned, there are an estimated 800,000 needlestick injuries which occur in the United States each year, and this puts thousands of health care workers including nurses and doctors and CNAs and even custodians at the risk of accidental exposure to more than 20 pathogens, including HIV and Hepatitis B and C. In addition to protecting health care workers, Congress should be concerned about protecting every patient admitted to a hospital or treated at a clinic, because patients are also at risk of an accidental needlestick injury.

A very crucial component of the comprehensive prevention program is the use of the so-called safe needles. These are needles designed to retract into the body of the syringe once it is used so it can then be disposed of with a much lower chance of an accidental needlestick. A company in my district, Becton-Dickinson is a leading manufacturer of these devices, and I am pleased that a company with Nebraska ties can play a role in addressing this very important public health concern.

For the safety of health care workers and patients, this very important public health issue should not be overlooked. And I certainly extend my full support to the bill and urge its passage.

Mr. OWENS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. THOMPSON).

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

Mr. THOMPSON of California. Mr. Speaker, I rise in strong support of this

measure. I would like to thank the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from New York (Mr. OWENS) for bringing this important bill to the floor today for this vote.

H.R. 5178 is an important bill that I believe will truly make a difference in the lives of health care workers, patients and the families of both throughout this Nation. As was pointed out earlier, there is an estimated 800,000 needlesticks per year across this country. The potential for needlesticks put health care workers and patients at risk of contracting diseases, like Hepatitis C and B and HIV.

In California, the results of legislation that I authored when in the State Senate found that most needlesticks could be prevented by using better designed safer needles and following stricter disposal protocols.

This bill and these findings helped to lead to a 1998 mandate for safer needles in California. In addition to saving lives, it is estimated that in California, we will save over $100 million per year as a result of these safer needles. The savings are calculated by using the costs of disability payments, testing and treatment, lost wages, and liability costs.

H.R. 5178 will require the use of safer needles, require more consistent documentation of needlestick injuries, and it establishes the stronger Federal uniform standard for the disposal and the usage of needles. It will save lives. It will save money, and it deserves the support of every Member of Congress.

Mr. BALLENGER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. LATOURETTE).

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

Mr. LATOURETTE. Mr. Speaker, I want to commend the gentleman from North Carolina (Mr. BALLENGER) for this bill, H.R. 5178, and commend him for his hard work in bringing it to the floor today.

I also want to thank the gentleman from New York (Mr. OWENS). I share their commitment to reducing the risk of exposure from men and women whose occupation places them in close proximity to bloodborne pathogens in the workplace.

□ 1630

H.R. 5178 amends the OSHA standards on blood-borne pathogens to include the definition of safer medical devices. I especially want to thank both gentlemen today for including that in their manager's statement of legislative intent, clarifying that it is not the intent of the legislation to limit in any way any engineering controls or safer medical devices to the few examples that are cited in the legislation.

The statement offered today clearly expresses the intent of the bill's crafters to provide for innovative and evolving technology in our efforts to minimize risk.

As the gentleman from North Carolina knows, I am particularly concerned about a device that is manufactured not surprisingly in my district by a fellow named Joe Adkins through his company, Safeguard Medical Devices. The product they have developed is roughly the size of a pocket pager, and is intended to be carried by all personnel who may encounter unsafe used syringes. It is designed to blunt and seal the end of the needle with a ''BB'' type ball that seals the syringe hub, further reducing the risk of downstream infection.

The language thankfully included in the manager's statement leaves no doubt that products that minimize the risks of exposures to blood-borne pathogens, like the one developed by Safeguard Medical Devices, are intended to be covered by the broad language of section 3 in the bill referring to safer medical devices, and that the examples cited in the bill were intended to be illustrative, rather than exhaustive.

For that, I thank the chairman and thank the gentleman from New York (Mr. OWENS).

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

Madam Speaker, I will enter into the RECORD a letter by Mr. Charles Loveless, director of legislation for the Association of Federal, State, County and Municipal Employees, the AFL–CIO.

AFSCME, AFL-CIO,
Washington, DC, October 2, 2000.

DEAR REPRESENTATIVE: On behalf of the 1.3 million members of the American Federation of State, County and Municipal Employees (AFSCME), I urge you to support the Needlestick Safety and Prevention Act (H.R. 5178), introduced by Representatives Cass Ballenger and Major Owens.

H.R. 5178 would amend the Occupational Safety and Health Administration's (OSHA) Bloodborne Pathogens Standard to require that employers use safety-designed needles and sharps in order to reduce needlestick injuries and the transmission of serious diseases from patients to nurses and other workers. This important legislation codifies and refines a compliance directive issued by OSHA late last year, after seeking public input on the use of safer devices.

Needlestick injuries are a serious, but preventable, public health problem. Despite the availability of safer devices, the vast majority of needles and sharps in use today are old-style devices that lack integrated safety features. As a consequence, 600,000 to 800,000 needlestick injuries occur each year in the health care workplace. Among those who sustain such an injury, an estimated 1,000 contract a serious disease, including Hepatitis C and HIV.

H.R. 5178 is an important measure that will save lives. We endorse this bipartisan bill and urge you to approve it.

Sincerely,

CHARLES M. LOVELESS,
Director of Legislation.

Madam Speaker, I have no additional speakers, and I yield back the balance of my time.

Mr. BALLENGER. Madam Speaker, I yield 2 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Madam Speaker, I rise in strong support of H.R. 5178, the Needle Stick Safety and Prevention Act.

I do want to thank the gentleman from North Carolina (Mr. BALLENGER) for bringing this bill to the floor. I want to thank the ranking member, the gentleman from New York (Mr. OWENS), for his role and leadership in bringing this bill before us. I am proud to be a cosponsor.

This bipartisan legislation is designed to protect health care workers from needle stick injuries by updating the Occupational, Safety, and Health Administration's standards in order to address advances in safer medical devices such as needleless systems and needles that are specifically engineered for injury protection.

Passage of H.R. 5178 would reduce the risk of HIV, hepatitis B, hepatitis C, that are caused by accidental needle sticks. This year, the Centers for Disease Control and Prevention estimated that more than 380,000 needle stick injuries from contaminated needles occur annually among health care workers in our U.S. hospitals.

The total number of needle stick and other skin-puncturing injuries in all health care settings is, as Members have heard before, 600,000 to 800,000 annually.

The CDC has also estimated that, depending on the type of device used and the procedure involved, that 62 to 82 percent of needle stick injuries can potentially be prevented by the use of safer medical devices.

One particular needleless system has been developed by Calypte Biomedical Corporation of Rockville, Maryland. Long concerned about the risk of HIV transmission through accidental needle stick injuries, Calypte Biomedical manufactures FDA-approved, urine-based HIV diagnostic tests which would dramatically reduce needle stick accidents.

This legislation is supported by the American Hospital Association, the American Nurses Association, a number of other agencies and organizations. It ensures that hospitals and other medical employers will have the flexibility to best protect their workers. I urge my colleagues to support it.

Mr. BALLENGER. Madam Speaker, I yield 2 minutes to the gentleman from Georgia, (Mr. ISAKSON).

Mr. ISAKSON. Madam Speaker, I thank the gentleman for yielding time to me, and commend him on this important issue, as well as the gentleman from New York (Mr. OWENS) and his support.

Madam Speaker, the transfer of blood-borne pathogens in this country is a problem in our hospitals and facilities, and it does threaten our health care leaders.

Our chairman and author of this bill, the gentleman from North Carolina (Mr. BALLENGER), has done a great job in holding hearings to bring about that information.

I associate myself with the remarks of the gentleman from Ohio (Mr.

LATOURETTE), the gentlewoman from Maryland (Mrs. MORELLA), and others who have understood the leadership that has been shown in this by not issuing a franchise to one single producer of a product that destroys needles, but rather, to acknowledge that every hospital and health care facility should select those products that are best for them, to have a clear and direct policy to minimize and we hope eliminate needle stick injuries and the transfer of possible dangerous germs and disease in their facility.

The leadership the gentleman from North Carolina (Mr. BALLENGER) has shown Americans and assured health care workers that the hospitals and medical workplaces of America will be safer. It has also ensured that incentive remains for the private sector to produce new and modern products that are safer and more efficient than those in the past, so hospitals can develop the very best possible policy to meet OSHA's, what I would add, very thoughtful rule in terms of developing these plans for every hospital in America.

Mr. GILMAN. Madam Speaker, I rise today in support of H.R. 5178, the Needlestick Safety and Prevention Act. I applaud my colleague from North Carolina, Mr. BALLENGER for his leadership on this issue and as a cosponsor of this legislation, I urge my colleagues to support this much needed bill.

H.R. 5178 directs employers to consider, and where appropriate, use such safer medical devices to reduce the risk of needlesticks and other injuries from sharps. Employers with employees who may be exposed to bloodborne pathogens are required to use safer medical devices only where such devices are appropriate, effective and commercially available. I have met with various nurses' groups over the years who have been pushing for the use of safer needles in hospitals and doctors' officers throughout the country. Although these safe needles tend to cost more than the average needle that is currently used, the safe needles protect health care professionals by featuring one of a number of new innovations such as a retractable needle.

Moreover, H.R. 5178 calls for employers to maintain a sharps injury log to record sharps injuries and to call upon frontline health care workers who would actually use the devices in the selection of the devices. This will ensure that the people actually using the new needles will be comfortable with all aspects of the safe device.

Accordingly, I urge my colleagues to protect our Nation's health care professionals and support this legislation.

Mr. STARK. Madam Speaker, I am pleased to speak in support of H.R. 5178, The Needlestick Safety and Prevention Act and urge all of my colleagues to join me in voting to protect nurses, doctors, and other health care workers from accidental needlestick injuries in the workplace.

This legislation is long overdue. Health care workers across our country are put in danger each and every day because safe needle technologies that exist and are proven to reduce the risk of workplace needlestick injuries are still not widely used in our nation's health facilities.

Through accidental needlesticks, health care workers are exposed to the spread of deadly bloodborne diseases such as AIDS and Hepatitis B and C. Estimates are that some 600,000 to one million needlesticks occur each year. While the vast majority of those injuries do not result in the spread of a bloodborne pathogen, those that do can prove debilitating and even fatal. Health care workers simply should not be forced to risk their lives while trying to save ours.

Enactment of H.R. 5178 will dramatically lower the occurrence of accidental needlestick injuries by requiring the use of safer needle technology in our nation's health care system. This bill, like the legislation I co-authored with Representative ROUKEMA (H.R. 1899), will dramatically improve needlestick protections for health care workers by: clarifying the bloodborne pathogens requirements regarding the use of safer needle devices, improving existing reporting requirements, and ensuring that health care workers are involved in the selection of appropriate safety devices.

I have been working on this issue for many years. My first bill to protect health care workers from preventable needlestick injuries was introduced in 1993. In the last Congress, similar legislation gained the support of more than 100 of my colleagues. H.R. 1899, which Representative ROUKEMA and I introduced together in this Congress, now has the bipartisan support of more than 185 of our colleagues.

States have also begun focussing attention on this important issue. My home state of California was the first state to pass comprehensive legislation requiring the use of safe needle devices in 1998. Since then, more than a dozen states have followed course and passed legislation protecting health care workers their own borders.

But, this is a national problem that deserves a national solution. That is why I am so pleased to join Representative BALLENGER and Representative OWENS in support of H.R. 5178 on the House floor today. I would also like to congratulate both of them for stepping into leadership roles on this vitally important safety issue for health care workers across the country.

While I fully support the bill before us today, our work to protect health care workers from these injuries will not be complete even with passage of this important legislation. We need to go further. OSHA applies mainly to the private sector and therefore H.R. 5178 leaves health care workers in public hospitals in approximately 27 states without the same protections. We need to extend equivalent protections to these workers and I pledge to work with my colleagues to achieve this goal as well.

Passage of H.R. 5178 will take us a long way toward minimizing the danger of needlestick injuries and potential infection by deadly diseases for the millions of health care workers across our country. Put simply, a yes vote for H.R. 5178 will save lives. I urge all of my colleagues to join me in voting yes.

Mr. KUCINICH. Madam Speaker, I rise in strong support for H.R. 5178, the Needlestick Safety and Prevention Act. There are an estimated 600,000 to 800,000 needlestick injuries each year. Over 80 percent of these injuries could have easily been prevented with the use of safer needle devices. Hospital nurses are the most frequently injured, followed by physicians, nursing assistants and housekeepers.

A resident of Cleveland, Ohio, Mr. Stanley McKee, testified before the Ohio Senate regarding his needlestick injury. Mr. McKee works at a hospital in the environmental services department. He was disposing of the trash from the intensive care unit when he felt an object stick him in the leg. When he checked the bag he saw the used needle protruding out. For months, Mr. McKee was forced to undergo a series of shots until it could be determined whether he had indeed contracted an illness. The costly medical care he required and the severe mental anguish he experienced while awaiting news of his test results could have easily been prevented with safety devices as required in The Health Care Worker Needlestick Prevention Act, H.R. 5178. The average cost to test and treat a worker following an accidental stick where an infection does not occur is about $500. The costs to treat an employee who is infected from an accidental stick can total up to one million dollars over a person's life. However, these injuries can be prevented with safer needles that cost less than a postage stamp.

This bill will save lives by drastically reducing the threat of contracting infectious diseases including hepatitis and the HIV virus through accidental needlesticks. Healthcare professionals dedicate their lives to caring for others. Let us show our appreciation and respect by working to pass this important legislation to ensure the safety of members of the healthcare community.

I would like to thank Chairman BALLENGER for leading the Subcommittee on Workplace Protections of the Committee on Education and the Workforce to report H.R. 5178 to the whole House of Representatives. I would also like to praise Rep. FORTNEY PETE STARK, whose many yeas of advocacy for needlestick safety laid the groundwork for today's bill. I urge a YES vote.

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

The SPEAKER pro tempore (Mrs. MORELLA). The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and pass the bill, H.R. 5178, as amended.

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

A motion to reconsider was laid on the table.

CUSTOMIZED TRAINING FLEXIBILITY ACT

Mr. MCKEON. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4216) to amend the Workforce Investment Act of 1998 to authorize reimbursement to employers for portable skills training, as amended.

The Clerk read as follows:

H.R. 4216

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 ''Customized Training Flexibility Act''.

SEC. 2. FLEXIBILITY IN CUSTOMIZED TRAINING REQUIREMENT UNDER THE WORKFORCE INVESTMENT ACT OF 1998.

Section 101(8) of the Workforce Investment Act of 1998 (29 U.S.C. 2801(8)) is amended—

(1) in subparagraph (A), by striking ''(including a group of employers)'' and inserting ''or a group of employers within the same industry'';

(2) in subparagraph (B), by striking ''the employer'' and inserting ''any such employer''; and

(3) in subparagraph (C), by striking ''for not less than 50 percent'' and inserting ''a portion''.

SEC. 3. OTHER AMENDMENTS TO THE WORKFORCE INVESTMENT ACT OF 1998.

(a) DEFINITION OF ELIGIBLE YOUTH.—Section 101(13)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2801(13)(B)) is amended to read as follows:

''(B)(i) is a low-income individual; or

''(ii) has been determined to meet the eligibility requirements for free meals under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et. seq.) during the most recent school year; and''.

(b) USE OF FUNDS FOR ADULT AND DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(d)(4) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(d)(4)) is amended by adding at the end the following:

''(H) COORDINATION WITH UNEMPLOYMENT COMPENSATION.—An eligible adult or dislocated worker participating in training (except for on-the-job training) shall be deemed to be in training with the approval of the State agency in the same manner as provided under section 314(f)(2) of the Job Training Partnership Act (29 U.S.C. 1661c(f)(2)) (as such section was in effect on the day before the date of the enactment of this Act).''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. MCKEON) and the gentleman from New Jersey (Mr. ANDREWS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. MCKEON).

GENERAL LEAVE

Mr. MCKEON. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4216.

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

There was no objection.

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

Madam Speaker, I rise in support of H.R. 4216, to increase the flexibility of customized training programs available under the Workforce Investment Act.

First, I want to commend the gentleman from California (Mr. RADANOVICH) for his leadership in pushing this important legislation forward. The economy is in good shape nationally, but that prosperity has not been felt in all of our districts.

For example, unemployment stands at 15 percent in the district of the gentleman from California (Mr. RADANOVICH), and he is doing something with this legislation to help solve that problem for his constituents.

Two years ago we were successful in enacting the law, the Workforce Investment Act. In addition to streamlining multiple Federal job training programs and empowering individuals to choose their own training, this act increased the role of employers to ensure that the training provided under these programs is relevant to job opportunities in their areas.

The ability for local programs to provide customized training is just one example of how training can be guaranteed to meet the needs of local employers. This type of training has three basic characteristics:

First, it is designed to meet the special requirements of an employer or group of employers.

Second, it is provided with a commitment by the employer to hire the participant upon successful completion of training.

Third, it provides employers with a reimbursement to offset a portion of the costs associated with the training.

Under the Workforce Investment Act, we limited this reimbursement to just 50 percent. However, we have since learned that many employers are hesitant to participate in these programs because of this cap.

This legislation before us today lifts this cap and allows local programs to negotiate a reasonable reimbursement for the training provided by employers. However, it maintains the requirement that at least a portion of the cost continue to be covered by the employer.

The benefits of these programs are numerous. Not only do they provide employers with skilled workers, they also enhance the employability of the training participants, who come into these programs because they are unemployed or on welfare or underemployed.

At a time when we are considering expanding the number of foreign workers into this Nation in order to fill high-paying high-skilled jobs, we must work to promote efforts such as customized training. By providing more local flexibility in carrying out such training, this legislation accomplishes that goal.

In addition to changes made to customized training, this legislation makes two additional technical corrections to the Workforce Investment Act.

The first allows youth seeking to participate in training programs to satisfy the low-income criteria by providing proof that they are eligible for free meals under the National School Lunch Act. This change relieves local programs of the burden of collecting additional income information from these youth.

In addition, this legislation maintains a provision from the prior Job Training Partnership Act which inadvertently dropped during the consideration of the Workforce Investment Act. This provision simply ensures the continued coordination of job training provided under the Workforce Investment Act with the unemployment compensation system.

Finally, I urge all Members to support the passage of this legislation.

Madam Speaker, I yield such time as he may consume to the gentleman from California (Mr. RADANOVICH), the author of the bill.

Mr. RADANOVICH. Madam Speaker, I want to thank the gentleman from Pennsylvania, chairman of the Committee on Education and the Workforce, and my colleague, the gentleman from California (Mr. MCKEON), for his assistance in bringing H.R. 4216 to the floor.

Madam Speaker, I represent the 19th District of California. This region has an agricultural-based economy which brings with it high unemployment rates and an unskilled labor force.

While the nationwide job market is the strongest it has been in decades, my district struggles with an unemployment rate that averages from between 12 to 17 percent. I know of small pockets in my district whose unemployment rates have recently been as high as 44 percent.

To compound this problem, labor demands are difficult to meet since potential workers in our region have few if any labor skills. With such drastic conditions, we need our local businesses to have the incentive to train and hire people.

There used to be programs in my district through which employers would train unskilled laborers and then hire them. This training comes at a cost that local work force development boards used to cover under the Job Training Partnership Act. However, the Workforce Investment Act now only allows a maximum reimbursement of 50 percent through what is known as the customized training program.

Employers in my district cannot afford to train unskilled workers if they can only recover up to 50 percent of their costs. If we do not change this law, these valuable programs will cease to exist, both in my district and in areas throughout the country.

H.R. 4216 changes the Workforce Investment Act so that it does not limit reimbursement of customized training to only 50 percent. My bill allows the local work force development board to determine the appropriate amount that an employer should contribute to customized training on a case-by-case basis.

This change will salvage a form of job training that has been highly effective in adding to the labor force, ending government dependence, and strengthening our economy.

Madam Speaker, I encourage my colleagues to support H.R. 4216. It is good for business, it is good for the noticed, and it is good for the economy.

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

Madam Speaker, first of all, I want to congratulate the gentleman from California (Mr. RADANOVICH) for his attention to this issue. Members of Congress very often self-limit themselves according to what committees they

serve on. The gentleman from California (Mr. RADANOVICH) is not a member of our committee, but he took an interest in this issue and is addressing a series of problems that I think need to be addressed, and we thank him for that.

We thank the gentleman from California (Mr. MCKEON) for his interest in bringing the legislation to this point, and we obviously thank the gentleman from Pennsylvania (Chairman GOODLING) and the ranking member, the gentleman from Missouri (Mr. CLAY) on our side.

We are concerned about dealing with the problems of a couple of people that would be relevant to this legislation. Then, frankly, we have some concerns about what is in the legislation. I want to note each of those three points for the RECORD.

First of all, we commend the fact that this legislation will help the young person who is in school, who wants to get job training while he or she is in school so they can take the first step up that career ladder.

□ 1645

Right now the process of qualifying for that job training requires that the individual prove his or her income. That can be a burdensome, time-consuming, bureaucratic process.

What this bill says is that, if the young person in question is eligible for a free school lunch, they should automatically be eligible for the job training. That makes sense, because it says that, once one filled out one set of forms with one's income tax return or one's parents' income tax return, and once one has gone through one bureaucratic thicket to qualify for a school lunch, since the criteria are substantially identical to qualify for the job training, one ought to be able to do it anyway. That makes perfect sense. The Department of Labor supports that, and so do we. We are glad that it is in the legislation.

The second issue is to understand the person who has been caught in the switches of this changing economy. It is indisputably true that, if one is a network analyst or a software engineer, these are great times to be coming out in the job market. People are getting signing bonuses and getting recruited by firms, and they are doing very, very well.

It is not such a great time if one is working at a steel mill or manufacturing plant or a coal mine or in other manufacturing segments of our economy. In many areas of the country, in many industries, those industries have been shrinking. Many people find themselves in the middle of their lives, in the middle of their careers, in the middle of their mortgages, in the middle of raising their children without a secure source of income, without a job.

These are people who most need the skills to make the jump from the old economy to the new one, who most need the skills to upgrade themselves within the old economy so they can be part of that shrunken workforce at a higher level of productivity and higher wages.

Very often that person's plan is to be on unemployment benefits for a while and then go to school at the same time, go to some kind of job training program at the same time, stretch their bills during the period of time they are on unemployment, get their training, and then get a new job that pays higher with health benefits, and get their family back on their feet. That is the way people do it.

An anomaly in the Workforce Investment Act of 1998 has made it difficult for people to do that because there is a question that gets raised as to whether or not that person can still receive his or her unemployment benefits while they are getting their job training. We think the answer ought to be yes; that if someone has a little bit of a supplemental income from their unemployment compensation and they are going to school and working very hard to upgrade their skills so they can move back into the workforce at a higher wage, that is what they are supposed to be doing. Those are the rules of the game.

It is very important that what this bill does is to clarify that that answer should, in most cases, be yes; that, in most cases, the participation of a worker in a Workforce Investment Act training program does not automatically disqualify him or her from receiving unemployment benefits from the State. There may be other factors that do, but the mere participation in this program does not disqualify someone for unemployment benefits.

What this really does is provide a lifeline of relief to someone at a very difficult time in his or her life and career. It is a very good idea. The Department of Labor supports it. We are glad it is in the bill, and we support it as well.

Let me raise one area of concern that we do carry forward as this bill is negotiated between the two Chambers and as it reaches the executive branch, and that is the question of the employer's responsibility to match or contribute to funds for job training that are provided by the Federal Government.

We certainly understand that there should be flexibility for employers, that employers that are modest in size and have very little cash in the bank ought not to be excluded from custom training because of that situation. Very often those are the employers that are producing most of the new jobs in the economy.

It is important to us, however, that we spread these job training dollars to as many people as possible. In other words, we believe that, if there is a choice between using 100 percent of the money to train three people or 100 percent of the money to train one person, we should always err on the side of training three people rather than one.

We do have some concerns about the way the bill is drafted at this point that we believe might permit an undue concentration of job training funds on one person and not require the level of employer contribution that ought to be contributed. The AFL/CIO, for example, has expressed this concern, and I would echo it, and I would urge the majority to work with us and with the Department of Labor and those in the other body who are interested to try to reconcile this difference as we go forward. But we shall, indeed, go forward.

I would commend both of my gentlemen from California, Mr. MCKEON and Mr. RADANOVICH. I guess the author of this bill is proving that we are putting new wine in new bottles, given his background as a vintner. I must say I speak as the brother-in-law of a fellow vintner, so I immediately appreciated the work of the gentleman from California (Mr. RADANOVICH). I salute the efforts of the gentleman from California (Mr. MCKEON).

So having duly noted the concerns of the overconcentration of resources on a few people, I would commend the positive aspects of this bill. I thank the Department of Labor for its input.

Madam Speaker, since I have no further speakers, I yield back the balance of my time.

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

The SPEAKER pro tempore (Mrs. MORELLA). The question is on the motion offered by the gentleman from California (Mr. MCKEON) that the House suspend the rules and pass the bill, H.R. 4216, as amended.

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

The title of the bill was amended so as to read:

''A bill to amend the Workforce Investment Act of 1998 to expand the flexibility of customized training, and for other purposes.''.

A motion to reconsider was laid on the table.

INDEPENDENT TELECOMMUNICATIONS CONSUMER ENHANCEMENT ACT OF 2000

Mrs. CUBIN. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 3850) to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the Nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3850

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 ''Independent Telecommunications Consumer Enhancement Act of 2000''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) The Telecommunications Act of 1996 was enacted to foster the rapid deployment of advanced telecommunications and information technologies and services to all Americans by promoting competition and reducing regulation in telecommunications markets nationwide.

(2) The Telecommunications Act of 1996 specifically recognized the unique abilities and circumstances of local exchange carriers with fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide.

(3) Given the markets two percent carriers typically serve, such carriers are uniquely positioned to accelerate the deployment of advanced services and competitive initiatives for the benefit of consumers in less densely populated regions of the Nation.

(4) Existing regulations are typically tailored to the circumstances of larger carriers and therefore often impose disproportionate burdens on two percent carriers, impeding such carriers' deployment of advanced telecommunications services and competitive initiatives to consumers in less densely populated regions of the Nation.

(5) Reducing regulatory burdens on two percent carriers will enable such carriers to devote additional resources to the deployment of advanced services and to competitive initiatives to benefit consumers in less densely populated regions of the Nation.

(6) Reducing regulatory burdens on two percent carriers will increase such carriers' ability to respond to marketplace conditions, allowing them to accelerate deployment of advanced services and competitive initiatives to benefit consumers in less densely populated regions of the Nation.

(b) PURPOSES.—The purposes of this Act are—

(1) to accelerate the deployment of advanced services and the development of competition in the telecommunications industry for the benefit of consumers in all regions of the Nation, consistent with the Telecommunications Act of 1996, by reducing regulatory burdens on local exchange carriers with fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide;

(2) to improve such carriers' flexibility to undertake such initiatives; and

(3) to allow such carriers to redirect resources from paying the costs of such regulatory burdens to increasing investment in such initiatives.

SEC. 3. DEFINITION.

Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended—

(1) by redesignating paragraphs (51) and (52) as paragraphs (52) and (53), respectively; and

(2) by inserting after paragraph (50) the following:

''(51) TWO PERCENT CARRIER.—The term 'two percent carrier' means an incumbent local exchange carrier within the meaning of section 251(h) that has fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide.''.

SEC. 4. REGULATORY RELIEF FOR TWO PERCENT CARRIERS.

Title II of the Communications Act of 1934 is amended by adding at the end thereof a new part IV as follows:

''PART IV—PROVISIONS CONCERNING TWO PERCENT CARRIERS

''SEC. 281. REDUCED REGULATORY REQUIREMENTS FOR TWO PERCENT CARRIERS.

''(a) COMMISSION TO TAKE INTO ACCOUNT DIFFERENCES.—In adopting rules that apply to incumbent local exchange carriers (within the meaning of section 251(h)), the Commission shall separately evaluate the burden that any proposed regulatory, compliance, or reporting requirements would have on two percent carriers.

''(b) EFFECT OF RECONSIDERATION OR WAIVER.—If the Commission adopts a rule that applies to incumbent local exchange carriers and fails to separately evaluate the burden that any proposed regulatory, compliance, or reporting requirement would have on two percent carriers, the Commission shall not enforce the rule against two percent carriers unless and until the Commission performs such separate evaluation.

''(c) ADDITIONAL REVIEW NOT REQUIRED.—Nothing in this section shall be construed to require the Commission to conduct a separate evaluation under subsection (a) if the rules adopted do not apply to two percent carriers, or such carriers are exempted from such rules.

''(d) SAVINGS CLAUSE.—Nothing in this section shall be construed to prohibit any size-based differentiation among carriers mandated by this Act, chapter 6 of title 5, United States Code, the Commission's rules, or any other provision of law.

''(e) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any rule adopted on or after the date of enactment of this section.

''SEC. 282. LIMITATION OF REPORTING REQUIREMENTS.

''(a) LIMITATION.—The Commission shall not require a two percent carrier—

''(1) to file cost allocation manuals or to have such manuals audited, but a two percent carrier that qualifies as a class A carrier shall annually certify to the Commission that the two percent carrier's cost allocation complies with the rules of the Commission; or

''(2) to file Automated Reporting and Management Information Systems (ARMIS) reports.

''(b) PRESERVATION OF AUTHORITY.—Except as provided in subsection (a), nothing in this Act limits the authority of the Commission to obtain access to information under sections 211, 213, 215, 218, and 220 with respect to two percent carriers.

''SEC. 283. INTEGRATED OPERATION OF TWO PERCENT CARRIERS.

''The Commission shall not require any two percent carrier to establish or maintain a separate affiliate to provide any common carrier or noncommon carrier services, including local and interexchange services, commercial mobile radio services, advanced services (within the meaning of section 706 of the Telecommunications Act of 1996), paging, Internet, information services or other enhanced services, or other services. The Commission shall not require any two percent carrier and its affiliates to maintain separate officers, directors, or other personnel, network facilities, buildings, research and development departments, books of account, financing, marketing, provisioning, or other operations.

''SEC. 284. PARTICIPATION IN TARIFF POOLS AND PRICE CAP REGULATION.

''(a) NECA POOL.—The participation or withdrawal from participation by a two percent carrier of one or more study areas in the common line tariff administered and filed by the National Exchange Carrier Association or any successor tariff or administrator shall not obligate such carrier to participate or withdraw from participation in such tariff for any other study area.

''(b) PRICE CAP REGULATION.—A two percent carrier may elect to be regulated by the Commission under price cap rate regulation, or elect to withdraw from such regulation, for one or more of its study areas at any time. The Commission shall not require a carrier making an election under this paragraph with respect to any study area or areas to make the same election for any other study area.

''SEC. 285. DEPLOYMENT OF NEW TELECOMMUNICATIONS SERVICES BY TWO PERCENT COMPANIES.

''The Commission shall permit two percent carriers to introduce new interstate telecommunications services by filing a tariff on one day's notice showing the charges, classifications, regulations and practices therefor, without obtaining a waiver, or make any other showing before the Commission in advance of the tariff filing. The Commission shall not have authority to approve or disapprove the rate structure for such services shown in such tariff.

''SEC. 286. ENTRY OF COMPETING CARRIER.

''(a) PRICING FLEXIBILITY.—Notwithstanding any other provision of this Act, any two percent carrier shall be permitted to deaverage its interstate switched or special access rates, file tariffs on one day's notice, and file contract-based tariffs for interstate switched or special access services immediately upon certifying to the Commission that a telecommunications carrier unaffiliated with such carrier is engaged in facilities-based entry within such carrier's service area.

''(b) PRICING DEREGULATION.—Notwithstanding any other provision of this Act, upon receipt by the Commission of a certification by a two percent carrier that a local exchange carrier that is not a two percent carrier is engaged in facilities-based entry within the two percent carrier's service area, the Commission shall regulate such two percent carrier as non-dominant, and therefore shall not require the tariffing of the interstate service offerings of such two percent carrier.

''(c) PARTICIPATION IN EXCHANGE CARRIER ASSOCIATION TARIFF.—A two percent carrier that meets the requirements of subsection (a) or (b) of this section with respect to one or more study areas shall be permitted to participate in the common line tariff administered and filed by the National Exchange Carrier Association or any successor tariff or administrator, by electing to include one or more of its study areas in such tariff.

''(d) DEFINITIONS.—For purposes of this section:

''(1) FACILITIES-BASED ENTRY.—The term 'facilities-based entry' means, within the service area of a two percent carrier—

''(A) the provision or procurement of local telephone exchange switching capability; and

''(B) the provision of local exchange service to at least one unaffiliated customer.

''(2) CONTRACT-BASED TARIFF.—The term 'contract-based tariff' shall mean a tariff based on a service contract entered into between a two percent carrier and one or more customers of such carrier. Such tariff shall include—

''(A) the term of the contract, including any renewal options;

''(B) a brief description of each of the services provided under the contract;

''(C) minimum volume commitments for each service, if any;

''(D) the contract price for each service or services at the volume levels committed to by the customer or customers;

''(E) a brief description of any volume discounts built into the contract rate structure; and

''(F) a general description of any other classifications, practices, and regulations affecting the contract rate.

''(3) SERVICE AREA.—The term 'service area' has the same meaning as in section 214(e)(5).

"SEC. 287. SAVINGS PROVISIONS.

"(a) COMMISSION AUTHORITY.—Nothing in this part shall be construed to restrict the authority of the Commission under sections 201 through 205 and 208.

"(b) RURAL TELEPHONE COMPANY RIGHTS.—Nothing in this part shall be construed to diminish the rights of rural telephone companies otherwise accorded by this Act, or the rules, policies, procedures, guidelines, and standards of the Commission as of the date of enactment of this section.".

SEC. 5. LIMITATION ON MERGER REVIEW

(a) AMENDMENT.—Section 310 of the Communications Act of 1934 (47 U.S.C. 310) is amended by adding at the end the following:

"(f) DEADLINE FOR MAKING PUBLIC INTEREST DETERMINATION.—

"(1) TIME LIMIT.—In connection with any merger between two percent carriers, or the acquisition, directly or indirectly, by a two percent carrier or its affiliate of the securities or assets of another two percent carrier or its affiliate, the Commission shall make any determination required by subsection (d) of this section or section 214 not later than 60 days after the date an application with respect to such merger is submitted to the Commission.

"(2) APPROVAL ABSENT ACTION.—If the Commission does not approve or deny an application as described in paragraph (1) by the end of the period specified, the application shall be deemed approved on the day after the end of such period. Any such application deemed approved under this subsection shall be deemed approved without conditions.".

(b) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any application that is submitted to the Commission on or after the date of enactment of this Act. Applications pending with the Commission on the date of enactment of this Act shall be subject to the requirements of this section as if they had been filed with the Commission on the date of enactment of this Act.

SEC. 6. TIME LIMITS FOR ACTION ON PETITIONS FOR RECONSIDERATION OR WAIVER.

(a) AMENDMENT.—Section 405 of the Communications Act of 1934 (47 U.S.C. 405) is amended by adding to the end the following:

"(c) EXPEDITED ACTION REQUIRED.—

"(1) TIME LIMIT.—Within 90 days after receiving from a two percent carrier a petition for reconsideration filed under this section or a petition for waiver of a rule, policy, or other Commission requirement, the Commission shall issue an order granting or denying such petition. If the Commission fails to act on a petition for waiver subject to the requirements of this section within this 90-day period, the relief sought in such petition shall be deemed granted. If the Commission fails to act on a petition for reconsideration subject to the requirements of this section within this 90 day period, the Commission's enforcement of any rule the reconsideration of which was specifically sought by the petitioning party shall be stayed with respect to that party until the Commission issues an order granting or denying such petition.

"(2) FINALITY OF ACTION.—Any order issued under paragraph (1), or any grant of a petition for waiver that is deemed to occur as a result of the Commission's failure to act under paragraph (1), shall be a final order and may be appealed.".

(b) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any petition for reconsideration or petition for waiver that is submitted to the Commission on or after the date of enactment of this Act. Pending petitions for reconsideration or petitions for waiver shall be subject to the requirements of this section as if they had been filed on the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Wyoming (Mrs. CUBIN) and the gentleman from Tennessee (Mr. GORDON) each will control 20 minutes.

The Chair recognizes the gentlewoman from Wyoming (Mrs. CUBIN).

GENERAL LEAVE

Mrs. CUBIN. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3850, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Wyoming?

There was no objection.

Mrs. CUBIN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I introduced H.R. 3850 to lessen the burdens on small and mid-size telephone companies and to allow them to shift more of their resources to deploying advanced telecommunications services to consumers in all areas of the country.

Small and mid-size companies are truly that. While the more than 1,200 small and mid-size companies serve less than 10 percent of the Nation's lines, they cover a much larger percentage of rural markets and are located in or near most major markets in the country.

Some of these telephone companies are mom and pop operations, typically serving rural areas of the country where most other carriers fear to tread, in high cost places where it is much less profitable than in more populated areas.

In 1996, Congress passed historic legislation in the form of the Telecommunications Act.

Section 706 of the act sent a clear message to the American people and to the Federal Communications Commission that the deployment of new telecommunications services in rural areas around the country must happen quickly and without delay.

Unfortunately, the FCC has not made it any easier for small telephone companies to deploy advanced services in rural areas. In some cases, they have actually made it more difficult. The reason is that the FCC, more often than not, uses a one-size-fits-all model in regulating Incumbent Local Exchange Carriers.

This type of model may be fine for the big companies that have the ability to hire legions of attorneys and staff to interpret and ensure compliance with Federal rules. However, I for one would rather see the small and mid-size companies use their resources to deploy new services and make investment in their telecommunications infrastructure.

Two examples of these burdensome FCC requirements are CAM and ARMIS reports. These reports separately cost about $500,000 to compile and would equate to a small telephone company installing a DSLAM or other facilities to provide high-speed Internet services to customers in rural areas.

Just to give my colleagues an example of how burdensome these reports are, the commission's instructions for filing the reports are over 900 pages long. More often than not, the FCC, according to their own testimony, does not refer to these reports and, in some cases, simply ignores the data filed by the mid-size companies.

Let me be very clear, because this is very important. The bill does nothing to restrict the commission's authority to request this or any other data that it sees fit.

I want to be fair. The FCC should be commended for their efforts to bring some of these reporting requirements down to a reasonable level. They have made advances in their area. In fact, during our hearing on this legislation, the FCC told the Committee on Telecommunications, Trade and Consumer Protection that it may be issuing a notice of proposed rulemaking on the reporting requirements for 2 percent companies sometime this fall.

The problem, though, is that the agency's time frame on issuing these proposed rules has changed like the Wyoming winds. It is time that those obligations are met, and this legislation would solidify what the FCC has already promised to do for a long time.

In addition, I want everyone to know that we have bent over backwards to accommodate many of the initial concerns that some Members had with this legislation and have incorporated a majority of their helpful suggestions. And for their suggestions, I am very grateful because I think that the legislation has been improved.

Some of the changes that were adopted during the Committee on Commerce's consideration of the bill took into account several technical provisions that will continue to allow the FCC to do its job but in a way that still ensures that small and mid-size companies are treated differently than the huge companies.

In closing, Madam Speaker, I want to state for the record what this legislation does and what it does not do. Number one, the bill does not re-open the 1996 act. It does not fully deregulate 2 percent carriers. It does not impact regulations dealing with large local carriers. It would, however, be the first freestanding legislation that would modernize regulations of 2 percent carriers. It would accelerate competition in many small to mid-size markets, accelerate the deployment of new advanced telecommunications services in rural areas, and benefit consumers by allowing 2 percent carriers to redirect their resources to network investment and to new services.

Madam Speaker, this legislation is critical for rural areas across the country where these small telephone companies operate. Without this bill, these 2 percent companies will continue to be burdened with this one-size-fits-all regulatory approach that has kept them from providing rural areas with what they need most, and that is a piece of

the new economy based on telecommunications.

Madam Speaker, I want to thank very sincerely the members of the Committee on Commerce, the staff, and my own staff for their help in moving this bill. I ask my colleagues to support this important piece of legislation.

Madam Speaker, I reserve the balance of my time.

□ 1700

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

I rise today in support of legislation of which I am an original cosponsor, H.R. 3850, the Independent Telecommunications Consumer Enhancement Act. It is this type of legislation that represents what can be accomplished by working with Members on both sides of the aisle to find consensus. Working together with my colleague, the gentlewoman from Wyoming (Mrs. CUBIN), we were able to craft this bipartisan bill which I believe is a practical step that we can take this year to address the growing digital divide in our Nation's rural areas.

H.R. 3850 provides targeted regulatory relief to small and midsized independent telephone companies that serve fewer than 2 percent of the Nation's phone lines. Allowing such companies to devote more resources to deploying high speed data services to their customers, these carriers are uniquely positioned to play a large role in the development of advanced services to consumers in rural and small communities. Unfortunately, they are wasting resources complying with one-size-fits-all regulations originally intended for the larger carriers.

H.R. 3850 would eliminate unnecessary reporting requirements, make it easier for small and midsized companies to introduce new advanced services and give them the flexibility to lower prices in response to competition from larger companies. Finally, it would ensure that FCC take into account the burden on smaller businesses when it implements Federal Rules in the future.

Instead of spending money on complying with useless regulations, this bill will allow companies to devote more of their resources to rolling out new advanced services to rural communities.

H.R. 3850 is a common sense step we can take to close the digital divide in rural areas, and I urge my colleagues to support it.

Madam Speaker, I reserve the balance of my time.

Mrs. CUBIN. Madam Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. DEAL).

Mr. DEAL of Georgia. Madam Speaker, I thank the gentlewoman for yielding me this time.

In the 1996 Telecommunications Act, one of the purposes, and the primary purpose, was to deregulate the issue of telecommunications in this country, but we have not deregulated the regulators. I commend the gentlewoman for bringing this bill because it attempts to take one further step in the direction of dealing with the monopolistic system that we have now said the barriers must be removed from.

As long as regulations are in place with a one-size-fits-all approach, these smaller providers, in this case those with 2 percent or less of the providing capacity in this country, are faced with regulations that really make their operations sometimes prohibitive. I commend the gentlewoman for offering this bill to remove these regulatory restraints because many of these small 2 percent or less of the carrier providers are located in States like hers and in rural areas of a State like mine. They are the ones who need to devote their funding and their resources to an infrastructure development, because without that they cannot be competitive with the bigger competitors in the marketplace.

So I support this legislation, and I again thank the gentlewoman for yielding me this time.

Mr. GORDON. Madam Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. BARRETT), a cosponsor of this legislation.

Mr. BARRETT of Wisconsin. Madam Speaker, I am pleased to join my colleagues from the Committee on Commerce in support of the Independent Telecommunications Consumer Enhancement Act.

Along with the gentleman from Tennessee (Mr. GORDON) and the gentleman from Mississippi (Mr. PICKERING), I am an original cosponsor of the bill that was introduced by the gentlewoman from Wyoming (Mrs. CUBIN) last year. This bipartisan bill, which was approved in committee on a voice vote, would relax some of the FCC's one-size-fits-all regulations for our Nation's small and midsized local telephone companies; those with less than 2 percent of the Nation's phone lines.

These companies serve communities across the country and are poised to offer broadband and other advanced services to customers who are often outside the scope of the larger companies. This bill will reduce paperwork for the smaller companies, increase their pricing flexibility, and allow them to bundle services on one bill all without reopening the 1996 Telecommunications Act.

In my State of Wisconsin, 81 of 83 companies providing local phone service are classified as 2 percent companies. By freeing these companies from portions of a regulatory system designed with much larger companies in mind, we will be taking an important first step toward bridging the digital divide by allowing for increasing investment in Internet facilities in rural and suburban areas. I urge all Members to support this common sense legislation.

Mrs. CUBIN. Madam Speaker, I yield myself such time as I may consume and just close by saying that I sincerely appreciate the efforts of the Committee on Commerce staff, both the majority and the minority, and the original cosponsors, the gentleman from Tennessee (Mr. GORDON), the gentleman from Wisconsin (Mr. BARRETT), and the gentleman from Mississippi (Mr. PICKERING) for their work on this bill.

Also, I wish to extend my thanks to the gentleman from Massachusetts (Mr. MARKEY) and his staff, who have been very cooperative and have helped us make changes to the legislation that make it better legislation.

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

Mr. GORDON. Madam Speaker, I yield myself such time as I may consume and will just quickly conclude by saying that I concur with the accolades of the gentlewoman from Wyoming (Mrs. CUBIN), and would also again thank her for her initiative in this area.

Mr. MARKEY. Madam Speaker, I want to start off by thanking Mrs. CUBIN, Mr. GORDON, Chairman TAUZIN, Mr. DINGELL, and Chairman BLILEY for being responsive to many of the concerns that have been raised about the underlying bill.

The bill being offered today contains many helpful clarifications and changes embodied in it that were in response to concerns I have raised about the measure. I believe that in its current form it will clarify the ability of the Commission to protect consumers and safeguard competitive gains in many of its provisions.

I would like to focus my remarks on a couple of areas that I suggest need additional refinement and that I hope can be dealt with prior to sending this bill to the President.

The first has to do with the pricing flexibility and pricing deregulation provision of the bill. The substitute will continue to allow pricing deregulation upon the advent of facilities-based competition in a given service area. The facilities-based competitor however is only required to have at least one—I repeat, one sole customer. Hopefully they will have more but the point is that competition may arrive, but may not be robust or effective in constraining prices.

This concern, I suggest, is heightened in those areas where a company may still be subject to rate-of-return regulation rather than price cap regulation. Regardless of what level of competition triggers pricing flexibility we must be cognizant of the serious repercussions that may result in situations where a carrier remains rate of return regulated.

In other words, consumers in those areas that are not subject to effective competition and receive service from a rate-of-return company run the risk of price increases. There's no guarantee that prices may go up but there is certainly a risk.

The FCC testimony with respect to this legislation highlighted this risk. The FCC testimony the Telecommunications Subcommittee was given is as follows:

[A] grant of pricing flexibility to rate-of-return carriers without the implementation

of protections comparable to those adopted by the FCC with regard to price cap carriers could be particularly problematic. Rate-of-return regulation would allow such carriers to raise rates on other customers sufficiently to maintain the authorized level of return while they lower prices for contract customers.

This pricing deregulation is not going to affect directly any consumer in my congressional district, but I would suggest to the rural members of the House that they may want to take another look at this pricing deregulation and refine it further because I believe—and the FCC clearly believes—that it runs the risk of allowing unnecessary and unjustified price hikes.

The second issue I want to highlight is the merger review section. This section states that any review involving a so-called 2 percent carrier must be approved or denied by the condition within 60 days. I understand that the companies do not want merger reviews to drag on for years, but I would suggest that 60 days is too short and unrealistic.

While I believe the Commission is itself streamlining its process, if the majority is insistent on having a merger review ''shot clock'' I would suggest giving the Commission a greater period of time. In addition, at our merger review hearing Commissioner Powell made what I thought was a reasonable suggestion. He noted that often companies will amend their initial applications, often late in a review and after public comment. He suggested some flexibility for the FCC to extend the review.

I would suggest, therefore, something that would allow a one-time extension if a majority of the Commission voted to extend the review—of if the filing company itself requested an extension. I think this is a more reasonable way to proceed because in my view 60 days is frankly too short a time and does not sufficiently protect the public interest.

I hope we can continue our dialogue about these issues and others and make additional changes as we proceed on this bill in the future. Thank you.

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

The SPEAKER pro tempore (Mrs. MORELLA). The question is on the motion offered by the gentlewoman from Wyoming (Mrs. CUBIN) that the House suspend the rules and pass the bill, H.R. 3850, as amended.

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

A motion to reconsider was laid on the table.

RECOGNIZING SEVERITY OF DISEASE OF COLON CANCER

Mrs. CUBIN. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 133) recognizing the severity of the disease of colon cancer, the preventable nature of the disease, and the need for education in the areas of prevention and early detection, and for other purposes.

The Clerk read as follows:

H. CON. RES. 133

Whereas colorectal cancer is the second leading cause of cancer deaths in the United States for men and women combined;

Whereas it is estimated that in 1999, 129,400 new cases of colorectal cancer will be diagnosed in men and women in the United States;

Whereas the disease is expected to kill 56,600 individuals in this country in 1999;

Whereas adopting a healthy diet at a young age can significantly reduce the risk of developing colorectal cancer;

Whereas research has shown that a high fiber, low fat diet, with minimal amounts of red meat and maximum amounts of fruits and vegetables, can significantly reduce the risk of developing colorectal cancer;

Whereas colorectal cancer is increasingly diagnosed in individuals below age 50;

Whereas regular screenings can save large numbers of lives;

Whereas the Centers for Disease Control and Prevention, the Health Care Financing Administration, and the National Cancer Institute have initiated the Screen for Life Campaign, targeted at individuals age 50 and older, to spread the message of the importance of colorectal cancer screening tests; and

Whereas education can help inform the public of methods of prevention and symptoms of early detection: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) recognizes—

(A) the severity of the issue of colorectal cancer;

(B) the preventable nature of the disease;

(C) the importance of the Screen for Life Campaign; and

(2) calls on health educators, elected officials, and the people of the United States—

(A) to broaden the message of the Screen for Life Campaign to reach all individuals; and

(B) to learn about colorectal cancer and its preventive nature, and learn to recognize the risk factors and symptoms which enable early detection and treatment.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Wyoming (Mrs. CUBIN) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentlewoman from Wyoming (Mrs. CUBIN).

GENERAL LEAVE

Mrs. CUBIN. Madam 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 House Concurrent Resolution 133, now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Wyoming?

There was no objection.

Mrs. CUBIN. Madam Speaker, I yield myself such times as I may consume.

Madam Speaker, I rise in support of House Concurrent Resolution 133, which recognizes the importance of preventing deaths from colorectal cancer. Colorectal cancer is the second most common cause of cancer deaths in the United States. About 56,500 people die from colorectal cancer each year in the United States. The chance of cure is clearly related to the stage of the disease. Early cancers have an excellent prognosis, while advanced cancers have a poor prognosis.

Often, colorectal cancer does not give any symptoms until rather late in the disease. I have been touched personally by this disease, having lost a dear friend to the disease, when had it been diagnosed earlier, surely it would have been curable. By screening for colorectal cancer, cancers can be detected at a very early stage, when they are clearly curable.

Several studies have shown that screening for colorectal cancer by checking for blood in the stools reduces death in these cancer patients by 15 to 30 percent. Screening for colorectal cancer is now recommended in the United States for all people over 50 years or older without any symptoms of colorectal disease and no other risk factors.

Colorectal cancer screening is an area in which the House Committee on Commerce has been very active. Under changes made in 1997, the Medicare program authorized coverage of and established frequency limits for colorectal cancer screening tests. As a part of our work with the House leadership in coming up with a Medicare package we can all be proud of, the Committee on Commerce reported out provisions in H.R. 5291, the Beneficiary Improvement and Protection Act, that would give consumers more choices and control in the kind of colorectal cancer screening services they can choose. The provision would permit an individual to elect to receive a screening colonoscopy, which is more expensive but more thorough, instead of a screening sigmoidoscopy.

There are many other fine provisions in H.R. 5291 that would go a long way to improving the life for those Americans on Medicare facing an uncertain future of colorectal cancer.

Madam Speaker, I thank the cosponsors of House Concurrent Resolution 133 for their leadership on this issue and in cancer awareness in general, and I urge my colleagues to pass this resolution on the floor today.

Madam Speaker, I reserve the balance of my time.

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

Madam Speaker, colon and rectal cancers are the second leading cause of cancer-related deaths in the United States. This year alone, more than 130,000 Americans will be diagnosed with colon cancer and colorectal cancer. Ninety percent of these cancers occur in people over the age of 50. Six percent of people age 75 to 80 have had colorectal cancer at some point in their life; one out of 16.

The good news is that the odds of beating colorectal cancer go up significantly with early detection. With that in mind, the American Cancer Society recently updated its screening guidelines to increase early detection. In addition, Medicare has expanded coverage of screening tests.

It is hoped these changes, along with new screening methods being tested,

will prompt more people to talk with their doctor about screening. These are positive steps, but we clearly have more to do. In many ways we are just starting to spread the word about colon cancer.

Madam Speaker, I fully support passage of this resolution. I thank the gentleman from Virginia (Mr. MORAN) for his good work on this resolution, and this resolution affirms our commitment to fight this disease until we eliminate it.

At the same time, while this Congress again today passes a resolution exhorting people to get tested, exhorting early detection and education and all the things that we need to do, this Congress has again failed to pass prescription drug legislation; it has again failed to pass Ryan White; it has again failed to pass a Patient's Bill of Rights, and failed to provide funding for breast and cervical treatment, precancer treatment, which is a cruel hoax on those without insurance who have been tested and screened for breast and cervical cancer and, where it has been detected that they actually have cancer, there is no money for the actual treatment.

Madam Speaker, I support H. Con. Res. 133; and I urge its adoption.

Madam Speaker, I reserve the balance of my time.

Mrs. CUBIN. Madam Speaker, I yield such time as he may consume to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Madam Speaker, we use a lot of figures; we talk about millions of people, we talk about a half million people dying. I want to talk about a city of 100,000 people. In a city of 100,000 people, 50 people this year will develop colorectal cancer. Now, of those people, most all of them, if not all of them, have precancerous growths or polyps, and those polyps are in their rectum or colon, what we used to call the large bowel, for some time. Many years. In fact, I was examined and they found a polyp and they removed the polyp.

Now, there are screening tests available today where these precancerous growths can be found. They are very simple tests. One is an occult blood test, which finds microscopic blood, and they can easily be found. And if an individual is screened, and if these polyps are found, they can easily be removed and it reduces the chances of getting colorectal cancer by 90 percent. The national polyp study showed that.

So our first defense against this disease that costs so many lives is simply that people over the age of 50, all our citizens, should go in and discuss with their doctors screening.

□ 1715

Their chances will be reduced immediately by 90 percent of even developing a small tumor. But let us just suppose that these 50 out of 100,000 people that would have developed cancer do not go in. If they do not go in and they do develop a small tumor, still when they begin having symptoms, and let me stress that in the early stages, there are no symptoms that are detectable. So you cannot rely on waiting around for symptoms to develop. That is why we need screening, and that is why everyone over the age of 50 ought to have screening.

But suppose that they are not screened. Suppose they develop a small tumor. Then there are two things that happen. They have a discharge of blood, and it can be something that can be seen but oftentimes it is microscopic. They also have a change in their bowel movements or their bowel habits, diarrhea, constipation, change in frequency, change in size. These are early warning signs. Unfortunately in this country even when people detect blood in their stool, even when they have a change of bowel habits, they often do not do anything. They are not screened.

Now, let us suppose that they immediately respond; they go to their doctor, and there is a small growth there. They quickly go in. If they are fortunate to have caught it in that stage and responded immediately and it is still a small growth, their chances of surviving are still above 90 percent. But, sadly, all too often even when there are all sorts of signs, people do not do that. And in the second stage, their chances of survival are only 75 percent. And in the later stages only 5 percent. It is so important that we receive screening to prevent even the development of cancer as in my case, or the early treatment. Unfortunately, people that wait too long, even those that survive, often have a change in their bowel or their bladder functions or in their sexual functions by simply waiting too long, or by failing to have these simple tests that cost very little and can be performed in a doctor's office.

I commend those who brought this resolution. I am glad to join as a cosponsor. I simply say to Americans out there over the age of 50, you are at risk for developing colorectal cancer; but it can be prevented, and it can be treated. It just depends on every person and every family's commitment to responding, to taking these tests which are available. And it was so important that this Congress made available to our citizens the right to protect their health and to protect their bodies and to preserve their health by providing this service.

Mr. BROWN of Ohio. Madam Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Madam Speaker, I want to thank my colleague and friend, the gentleman from Ohio (Mr. BROWN), and the gentlewoman from Wyoming (Mrs. CUBIN) and my cosponsor of the resolution, the gentleman from Alabama (Mr. BACHUS), and the other cosponsors as well. I also want to thank the gentleman from Virginia (Mr. BLILEY) for letting this come up on the floor today.

H. Con. Res. 133 recognizes the severity of the disease of colon cancer, the preventable nature of the disease and the need for education in the areas of prevention and early detection. The consideration of this resolution comes in time for a very special event which will occur this Sunday, October 8, on the mall in Washington. I am speaking of the first-ever 5K WebMD Rock 'n Race to Fight Colon Cancer. Katie Couric, who suffered the loss of her husband to this disease, is the founder of this event. This walk will bring together people from across the country who want to show their support for victims, survivors, family members, and friends who have been touched by colon cancer.

Colon cancer is the number two cause of cancer death for both men and women combined. However, it is also one of the most preventable of cancers. In fact, when detected early, colon cancer is 90 percent curable. In the United States, as the gentleman from Alabama (Mr. BACHUS) said, more than 130,000 new cases of colorectal cancer are expected to be diagnosed and about 56,300 people will die from the disease this year. I guess that was the gentleman from Ohio (Mr. BROWN) that shared those statistics with us and those are absolutely accurate.

Many people are not aware of the prevalence and seriousness of colorectal cancer in men and women because the issue has not been freely discussed. Colorectal cancer is highly preventable through primary prevention strategies, such as diet, nutrition and exercise. In fact, adopting a healthy diet at a young age can significantly reduce the risk of even developing colorectal cancer at any point in your life. Research has shown that a high-fiber, low-fat diet with minimal amounts of red meat and maximum amounts of fruits and vegetables can significantly reduce the risk of developing colorectal cancer.

In addition to a healthy diet, regular screenings can save many of these lives. The Centers for Disease Control and Prevention, the Health Care Financing Administration, the National Cancer Institute, have initiated a Screen for Life campaign targeted at individuals age 50 and older to spread the message of the importance of colorectal cancer screening tests. We need to broaden the message of this Screen for Life campaign to reach all individuals and to save many of their lives.

As of today, 41 bipartisan Members have cosponsored this resolution which seeks to raise awareness of colorectal cancer. Colon cancer is a preventable disease. Colon cancer is a treatable disease. We need to at least do our part in spreading this message by passing this resolution.

I thank my colleagues for the opportunity to consider H. Con. Res. 133. I urge my colleagues to support this bipartisan resolution and to join their constituents who will be coming to

Washington this weekend for the WebMD Rock 'n Race.

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

Mrs. CUBIN. Madam Speaker, I yield myself such time as I may consume.

The subject that H. Con. Res. 133 addresses is not a pleasant issue to discuss, but something that is much, much, much less pleasant, which is horrible, in fact, is to be notified that someone you love has colorectal cancer and had they been diagnosed earlier, had they gone in earlier, it would have been curable but now it is not.

I think generally men have a harder time dealing with issues like this, and so I would like to really express my thanks to the gentlemen here today who have brought this issue up and have spoken on behalf of it, because it is a disease that is curable in most cases. I truly thank the gentleman from Ohio (Mr. BROWN), the gentleman from Virginia (Mr. MORAN), and the gentleman from Alabama (Mr. BACHUS) for their leadership on behalf of men and women as well.

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

The SPEAKER pro tempore (Mrs. MORELLA). The question is on the motion offered by the gentlewoman from Wyoming (Mrs. CUBIN) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 133.

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

A motion to reconsider was laid on the table.

MOTOR VEHICLE FRANCHISE CONTRACT ARBITRATION FAIRNESS ACT OF 2000

Mrs. BONO. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 534) to amend chapter 1 of title 9 of the United States Code to permit each party to certain contracts to accept or reject arbitration as a means of settling disputes under the contracts, as amended.

The Clerk read as follows:

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 ''Motor Vehicle Franchise Contract Arbitration Fairness Act of 2000''.

SEC. 2. ELECTION OF ARBITRATION.

(a) MOTOR VEHICLE FRANCHISE CONTRACTS.—Chapter 1 of title 9, United States Code, is amended by adding at the end the following:

''§ 17. Motor vehicle franchise contracts

''(a) For purposes of this section, the term—

''(1) 'motor vehicle' has the meaning given such term under section 30102(6) of title 49; and

''(2) 'motor vehicle franchise contract' means a contract under which a motor vehicle manufacturer, importer, or distributor sells motor vehicles to any other person for resale to an ultimate purchaser and authorizes such other person to repair and service the manufacturer's motor vehicles.

''(b) Whenever a motor vehicle franchise contract provides for the use of arbitration to resolve a controversy arising out of or relating to the contract, arbitration may be used to settle such controversy only if after such controversy arises both parties consent in writing to use arbitration to settle such controversy.

''(c) Whenever arbitration is elected to settle a dispute under a motor vehicle franchise contract, the arbitrator shall provide the parties to the contract with a written explanation of the factual and legal basis for the award.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 1 of title 9, United States Code, is amended by adding at the end the following:

''17. Motor vehicle franchise contracts.''.

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall apply to contracts entered into, amended, altered, modified, renewed, or extended after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Mrs. BONO) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentlewoman from California (Mrs. BONO).

GENERAL LEAVE

Mrs. BONO. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill under consideration.

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

There was no objection.

Mrs. BONO. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support of my legislation that will correct unfair auto dealer franchise agreements that are purposefully written in favor of the manufacturer. With over 250 cosponsors, this Congress has realized that America's community auto dealers are in a unique position in franchise law and that relief is needed.

In 1925, Secretary of Commerce Herbert Hoover said of the Federal Arbitration Act that was recently passed by Congress, ''If the bill proves to have some defects, and we know most legislative measures do, it might well, by reason of the emergency, be passed and amended later in the light of further experience.'' It is the result of ''further experience'' that brings us to amend the Federal Arbitration Act today.

Current business practice is that both the auto dealer and the manufacturer go through a process of mandatory binding arbitration in the case of a legal dispute. Unlike other forms of legal resolution, the auto dealer arbitration process has no jury, no rules of evidence or appeals process. H.R. 534, however, would simply make this mandatory binding arbitration in motor vehicle franchise contracts voluntary.

It is our turn to amend the Federal Arbitration Act and return some of the power back to the States. In my home State of California, there are numerous State laws that cover motor vehicle franchise contracts and sufficient State forums to hear the legal disputes that may arise from these agreements.

However, California's efforts to preserve the right of its auto franchisees to obtain a fair hearing for claims brought under the California franchise investment law have been preempted by Federal law. Because State laws to provide auto dealer protections are currently prohibited, it is now appropriate to revisit this issue.

Madam Speaker, many vehicle manufacturers already have inserted mandatory binding arbitration clauses in their standard dealer agreements. With broad power to unilaterally amend their dealer agreements without dealer input at any point, every manufacturer could force mandatory binding arbitration on its dealers tomorrow.

Madam Speaker, I would like to thank the gentleman from Illinois (Mr. HYDE) for his leadership and the gentleman from Massachusetts (Mr. DELAHUNT) for his dedication to see this legislation passed into law. It has been with his hard work and bipartisan spirit that this bill has made it to the floor of the House today. I would also like to take this opportunity to thank the gentleman from Pennsylvania (Mr. GEKAS), the subcommittee chairman, for his effort and leadership on this issue. The gentleman from Pennsylvania has been a true leader in the Subcommittee on Commercial and Administrative Law since I have been a Member, and I have appreciated his counsel and friendship in my 2 years on this committee.

I would like to thank Jim Hall on my staff and Chris Katopis and Ray Smietanka on the Judiciary staff as well.

Madam Speaker, I reserve the balance of my time.

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

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

Mr. CONYERS. Madam Speaker, I rise in strong support of this very important measure which would amend the Federal Arbitration Act to permit parties to automobile manufacturers and automobile dealer agreements to accept or reject arbitration of disputes. Essentially, H.R. 534 prohibits binding arbitration in contracts between automobile manufacturers and automobile dealers.

This legislation deals with an increasing problem of motor vehicle manufacturers forcing small business automobile and truck dealers into non-negotiated agreements containing mandatory binding arbitration clauses. As a result of these clauses, binding arbitration becomes the sole remedy for resolving disputes between the manufacturer and the dealer. Although arbitration is a valuable form of alternative dispute resolution, when its use is

forced upon automobile dealers, they are denied use of courts and other state forums otherwise available to resolve such disputes. Such restrictive contractual terms are frequently proffered to the dealer on a "take it or leave it" basis with the threat of loss of manufacturer support for the dealer.

H.R. 534 responds to this problem by allowing the use of arbitration as a method to settle contract controversies if both parties consent in writing. This would ensure that dealers are not forced to give up their legal rights to obtain or maintain their business. In addition, this legislation will send a strong message regarding the inequitableness of mandatory binding arbitration and will act as an incentive for broader legislation that prohibits mandatory arbitration contract clauses for consumers as well.

Requiring dealers to agree to mandatory binding arbitration as a condition of obtaining, renewing, or maintaining their dealership is contrary to fundamental fairness. The intent of this proposed legislation is to make arbitration of disputes between dealers and manufacturers absolutely voluntary and I support it wholeheartedly.

Madam Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. I thank the gentleman for yielding me this time.

Madam Speaker, I rise in support of H.R. 534. I particularly want to commend my friend and colleague, the gentlewoman from California, for her authorship and her fine work on this very significant bill before us. This bill is about fairness, the most American of virtues, if you will. It is really, truly about preserving local businesses that are a cornerstone in our communities.

□ 1730

For small business, arbitration is often an effective alternative to going to court to settle disputes, and where arbitration is in their interests, sensible business people will generally agree to do that. But they do not need to be coerced. Chances are that when coercion is involved, it is because the party with greater leverage stands to gain from a procedure that deprives the other party of its rights and remedies under State law, laws that were enacted to protect the less powerful from predatory practices.

By passing H.R. 534, we can level the playing field, so that both the manufacturer and the dealer are free to negotiate dispute resolution procedures that are truly voluntary and truly in their mutual interest. Some have charged that this interferes with freedom of contract. Nothing could be further from the truth, unless you define ''freedom of contract'' as the freedom of giant multinational auto makers to impose one-sided, take-it-or-leave-it contracts on small, locally owned dealerships.

Let us pause and remember who these local dealers are. They are the people who sustain our local economies, who offer valuable goods and services to consumers and provide jobs, and they pay taxes. They are the people who contribute to their communities in ways that cannot be measured in terms of dollars and cents.

It is the local dealer who sponsors the little league team; it is the local auto dealer who funds the after-school programs, and church picnics, and food banks, and domestic violence shelters. It is the local auto dealer who is often the president of the local chamber of commerce and also the chairman of the United Way.

The people we are talking about are an integral part of the fabric of our communities. They are truly a mainstay of the American way of life, and they are slowly, inexorably being squeezed out by economic forces that they cannot control, but by forces we can control.

We have heard a lot about globalization lately, and many of us are frustrated by our inability to temper its negative effects on the health of our communities. The use by large corporations of unfair, unbalanced franchise agreements is only one of those effects; but it is one that we can address, and we do it with this bill.

Some have complained that the bill does not go far enough, that consumers and other segments of the small business community deserve comparable attention. Well, they are right, but that is not an argument against this bill. It is an argument, in fact, in favor of it. But by passing H.R. 534 we will be raising the bar for what constitutes fair dealing in all commercial relationships and setting a precedent that will ultimately lead to greater fairness and greater freedom for all.

Again, I conclude by thanking the sponsor of this bill for her outstanding work, and urge its enactment.

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. BARRETT).

Mr. BARRETT of Wisconsin. Mr. Speaker, I rise today in strong support of H.R. 534, the Fairness and Voluntary Arbitration Act. I am proud to be one of the 252 cosponsors this bill introduced by the gentlewoman from California (Mrs. BONO), and I congratulate her for taking the leadership on this issue.

H.R. 534 would correct what many of us see as a serious problem. When disputes arise between automobile manufacturers and dealers, the manufacturers are able to enforce mandatory arbitration provisions in their contracts. Quite simply, this bill would specify that binding arbitration is an option only if both sides agree to go in that direction.

The relationship between automobile manufacturers and dealers has often been one-sided over the years, with manufacturers enjoying substantial bargaining advantages over dealers, many of whom are small businesses. Dealers often have no choice but to sign a contract that includes mandatory binding arbitration, further eroding their rights.

This is an issue of fairness for small businesses, who should not be forced into binding arbitration against their will. I urge my colleagues to pass this bill.

Mr. GEKAS. Mr. Speaker, the Judiciary Committee has reported H.R. 534, a bill that allows parties who have signed motor vehicle franchise contracts containing arbitration clauses to accept or reject arbitration as a means of settling their contractual disputes.

Arbitration is an increasingly common form of dispute settlement where parties submit their contractual claims for resolution by a neutral arbitrator. Arbitration and other forms of alternative dispute resolution have greatly reduced formal litigation costs while providing parties with a fair, efficient, and timely venue to resolve their disputes.

Some parties, however, claim that arbitration may be burdensome and unfair. Motor vehicle dealers in particular have complained that manufacturers use superior bargaining power to require that they accept nonnegotiable franchise contracts containing binding arbitration clauses. These mandatory arbitration clauses place dealers in the position of having to forego state legal protections designed to remedy the bargaining imbalance between dealers and manufacturers. H.R. 534 addresses this concern by allowing dealers or manufacturers to reject arbitration and seek legal relief for breach of contract.

Since passage of the Federal Arbitration Act in 1925, the Congress has unequivocally encouraged alternative dispute resolution. We will continue to do so. However, we must also periodically examine the efficacy of binding arbitration clauses in exceptional circumstances to ensure that arbitration continues to serve as a fair and efficient alternative to formal litigation. H.R. 534 addresses one such exceptional circumstance, and I urge your support of the bill.

Mr. PASCRELL. Mr. Speaker, I am pleased to rise today in support of H.R. 534.

This legislation is designed to specifically help automobile dealers, but it is also legislation that will help consumers and our communities at large.

There are 700 new automobile retail businesses throughout New Jersey. Dealerships are located on every highway, and in almost every downtown area throughout the state. I know driving down Route 46, and Route 23, and on other roads, I see dozens of these businesses that are contributing to the betterment of Northern New Jersey.

These small businesses serve as important parts of the community. You can see their names on the backs of youth sports league jerseys and they always provide funds to civic events and fundraising drives.

It is time we in Congress give back on behalf of our communities, and do something to resolve an inequity and promote fairness in the automobile industry.

H.R. 534 merely makes binding arbitration in dealer/manufacturer disputes a voluntary option. This is needed legislation to help a segment of the small business community that needs our help.

We must pass this legislation for not only business owners, but for their employees as well.

Automotive retailing in New Jersey accounts for the direct employment of almost 45 thousand workers. There are also 24 thousand workers who indirectly owe their jobs to these businesses in the Garden State. That is 67

thousand workers who will see the benefits this legislation provides.

This legislation is also of great benefit to the consumer, who as we all know, is always looking to get the best possible deal on a car. H.R. 534 promotes competition in an already very competitive industry, yielding the best prices for dealers, and these deals can be passed onto the consumer.

As a member of the House Small Business Committee, I am always looking to help small businesses succeed and grow. Small business is the engine that has brought our economy to where it is today.

This legislation will help one group of small businesses in their pursuit of economic success. I am pleased to be a cosponsor of this bill and support it on the floor.

Mr. NADLER. Mr. Speaker, today we consider legislation intended to protect automobile dealers against binding arbitration clauses in contracts with manufacturers and franchisers. Although it was narrowed in Subcommittee to cover only one industry, it is an important and necessary step, one for which the testimony we received in the Judiciary Committee certainly makes the case.

Too often, these businesses are presented with contracts on a take-it-or-leave-it basis. If they do not accept the contract, with the binding arbitration clause, they risk losing their franchise and with it years of investment, both financial and the hard work they and their families have put into the business. That is a pretty coercive situation and one which most members of this House rightly view as contracts of adhesion.

Moreoever, binding arbitration often deprives these businesses of their rights under State law, and their due process rights in court. Under certain circumstances, binding arbitration even threatens some contractual protections.

Prohibiting this kind of unconscionable coercion is appropriate and I plan to support it.

In addition to leaving other businesses exposed, this bill fails to protect individual consumers who also suffer violations of their rights under binding arbitration clauses in service agreements with sellers, and in credit agreements. During our hearing one witness for the auto dealers did admit that some dealers use these clauses in their contracts with their customers.

Clearly this is a situation which also needs to be remedied. Now that the House has endorsed this fundamental protection for automobile dealers, I hope that the same concern which animates the bipartisan support for this legislation will help bring that bill into law as well.

So while I do not believe this legislation goes far enough, it is an important step to protect small businesses and I urge its passage.

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

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

The SPEAKER pro tempore (Mr. OSE). The question is on the motion offered by the gentlewoman from California (Mrs. BONO) that the House suspend the rules and pass the bill, H.R. 534, as amended.

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

The title of the bill was amended so as to read: ''A bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.''.

A motion to reconsider was laid on the table.

STRENGTHENING ABUSE AND NEGLECT COURTS ACT OF 2000

Mr. HYDE. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2272) to improve the administrative efficiency and effectiveness of the Nation's abuse and neglect courts and for other purposes consistent with the Adoption and Safe Families Act of 1997.

The Clerk read as follows:

S. 2272

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 ''Strengthening Abuse and Neglect Courts Act of 2000''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Under both Federal and State law, the courts play a crucial and essential role in the Nation's child welfare system and in ensuring safety, stability, and permanence for abused and neglected children under the supervision of that system.

(2) The Adoption and Safe Families Act of 1997 (Public Law 105–89; 111 Stat. 2115) establishes explicitly for the first time in Federal law that a child's health and safety must be the paramount consideration when any decision is made regarding a child in the Nation's child welfare system.

(3) The Adoption and Safe Families Act of 1997 promotes stability and permanence for abused and neglected children by requiring timely decision-making in proceedings to determine whether children can safely return to their families or whether they should be moved into safe and stable adoptive homes or other permanent family arrangements outside the foster care system.

(4) To avoid unnecessary and lengthy stays in the foster care system, the Adoption and Safe Families Act of 1997 specifically requires, among other things, that States move to terminate the parental rights of the parents of those children who have been in foster care for 15 of the last 22 months.

(5) While essential to protect children and to carry out the general purposes of the Adoption and Safe Families Act of 1997, the accelerated timelines for the termination of parental rights and the other requirements imposed under that Act increase the pressure on the Nation's already overburdened abuse and neglect courts.

(6) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would be substantially improved by the acquisition and implementation of computerized case-tracking systems to identify and eliminate existing backlogs, to move abuse and neglect caseloads forward in a timely manner, and to move children into safe and stable families. Such systems could also be used to evaluate the effectiveness of such courts in meeting the purposes of the amendments made by, and provisions of, the Adoption and Safe Families Act of 1997.

(7) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would also be improved by the identification and implementation of projects designed to eliminate the backlog of abuse and neglect cases, including the temporary hiring of additional judges, extension of court hours, and other projects designed to reduce existing caseloads.

(8) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would be further strengthened by improving the quality and availability of training for judges, court personnel, agency attorneys, guardians ad litem, volunteers who participate in court-appointed special advocate (CASA) programs, and attorneys who represent the children and the parents of children in abuse and neglect proceedings.

(9) While recognizing that abuse and neglect courts in this country are already committed to the quality administration of justice, the performance of such courts would be even further enhanced by the development of models and educational opportunities that reinforce court projects that have already been developed, including models for caseflow procedures, case management, representation of children, automated interagency interfaces, and ''best practices'' standards.

(10) Judges, magistrates, commissioners, and other judicial officers play a central and vital role in ensuring that proceedings in our Nation's abuse and neglect courts are run efficiently and effectively. The performance of those individuals in such courts can only be further enhanced by training, seminars, and an ongoing opportunity to exchange ideas with their peers.

(11) Volunteers who participate in court-appointed special advocate (CASA) programs play a vital role as the eyes and ears of abuse and neglect courts in proceedings conducted by, or under the supervision of, such courts and also bring increased public scrutiny of the abuse and neglect court system. The Nation's abuse and neglect courts would benefit from an expansion of this program to currently underserved communities.

(12) Improved computerized case-tracking systems, comprehensive training, and development of, and education on, model abuse and neglect court systems, particularly with respect to underserved areas, would significantly further the purposes of the Adoption and Safe Families Act of 1997 by reducing the average length of an abused and neglected child's stay in foster care, improving the quality of decision-making and court services provided to children and families, and increasing the number of adoptions.

SEC. 3. DEFINITIONS.

In this Act:

(a) ABUSE AND NEGLECT COURTS.—The term ''abuse and neglect courts'' means the State and local courts that carry out State or local laws requiring proceedings (conducted by or under the supervision of the courts)—

(1) that implement part B and part E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.) (including preliminary disposition of such proceedings);

(2) that determine whether a child was abused or neglected;

(3) that determine the advisability or appropriateness of placement in a family foster home, group home, or a special residential care facility; or

(4) that determine any other legal disposition of a child in the abuse and neglect court system.

(b) AGENCY ATTORNEY.—The term ''agency attorney'' means an attorney or other individual, including any government attorney, district attorney, attorney general, State attorney, county attorney, city solicitor or attorney, corporation counsel, or privately retained special prosecutor, who represents the State or local agency administrating the

programs under parts B and E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.) in a proceeding conducted by, or under the supervision of, an abuse and neglect court, including a proceeding for termination of parental rights.

SEC. 4. GRANTS TO STATE COURTS AND LOCAL COURTS TO AUTOMATE THE DATA COLLECTION AND TRACKING OF PROCEEDINGS IN ABUSE AND NEGLECT COURTS.

(a) AUTHORITY TO AWARD GRANTS.—

(1) IN GENERAL.—Subject to paragraph (2), the Attorney General, acting through the Office of Juvenile Justice and Delinquency Prevention of the Office of Justice Programs, shall award grants in accordance with this section to State courts and local courts for the purposes of—

(A) enabling such courts to develop and implement automated data collection and case-tracking systems for proceedings conducted by, or under the supervision of, an abuse and neglect court;

(B) encouraging the replication of such systems in abuse and neglect courts in other jurisdictions; and

(C) requiring the use of such systems to evaluate a court's performance in implementing the requirements of parts B and E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.).

(2) LIMITATIONS.—

(A) NUMBER OF GRANTS.—Not less than 20 nor more than 50 grants may be awarded under this section.

(B) PER STATE LIMITATION.—Not more than 2 grants authorized under this section may be awarded per State.

(C) USE OF GRANTS.—Funds provided under a grant made under this section may only be used for the purpose of developing, implementing, or enhancing automated data collection and case-tracking systems for proceedings conducted by, or under the supervision of, an abuse and neglect court.

(b) APPLICATION.—

(1) IN GENERAL.—A State court or local court may submit an application for a grant authorized under this section at such time and in such manner as the Attorney General may determine.

(2) INFORMATION REQUIRED.—An application for a grant authorized under this section shall contain the following:

(A) A description of a proposed plan for the development, implementation, and maintenance of an automated data collection and case-tracking system for proceedings conducted by, or under the supervision of, an abuse and neglect court, including a proposed budget for the plan and a request for a specific funding amount.

(B) A description of the extent to which such plan and system are able to be replicated in abuse and neglect courts of other jurisdictions that specifies the common case-tracking data elements of the proposed system, including, at a minimum—

(i) identification of relevant judges, court, and agency personnel;

(ii) records of all court proceedings with regard to the abuse and neglect case, including all court findings and orders (oral and written); and

(iii) relevant information about the subject child, including family information and the reason for court supervision.

(C) In the case of an application submitted by a local court, a description of how the plan to implement the proposed system was developed in consultation with related State courts, particularly with regard to a State court improvement plan funded under section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note) if there is such a plan in the State.

(D) In the case of an application that is submitted by a State court, a description of how the proposed system will integrate with a State court improvement plan funded under section 13712 of such Act if there is such a plan in the State.

(E) After consultation with the State agency responsible for the administration of parts B and E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.)—

(i) a description of the coordination of the proposed system with other child welfare data collection systems, including the Statewide automated child welfare information system (SACWIS) and the adoption and foster care analysis and reporting system (AFCARS) established pursuant to section 479 of the Social Security Act (42 U.S.C. 679); and

(ii) an assurance that such coordination will be implemented and maintained.

(F) Identification of an independent third party that will conduct ongoing evaluations of the feasibility and implementation of the plan and system and a description of the plan for conducting such evaluations.

(G) A description or identification of a proposed funding source for completion of the plan (if applicable) and maintenance of the system after the conclusion of the period for which the grant is to be awarded.

(H) An assurance that any contract entered into between the State court or local court and any other entity that is to provide services for the development, implementation, or maintenance of the system under the proposed plan will require the entity to agree to allow for replication of the services provided, the plan, and the system, and to refrain from asserting any proprietary interest in such services for purposes of allowing the plan and system to be replicated in another jurisdiction.

(I) An assurance that the system established under the plan will provide data that allows for evaluation (at least on an annual basis) of the following information:

(i) The total number of cases that are filed in the abuse and neglect court.

(ii) The number of cases assigned to each judge who presides over the abuse and neglect court.

(iii) The average length of stay of children in foster care.

(iv) With respect to each child under the jurisdiction of the court—

(I) the number of episodes of placement in foster care;

(II) the number of days placed in foster care and the type of placement (foster family home, group home, or special residential care facility);

(III) the number of days of in-home supervision; and

(IV) the number of separate foster care placements.

(v) The number of adoptions, guardianships, or other permanent dispositions finalized.

(vi) The number of terminations of parental rights.

(vii) The number of child abuse and neglect proceedings closed that had been pending for 2 or more years.

(viii) With respect to each proceeding conducted by, or under the supervision of, an abuse and neglect court—

(I) the timeliness of each stage of the proceeding from initial filing through legal finalization of a permanency plan (for both contested and uncontested hearings);

(II) the number of adjournments, delays, and continuances occurring during the proceeding, including identification of the party requesting each adjournment, delay, or continuance and the reasons given for the request;

(III) the number of courts that conduct or supervise the proceeding for the duration of the abuse and neglect case;

(IV) the number of judges assigned to the proceeding for the duration of the abuse and neglect case; and

(V) the number of agency attorneys, children's attorneys, parent's attorneys, guardians ad litem, and volunteers participating in a court-appointed special advocate (CASA) program assigned to the proceeding during the duration of the abuse and neglect case.

(J) A description of how the proposed system will reduce the need for paper files and ensure prompt action so that cases are appropriately listed with national and regional adoption exchanges, and public and private adoption services.

(K) An assurance that the data collected in accordance with subparagraph (I) will be made available to relevant Federal, State, and local government agencies and to the public.

(L) An assurance that the proposed system is consistent with other civil and criminal information requirements of the Federal government.

(M) An assurance that the proposed system will provide notice of timeframes required under the Adoption and Safe Families Act of 1997 (Public Law 105–89; 111 Stat. 2115) for individual cases to ensure prompt attention and compliance with such requirements.

(c) CONDITIONS FOR APPROVAL OF APPLICATIONS.—

(1) MATCHING REQUIREMENT.—

(A) IN GENERAL.—A State court or local court awarded a grant under this section shall expend $1 for every $3 awarded under the grant to carry out the development, implementation, and maintenance of the automated data collection and case-tracking system under the proposed plan.

(B) WAIVER FOR HARDSHIP.—The Attorney General may waive or modify the matching requirement described in subparagraph (A) in the case of any State court or local court that the Attorney General determines would suffer undue hardship as a result of being subject to the requirement.

(C) NON-FEDERAL EXPENDITURES.—

(i) CASH OR IN KIND.—State court or local court expenditures required under subparagraph (A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(ii) NO CREDIT FOR PRE-AWARD EXPENDITURES.—Only State court or local court expenditures made after a grant has been awarded under this section may be counted for purposes of determining whether the State court or local court has satisfied the matching expenditure requirement under subparagraph (A).

(2) NOTIFICATION TO STATE OR APPROPRIATE CHILD WELFARE AGENCY.—No application for a grant authorized under this section may be approved unless the State court or local court submitting the application demonstrates to the satisfaction of the Attorney General that the court has provided the State, in the case of a State court, or the appropriate child welfare agency, in the case of a local court, with notice of the contents and submission of the application.

(3) CONSIDERATIONS.—In evaluating an application for a grant under this section the Attorney General shall consider the following:

(A) The extent to which the system proposed in the application may be replicated in other jurisdictions.

(B) The extent to which the proposed system is consistent with the provisions of, and amendments made by, the Adoption and Safe Families Act of 1997 (Public Law 105–89; 111 Stat. 2115), and parts B and E of title IV of

the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.).

(C) The extent to which the proposed system is feasible and likely to achieve the purposes described in subsection (a)(1).

(4) DIVERSITY OF AWARDS.—The Attorney General shall award grants under this section in a manner that results in a reasonable balance among grants awarded to State courts and grants awarded to local courts, grants awarded to courts located in urban areas and courts located in rural areas, and grants awarded in diverse geographical locations.

(d) LENGTH OF AWARDS.—No grant may be awarded under this section for a period of more than 5 years.

(e) AVAILABILITY OF FUNDS.—Funds provided to a State court or local court under a grant awarded under this section shall remain available until expended without fiscal year limitation.

(f) REPORTS.—

(1) ANNUAL REPORT FROM GRANTEES.—Each State court or local court that is awarded a grant under this section shall submit an annual report to the Attorney General that contains—

(A) a description of the ongoing results of the independent evaluation of the plan for, and implementation of, the automated data collection and case-tracking system funded under the grant; and

(B) the information described in subsection (b)(2)(I).

(2) INTERIM AND FINAL REPORTS FROM ATTORNEY GENERAL.—

(A) INTERIM REPORTS.—Beginning 2 years after the date of enactment of this Act, and biannually thereafter until a final report is submitted in accordance with subparagraph (B), the Attorney General shall submit to Congress interim reports on the grants made under this section.

(B) FINAL REPORT.—Not later than 90 days after the termination of all grants awarded under this section, the Attorney General shall submit to Congress a final report evaluating the automated data collection and case-tracking systems funded under such grants and identifying successful models of such systems that are suitable for replication in other jurisdictions. The Attorney General shall ensure that a copy of such final report is transmitted to the highest State court in each State.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 for the period of fiscal years 2001 through 2005.

SEC. 5. GRANTS TO REDUCE PENDING BACKLOGS OF ABUSE AND NEGLECT CASES TO PROMOTE PERMANENCY FOR ABUSED AND NEGLECTED CHILDREN.

(a) AUTHORITY TO AWARD GRANTS.—The Attorney General, acting through the Office of Juvenile Justice and Delinquency Prevention of the Office of Justice Programs and in collaboration with the Secretary of Health and Human Services, shall award grants in accordance with this section to State courts and local courts for the purposes of—

(1) promoting the permanency goals established in the Adoption and Safe Families Act of 1997 (Public Law 105–89; 111 Stat. 2115); and

(2) enabling such courts to reduce existing backlogs of cases pending in abuse and neglect courts, especially with respect to cases to terminate parental rights and cases in which parental rights to a child have been terminated but an adoption of the child has not yet been finalized.

(b) APPLICATION.—A State court or local court shall submit an application for a grant under this section, in such form and manner as the Attorney General shall require, that contains a description of the following:

(1) The barriers to achieving the permanency goals established in the Adoption and Safe Families Act of 1997 that have been identified.

(2) The size and nature of the backlogs of children awaiting termination of parental rights or finalization of adoption.

(3) The strategies the State court or local court proposes to use to reduce such backlogs and the plan and timetable for doing so.

(4) How the grant funds requested will be used to assist the implementation of the strategies described in paragraph (3).

(c) USE OF FUNDS.—Funds provided under a grant awarded under this section may be used for any purpose that the Attorney General determines is likely to successfully achieve the purposes described in subsection (a), including temporarily—

(1) establishing night court sessions for abuse and neglect courts;

(2) hiring additional judges, magistrates, commissioners, hearing officers, referees, special masters, and other judicial personnel for such courts;

(3) hiring personnel such as clerks, administrative support staff, case managers, mediators, and attorneys for such courts; or

(4) extending the operating hours of such courts.

(d) NUMBER OF GRANTS.—Not less than 15 nor more than 20 grants shall be awarded under this section.

(e) AVAILABILITY OF FUNDS.—Funds awarded under a grant made under this section shall remain available for expenditure by a grantee for a period not to exceed 3 years from the date of the grant award.

(f) REPORT ON USE OF FUNDS.—Not later than the date that is halfway through the period for which a grant is awarded under this section, and 90 days after the end of such period, a State court or local court awarded a grant under this section shall submit a report to the Attorney General that includes the following:

(1) The barriers to the permanency goals established in the Adoption and Safe Families Act of 1997 that are or have been addressed with grant funds.

(2) The nature of the backlogs of children that were pursued with grant funds.

(3) The specific strategies used to reduce such backlogs.

(4) The progress that has been made in reducing such backlogs, including the number of children in such backlogs—

(A) whose parental rights have been terminated; and

(B) whose adoptions have been finalized.

(5) Any additional information that the Attorney General determines would assist jurisdictions in achieving the permanency goals established in the Adoption and Safe Families Act of 1997.

(g) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated for the period of fiscal years 2001 and 2002 $10,000,000 for the purpose of making grants under this section.

SEC. 6. GRANTS TO EXPAND THE COURT-APPOINTED SPECIAL ADVOCATE PROGRAM IN UNDERSERVED AREAS.

(a) GRANTS TO EXPAND CASA PROGRAMS IN UNDERSERVED AREAS.—The Administrator of the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice shall make a grant to the National Court-Appointed Special Advocate Association for the purposes of—

(1) expanding the recruitment of, and building the capacity of, court-appointed special advocate programs located in the 15 largest urban areas;

(2) developing regional, multijurisdictional court-appointed special advocate programs serving rural areas; and

(3) providing training and supervision of volunteers in court-appointed special advocate programs.

(b) LIMITATION ON ADMINISTRATIVE EXPENDITURES.—Not more than 5 percent of the grant made under this subsection may be used for administrative expenditures.

(c) DETERMINATION OF URBAN AND RURAL AREAS.—For purposes of administering the grant authorized under this subsection, the Administrator of the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice shall determine whether an area is one of the 15 largest urban areas or a rural area in accordance with the practices of, and statistical information compiled by, the Bureau of the Census.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to make the grant authorized under this section, $5,000,000 for the period of fiscal years 2001 and 2002.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. HYDE) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

GENERAL LEAVE

Mr. HYDE. 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 S. 2272.

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

There was no objection.

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

Mr. Speaker, S. 2272, the Strengthening Abuse and Neglect Courts Act of 2000, provides grants to allow States to improve the administrative efficiency and effectiveness of child abuse and neglect courts throughout the Nation. The bill gives the Attorney General the authority to award grants to State and local courts; to provide computerized case tracking and technical assistance; promote innovative strategies to reduce case loads; and provide additional court-appointed special advocates to assist in supporting children and courts.

Every child should have the opportunity to be whatever it is they want to be, and it is our responsibility as a community and as parents to provide them a nurturing environment so that every child can fulfill their great promise.

The act of child abuse is incomprehensible to all of us. Child abuse steals the innocence from our coming generation. The victims of child abuse are not allowed to be children; they become adults all too soon. We must give the States the tools to assist them in protecting our children.

Child welfare is an example where State law is generally paramount. The Federal Government supports State action by providing funds to States for child welfare activities. Grants to States have been used to expand and strengthen child welfare services. This bill is finely tuned to assist States in this regard.

We must come together as a Nation to restore what has been stolen from this generation. We must come together as a Nation to prevent and stop the cycle of this terrible abuse.

I want to thank Senator DEWINE of Ohio for bringing this important bill forward, and I hope everyone will support this bill.

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

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

Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, while we seem to be making some progress reducing the overall crime rate in this country, crimes against children, particularly reports of child abuse and neglect, have grown by 41 percent over the last 10 years. In 1997, Congress passed the Adoption and Safe Families Act to begin the process for accelerating time lines and making other improvements designed to speed up the process of securing safe, permanent, caring families for abused and neglected children.

Unfortunately, in passing the law, Congress failed to recognize the additional burdens of these time lines and other improvements would exact on the already overburdened family and domestic relations courts. Courts nationwide are struggling to meet the accelerated time lines and other requirements of that legislation and, as a result, there are substantial backlogs in processing of these cases.

This bill, which is supported by the Conference of Chief Justices and the Conference of State Court Administrators, will help to further the goals of the Adoption and Safe Families Act by authorizing $10 million over 5 years to assist State and local courts in developing and implementing automated case tracking systems for abused and neglect proceedings. It also authorizes an additional $10 million to reduce existing backlogs of abuse and neglect cases and $5 million to expand the Court-Appointed Special Advocate, CASA, program into underserved areas.

Mr. Speaker, I am familiar with this program. They have several programs in Virginia. CASA volunteers do an excellent job in assisting children in the court system, and I am delighted we are expanding this system in the legislation.

In sum, this bill authorizes a total of $25 million to address this pressing problem. I acknowledge that this is just a drop in the bucket of what is necessary. However, it will help to alleviate an overburdened family court system. And I encourage my colleagues not to stop here.

The research tells us that children who experience abuse are four times more likely to be involved in delinquent and criminal activity than a child who has not been abused. Furthermore, those children are more likely to be arrested 1 year earlier, commit twice as many offenses and be arrested more frequently than youths who are not abused or neglected.

But the statistic that should most concern us is that nearly 70 percent of youths arrested have a prior history of abuse and neglect, which means that we already have the ability to identify those children at risk of delinquency through child protection and child welfare systems. By identifying those children and providing them with appropriate intervention programs and services, we can drastically decrease juvenile delinquency.

As the ranking member on the Subcommittee on Crime, I must express my regret that this Congress has not made these improvements in proven crime prevention initiatives a priority. H.R. 1501, the Consequences for Juvenile Offenders Act, and H.R. 1150, which reauthorizes the Juvenile Justice and Delinquency Prevention Act as originally introduced in the House, would have provided increased funding for juvenile crime prevention programs and services for at-risk youth.

These bills were loaded down in the House with slogans and sound bites posing as amendments and then buried in a conference committee that has not met for a year. It is unfortunate that this Congress chose to play politics instead of choosing to address the problem of at-risk youth in this country and to reduce juvenile crime.

In the end, Mr. Speaker, I urge my colleagues to support the passage of the measure before us today. It is a good start and will provide family courts with resources they need to enhance their tracking systems and to begin reducing backlogs.

I look forward to working with my friends across the aisle next year on juvenile justice legislation that builds upon the foundation started today.

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

Mr. HYDE. Mr. Speaker, I am very pleased to yield such time as she may consume to the distinguished gentlewoman from Ohio (Ms. PRYCE).

Ms. PRYCE of Ohio. Mr. Speaker, I thank the honorable and distinguished chairman for yielding me time and for his assistance in this measure.

Mr. Speaker, I rise in strong support of this measure, the Strengthening Abuse and Neglect Courts Act, or SANCA. There is nothing more tragic than the thought of a child who has been abused or neglected, and nothing happier than a child finding the warmth and love of a permanent adoptive family. Unfortunately, the period of time between these two points during which a child's case is pending before the courts can be a period of interminable delays, bureaucratic snags, and a less-than-thorough accurate review of the child's case, all of which can have a lasting negative effect on the child.

□ 1745

Mr. Speaker, for those children who reach adulthood without permanent placement and transition out of the foster care system, they begin their adult lives with no sense of family, low self-esteem and little direction for the future. Children are being removed from abusive homes only to be abused once again by the system.

Healing can only begin for these children when they are in a safe and permanent environment. But all too often these children languish in the foster care system in a state of emotional limbo.

According to the National Center for Juvenile Justice, between 1991 and 1997, in my own home district of Franklin County, Ohio, 38 percent of the children who are waiting permanent adoption because parental rights have been severed have been in the system over 4 years. And nationally, according to the Department of Health and Human Services, children who are adopted from foster care leave the system between 3.5 and 5.5 years later.

This is simply too long for these children to wait for the love and warmth of a permanent family. This is a good part of a childhood.

Congress began to address this situation in 1997 with the Adoption and Safe Families Act. Without a doubt this is one of our crowning achievements of the last session. But while ASFA's accelerated timelines are essential to promoting stability and permanence for abused and neglected children, these timelines, along with grossly insufficient funding, have resulted in continued prolonged stays for abused and neglected children in the foster care system and increased pressure on our Nation's already overburdened abuse and neglect courts.

SANCA addresses the shortfalls of the Adoption and Safe Families Act by making Federal funding available to State and local courts to reduce case backlogs and to develop and implement automated case tracking systems for abuse and neglect proceedings.

SANCA also provides funding for start-up grants to appoint the Court Appointed Special Advocate for CASA, programs in underserved areas.

The foster care system cannot help abused and neglected children without properly functioning State and local courts. The relatively small amount of funding provided by SANCA will have a dramatic impact on the lives of abused and neglected children.

SANCA is backed by the American Bar Association, the Conference of Chief Justices, the National Council of Juvenile and Family Court Judges, among others. Clearly, this legislation is of vital importance to abused and neglected children who need nothing more than the stability and love that comes with the safe and permanent home. Mr. Speaker, I urge my colleagues' support.

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

Mr. Speaker, this bill will have the short-term effect of reducing backlogs but will have the long-term effect of improving the lives of many children. I want to thank the gentleman from Illinois (Mr. HYDE), the distinguished

chairman of the Committee on the Judiciary for bringing the bill to the floor and thank the gentlewoman from Ohio (Ms. PRYCE) for her advocacy in this issue. She is a former judge and is very knowledgeable on this issue. I thank her for her advocacy on behalf of children.

Mrs. JOHNSON of Connecticut. Mr. Speaker, the strengthening Abuse and neglect Courts Act of 2000 will build on the success of the Adoption and Safe Families Act of 1997 (ASFA) which required states to shorten the length of time that children remain in foster care by filing termination of parental rights petitions at 15 months.

Implementation of ASFA has resulted in an unprecedented 64 percent increase in adoptions out of foster care since 1996.

As a direct result of ASFA, developed by the Committee on Ways and means, new pressures have been put on state courts to hold permanency hearings, implement permanency plans, make judicial findings and finalize adoptions cases involving abused and neglected children in a timely fashion.

The Strengthening Abuse and Neglect Courts Act of 2000 will increase the efficiency and capacity of the nation's abuse and neglect courts by providing funds to state courts to computerize a data collection and case tracking system. This system will allow judges to track the number of children under judicial care to monitor how these children are faring. A case tracking system will allow judges to keep a running account of the number and type of services offered to the family and the results of these interventions. This information is critical to keeping children safe and promoting permanency.

This Act will enable state and local courts to reduce existing backlogs of children awaiting termination of parental rights or finalization of adoption. According to the Department of Health and Human Services there were over 103,000 children awaiting adoption in 1998. Grants provided to state courts under this Act will allow courts to hire additional judges to hear these cases and to establish night court sessions for hearing these cases.

The Strengthening Abuse and Neglect Courts Act of 2000 is a logical next step to the Adoption and Safe Families Act of 1997. We need courts that work to reduce delays and keep children safe and in loving families. This legislation does that and I wholeheartedly support it.

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

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

The SPEAKER pro tempore (Mr. OSE). The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and pass the Senate bill, S. 2272.

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

A motion to reconsider was laid on the table.

AMENDING IMMIGRATION AND NATIONALITY ACT WITH REGARD TO BRINGING IN AND HARBORING CERTAIN ALIENS

Mr. ROGAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 238) to amend section 274 of the Immigration and Nationality Act to impose mandatory minimum sentences, and increase certain sentences, for bringing in and harboring certain aliens, and to amend title 18, United States Code, to provide enhanced penalties for persons committing such offenses while armed, as amended.

The Clerk read as follows:

H.R. 238

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

SECTION 1. INCREASED PERSONNEL FOR INVESTIGATING AND COMBATING ALIEN SMUGGLING.

The Attorney General in each of the fiscal years 2001, 2002, 2003, 2004, and 2005 shall increase the number of positions for full-time, active duty investigators or other enforcement personnel within the Immigration and Naturalization Service who are assigned to combating alien smuggling by not less than 50 positions above the number of such positions for which funds were allotted for the preceding fiscal year.

SEC. 2. INCREASING CRIMINAL SENTENCES AND FINES FOR ALIEN SMUGGLING.

(a) IN GENERAL.—Subject to subsection (b), pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall promulgate sentencing guidelines or amend existing sentencing guidelines for smuggling, transporting, harboring, or inducing aliens under sections 274(a)(1)(A) of the Immigration and Nationality Act (8 U.S.C. 1324(a)(1)(A)) so as to—

(1) double the minimum term of imprisonment under that section for offenses involving the smuggling, transporting, harboring, or inducing of—

(A) 1 to 5 aliens from 10 months to 20 months;

(B) 6 to 24 aliens from 18 months to 36 months;

(C) 25 to 100 aliens from 27 months to 54 months; and

(D) 101 aliens or more from 37 months to 74 months;

(2) increase the minimum level of fines for each of the offenses described in subparagraphs (A) through (D) of paragraph (1) to the greater of the current minimum level or twice the amount the defendant received or expected to receive as compensation for the illegal activity; and

(3) increase by at least 2 offense levels above the applicable enhancement in effect on the date of enactment of this Act the sentencing enhancements for intentionally or recklessly creating a substantial risk of serious bodily injury or causing bodily injury, serious injury, permanent or life threatening injury, or death.

(b) EXCEPTIONS.—Subsection (a) shall not apply to an offense that—

(1) was committed other than for profit; or

(2) involved the smuggling, transporting, or harboring only of the defendant's spouse or child (or both the defendant's spouse and child).

SEC. 3. ELIMINATION OF PENALTY ON PERSONS RENDERING EMERGENCY ASSISTANCE.

(a) IN GENERAL.—Section 274(a)(1) of the Immigration and Nationality Act (8 U.S.C. 1324(a)(1)) is amended by adding at the end the following:

''(C) In no case may any penalty for a violation of subparagraph (A) be imposed on any person based on actions taken by the person to render emergency assistance to an alien found physically present in the United States in life threatening circumstances.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 90 days after the date of the enactment of this Act, and shall apply to offenses committed after the termination of such 90-day period.

SEC. 4. AMENDMENTS TO SENTENCING GUIDELINES REGARDING THE EFFECT OF PROSECUTORIAL POLICIES.

In the exercise of its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall amend the Federal sentencing guidelines to include the following:

''§ 5H1.14. Plea bargaining and other prosecutorial policies.

''Plea bargaining and other prosecutorial policies, and differences in those policies among different districts, are not a ground for imposing a sentence outside the applicable guidelines range.''.

SEC. 5. ENHANCED PENALTIES FOR PERSONS COMMITTING OFFENSES WHILE ARMED.

(a) IN GENERAL.—Section 924(c)(1) of title 18, United States Code, is amended—

(1) in subparagraph (A)—

(A) by inserting after ''device)'' the following: ''or any violation of section 274(a)(1)(A) of the Immigration and Nationality Act''; and

(B) by striking ''or drug trafficking crime—'' and inserting '', drug trafficking crime, or violation of section 274(a)(1)(A) of the Immigration and Nationality Act—''; and

(2) in subparagraph (D)(ii), by striking ''or drug trafficking crime'' and inserting '', drug trafficking crime, or violation of section 274(a)(1)(A) of the Immigration and Nationality Act''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect 90 days after the date of the enactment of this Act, and shall apply to offenses committed after the termination of such 90-day period.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—In addition to funds otherwise available for such purpose, there are authorized to be appropriated to the Immigration and Naturalization Service of the Department of Justice such sums as may be necessary to carry out section 1 and to cover the operating expenses of the Service and the Department in conducting undercover investigations of alien smuggling activities and in prosecuting violations of section 274(a)(1)(A) of the Immigration and Nationality Act (relating to alien smuggling), resulting from the increase in personnel under section 1.

(b) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to subsection (a) are authorized to remain available until expended.

SEC. 7. ALIEN SMUGGLING DEFINED.

In sections 1 and 6, the term ''alien smuggling'' means any act prohibited by paragraph (1) or (2) of section 274(a) of the Immigration and Nationality Act (8 U.S.C. 1324(a)).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROGAN) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. ROGAN).

GENERAL LEAVE

Mr. ROGAN. 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. 238, as amended.

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

There was no objection.

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

Mr. Speaker, I rise today to offer legislation that will curb the inhuman trafficking in human lives known as alien smuggling. In areas like my home State of California, the impact of alien smuggling is felt at all levels. With the passage of this bill we can take a major step toward eliminating this despicable trade.

The problem of alien smuggling is widespread. From each of our southern border States to the northern border States and along the ports of the East and West Coast, aliens are traded like commodities often with deadly consequences. Stories of aliens packed like produce into shipping containers and moving vans abound, as do reports of corpses found throughout the desert as aliens are abandoned by their smugglers.

What was once a trickle of aliens transported by smugglers has today grown into an international trade ring, comparable in size and scope to the drug trade, generating vast revenue and crowning new kings of crime. Making the trade more deadly is the toll in human lives. Media reports describe in gruesome detail how aliens paid the large sums to be transported across our southern border, only to be abandoned in the desert, where many are robbed, raped, and sometimes murdered.

Sadly, current law permits minimal penalties for convicted smugglers. To criminals who generate millions of dollars in revenue each year from this trade, a small fine is the equivalent of paying for a parking ticket. This is wrong.

Mr. Speaker, this bill, H.R. 238, will strengthen the punishment for smugglers convicted in our courts. As amended, it will double the minimum sentence recommended by the sentencing commission for alien smuggling crimes and increase sentences for those who cause serious bodily injury or threaten a life. Specifically, the Alien Smuggler Enforcement Act, as amended, puts in place five key changes to current law.

First, the bill will add an additional 50 officers per year for 5 years to enforce our antismuggling laws.

Second, the legislation will double criminal sentences for alien smugglers through direction to the Federal sentencing commission. An increase in sentences will act as an additional deterrent. It also will guarantee that those who traffic in human lives are severely punished for this unjust crime.

Third, the bill will increase fines for those convicted of smuggling aliens to twice the amount the smuggler received for the original crime. The current minimum fine of $3,000 is deceptively small, considering the frequency of the crime and the amount of money generated in smuggling fees.

Fourth, the legislation will authorize additional funds to expand undercover investigation and enforcement programs through the Immigration and Naturalization Service.

Finally, H.R. 238 will add alien smuggling to the list of Federal crimes that receive an increased sentence if a firearm is involved, putting this crime on par with drug smuggling and other violent crimes. Our bill would add 5 additional years to a sentence and will keep smugglers off the streets.

Mr. Speaker, the focus of this legislation is professional alien smugglers and those who knowingly aid and abet professional alien smuggling for commercial or financial gain. The legislation is not designed against the unwitting employers of illegal aliens.

Mr. Speaker, our country is strengthened by the diversity of its people; our heritage of immigration is what makes us whole. However, alien smuggling chips away at both the rule of law and at human dignity. We owe it to the families of the countless victims of smugglers to enact serious penalties for this serious offense. We also owe it to the legal residents of this country to enforce strict laws against illegal immigration.

We can meet both needs by passing this bill.

Finally, Mr. Speaker, I want to thank Jim Willen, our very distinguished attorney on the House Committee on the Judiciary for his work on this. And I also especially want to thank Grayson Wolfe, an attorney on my staff, who has done just a yeoman's job in working on this bill over the many months that it has been proceeding.

I want to thank the gentleman from Michigan (Mr. CONYERS), the ranking member of the committee, and the minority members of the committee for their valuable input which has helped to shape this bill. I thank my colleagues for their consideration on this.

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

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

Mr. Speaker, this is a mandatory minimum sentences bill for bringing in and harboring certain aliens, and the bill to me does not pass muster because experience and numerous studies have shown that mandatory minimum sentences which are spread throughout our Federal statutes or blindly increasing sentences, as the managers amendment does, creates an unfairness and requires judicial and correctional expenditures that are disproportionate to any deterrent or rehabilitative effect that they might have.

Studies have also highlighted the very high costs of the unnecessary incarceration resulting from mandatory minimums and increased sentences. In fact, scientific study has found that no empirical evidence linking increased sentences to reductions in crime. No empirical evidence linking increased sentences to reductions in crime have been found by scientific studies. Instead, we know that they distort the sentencing process, discriminate against minorities in their application and waste money.

A Rand commission study has concluded that mandatory minimum sentences were less effective than either discretionary sentencing or drug treatment in reducing drug-related crime and far more costly than either.

Mr. Speaker, and for the twelfth time, the Judicial Conference of the United States has once again reiterated its opposition to mandatory minimum sentencing. Many conservatives have joined us in recognizing the policy problems caused by mandatory minimums and increased sentences. Thus, for example, after realizing the damage and ineffectiveness of mandatory minimums at reducing crime, Democrats and Republicans, in a bipartisan effort repealed Federal mandatory minimum sentencing in 1970.

Similarly, Chief Justice Rehnquist, who is not known to be lenient on criminals, has observed that mandatory minimums are frequently the result of floor amendments to demonstrate emphatically that legislators want to get tough on crime. Just as frequently, they do not involve any careful consideration of the effect that they might have on sentencing guidelines as a whole.

Proliferation of harsh sentencing policies has inhibited the ability of the courts to sentence offenders in a way that permits a more problem-solving approach to crime.

By limiting consideration of factors contributing to crime or to a range of responses, as the measure H.R. 238 does, such sentencing policies fail to provide justice for either victims or offenders. In light of these concerns, a less Draconian approach than H.R. 238 would be to enact a legislative directive to the United States Sentencing Commission to revise their existing sentencing guidelines to increase sentences for alien smuggling offenses. This would at least permit more informed consideration of aggravating and mitigating circumstances.

□ 1800

Whatever the political benefits of increased sentences, they simply do not do what they purport to do. They do not deter criminal behavior by guaranteeing that a particular penalty will be imposed for a particular crime. Instead, they impose unfair and harsh results and unnecessarily increase the prison costs to all of us.

Mr. Speaker, I am happy to yield such time as she may consume to the distinguished gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Speaker, I thank the gentleman from Michigan for yielding time to me.

Mr. Speaker, I support the bill before us. While I certainly respect our ranking member, the gentleman from Michigan (Mr. CONYERS), and the ranking member on the Subcommittee on Crime, the gentleman from Virginia (Mr. SCOTT), I do not always share their viewpoint on mandatory minimums, but I do respect their thinking.

I do believe that even if one concurs in their overall approach on the issue of mandatory minimums, this is an exception to that general rule.

Smuggling of aliens is a very serious and I would add very dangerous thing to do. It is something that criminals are making vast fortunes doing, and we know that the body count in the desert between the United States and Mexico is rising as the coyotes are taking more money but also abandoning people in the desert.

A fine for a coyote is just part of the cost of doing business. It is like a license. I think the only way to add to the cost of doing business in a way that will be meaningful to people who would abuse helpless people in this way is to have an actual strong sentence that puts that abusive person out of business and behind bars for a deterrent period of time.

I would also like to note that the gentleman from California (Mr. ROGAN) in committee did agree to several amendments that make this bill targeted towards what it is aimed at. For example, family members were excluded from the bill. Good samaritans who might become involved in saving people who were abandoned were excluded.

Finally, we excluded people who were not involved in anything such as this, for example, people in the sanctuary movement who were not profiting or in the business of being a coyote, because the idea is to make a real constraint on those who are smuggling in aliens and who are endangering so many men, women, and even small children as they do it.

So I respect very much my colleague, the gentleman from Michigan, and his comments, but I do think this bill is worth voting for. I enthusiastically support it and plan to vote for it.

I thank the gentleman for his great courtesy in recognizing me.

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

First, I want to thank my friend and colleague, the gentlewoman from California, for her statement, and also for her valuable input, both in committee and as this bill has been progressing, as we have amended it.

Once again, I want to publicly thank her for her support of the measure.

Mr. Speaker, I am pleased to yield such time as he may consume to our good friend, the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in support of H.R. 238, sponsored by my good friend, the distinguished gentleman from California.

The Alien Smuggling Prevention and Enforcement Act addresses the serious and growing problem of professional smugglers who violate our Nation's borders carrying not illegal drugs or bootleg alcohol, but human cargo. These alien smugglers are active throughout our country, not just in the border States, but in my home State of Utah and many others.

We have tightened our Nation's borders in recent years, making it more difficult for people to enter the United States illegally. The demand for entry, however, has not decreased because of tighter border controls, but the desperation of those seeking to get in has increased. Worldwide, people yearning to be free are willing to pay a tremendous price to gain entry to this great country by whatever means necessary.

The situation has produced a new, contemptible breed of predatory smuggler who specializes in taking advantage of people in exchange for the promise to get to America. Those people who put their hopes for new life in America into the hands of an alien smuggler often find their fondest dreams have turned to their worst nightmare.

Inhumane conditions are the norm as aliens find themselves packed into cargo containers for days or weeks, abandoned in the desert without basic supplies, or dumped in the sea miles from shore. Some media reports have produced a portrait of conditions which sometimes rival those imposed by slave traders during the ''middle passage'' two centuries ago.

For this misery, aliens pay smugglers exorbitant fees, whether they are successful or not. Some of those who are successful in entering America must pay off their admission through years of indentured servitude in sweatshops, or are forced to live lives of crimes or prostitution.

Many find themselves robbed, raped, brutalized, or even murdered by the smugglers to whom they have entrusted their lives without ever reaching our shores. This legislation today is not aimed at the poor, tired huddled masses of aliens seeking freedom, but at those who take advantage of those same aliens by preying upon their misery. The bill increases enforcement efforts against alien smugglers, and increases penalties for those who are caught.

Today's vote can help bring some truly despicable criminals to justice. I thank my friend, again, the gentleman from California (Mr. ROGAN), for taking the lead on yet another important issue and working hard to move it to completion. He is truly a tremendous asset to this body.

I urge my colleagues to support this fine effort to address a serious problem and vote for this bill.

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Virginia (Mr. Scott), a member of the Committee on the Judiciary.

Mr. SCOTT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I recognize the seriousness of this offense, but I must oppose the bill because Congress should not be dictating and mandating sentences to the Sentencing Commission.

As we know, the Sentencing Commission was established to determine the appropriate sentencing guidelines based on the severity of the offense and after giving consideration to all other relevant factors, including the proportionality of the sentence to other offenses.

The review needs to be thorough and thoughtful. But this review, however, has not been thorough and thoughtful, because without the Sentencing Commission, crimes are considered out of context, and as a result, we have sentencing disparities.

For example, this bill provides for a sentence of 1½ to 3 years for getting caught smuggling 24 aliens, while Congress has required a 5-year mandatory minimum sentence for possession of a weekend's worth of crack cocaine.

It seems to me that an enterprise involved in smuggling 24 aliens is far more serious than an offense of smoking crack at home, but we would be better served with the Sentencing Commission considering all of those offenses in context and avoid such disparities.

The bill before us takes that responsibility from the Sentencing Commission and simply mandates that the sentences be doubled, a process which was neither thoughtful nor thorough. If Congress must dictate to the Sentencing Commission, we must at least assess the full effect of the sentencing changes Congress has already directed the Sentencing Commission to implement.

In the 1996 Illegal Immigration Reform and Immigration Responsibility Act, Congress required the United States Sentencing Commission to substantially increase the sentences for alien smuggling. The revised sentencing guidelines have resulted in a 300 percent increase in the median sentence for immigrant smuggling from 1997 to 1998.

Without taking the time to evaluate the impact of such an increase in sentencing for immigrant smuggling, Congress cannot know whether doubling the sentence is appropriate.

In addition to doubling the base offense level for alien smuggling, the bill includes mandatory minimums if the defendant used a firearm. Unfortunately, here we are again with Congress' favorite solution to crime: the mandatory minimum sentence. This is despite the fact that research has shown that mandatory minimum sentences are both ineffective and unduly harsh.

A 1997 study by the Rand Corporation on drug sentencing found that in all cases, conventional enforcement is more cost-effective than mandatory minimums, and treatment is more than

twice as cost-effective as mandatory minimums.

Furthermore, in March of this year in a letter to the gentleman from Illinois (Chairman HYDE), the Judicial Conference of the United States set forth the problems with mandatory minimums as follows:

''The reason for our opposition is manifest: Mandatory minimums severely distort and damage the Federal sentencing system. . .. Far from fostering certainty in punishment, mandatory minimums result in unwarranted sentencing disparity. Mandatories also treat dissimilar offenders in a similar manner, offenders who can be quite different with respect to the seriousness of their conduct or their danger to society. Mandatories require the sentencing court to impose the same sentence on offenders when sound policy and common sense call for reasonable differences in punishment.''

Based on these facts, it is clear that we should not be expanding mandatory minimums. The better approach would be directing the Sentencing Commission to review and to rationally consider increasing the offense level for alien smuggling to reflect the seriousness of the offense.

To this end, I offered an amendment to H.R. 238 which would have referred the issue to the Sentencing Commission for further consideration in light of the seriousness of the offense. Unfortunately, the amendment was not adopted. As a result, we are here today preventing the Sentencing Commission from doing its job.

I therefore must oppose this legislation, because we are dictating new sentences out of context of other crimes 6 weeks before an election.

I urge my colleagues to vote no on H.R. 238.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ROGAN) that the House suspend the rules and pass the bill, H.R. 238, as amended.

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

The title was amended so as to read:

''A bill to improve the prevention and punishment of criminal smuggling, transporting, and harboring of aliens, and for other purposes.''.

A motion to reconsider was laid on the table.

CHILD SEX CRIMES WIRETAPPING ACT OF 2000

Mr. HUTCHINSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3484) to amend title 18, United States Code, to provide that certain sexual crimes against children are predicate crimes for the interception of communications, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3484

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 ''Child Sex Crimes Wiretapping Act of 2000''.

SEC. 2. AUTHORIZATION OF INTERCEPTION OF COMMUNICATIONS IN THE INVESTIGATION OF SEXUAL CRIMES AGAINST CHILDREN.

(a) CHILD PORNOGRAPHY.—Section 2516(1)(c) of title 18, United States Code, is amended by inserting ''section 2252A (relating to material constituting or containing child pornography),'' after ''2252 (sexual exploitation of children),''.

(b) TRANSPORTATION FOR ILLEGAL SEXUAL ACTIVITY.—Section 2516(1) of title 18, United States Code, as amended by section 3 of this Act, is amended—

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

(2) by inserting after paragraph (o) the following:

''(p) a violation of section 2422 (relating to coercion and enticement) or section 2423 (relating to transportation of minors) of this title, if, in connection with that violation, the sexual activity for which a person may be charged with a criminal offense would constitute a felony offense under chapter 109A or 110, if that activity took place within the special maritime and territorial jurisdiction of the United States; or''; and

(3) by redesignating paragraph (p) as paragraph (q).

SEC. 3. TECHNICAL AMENDMENT ELIMINATING DUPLICATIVE PROVISION.

Section 2516(1) of title 18, United States Code, is amended—

(1) by striking the first paragraph (p); and

(2) by inserting ''or'' at the end of paragraph (o).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HUTCHINSON) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas (Mr. HUTCHINSON).

GENERAL LEAVE

Mr. HUTCHINSON. 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 the bill under consideration.

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

There was no objection.

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

Mr. Speaker, I rise in support of H.R. 3484, which was introduced by the gentleman from Florida (Mr. MCCOLLUM), the chairman of the Subcommittee on Crime, together with the gentlewoman from Connecticut (Mrs. JOHNSON).

This bill is intended to assist Federal law enforcement agencies to better investigate crimes against children. The Committee on the Judiciary reported the bill favorably by voice vote.

Under current law, law enforcement agencies may only seek court authority to use a wiretap to investigate a limited number of crimes commonly called ''wiretap predicates.'' While many crimes involving the sexual exploitation of children are already wiretap predicates, a few are not. With the rise of the Internet, sexual predators often attempt to lure their child victims by engaging in conversations with them in a chat room, then traveling to meet the child or asking the child to travel to them.

Oftentimes, the predators will send child pornography to the child in order to lower the child's natural defense to the sexual advances of adults. Fortunately, all of these acts are crimes under Federal law, and law enforcement agencies have been using these statutes with increasing frequency in order to catch and punish these predators before they inflict physical harm on a child.

But even when law enforcement agencies obtain a court order to monitor the predator's Internet conversation with the child, they do not have the authority under current law to monitor the predator's telephone conversations with the child or with potential co-conspirators. Of course, many times some part of the predator's attempt at seduction of the child will occur over the telephone. If law enforcement officials cannot monitor the calls, they may be unable to act to stop him before he physically harms the child. For that reason, this legislation is necessary.

This bill would address this shortcoming in the law by adding three title 18 crimes as new wiretap predicates. I point out to my colleagues that nothing in the bill would change the requirement in current law that a judge must approve each wiretap request before the wiretap is activated.

Mr. Speaker, there is nothing more precious and worthy of protection than a child. I believe we should do everything in our power to catch sexual predators before they harm our children. This bill, H.R. 3484, will ensure that our law enforcement agencies have the tools to do that.

The Department of Justice and the Department of the Treasury both support this bill.

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Mr. Speaker, I urge all of my colleagues to support it as well.

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

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, I rise in opposition to H.R. 3484, which would add to the already lengthy list of predicate offenses for which wiretap may be issued. While I am prepared to support some extension of Federal wiretap authority in these kinds of cases, I believe the present bill goes too far in extending law enforcement's authority to use a tool recognized to be so invasive of the rights of citizens in a free society that it can only be made available

for use under circumstances specifically approved by Congress.

Currently, congressionally approved wiretap authority dates back to the 1968 crime bill. The primary intent of the provision was to permit a limited use of electronic surveillance of organized crime and gambling groups, and it was envisioned as a tool of last resort even under those circumstances.

The limited approach to authorizing wiretap authority was appropriate because what we are talking about is permitting law enforcement officials to engage in the unseemly acts of secretly eavesdropping on our phone conversations, conversations which include primarily private content, most of which will have nothing to do with criminal activity. Unfortunately, since 1968, the act has been amended over a dozen times and now includes over 50 predicate crimes for which wiretap may be obtained.

Regrettably, a number of those predicates involve rather minor offenses such as false statements on a passport application. In justifying further expansion of wiretap authority, the argument now goes, if we amended the wiretap authority to add ''X,'' we should certainly amend it to add ''Y,'' which is a much more serious offense. As a result, wiretaps are becoming routine, rather than an extraordinary procedure to be used only as a last resort. Given the level of effectiveness of today's technology, wiretaps have the potential of being even more invasive.

At issue today is whether we should add three new crimes to the wiretap predicate offensive list: Criminal Code Section 2252A, relating to material constituting or containing child pornography; section 2422, relating to coercion and enticement; and section 2423, relating to transportation of minors.

Now, while I certainly support enforcement of these provisions, I do not believe that they should all be predicate offenses for wiretaps. The way the bill is presented to us, it is all or nothing.

First, it is clear from the list of already existing sex crime offenses that much of the more serious activity for which proponents of the legislation are seeking to justify wiretap extension are already covered by wiretap authority or other confiscation authority and investigatory techniques. For example, sexual exploitation of children is already a crime that is a wiretap predicate.

While I appreciate the majority's willingness to limit sections 2422 and 2423 to sexual activity which would constitute a Federal felony, the bill still includes the overly broad provisions contained in sections 2252A and 2423(b) as predicate offenses.

Section 2252A includes, among other things, computer-generated depictions of child pornography. Now, the suspicion that someone may be generating filthy depictions on a home computer should not justify listening in to their private phone conversations. Now section 2423(b) makes it an offense to travel with the intent or thought of committing any sex crime.

Thus pursuant to H.R. 3484, the bill before us, law enforcement would be able to get a wiretap where it learns that an 18-year-old is traveling from Washington, D.C. to Northern Virginia to have sex with his 17-year-old girlfriend. Now, I do not think that we have a compelling need to authorize government officials to listen into personal phone conversations when they suspect that such activity may be planned.

Mr. Speaker, as I have indicated earlier, wiretap authority is so invasive of the rights of citizens in a free society that it must be made available only as a last resort. The more serious criminal activity for which proponents of the legislation are seeking to justify wiretap extension are mostly covered by wiretap authority or other confiscation authority and investigatory techniques already.

Further, certain provisions of the bill are overly broad or simply involve conduct not serious enough to warrant the extraordinary invasion of privacy involved in wiretap authority.

As a result, I must oppose this legislation and urge my colleagues to vote no on H.R. 3484.

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

Mr. Speaker, I want to thank the gentleman from Virginia (Mr. SCOTT) for his work on this. It has been a pleasure in the Subcommittee on Crime to serve with him. I did want to respond, simply as a Federal prosecutor, I have had experience in requests for wiretap authority. All I can say is that the Department of Justice, from my experience, uses it very, very rarely.

One of the reasons is that, in order to have wiretap permission, one has to get authorization at a very, very high level in the Department of Justice. So there are a number of tools to screen the overuse of wiretap authority. Then, secondly, there are numerous protections in it, such as one has to go to a Federal judge. For those reasons, it is not something that is a routine law enforcement tool, as it should not be.

I think that the gentleman from Virginia is absolutely correct. This should be a tool that should be reserved for the very difficult cases and not just used in a routine fashion. That is something that we certainly share, and I hope that the Department of Justice will always maintain that view of wiretap authority.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), who has really been the pusher behind this legislation, an extraordinary advocate for children.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman from Arkansas (Mr. HUTCHINSON) and also the gentleman from Florida (Mr. MCCOLLUM) for their leadership and help in bringing this issue and this bill to the floor.

As I learned from meetings with Customs Service agents, students, parents and teachers, predators lurk no longer just around the playground. They lurk in every computer. I was born and raised in Chicago, not in the suburbs, but in Chicago. I played in the streets and in the alleys of my neighborhood. Yet, I felt safe. I felt safe because I was taught that, if I did not go certain places, I would be safe. We were taught by our parents, do not go here. Do not go there. Stay within these parameters. Because we were taught about the dangers around us, we were safe.

Now we have to teach our kids about the dangers that lurk on the Internet so they too can enjoy the wonderful resources the Internet can make available to them but enjoy those resources in safety.

Twenty-five million kids ages 10 to 17 use the Internet. The risks are very high, and protections for our children need to be even higher.

During one visit to Connecticut, a Customs agent entered a chat room camouflaged as a teenage girl and within minutes was solicited by no less than five individuals seeking information about what she looked like, where she lived, what she liked to do, all under the guise of being her friend.

Such contacts have led to agreements between children and adults to meet, to meet the new friend. They have led to sexual abuse. But, fortunately, in Connecticut so far, none of these encounters have led to abduction and murder.

The National Center for Missing and Exploited Children estimates that there are over 10,000 Web sites maintained by pedophiles. There are even more child pornography sites with as much as 80 percent of it coming from other countries.

One of the chat rooms I was shown was named, this was just on the list, named ''infant rape and torture.'' Times have changed. The dangers are all around us. We must change our laws to arm our investigators with the power they need to protect our children.

This legislation would create several new predicate offenses for which a Federal agent can seek permission to wiretap a suspect. While I respect the concerns that have been raised on the floor here, our bill is essential if these kids are to be protected from those in the Internet who would seek them out, befriend them, and arrange to meet them in places through which they can sexually assault them or, as has happened, and will happen more and more often, lead to their harm and sometimes to their murder.

Our bill simply modernizes the statute. The officers would still have to present their case to a judge. So I urge support of this important legislation.

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

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

The SPEAKER pro tempore (Mr. OSE). The question is on the motion offered by the gentleman from Arkansas (Mr. HUTCHINSON) that the House suspend the rules and pass the bill, H.R. 3484, as amended.

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

A motion to reconsider was laid on the table.

AMERICAN COMPETITIVENESS IN THE TWENTY-FIRST CENTURY ACT OF 2000

Mr. CANNON. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2045) to amend the Immigration and Nationality Act with respect to H–1B nonimmigrant aliens, as amended.

The Clerk read as follows:

S. 2045

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 ''American Competitiveness in the Twenty-first Century Act of 2000''.

SEC. 2. TEMPORARY INCREASE IN VISA ALLOTMENTS.

In addition to the number of aliens who may be issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (8 U.S.C. 1101 (a)(15)(H)(i)(b)), the following number of aliens may be issued such visas or otherwise provided such status for each of the following fiscal years:

(1) 80,000 for fiscal year 2000;

(2) 87,500 for fiscal year 2001; and

(3) 130,000 for fiscal year 2002.

SEC. 3. SPECIAL RULE FOR UNIVERSITIES, RESEARCH FACILITIES, AND GRADUATE DEGREE RECIPIENTS.

Section 214(g) of the Immigration and Nationality Act (8 U.S.C. 1184(g)) is amended by adding at the end the following new paragraphs:

''(5) The numerical limitations contained in paragraph (1)(A) shall not apply to any nonimmigrant alien issued a visa or otherwise provided status under section 101(a)(15)(H)(i)(b)—

''(A) who is employed (or has received an offer of employment) at—

''(i) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))), or a related or affiliated nonprofit entity; or

''(ii) a nonprofit research organization or a governmental research organization; or

''(B) for whom a petition is filed not more than 90 days before or not more than 180 days after the nonimmigrant has attained a master's degree or higher degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))).

''(6) Any alien who ceases to be employed by an employer described in paragraph (5)(A) shall, if employed as a nonimmigrant alien described in section 101(a)(15)(H)(i)(b), be counted toward the numerical limitations contained in paragraph (1)(A) the first time the alien is employed by an employer other than one described in paragraph (5)(A).''.

SEC. 4. LIMITATION ON PER COUNTRY CEILING WITH RESPECT TO EMPLOYMENT-BASED IMMIGRANTS.

(a) SPECIAL RULES.—Section 202(a) of the Immigration and Nationality Act (8 U.S.C. 1152(a)) is amended by adding at the end the following new paragraph:

''(5) RULES FOR EMPLOYMENT-BASED IMMIGRANTS.—

''(A) EMPLOYMENT-BASED IMMIGRANTS NOT SUBJECT TO PER COUNTRY LIMITATION IF ADDITIONAL VISAS AVAILABLE.—If the total number of visas available under paragraph (1), (2), (3), (4), or (5) of section 203(b) for a calendar quarter exceeds the number of qualified immigrants who may otherwise be issued such visas, the visas made available under that paragraph shall be issued without regard to the numerical limitation under paragraph (2) of this subsection during the remainder of the calendar quarter.

''(B) LIMITING FALL ACROSS FOR CERTAIN COUNTRIES SUBJECT TO SUBSECTION (e).—In the case of a foreign state or dependent area to which subsection (e) applies, if the total number of visas issued under section 203(b) exceeds the maximum number of visas that may be made available to immigrants of the state or area under section 203(b) consistent with subsection (e) (determined without regard to this paragraph), in applying subsection (e) all visas shall be deemed to have been required for the classes of aliens specified in section 203(b).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 202(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1152(a)(2)) is amended by striking ''paragraphs (3) and (4)'' and inserting ''paragraphs (3), (4), and (5)''.

(2) Section 202(e)(3) of the Immigration and Nationality Act (8 U.S.C. 1152(e)(3)) is amended by striking ''the proportion of the visa numbers'' and inserting ''except as provided in subsection (a)(5), the proportion of the visa numbers''.

(c) ONE-TIME PROTECTION UNDER PER COUNTRY CEILING.—Notwithstanding section 214(g)(4) of the Immigration and Nationality Act, any alien who—

(1) is the beneficiary of a petition filed under section 204(a) for a preference status under paragraph (1), (2), or (3) of section 203(b); and

(2) would be subject to the per country limitations applicable to immigrants under those paragraphs but for this subsection,

may apply for, and the Attorney General may grant, an extension of such nonimmigrant status until the alien's application for adjustment of status has been processed and a decision made thereon.

SEC. 5. INCREASED PORTABILITY OF H–1B STATUS.

(a) IN GENERAL.—Section 214 of the Immigration and Nationality Act (8 U.S.C. 1184) is amended by adding at the end the following new subsection:

''(m)(1) A nonimmigrant alien described in paragraph (2) who was previously issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) is authorized to accept new employment upon the filing by the prospective employer of a new petition on behalf of such nonimmigrant as provided under subsection (a). Employment authorization shall continue for such alien until the new petition is adjudicated. If the new petition is denied, employment authorization shall cease.

''(2) A nonimmigrant alien described in this paragraph is a nonimmigrant alien—

''(A) who has been lawfully admitted into the United States;

''(B) on whose behalf an employer has filed a nonfrivolous application for new employment or extension of status before the date of expiration of the period of stay authorized by the Attorney General; and

''(C) who has not been employed without authorization in the United States before or during the pendency of such petition for new employment.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to petitions filed before, on, or after the date of enactment of this Act.

SEC. 6. EXTENSION OF AUTHORIZED STAY IN CASES OF LENGTHY ADJUDICATIONS.

(a) EXEMPTION FROM LIMITATION.—The limitation contained in section 214(g)(4) of the Immigration and Nationality Act with respect to the duration of authorized stay shall not apply to any nonimmigrant alien previously issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act on whose behalf a petition under section 204(b) to accord the alien immigrant status under section 203(b), or an application for adjustment of status under section 245 to accord the alien status under section 203(b), has been filed, if 365 days or more have elapsed since the filing of a labor certification application on the alien's behalf, if such certification is required for the alien to obtain status under section 203(b), or if 365 days or more have elapsed since the filing of the petition under section 204(b).

(b) EXTENSION OF H1–B WORKER STATUS.—The Attorney General shall extend the stay of an alien who qualifies for an exemption under subsection (a) in one-year increments until such time as a final decision is made on the alien's lawful permanent residence.

SEC. 7. EXTENSION OF CERTAIN REQUIREMENTS AND AUTHORITIES THROUGH FISCAL YEAR 2002.

(a) ATTESTATION REQUIREMENTS.—Section 212(n)(1)(E)(ii)) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(1)(E)(ii)) is amended by striking ''October 1, 2001'' and inserting ''October 1, 2002''.

(b) FEE REQUIREMENTS.—Section 214(c)(9)(A) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(9)(A)) is amended in the text above clause (i) by striking ''October 1, 2001'' and inserting ''October 1, 2002''.

(c) DEPARTMENT OF LABOR INVESTIGATIVE AUTHORITIES.—Section 413(e)(2) of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of Public Law 105–277) is amended by striking ''September 30, 2001'' and inserting ''September 30, 2002''.

SEC. 8. RECOVERY OF VISAS USED FRAUDULENTLY.

Section 214(g)(3) of the Immigration and Nationality Act (8 U.S.C. 1184 (g)(3)) is amended to read as follows:

''(3) Aliens who are subject to the numerical limitations of paragraph (1) shall be issued visas (or otherwise provided nonimmigrant status) in the order in which petitions are filed for such visas or status. If an alien who was issued a visa or otherwise provided nonimmigrant status and counted against the numerical limitations of paragraph (1) is found to have been issued such visa or otherwise provided such status by fraud or willfully misrepresenting a material fact and such visa or nonimmigrant status is revoked, then one number shall be restored to the total number of aliens who may be issued visas or otherwise provided such status under the numerical limitations of paragraph (1) in the fiscal year in which the petition is revoked, regardless of the fiscal year in which the petition was approved.''.

SEC. 9. NSF STUDY AND REPORT ON THE ''DIGITAL DIVIDE''.

(a) STUDY.—The National Science Foundation shall conduct a study of the divergence in access to high technology (commonly referred to as the ''digital divide'') in the United States.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Director of the National Science Foundation shall submit a report to Congress setting forth the findings of the study conducted under subsection (a).

SEC. 10. MODIFICATION OF NONIMMIGRANT PETITIONER ACCOUNT PROVISIONS.

(a) ALLOCATION OF FUNDS.—Section 286(s) of the Immigration and Nationality Act (8 U.S.C. 1356(s)) is amended—

(1) in paragraph (2), by striking ''56.3 percent'' and inserting ''36.2 percent'';

(2) in paragraph (3), by striking ''28.2 percent'' and inserting ''30.7 percent''; and

(3) in paragraph (4)(A), by striking ''4 percent'' and inserting ''2.5 percent''.

(b) LOW-INCOME SCHOLARSHIP PROGRAM.—Section 414(d)(3) of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of Public Law 105–277) is amended by striking ''2,500 per year.'' and inserting ''3,125 per year. The Director may renew scholarships for up to 4 years.''.

(c) NATIONAL SCIENCE FOUNDATION GRANT PROGRAM.—Section 286(s)(4)(B) of the Immigration and Nationality Act (8 U.S.C. 1356(s)) is amended to read as follows:

''(B) NATIONAL SCIENCE FOUNDATION COMPETITIVE GRANT PROGRAM FOR K–12 MATH, SCIENCE AND TECHNOLOGY EDUCATION.—(i) 25.8 percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available to the Director of the National Science Foundation until expended to carry out a direct and/or matching grant program to support private-public partnerships in K–12 education.

''(ii) TYPES OF PROGRAMS COVERED.—The Director shall award grants to such programs, including, those which support the development and implementation of standards-based instructional materials models and related student assessments that enable K–12 students to acquire an understanding of science, mathematics, and technology, as well as to develop critical thinking skills; provide systemic improvement in training K–12 teachers and education for students in science, mathematics, and technology; stimulate system-wide K–12 reform of science, mathematics, and technology in rural, economically disadvantaged regions of the United States; provide externships and other opportunities for students to increase their appreciation and understanding of science, mathematics, engineering, and technology; involve partnerships of industry, educational institutions, and community organizations to address the educational needs of disadvantaged communities; and college preparatory support to expose and prepare students for careers in science, mathematics, engineering, and technology.''.

(d) REPORTING REQUIREMENTS.—Section 414 of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of Public Law 105–277) is amended by adding at the end the following new subsection:

''(e) The Secretary of the Department of Labor and the Director of the National Science Foundation shall—

''(1) track and monitor the performance of programs receiving H–1B Nonimmigrant Fee grant money; and

''(2) not later than one year after the date of enactment of this subsection, submit a report to the Committees on the Judiciary of the House of Representatives and the Senate—

''(A) the tracking system to monitor the performance of programs receiving H–1B grant funding; and

''(B) the number of individuals who have completed training and have entered the high-skill workforce through these programs.''.

SEC. 11. KIDS 2000 CRIME PREVENTION AND COMPUTER EDUCATION INITIATIVE.

(a) SHORT TITLE.—This section may be cited as the ''Kids 2000 Act''.

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

(1) There is an increasing epidemic of juvenile crime throughout the United States.

(2) It is well documented that the majority of juvenile crimes take place during after-school hours.

(3) Knowledge of technology is becoming increasingly necessary for children in school and out of school.

(4) The Boys and Girls Clubs of America have 2,700 clubs throughout all 50 States, serving over 3,000,000 boys and girls primarily from at-risk communities.

(5) The Boys and Girls Clubs of America have the physical structures in place for immediate implementation of an after-school technology program.

(6) Building technology centers and providing integrated content and full-time staffing at those centers in the Boys and Girls Clubs of America nationwide will help foster education, job training, and an alternative to crime for at-risk youth.

(7) Partnerships between the public sector and the private sector are an effective way of providing after-school technology programs in the Boys and Girls Clubs of America.

(8) PowerUp: Bridging the Digital Divide is an entity comprised of more than a dozen nonprofit organizations, major corporations, and Federal agencies that have joined together to launch a major new initiative to help ensure that America's underserved young people acquire the skills, experiences, and resources they need to succeed in the digital age.

(9) Bringing PowerUp into the Boys and Girls Clubs of America will be an effective way to ensure that our youth have a safe, crime-free environment in which to learn the technological skills they need to close the divide between young people who have access to computer-based information and technology-related skills and those who do not.

(c) AFTER-SCHOOL TECHNOLOGY GRANTS TO THE BOYS AND GIRLS CLUBS OF AMERICA.—

(1) PURPOSES.—The Attorney General shall make grants to the Boys and Girls Clubs of America for the purpose of funding effective after-school technology programs, such as PowerUp, in order to provide—

(A) constructive technology-focused activities that are part of a comprehensive program to provide access to technology and technology training to youth during after-school hours, weekends, and school vacations;

(B) supervised activities in safe environments for youth; and

(C) full-time staffing with teachers, tutors, and other qualified personnel.

(2) SUBAWARDS.—The Boys and Girls Clubs of America shall make subawards to local boys and girls clubs authorizing expenditures associated with providing technology programs such as PowerUp, including the hiring of teachers and other personnel, procurement of goods and services, including computer equipment, or such other purposes as are approved by the Attorney General.

(d) APPLICATIONS.—

(1) ELIGIBILITY.—In order to be eligible to receive a grant under this section, an applicant for a subaward (specified in subsection (c)(2)) shall submit an application to the Boys and Girls Clubs of America, in such form and containing such information as the Attorney General may reasonably require.

(2) APPLICATION REQUIREMENTS.—Each application submitted in accordance with paragraph (1) shall include—

(A) a request for a subgrant to be used for the purposes of this section;

(B) a description of the communities to be served by the grant, including the nature of juvenile crime, violence, and drug use in the communities;

(C) written assurances that Federal funds received under this section will be used to supplement and not supplant, non-Federal funds that would otherwise be available for activities funded under this section;

(D) written assurances that all activities funded under this section will be supervised by qualified adults;

(E) a plan for assuring that program activities will take place in a secure environment that is free of crime and drugs;

(F) a plan outlining the utilization of content-based programs such as PowerUp, and the provision of trained adult personnel to supervise the after-school technology training; and

(G) any additional statistical or financial information that the Boys and Girls Clubs of America may reasonably require.

(e) GRANT AWARDS.—In awarding subgrants under this section, the Boys and Girls Clubs of America shall consider—

(1) the ability of the applicant to provide the intended services;

(2) the history and establishment of the applicant in providing youth activities; and

(3) the extent to which services will be provided in crime-prone areas and technologically underserved populations, and efforts to achieve an equitable geographic distribution of the grant awards.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated $20,000,000 for each of the fiscal years 2001 through 2006 to carry out this section.

(2) SOURCE OF FUNDS.—Funds to carry out this section may be derived from the Violent Crime Reduction Trust Fund.

(3) CONTINUED AVAILABILITY.—Amounts made available under this subsection shall remain available until expended.

Amend the title to read as follows: ''A bill to amend the Immigration and Nationality Act with respect to H–1B nonimmigrant aliens, and to establish a crime prevention and computer education initiative.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. CANNON) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. CANNON).

GENERAL LEAVE

Mr. CANNON. 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 S. 2045, as amended.

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

There was no objection.

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

Mr. Speaker, I am pleased today to rise in support of this legislation. I am pleased that we are moving forward on this vital issue for our economy.

America is ascendant. We have a strong, consumer-driven, innovative economy that is continuing to grow. We have more high-tech products available to our citizens than any other country in the world. Low-cost, high-speed access to the Internet is becoming a reality for every person in America. The latest employment numbers show that this high technology-driven economy has created 340,000 new jobs and the unemployment rate is at 3.9 percent, a 30-year low.

The legislation before us today will help this economic prosperity continue by meeting the critical need for skilled workers, workers we cannot get enough of. A key but little known fact about this booming high-tech economy is that it is dependent upon skilled workers. We need those. That is like lifeblood for us.

We cannot produce enough of these highly skilled workers quickly enough from our own education system to keep pace with the demand. For years we have had a special immigration program, the H–1B visa, which allows highly skilled workers to come to this

country temporarily to work for American companies in order to meet critical shortages of skilled personnel.

Unfortunately, the current program still does not provide enough visas to meet the growing demands and the growing shortfall of domestically educated high-tech workers. The current ceiling of 115,000 visas per year was reached in March, less than halfway through the current fiscal year.

All the world wants to come to this land of opportunity to develop and market their ideas. We want them to come. We want everyone to be able to follow his or her dreams and enrich themselves and enrich this country. The fact that the best and the brightest from the rest of the world want to come here and work and learn, to invent and build businesses is the ultimate compliment to our system. We should welcome them with open arms. This is how America spreads democracy and the rule of law. The people will make our country and our economy better while they are here and will take our concept of freedom back to their homes and initiate change there.

We have worked hard on this H–1B legislation to open the doors wide to educated people, so that they can come to the United States and give us the benefits as they develop their ideas. This is the American dream. It should be available to everyone everywhere.

The American Competitiveness in the 21st Century Act of 2000 will feed the high-tech economy with these vital workers by providing 195,000 H–1B visas in fiscal 2000, and that is 80,000 in addition to the 115,000 we currently have; 195,000 for the fiscal year 2001, and 195,000 for fiscal 2002.

Our opponents complain that a greater focus on education of American workers is the answer. But this long-term solution cannot meet today's critical need.

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American companies will always want to recruit the top professionals they can find, but there is no reason why they should have to choose between hiring the most qualified employees now to meet their immediate needs and support long-term excellence in our schools in the high-tech workforce. They can do both. We can do both.

The supporters of this legislation read like a who's who of the most innovative, fastest-growing companies in America, the companies who drive this economy forward: Microsoft, Intel, Sysco Systems, Sun Microsystems, Hewlett Packard, and Texas Instruments. Their demands are infinitely reasonable. The only shame in all this is that we have to spend a year working with Congress to allow them to hire people and create more jobs.

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

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

Mr. Speaker, I plan to support this bill before us, even though it got out of the Senate only hours ago; yesterday sometime.

The legislation before us today would adjust the H–1B visa cap to meet the immediate and critical needs of our high-technology economy. To tell the truth, the bill is a significant improvement to the committee-passed bill in the Judiciary, which would have imposed significant new restrictions that would have made it far more difficult for American employers to utilize the H–1B program.

This enormous success of our American economy has, in large part, been driven by our information technology industry. As a matter of fact, the Department of Commerce estimates that more than 1.3 million technology workers will be needed over the next decade. Where are we going to get them? Ensuring that the United States has sufficient, qualified, high-technology personnel will be a critical determinant of the success of our national economy over the years to come. So I believe it is imperative that we add some temporary visas, that we provide for greater permanent visas, and that we attempt to educate our own citizens so that we can meet these needs.

But I must point out that there are some concerns that I have with the manner that this legislation came to the floor. First off, we are taking up the Senate-passed bill under suspension of the rules; there is only one copy in this room, and it is at the Speaker's desk. There is no opportunity for amendment by anyone in the Congress. In this respect, I would note that the bill before us does not contain the increase in visa fees provided under the Lofgren-Dreier bill. This is not a good occasion. By contrast, that bill would have increased fees by $500 and then allocated 90 percent of the additional revenue to the existing math, computer science, engineering and science related enrichment and regional skills alliances designed to train current workers.

In other words, our measure would have allowed us to begin to prepare qualified high-tech workers inside the United States. The Clinton administration likewise has some excellent proposals in the fee area, and I hope that this language will be added to some other piece of legislation before we adjourn.

Number two, the bill fails to contain any of the Latino Fairness provisions that those of us in the House, particularly the Congressional Hispanic Caucus, led by the gentlewoman from California (Ms. ROYBAL-ALLARD), and specifically worked on by our distinguished colleague, the gentleman from Illinois (Mr. GUTIERREZ) and other Members in the House and Senate who have been pushing these provisions urged by the Congressional Hispanic Caucus and by the Congressional Black Caucus. These provisions would provide immigration parity for Central Americans and Haitians, would grant late amnesty to individuals unfairly denied relief under the 1986 law, and restore section 245(i) relief to persons seeking to adjust their immigration status in the United States.

In my view, if we are going to open our borders to hundreds of thousands of foreign nationals who do not live here to fill employment needs under the H–1B program, the very least we can do is address the existing inequities faced by persons who already live and work here and have family ties in this country.

Yet the majority continues to ignore these very reasonable proposals. They have refused to give us a hearing in the Committee on the Judiciary; and, thus, we have not had a markup. Today we do not even have the opportunity of offering an amendment so that we can vote our conscience on the House floor.

In terms of the immigration parity provisions, relief is needed to correct unfair and discriminatory provisions enacted by the majority in the last two Congresses. In 1996, this Congress made it almost impossible for deserving immigrants to obtain suspension or deportation relief. In 1997, they compounded the problem by offering relief from the 1996 law to Cubans and Nicaraguans but not other Central Americans or Haitians.

I want to quickly add that our Cuban American Members of Congress joined us in supporting a modification that would include Central Americans and Haitians, and I compliment them for that.

The individuals we want to protect came to our shores fleeing persecution at home. They have jobs and families and roots in this country. They deserve the same consideration we have given other groups of immigrants.

As for the late amnesty provisions, there is a need to restore fairness to those immigrants who were eligible to apply for legalization in the mid-1980s but were not able to do so because the Immigration and Naturalization Service misinterpreted the law that the Congress passed. Had their application been timely processed, most of these immigrants would already be citizens.

In 1996, the majority compounded the problem once again by stripping the courts of their authority to grant relief for the wronged legalization applicants. Updating the registry date to 1986 will avoid all of these problems.

So I support the bill with these reservations. It is a marked improvement over our committee product, but I pledge today that our work should not be considered yet done on immigration in this Congress. We must increase the fees, otherwise we will be giving our children and workers the short shrift in terms of education funding. We have people here that can and deserve to be high-tech workers in the computer industry, and we must provide some equity to Latino and Haitian immigrants who are already here.

Please, members of this committee, as a nation of immigrants, we cannot shut our doors and hearts to these individuals.

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

Mr. CANNON. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman from Michigan (Mr. CONYERS) for his limited support of this bill. It is an important bill.

I would just point out that the Senate version has been around for a very long time. There are at least two copies; the Speaker has a copy and my staff has a copy here. So the issue has been around for a while and it is a very important issue that we need to move forward with under the current circumstances.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. SMITH), the chairman of the Subcommittee on Immigration and Claims.

Mr. SMITH of Texas. Mr. Speaker, I want to recognize two Members on the House floor tonight. The gentleman from California (Mr. DREIER), who is chairman of the House Committee on Rules, has been a tireless advocate on behalf of the high-tech industry. I do not know of anyone who has worked harder, invested more time and energy, or is more responsible for the bill that we are considering tonight being on the House floor, and I would like to congratulate him in advance on the expected passage of this bill.

Second of all, the gentleman from Utah (Mr. CANNON), who just yielded me the time, is an active member of the Subcommittee on Immigration and Claims, and he too has been a steadfast advocate of the high-tech industry. The gentleman from Utah himself is an entrepreneur and he understands firsthand the needs of the high-tech industry.

Mr. Speaker, although there is still no objective credible study that documents the shortage of American high-tech workers, the INS said recently that the demand for highly skilled foreign workers is running at least 50,000 ahead of last year. Such a demand can indicate an actual shortage of American workers, a spot shortage, a preference for cheap labor or replacement workers, or something else. But because of the importance of the high-tech industry to our economy, I think we should give the industry the benefit of the doubt.

But giving high-tech companies the benefit of the doubt is not without risk, unless we safeguard American workers. We need to recognize the opposition of the American people to an H–1B visa increase, Mr. Speaker. Two major polls demonstrate that the vast majority of Americans do not want to see the number of high-tech visas increased so much and worry that it will hurt American workers.

A Peter Hart poll conducted in March found that 73 percent of Americans do not want to see immigration law changed to allow the entry of more foreign high-tech workers. Only 20 percent wanted more foreign workers.

A Harris poll, released in September 1998, found that 82 percent of Americans do not want to see the H–1B quota increased. The poll found that 77 percent of Americans believe that an increase in H–1B visas reduces employment opportunities for American workers. And 86 percent of Americans believe that U.S. companies should train U.S. workers to perform jobs in technical fields, even if it is faster and less expensive to fill the jobs with foreign workers.

To satisfy the concerns of the American people, we need to protect American workers from being undercut by foreign workers in the H–1B program. S.2045 contains no significant provisions to protect these American workers. It does not require most companies to make a good-faith effort to recruit U.S. workers before hiring foreign workers. It allows all but a small handful of firms to lay off American workers and replace the American workers with foreign workers.

Why would anyone oppose these common sense safeguards? What amazes me is that in all the discussions I have had with representatives of high-tech companies, not a single one has expressed any concern about the impact of this legislation on American workers. How could anyone oppose a safeguard that says American workers could not be fired and replaced by a foreign worker? How could anyone not agree to advertise for American workers before hiring from abroad? How could anyone oppose paying foreign workers what the average beginning salary is for American college graduates, unless they want to undercut American wages?

The Committee on the Judiciary passed a bill, H.R. 4227, that contains an additional crucial safeguard for American workers. The Committee on the Judiciary passed a bill that set a floor on wages for these workers; $40,000 per year. This wage is a good starting point for any high-tech professional. It is a salary that American students fresh out of college are making. This crucial safeguard would prevent U.S. companies from hiring foreign workers to undercut the wages of American workers.

Strong anti-fraud measures are also necessary to address known abuses. An article in last Thursday's ''San Francisco Chronicle'' says it all: ''Federal authorities have started nationwide investigations into the hiring of foreign high-tech workers, including charges of visa fraud and allegations that the practice is riddled with abuse.'' The Chronicle quotes Bill Yates of the INS as stating, ''But are we catching most of the fraud? The truthful answer is that we are not. If it is the intention of the employee or the employer to defraud the government, you may not be able to ferret it out.''

A just-released Government Accounting Office report states, ''There is not sufficient assurance that INS reviews are adequate for detecting program noncompliance or abuse. The program is vulnerable to abuse, both by employers who do not have bona fide jobs to fill or do not meet required labor conditions, and by potential workers who present false credentials.

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''The goals of preventing abuse of the program and providing efficient services to employers and workers are not being achieved. Evidence suggests that program noncompliance or abuse by employers may be more prevalent than under other laws.''

Mr. Speaker, any H–1B bill should contain effective antifraud measures as are contained in the Committee on the Judiciary-passed H.R. 4227. S. 2045 contains no such antifraud measures.

Mr. Speaker, in return for giving high-tech companies hundreds of thousands of more foreign workers, all we ask on behalf of American workers is some minimal, basic, common sense safeguards to ensure that businesses do not want to hire cheap foreign workers at the expense of American workers. While this bill has taken significant steps to alleviate the presumed shortage with more training for American workers, such provisions will not yield benefits for many years.

Supplying future workers is a different issue altogether from shielding today's American workers from the consequences of admitting so many workers from other countries.

Mr. Speaker, Congress should not turn its back on American workers.

Again I appreciate and recognize the work done by the gentleman from California (Mr. DREIER) and by the gentleman from Utah (Mr. CANNON) and congratulate them.

Mr. CONYERS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. LOFGREN), who worked harder on this measure than any other member of the Committee on the Judiciary.

Ms. LOFGREN. Mr. Speaker, this is a very good bill that should become law. I am a little bit surprised that we are standing here tonight. We did not realize that the bill would be brought up this evening and actually when I learned that it would be, I was standing in line buying a new computer to replace my computer which had its memory burned out in a power surge recently. I was glad I was able to get into the car pool lanes and get here in time to talk about why this bill deserves our support.

It was about a year ago that I began drafting some of the measures that ultimately found their way into the bill passed by the Senate last night. But I was not the only one on our side of the aisle who worked on this bill. A core group, including the gentleman from California (Mr. DOOLEY), the gentleman from Virginia (Mr. MORAN), the gentlewoman from California (Ms. ESHOO), and the gentleman from Washington (Mr. SMITH) really put in the extra effort as a drafting committee and certainly the gentleman from Michigan (Mr. CONYERS), the ranking member, has been a leader in moving this forward along with the gentleman from

California (Mr. MATSUI), and finally our hero in this on our side of the aisle, the gentleman from Missouri (Mr. GEPHARDT), the minority leader, who has been stalwart in his efforts to make sure that we would get a bill such as this passed.

Mr. Speaker, I have to give the Senate credit. This bill is better than any of the other bills that have been put together, including the one we drafted, because it takes the best of so many measures and includes them all. It does things that are important in reforming the permanent side of the immigration system which is almost broken because of bureaucratic delay. It allows for portability of H–1B status as well as portability of I–140s and labor certifications. It does something about the per-country limits that would, absent a remedy, mean that scientists from certain Asian countries would be disadvantaged versus scientists from European countries. This fixes that problem. There is lots of good news in this bill, and we should all support it.

There are, however, two things that are not in the bill that I think we need to fix. The first has been mentioned by the gentleman from Michigan (Mr. CONYERS) and that has to do with the Central American refugee issue as well as the legalization era from the Reagan administration. We hoped that those two measures would become law this year as part of the Commerce-State-Justice bill. The President has threatened to veto the bill if these Latino fairness issues are not included, and 152 Democrats last week wrote a letter to the President saying he would sustain his veto if Latino fairness issues are not included in the Commerce-State-Justice bill. So we are sure that that is going to happen.

The second issue is the fee issue that has already been mentioned. The Senate parliamentarian correctly ruled that the fee in the Senate bill was a revenue increase and therefore could not be initiated on the Senate side. I do not believe we should stop this process of moving the bill forward. We should pass this bill just as it is so we do not have to conference it. But that means we are going to have to include a fee in another measure, probably an appropriations bill that is moving forward. I am sure that we will get the support of our colleagues across the aisle to make sure that happens because there was broad bipartisan support for a fee that would fund education and training programs.

I think that we have cleared the deck for approval of this bill. It is the best bill that has been considered yet. I would urge all of us to vote for it and to vote for it with some great degree of enthusiasm. As Alan Greenspan has pointed out, much of our economic prosperity is very much related to the Ph.D's who have come in from all around the world to come and be Americans with us. We are the better for that.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in strong opposition to this legislation. This legislation is nothing more than a betrayal of American working people. Why should we bring in 240,000 foreigners in order to depress the wages in the United States of America? That is exactly what we are talking about here.

There are enough Americans to do these jobs. The only thing that is lacking is the pay levels and the training. So instead of requiring our companies to train people to do these high-tech jobs who are unemployed now, like laid-off aerospace industries, or to pay a little bit more money to attract our kids coming out of school, no, instead we are going to bring in 240,000 foreigners to keep wages low. In times of prosperity if you believe in free enterprise, that is when wages are supposed to go up. But if we bring in 240,000 foreigners to take these good, high-paying tech jobs, those high-paying jobs which are now $60,000 that should go to 70 or $80,000 will stay at that level.

What this bill does is, number one, betray our own people who are out of work who need that training, need those jobs, that are 50 years old; but the Bill Gates billionaires of the world would rather bring in foreigners and not have to pay for the training and not have to pay perhaps for the health benefits of someone who is a lot younger. We should not be subsidizing these billionaire high-tech companies and these billionaires who have made money up in the Silicon Valley. They should pay their workers more money, they should train them and, yes, let us have an incentive for more of our young people to go into these high-tech companies and high-tech skill areas. If we keep wages low, our students are not going to be attracted to these high-tech areas. But if we let wages increase as the market would suggest, we will have our students go in that direction to try to get those jobs.

For someone who believes in the market and supposedly the Republicans believe in the market, this bill is a betrayal of our principles but a betrayal of America's working people. Let us not bring in 240,000 foreigners to take jobs that could be done by Americans if they had the training and the pay levels to get those jobs.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I want to thank the distinguished ranking member from Michigan, the gentleman from California (Mr. DREIER), the gentlewoman from California (Ms. LOFGREN). A number of other of our colleagues have worked very hard on this legislation. It is good legislation. It is essential legislation. It benefits a great many industries critical to the health of our economy.

But foremost among those sectors benefited is the high technology industry. The reason for that is that in the next few years the demand for skilled technology workers will mushroom worldwide. In the United States alone we will need 1.4 million more computer programmers, computer scientists and engineers by the year 2003. Today, 2.5 million workers work directly in the high technology industry; and while American firms dominate information technology markets worldwide, there are some 350,000 unfilled high technology jobs in the United States alone. To keep pace with demand each year for the next 10 years, the United States will have to train and hire an additional 130,000 computer scientists, engineers, and systems analysts.

And unlike many of those countries that are falling behind us, our strength is in our openness, openness to the flow of goods and services and capital and people. The warnings from the left and particularly from the right that more trade and immigration would throw native-born Americans out of work, destroy jobs and drive down wages have proven to be spectacularly wrong. I am looking for my friend from California, because our economic expansion has continued at the highest pace ever. That was the gentleman from California (Mr. ROHRABACHER), certainly not the gentlewoman from California (Ms. LOFGREN), who obviously understands the need.

In the last decade trade and investment with and in the United States economy has reached record levels while the influx of legal immigrants has averaged close to a million per year. And yet contrary to all the isolationists' dire predictions, unemployment has fallen to a 30-year low, 22 million new jobs have been created, real wages have been rising all across the income scale, and the current economic expansion has just set a record as the longest in United States history.

Until workforce training catches up to workforce demand, it is incumbent upon us to ensure that our employers have the ability to fill gaps in their workforce with qualified foreign national professionals. By allowing and encouraging the best and the brightest from around the globe to bring their knowledge and skills to the United States, and we are a Nation of immigrants, that is one of the reasons it is working so well, we can preserve our high-tech advantage over other countries while at the same time making sure that those same jobs do not move overseas. This is preventing those jobs from moving overseas.

As we have heard, this legislation if enacted will ensure that Americans have the education skills and training to take these jobs if they choose to pursue the training opportunities that this bill will provide. The dedicated fees generated by this bill will ensure that current American workers can be retrained for high-tech, new economy jobs. That is why we need to support it.

I thank the White House and the Democratic and Republican leadership.

It is a fair and productive matter. Let us vote for it.

Mr. CONYERS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. OWENS).

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

Mr. OWENS. Mr. Speaker, the process is a betrayal. The process by which this important legislation has been brought to the floor is a betrayal of all of the reasonable Members of this House who are ready to move to meet an emergency. We understand that there is a great need for more workers to be brought in. We understand that there is a shortage, those figures are not rigged, that there is a shortage and it is mushrooming. We understand that we are going into a cyber-civilization and brain power is very important and we cannot hesitate and slow down the process. We understand the need to do something.

But why have it brought to the floor in the form of a suspension bill and not have it debated on the floor of the House fully and not allow amendments to be introduced which would be very useful for this process? What we are doing here is steamrolling through a cap. We will have a cap which amounts to almost 600,000 people over a 3-year period. 600,000 people are going to be brought in without any further discussion of the process of creating brain power. We are going to let nations like India and China, et cetera, create or let their school systems fill this need for us because we are not willing to debate and really come to grips with the process that is needed to generate and develop this kind of brain power in our own country.

We have a $230 billion surplus this year and all of the proposals for education have been milquetoast proposals. We are not coming to grips with the fact that we need to invest very heavily in infrastructure, very heavily in computers and equipment. In the area of immigration alone, we are overlooking a supply of manpower that is already here. There are large numbers of young people who come out of our high schools, they are undocumented, they come out of the high schools because they are allowed to go to public schools, but they cannot go to college and receive scholarships because they are undocumented. They have the brain power. I wanted to offer an amendment where they would be allowed special status, also. There are numerous amendments that were waiting to be attached to this bill to make it better, and we have violated the trust of the people who wanted to make this happen.

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

Mr. Speaker, I just had a phone call from the president and CEO of Intel, Mr. Craig Barrett, whose view of this is that we can either import workers, or export jobs. I think that is really what this comes down to.

Part of the criticism of this bill has come from people who believe that bringing in new workers would keep wages low. As a practical matter, these people that are coming in with high skills and high education are making the pie bigger. They are making us all wealthier. That is just the fundamental distinction between the sides here.

I would like to speak for a moment about this new economy and what is going on here. We talk about the new economy, the Internet economy, the e-economy, and yet is there any part of our economy that is not affected by this?

Consider, for instance, trucking. The first company in the country that adopted global satellite positioning for its trucks was from my district in Utah, England Trucking. Their profitability skyrocketed initially when they did that, but now every other trucking company in the country is using that technology. And what has happened? The cost of trucking has plummeted because of that technology. Their greatest problem is getting enough drivers these days.

If you look at every other element of our economy, take farming, for instance. The price of a bushel of corn today is the same as it was essentially in 1950, unadjusted for inflation. That is because our farmers have been at the very cutting edge of technology.

What we are doing with this bill is bringing in the people that will actually accelerate the rate at which we grow our economy and which we develop new technologies. The amazing thing is that the rate at which we are absorbing new technology is accelerating, and the rate at which we have opportunities to expand technology are accelerating.

For instance, the Proteon project now, which is the application of the knowledge we have developed through the human genome project, is mammoth; and the opportunities for human health and other development from just that one issue alone are tremendous.

So we do not have a dearth of jobs; we have a dearth of people to carry these great opportunities forward.

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

Mr. CONYERS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, in central Texas, workforce development is the number one, overriding high-tech issue. From the work that my office does with one technology company after another in helping get H–1B visas processed, I know that such visas represent one short-term answer to our needs.

One reason that Austin, Texas prospers is by living the lyrics of that great Texan Lyle Lovett, who sings, ''Oh no, you're not from Texas, but Texas wants you anyway.'' We have attracted the best and brightest people from all over the world in part, through this H–1B program, to sustain our high-tech industries.

A high-tech leader in Austin, only a couple of months ago, was telling me that his situation in not being able to get qualified people to do the jobs that needed to be filled yesterday is not unlike a steel mill that cannot get an adequate supply of iron ore.

Because we have such a serious problem, with unemployment at an all-time low, in being able to get needed workers, I joined with a bipartisan coalition back in March to increase the supply of visas and to reform the process by which they are provided. The gentlewoman from California (Ms. LOFGREN) has been entirely too modest tonight. Without her determined leadership in forging a bipartisan coalition, we would not have secured H–1B legislation this year. My regret is that it is here in this fashion, and that so little has been done to address the other critical needs such as for modernizing immigration services with on-line filing and monitoring.

I am here not because I think this is a good bill, but because it is the only bill that the House leadership will permit us to consider on this issue. To schedule this debate 3 hours after Members were told they could leave the Capitol because there would be no further votes, to schedule it in a way that limits the debate time to a few minutes, to deny all perfecting amendments, is all too typical of the way this House has operated this year under the Republican leadership. But after months of inaction on much a critical high tech issue, this unfortunate approach shortchanges both this House and our high-tech industry.

In what will hopefully be a much better Congress next year, I will continue seeking more comprehensive legislation to reform the visa process and to create a separate ''tech visa.'' At the same time we must also make much more effective use of visa fee revenue to develop the skills of young Americans to fill future tech job openings so that even more of our neighbors can share our economic success.

Mr. CONYERS. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. SMITH).

Mr. SMITH of Washington. Mr. Speaker, I rise in support of this bill. I particularly want to thank the gentlewoman from California (Ms. LOFGREN) for her outstanding leadership on this issue. She has been working a long time at it and has done a tremendous job, and this is very important to the future of our economy.

I too regret a little bit the way this bill has come to the floor, but it is still a critical issue if we are going to move forward with the high-tech economy and keep our economy moving.

We all know that the long-term solution to the skills gap we have in this country is not going to be immigrants from other countries. The long-term

solution definitely involves improving our education system, and we are working to do that and we must work to do that. But in the short-term it is to our country's advantage to go out and take the best and brightest from the rest of the world and bring them to the U.S. to help grow our economy.

I guess the strongest disagreement I have with the opponents of this legislation is their claim that it is going to cost us jobs. It is going to create jobs. In the Seattle-Puget Sound corridor, every high-tech job has an incredible multiplier effect. It creates jobs. Bringing in people who can fill these jobs is going to allow not just the Microsofts and the Boeings, but hundreds, if not thousands, of small companies in my district and my region to grow, by getting the skilled workers they need to enable them to continue to compete in our global economy and grow and actually create jobs.

It is in our best interest to bring the best and the brightest from the rest of the world here to help our economy. That is the competitive and wise thing to do.

This bill moves us in the right direction. There are many other immigration issues that need to be addressed. The gentlewoman from California (Ms. LOFGREN) once again has been an outstanding leader on all of those issues. We should address them, and we will work on them. But expanding the number of skilled workers that our businesses in this country have access to is the most critical issue facing business.

Every business I go to, when I ask them what issues are most important to them, they always tell me the same thing: workforce. ''We can't get the people we need to grow to the level that we could be growing if we had those employees.''

This is a critical issue. I urge this House to pass this. It is not a perfect process. Nobody ever said Congress was a perfect process. But it is a good bill that we should support.

Mr. CANNON. Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. DREIER) to close. Let me point out that the gentleman from California (Mr. DREIER) has been the fire and the work behind the bill in getting it to this point.

The SPEAKER pro tempore (Mr. OSE). The gentleman from California is recognized for 5 minutes.

Mr. DREIER. Mr. Speaker, in less than 2 hours millions of Americans are going to be watching what will certainly be a very exciting and stimulating debate that will take place between Governor Bush and Vice President Gore. It is going to be a very partisan debate, and that is why I am happy that we in the House of Representatives just 2 hours before that debate are able to participate in a very important bipartisan effort here. It is one, as my friend, the gentlewoman from California (Ms. LOFGREN), said, that began over a year ago. And, yes, it was about a year ago that we began working together on this issue.

I want to say, first of all, that the chairman of the Subcommittee on Immigration and Claims (Mr. SMITH), has been extremely helpful in moving this process ahead, and there are a litany of people on our side who have always worked very hard on this: the gentleman from Utah (Mr. CANNON), who is managing this bill now; the gentleman from California (Mr. COX); the gentleman from Virginia (Mr. DAVIS); the gentleman from Virginia (Mr. GOODLATTE); and the gentleman from Michigan (Mr. EHLERS), who has the very important component which really has not been mentioned a lot, and that is the issue of education, his focus on math and science education, which will create a scenario where we do not have to rely on H–1B visas for these jobs to be filled in the United States.

That is the long-term solution. I should say that is why my colleague, the gentleman from Massachusetts (Mr. MOAKLEY), the ranking minority member of the Committee on Rules, and I have joined just a little while ago in introducing H.R. 5362, which takes the very important component in our legislation which is designed to increase the fee from $500 to $1,000. Why? So that we can have the resources necessary to address these very important issues which the gentleman from Michigan (Mr. EHLERS) has focused on.

Now, let me say that, again, this has been a bipartisan effort, and I want to express my appreciation to the gentlewoman from California (Ms. LOFGREN). We have gone through some bumpy times on this issue; but we have come, again, to accept this very, very great piece of legislation that our colleagues in the Senate by a vote of 96 to 1 have passed.

Also there are other people on the other side of the aisle who have worked hard on this, including the gentleman from Virginia (Mr. MORAN); my colleague, the gentleman from California (Mr. DOOLEY); and the gentleman from Washington (Mr. SMITH), who just spoke very eloquently about the fact that we will be creating jobs right here in the United States by increasing the number of H–1B visas.

Today there are about 300,000 jobs that need to be filled, and those jobs have not been filled. Why? Because we do not have the expertise here in the United States to do that. Now, what is it that can allow us to fill them? To make sure that we break down barriers and allow that expertise, regardless of where it is in the world, to be right here in the United States.

The gentleman from Utah (Mr. CANNON) just quoted the chairman of Intel, Craig Barrett, who said very appropriately that we can either choose to import workers, or export jobs. The fact is there are countries in the world today that would very much like us to see not only the jobs, but actually the bases for these operations, the headquarters, to move to Singapore, Ireland or other spots in the world. We need to do everything we can to break down government barriers, so that we can make sure that that expertise is here.

Now, a number of people have mentioned the fact that we have seen tremendous strides in the area of biotechnology. The gentleman from Utah (Mr. CANNON) just spoke eloquently about the genome project. When you look at the fact that we want to cure a wide range of diseases that are out there, Alzheimer's, Parkinson's, cancer, heart disease, we need to make sure that we continue with innovation. That is why the pharmaceutical industry, which I know has been criticized in this presidential debate, is very key. They have to have the expertise available to do this. Also in the technology sector, again, that ripple effect which the gentleman from Washington (Mr. SMITH) mentioned is so key, because jobs will be created right here.

What we have is a situation where we are relying on people and brain power, not steel and machines. That is the wave of the future. So for us to break down a governmental barrier is the best thing for us. That is why, Mr. Speaker, I am very proud that we are going to move forward in doing the right thing.

The gentleman from Illinois (Speaker HASTERT) and the gentleman from Texas (Mr. ARMEY), our majority leader, have worked long and hard and have been very supportive of this. I am pleased that having gone through this challenging time, that we have come together in a bipartisan way.

I hope that we can overwhelmingly pass this, take this language, send it down to the President for his signature, and improve the quality of life for the people in the United States and around the world, and increase the number of American jobs right here for Americans.

Mr. DAVIS of Virginia. Mr. Speaker, I rise to support S. 2045, the American Competitiveness in the Twenty-First Century Act of 2000.

In the summer of 1999, the House Judiciary Subcommittee on Immigration and Claims held hearings to investigate the workforce shortage affecting America's high-tech industry. The high-tech industry's explosion in the U.S. has created over 1 million jobs since 1993 and has produced an industry unemployment rate of 1.4 percent. As a result, our nation's economy has soared and the American people are enjoying the highest standard of living in history.

However, the United States' computer and information technology industry does not have access to growing numbers of highly skilled personnel. Lack of skilled workers threatens our nation's ability to maintain robust economic growth and expanding opportunities. The H–1B visa program allows foreign professionals to enter and work ''temporarily'' in the U.S. There are currently over 364,000 unfilled positions in the high-tech industry. In Northern Virginia alone, there are 28,000 openings. The Department of Labor projects that this deficit will increase by 1 million workers in the next decade. At the present time, the annual limit for granting H–1B visas is 115,000, which was reached in March, 2000.

America needs to sustain its position as the world leader in the information technology industry. The critical need for highly-skilled information technology workers demands that we take action now to ensure our continued strength in light of today's global economy. There is no question that we need to educate our children and retrain our current workers to fulfill the demands of an IT workplace. But these are long-term challenges that we are attempting to address in this legislation and through education programs and IT training tax incentives, among others.

We must ease the short-term skilled worker shortage that is a function of a booming industry that has increased employment and contributed to a growing budget surplus. And we need to do so by increasing American companies' access to the best-educated and best-trained minds if we are to maintain our position as the leader of the Information Age. Indeed, many of these workers are trained in American universities. Yet we send them back home to use those skills on behalf of our competitors. Let us keep these minds within America's borders for the benefit of American citizens.

There have been concerns expressed that companies want foreign skilled workers in order to avoid paying American citizens' higher wages to do the same job. However, temporary employees are not paid any less than their counterparts. In fact, I find it difficult to believe that a company would endure the time-consuming process and cost of attracting a foreign worker instead of hiring home-grown talent.

As an original sponsor of the Dreier-Lofgren HI–TECH Act, I am very pleased that we are moving quickly to pass the H–1B legislation approved by the other body. I am a firm believer in the market system. Here, the information technology industry is experiencing a shortage of highly-trained and skilled workers, forcing them to look abroad for such trained professionals. With this legislation, we can be certain that as we shift the focus of our early educational efforts to fulfilling the demands of an Information Economy, that in the meantime, the best and brightest minds will guide America into the new millennium. For these reasons, I urge all of my colleagues to vote in favor of S. 2045.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. CANNON) that the House suspend the rules and pass the Senate bill, S. 2045, as amended.

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

A motion to reconsider was laid on the table.

TRUTH IN REGULATING ACT OF 2000

Mr. RYAN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1198) to establish a 3-year pilot project for the General Accounting Office to report to Congress on economically significant rules of Federal agencies, and for other purposes.

The Clerk read as follows:

S. 1198

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Truth in Regulating Act of 2000''.

SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) increase the transparency of important regulatory decisions;

(2) promote effective congressional oversight to ensure that agency rules fulfill statutory requirements in an efficient, effective, and fair manner; and

(3) increase the accountability of Congress and the agencies to the people they serve.

SEC. 3. DEFINITIONS.

In this Act, the term—

(1) ''agency'' has the meaning given such term under section 551(1) of title 5, United States Code;

(2) ''economically significant rule'' means any proposed or final rule, including an interim or direct final rule, that may have an annual effect on the economy of $100,000,000 or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; and

(3) ''independent evaluation'' means a substantive evaluation of the agency's data, methodology, and assumptions used in developing the economically significant rule, including—

(A) an explanation of how any strengths or weaknesses in those data, methodology, and assumptions support or detract from conclusions reached by the agency; and

(B) the implications, if any, of those strengths or weaknesses for the rulemaking.

SEC. 4. PILOT PROJECT FOR REPORT ON RULES.

(a) IN GENERAL.—

(1) REQUEST FOR REVIEW.—When an agency publishes an economically significant rule, a chairman or ranking member of a committee of jurisdiction of either House of Congress may request the Comptroller General of the United States to review the rule.

(2) REPORT.—The Comptroller General shall submit a report on each economically significant rule selected under paragraph (4) to the committees of jurisdiction in each House of Congress not later than 180 calendar days after a committee request is received. The report shall include an independent evaluation of the economically significant rule by the Comptroller General.

(3) INDEPENDENT EVALUATION.—The independent evaluation of the economically significant rule by the Comptroller General under paragraph (2) shall include—

(A) an evaluation of the agency's analysis of the potential benefits of the rule, including any beneficial effects that cannot be quantified in monetary terms and the identification of the persons or entities likely to receive the benefits;

(B) an evaluation of the agency's analysis of the potential costs of the rule, including any adverse effects that cannot be quantified in monetary terms and the identification of the persons or entities likely to bear the costs;

(C) an evaluation of the agency's analysis of alternative approaches set forth in the notice of proposed rulemaking and in the rulemaking record, as well as of any regulatory impact analysis, federalism assessment, or other analysis or assessment prepared by the agency or required for the economically significant rule; and

(D) a summary of the results of the evaluation of the Comptroller General and the implications of those results.

(4) PROCEDURES FOR PRIORITIES OF REQUESTS.—The Comptroller General shall have discretion to develop procedures for determining the priority and number of requests for review under paragraph (1) for which a report will be submitted under paragraph (2).

(b) AUTHORITY OF COMPTROLLER GENERAL.—Each agency shall promptly cooperate with the Comptroller General in carrying out this Act. Nothing in this Act is intended to expand or limit the authority of the General Accounting Office.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the General Accounting Office to carry out this Act $5,200,000 for each of fiscal years 2000 through 2002.

SEC. 6. EFFECTIVE DATE AND DURATION OF PILOT PROJECT.

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

(b) DURATION OF PILOT PROJECT.—The pilot project under this Act shall continue for a period of 3 years, if in each fiscal year, or portion thereof included in that period, a specific annual appropriation not less than $5,200,000 or the pro-rated equivalent thereof shall have been made for the pilot project.

(c) REPORT.—Before the conclusion of the 3-year period, the Comptroller General shall submit to Congress a report reviewing the effectiveness of the pilot project and recommending whether or not Congress should permanently authorize the pilot project.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. RYAN) and the gentleman from Ohio (Mr. KUCINICH) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. RYAN).

GENERAL LEAVE

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1198.

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

There was no objection.

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Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1198 is Truth in Regulating Act of 2000. It is a bipartisan good government bill. It establishes a regulatory analysis function with the General Accounting Office. This function is intended to enhance congressional responsibility for regulatory decisions developed under the laws Congress enacts. It is the product of the leadership over the past few years of the gentlewoman from New York (Mrs. KELLY), the chairwoman of the Subcommittee on Regulatory Reform and Paperwork Reduction, who will be joining us here in a few minutes.

The most basic reason for supporting this bill is constitutional, as Congress needs a Congressional Budget Office to check and balance the executive branch in the budget office, so too does it need an analytic capability to check and balance the executive branch in the regulatory process. GAO is a logical location since it already has some

regulatory review responsibilities under the Congressional Review Act.

Mr. Speaker, article 1, section 1 of the U.S. Constitution vests all legislative powers in the U.S. Congress. While Congress may not delegate its legislative functions, it routinely authorizes executive branch agencies to issue rules that implement laws passed by Congress. Congress has become increasingly concerned about its responsibility to oversee agency rulemaking, especially due to the extensive costs and impacts of Federal Rules.

During the 105th Congress, the House Government Reform Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs chaired by the gentleman from Indiana (Mr. MCINTOSH) held a hearing on the earlier Kelly regulatory analysis bill, H.R. 1704. This bill sought to establish a new, freestanding congressional agency. The subcommittee then marked up and reported her bill, H.R. 1704, and called for the establishment of a new legislative branch, Congressional Office of Regulatory Analysis commonly referred to as CORA, to analyze all major rules and report to Congress on potential costs, benefits, and alternative approaches that could achieve the same regulatory goals at lower costs.

This agency was intended to aid Congress in analyzing Federal regulations. The committee report stated Congress needs the expertise that CORA would provide to carry out its duty under the CRA. Currently Congress does not have the information it needs to carefully evaluate regulations. The only analyses it has to rely on are those provided by the agencies which promulgate the rules.

There is no official, third-party analysis of new regulations. Unfortunately, CORA supporters in the 105th Congress could not overcome the resistance of the defenders of the regulatory status quo. Opponents argued that creating a new congressional agency would be fiscally irresponsible. But by this logic, Congress ought to abolish CBO, as an even more heroic demonstration of fiscal conservatism in action. Of course, most of us recognize that disbanding the CBO, however, penny-wise would be pound foolish.

In this Congress, 106th Congress, the chairman of the Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs, the gentleman from Indiana (Chairman MCINTOSH), and myself, as vice chairman, and the gentlewoman from New York (Mrs. KELLY), chairwoman of Subcommittee on Regulatory Reform and Paperwork Reduction, seeking to accommodate the prejudice against a freestanding agency, introduced separate bills, H.R. 3021 and H.R. 3669 respectively, to establish a CORA function within the GAO, which is an existing legislative branch agency capable of performing such functions.

The MacIntosh and Kelly bills were introduced in January and February. On May 9, the Senate passed its own regulatory analysis legislation, S. 1198, which we are now considering by unanimous consent, I might add.

Like the McIntosh and Kelly bills, the Senate legislation would also establish a regulatory analysis function within the GAO.

During the 106th Congress, the Committee on Government Reform did not hold a hearing specifically on one of the CORA bills. However, the subcommittee did hold a June 14 hearing entitled, does Congress delegate too much power to agencies and what should be done about it?

Witnesses testified that Congress needs its own, in-house, regulatory analysis capability so that Members could especially provide timely comment on proposed rules, while there is still an opportunity to influence the costs, the scope, and the content of final agency action.

On June 26, the gentlewoman from New York (Mrs. KELLY) and the gentleman from Indiana (Mr. MCINTOSH) introduced H.R. 4744, which included several needed improvements to S. 1198, along the lines suggested by the witnesses at this June 14th hearing. For example, whereas S. 1198 merely permits GAO to assist Congress in submitting timely comments on proposed regulations during the public comment period. H.R. 4744 would require GAO to provide such assistance. This is a critical improvement, because it is only by commenting on proposed rules during the public comment period that Congress has any real opportunity to influence the costs, the scope and the content of regulation.

In addition, unlike S. 1198, H.R. 4744 would require GAO to review not only the agency's data but also the public's data to assure a more balanced evaluation, analyze not only rules costing $100 million or more, but also rules with a significant impact on small businesses, and examine whether alternatives not considered by the agencies might achieve the same goal in a more cost-effective manner or with greater net benefits.

On June 29, the Committee on Government Reform favorably reported H.R. 4744 with a very thorough discussion of issues in its accompanying report, but on June 24, the gentlewoman from New York (Mrs. KELLY) and the gentleman from Indiana (Chairman MCINTOSH), along with the gentleman from California (Mr. CONDIT) and the gentleman from Texas (Mr. TURNER) introduced H.R. 4924.

This bill included only a few of H.R. 4744's improvements to S. 1198, the inclusion within the scope of GAO's purview of agency rules with a significant impact on small businesses, a directive to GAO to submit its independent evaluation of proposed rules within the public comment period, albeit only when doing so is practicable. House Report 106–772 explains the basis for these improvements.

Mr. Speaker, H.R. 4924 was, in my judgment, inferior to H.R. 4744, which in itself is a watered-down version of the complete reform that is needed to implement Congress' Constitutional responsibility for regulatory oversight, but it was a step in the right direction.

On June 29, the House passed H.R. 4924. Unfortunately, the Senate has not yet considered H.R. 4924. Since we are at the close of the 106th Congress, we now, however, urge the House's favorable consideration of S. 1198.

Mr. Speaker, S. 1198 does not require or expect GAO to conduct any new regulatory impact analyses or cost benefit analyses, or other impact analyses. However, GAO's independent evaluation should lead the agencies to prepare any missing cost/benefit analysis, small business impact, federalism impact, or any other missing analysis. For example, after the MacIntosh subcommittee insisted that the Department of Labor prepare a missing RIA for its ''Baby UI'' rule, Labor finally prepared one.

Here is basically in a nutshell, Mr. Speaker, how S. 1198 works. A chairman or a ranking member of a committee of jurisdiction may request that GAO submit an independent evaluation to the committee of a major proposed or final rule within 180 days. GAO's analysis shall include an evaluation of the potential benefits of the rule, potential costs of the rule, alternative approaches in the rulemaking record, and various impact analyses.

Congress currently has two opportunities to review agency regulatory actions. Under the Administrative Procedures Act, Congress can comment on an agency proposed and interim rules during the public comment period. The APA's fairness provisions require that all members of the public, including Congress, be given an equal opportunity to comment. Late congressional comments cannot be considered by an agency unless all other late comments are equally considered. Agencies can ignore comments filed by Congress after the end of the public comment period, as the Department of Labor did during its Baby UI period in its rule. Therefore, since GAO cannot be given more time than other members of the public to comment, GAO should complete its review of agency regulatory proposals during the public comment period.

Under the CRA, Congress can disapprove an agency final rule after it is promulgated but before it is effective. Unfortunately, Congress has been unable to carry out its responsibility under the CRA because it neither has had all of the information it needs to carefully evaluate agency regulatory proposals nor sufficient staff for this function.

In fact, since the March 1996 enactment of the CRA, there has been no completed congressional resolutions of disapproval. To assume oversight responsibility for Federal regulations, Congress needs to be armed with an independent evaluation, that is why we are doing this.

What is needed is an analysis of legislative history to see if there is a nondelegation problem, such as in the Food and Drug Administration's proposed rule to regulate tobacco products, which was struck by the Supreme Court in FDA v. Brown & Williamson, or backdoor legislating, such as in the Department of Labor's Baby UI rule, which provides paid family leave to small business employees, even though Congress in the Family and Medical Leave Act said no to paid family leave and any coverage of small businesses.

Sometimes the quickest or the only way to find that an agency has ignored a congressional intent or failed to consider less costly or nonregulatory alternatives, is to examine nonagency or public data and analysis. It is for that reason that, under H.R. 4744, GAO would be required to consult the public's data in the course of evaluating agency's rules. Although S.1198 does not require GAO to review public data, it does not forbid it. And I bring this up, because some hope that S.1198 implicitly contains a gag order, forbidding GAO to consult any analyses of data except those supplied by the agency. That is an incorrect reading, however, and the purpose and hope of this bill is to enable Congress to comment knowledgeably about agency rules from the standpoint of a truly independent evaluation of those rules, including the consumption and evaluation of public outside data.

Instructed by GAO's independent evaluations, Congress then will be better equipped to review final agency rules under the CRA. More importantly, Congress will be better equipped to submit timely and knowledgeable comments on proposed rules during the public period. Some CORA foes hope that all GAO analyses of proposed rules will be untimely and, therefore, have no effect on the substance of rules, which I am confident that GAO will want to please, rather than annoy its customers, those of us serving in Congress and will help submit timely regulatory analysis.

Thus, even though this bill is a far cry from the original Kelly idea of a CORA legislation, this legislation, S.1198, will increase the transparency of important regulatory decisions. It will promote effective congressional oversight, and it will increase the accountability of Congress.

The best government is a government that is accountable to the people. For America to have an accountable regulatory system, the peoples elected representatives must participate in and take responsibility for the rules promulgated under the laws Congress passes and by the executive branch agencies, that is why I urge my colleagues to support this meaningful step.

Mr. Speaker, I went through this exhaustive legislative history on this bill because I think it is important that those who are researching and realizing the debate here in Congress know the intent as we pass this bill.

S. 1198, the ''Truth in Regulating Act of 2000,'' is a bi-partisan, good government bill. It establishes a regulatory analysis function within the General Accounting Office (GAO). This function is intended to enhance Congressional responsibility for regulatory decisions developed under the laws Congress enacts. It is the product of the leadership over the last few years of Small Business Subcommittee Chairwoman on Regulatory Reform and Paperwork Reduction, SUE KELLY.

The most basic reason for supporting this bill is Constitutional: Just as Congress needs a Congressional Budget Office (CBO) to check and balance the Executive Branch in the budget process, so it needs an analytic capability to check and balance the Executive Branch in the regulatory process. GAO is a logical location since it already has some regulatory review responsibilities under the Congressional Review Act (CRA).

Article I, Section 1 of the U.S. Constitution vests all legislative powers in the U.S. Congress. While Congress may not delegate its legislative functions, it routinely authorizes Executive Branch agencies to issue rules that implement laws pass by Congress. Congress has become increasingly concerned about its responsibility to oversee agency rulemaking, especially due to the extensive costs and impacts of Federal rules.

During the 105th Congress, the House Government Reform Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, chaired by DAVID MCINTOSH, held a hearing on Mrs. KELLY'S earlier regulatory analysis bill (H.R. 1704), which would sought to establish a new, freestanding Congressional agency. The Subcommittee then marked up and reported her bill (H. Rept. 105–441, Part 2). H.R. 1704 called for the establishment of a new Legislative Branch Congressional Office of Regulatory Analysis (CORA) to analyze all major rules and report to Congress on potential costs, benefits, and alternative approaches that could achieve the same regulatory goals at lower costs. This agency was intended to aid Congress in analyzing Federal regulations. The Committee Report stated, ''Congress needs the expertise that CORA would provide to carry out its duty under the CRA. Currently, Congress does not have the information it needs to carefully evaluate regulations. The only analyses it has to rely on are those provided by the agencies which promulgate the rules. There is no official, third-party analysis of new regulations'' (p. 5).

Unfortunately, CORA supporters in the 105th Congress could not overcome the resistance of the defenders of the regulatory status quo. Opponents argued that creating a new Congressional agency would be fiscally irresponsible. By this logic, Congress ought to abolish CBO, as an even more heroic demonstration of fiscal conservatism in action. Of course, most of us recognize that dismantling CBO, however penny wise, would be pound foolish.

In the 106th Congress, Government Reform Subcommittee Chairman DAVID MCINTOSH and Small Business Subcommittee Chairwoman SUE KELLY, seeking to accommodate the prejudice against a freestanding agency, introduced bills (H.R. 3521 and H.R. 3669, respectively) to establish a CORA function within GAO, which is an existing Legislative Branch agency. McIntosh and Kelly introduced their bills in January and February 2000. On May 9th, the Senate passed its own regulatory analysis legislation, S. 1198, by unanimous consent. Like the McIntosh and Kelly bills, the Senate legislation would also establish a regulatory analysis function within GAO.

During the 106th Congress, the Government Reform Committee did not hold a hearing specifically on one of the CORA bills. However, the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs did hold a June 14th hearing, entitled ''Does Congress Delegate Too Much Power to Agencies and What Should be Done About It?'' Witnesses at the hearing included Senator SAM BROWNBACK, Representative J.D. HAYWORTH, former Administrator of the Office of Management and Budget's (OMB's) Office of Information and Regulatory Affairs Dr. Wendy Lee Gramm, former OMB General Counsel Alan Raul, and New York Law School Professor David Schoenbrod.

Witnesses stressed that Congress needs its own, in-house, regulatory analysis capability so that Members could especially provide timely comment on proposed rules, while there is still an opportunity to influence the cost, scope and content of the final agency action. Witnesses stated that a regulatory analysis function should: (a) take into account Congressional legislative intent; (b) examine other, less costly regulatory and nonregulatory alternative approaches besides those in an agency proposal; and (c) identify additional, non-agency sources of data on benefits, costs, and impacts of an agency's proposal.

Dr. Gramm testified that, ''there's clearly a need for more and better analysis that is independent of the agency writing the regulation . . . In my view, Congress cannot carry out its responsibilities effectively without such analysis.'' She continued by recommending, ''a shadow OIRA . . . to perform independent, high-quality analysis of agency regulations at the proposal stage . . . whether or not the agency has considered the different alternatives, what might be other alternatives . . . I would suggest that all this analysis be done at the proposal stage so that this information can be put into the rulemaking record.''

On June 26th, Chairwoman KELLY and Chairman MCINTOSH introduced H.R. 4744, which included several needed improvements to S. 1198, along the lines suggested by the witnesses at the June 14th hearing. For example, whereas S. 1198 merely permits GAO to assist Congress in submitting timely comments on proposed regulations during the public comment period, H.R. 4744 would require GAO to provide such assistance. This was a critical improvement, because it is only by commenting on proposed rules during the public comment period that Congress has any real opportunity to influence the cost, scope, and content of regulation. In addition, unlike S. 1198, H.R. 4744 would require GAO to review not only the agency's data but also the public's data to assure a more balanced evaluation, analyze not only rules costing $100 million or more but also rules with a significant impact on small businesses, and examine whether alternatives not considered by the agencies might achieve the same goal in a more cost-effective manner or with greater net benefits.

On June 29th, the Government Reform Committee favorably reported H.R. 4744, with a thorough discussion of issues in its accompanying report (H. Rept. 106–772).

On July 24th, Chairmen KELLY and MCINTOSH with Messrs. CONDIT and TURNER introduced H.R. 4924. This bill included only a few of H.R. 4744's improvements to S. 1198: (a) inclusion, within the scope of GAO's purview, of agency rules with a significant impact on small businesses; and (b) a directive to GAO to submit its independent evaluation of proposed rules within the public comment period, albeit only when doing so is ''practicable.'' House Report 106–772 explains the basis for these improvements. H.R. 4924 was, in my judgment, inferior to H.R. 4744, which was itself a watered down version of the complete reform needed to implement Congress' Constitutional responsibility for regulatory oversight. But, it was a step in the right direction.

On July 29th, the House passed H.R. 4924. Unfortunately, the Senate has not yet considered H.R. 4924. Since we are at the close of the 106th Congress, we now urge the House's favorable consideration of S. 1198.

S. 1198 does not require or expect GAO to conduct any new Regulatory Impact Analyses (RIAs), cost-benefit analyses, or other impact analyses. However, GAO's independent evaluation should lead the agencies to prepare any missing cost/benefit, small business impact, federalism impact, or any other missing analysis. For example, after the McIntosh Subcommittee insisted that the Department of Labor prepare a missing RIA for its Birth and Adoption Unemployment Compensation (''Baby UI'') proposed rule, Labor finally prepared one.

Here's how S. 1198 works. The Chairman or Ranking Member of a Committee of jurisdiction may request that GAO submit an independent evaluation to the Committee of a major proposed or final rule within 180 days. GAO's analysis shall include an evaluation of the potential benefits of the rule, the potential costs of the rule, alternative approaches in the rulemaking record, and the various impact analyses.

Congress currently has two opportunities to review agency regulatory actions. Under the Administrative Procedure Act (APA), Congress can comment on agency proposed and interim rules during the public comment period. The APA's fairness provisions require that all members of the public, including Congress, be given an equal opportunity to comment. Late Congressional comments cannot be considered by the agency unless all other late public comments are equally considered. Agencies can ignore comments filed by Congress after the end of the public comment period, as the Department of Labor did after its proposed ''Baby UI'' rule. Therefore, since GAO cannot be given more time than other members of the public to comment, GAO should complete its review of agency regulatory proposals during the public comment period.

Under the CRA, Congress can disapprove an agency final rule after it is promulgated but before it is effective. Unfortunately, Congress has been unable to fully carry out its responsibility under the CRA because it has neither all of the information it needs to carefully evaluate agency regulatory proposals nor sufficient staff for this function. In fact, since the March 1996 enactment of the CRA, there has been no completed Congressional resolutions of disapproval.

In recent years, various statutes (such as the Unfunded Mandates Reform Act of 1995 and the Small Business Regulatory Enforcement Fairness Act of 1996) and executive orders (such as President Reagan's 1981 Executive Order 12291, ''Federal Regulation,'' and President Clinton's 1993 Executive Order 12866, ''Regulatory Planning and Review'') have mandated that Executive Branch agencies conduct extensive regulatory analyses, especially for economically significant rules having a $100 million-or-more effect on the economy or a significant impact on small businesses. Congress, however, does not have the analytical capability to independently and fairly evaluate these analyses.

To assume oversight responsibility for Federal regulations, Congress needs to be armed with an independent evaluation. What is needed is an analysis of legislative history to see if there is a non-delegation problem, such as in Food and Drug Administration's proposed rule to regulate tobacco products, which was struck down by the Supreme Court in *FDA* v. *Brown & Williamson*, or backdoor legislating, such as in the Department of Labor's ''Baby UI'' rule, which provides paid family leave to small business employees, even though Congress in the Family and Medical Leave Act said no to paid family leave and any coverage of small businesses.

Sometimes the quickest (or only) way to find out that an agency has ignored Congressional intent or failed to consider less costly or non-regularly alternatives, is to examine non-agency (i.e., ''public'') data and analyses. It is for that reason that, under H.R. 4744, GAO would be required to consult the public's data in the course of evaluating agency rules. Although S. 1198 does not require GAO to review public data, neither does it forbid or preclude GAO from doing so. I bring this up, because some hope that S. 1198 implicitly contains a gag order, forbidding GAO to consult any analyses or data except those supplied by the agency to be reviewed. This reading of S. 1198 would defeat a key purpose of the bill, which is to enable Congress to comment knowledgeably about agency rules from the standpoint of a truly independent evaluation of those rules.

Instructed by GAO's independent evaluations, Congress will be better equipped to review final agency rules under the CRA. More importantly, Congress will be better equipped to submit timely and knowledgeable comments on proposed rules during the public comment period. Some CORA foes hope that all GAO analyses of proposed rules will be untimely and, therefore, have no effect on the substance of rules. I am confident that GAO will want to please rather than annoy its customers, and will not fail to help Members of Congress submit timely comments on regulatory proposals.

Thus, even though a far cry from the original idea of an independent CORA agency, and although inferior to the Kelly-McIntosh bill reported by the Government Reform Committee, S. 1198 will increase the transparency of important regulatory decision, promote effective Congressional oversight, and increase the accountability of Congress. The best government is a government accountable to the people. For America to have an accountable regulatory system, the people's elected representatives must participate in, and take responsibility for, the rules promulgated under the laws Congress passes. S. 1198 is a meaningful step towards Congress' meeting its regulatory oversight responsibility.

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

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

Mr. Speaker, I want to thank the gentleman from Wisconsin (Mr. RYAN) for taking the time to review the legislative history and also thank the gentlewoman from New York (Mrs. KELLY) for the work that she has done on this issue over the years, and to thank the gentleman from Indiana (Mr. MCINTOSH) for his efforts.

Mr. Speaker, I am pleased to speak in support of S.1198. S.1198 was passed by unanimous consent in the Senate on May 9, 2000 without opposition from the Government Accounting Office, public interest groups or industry representatives. The gentleman from California (Mr. CONDIT) introduced the text of S.1198 in the House as H.R. 4763.

However, the House Committee on Government Reform did not consider H.R. 4763. Instead, it considered its own version of the bill, H.R. 4744. Unfortunately, H.R. 4744 did not enjoy the same support that S.1198 did.

The GAO expressed serious concerns about the scope of the analyses, the timing provided for conducting the reviews and the certainty of funding; also public interest groups expressed concerns and opposed passage. Therefore, the gentleman from California (Mr. WAXMAN) and I offered the text of the Senate bill, S. 1198, which addressed these concerns, as an amendment to H.R. 4744.

Our amendment, unfortunately, was rejected by the committee on a party-line vote. I am pleased to see that we worked all of these things out, and the House now has the opportunity to vote on this proposal. It is nice to be able to come here before the Congress and show how at long last we have an opportunity to work together on something.

Furthermore, on July 25, 2000, the House passed H.R. 4924 under suspension of the rules, that bill was substantially similar to S.1198. Now, S.1198 creates a 3-year pilot project in which, at the request of a committee of jurisdiction, GAO, the General Accounting Office, would analyze economically significant proposed and final rules.

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GAO would evaluate the agency's analyses of costs, benefits, alternatives, regulatory impact, federalism impact, and any other analysis prepared by the agency or required to be prepared by the agency. All of this analysis would be completed within 180 days of the committee's request.

Under this bill, GAO would retain its traditional role as auditor and evaluate only the agencies' work. It would not be required to conduct its own independent analyses. Furthermore, it would not require the agency to conduct any new analysis. It only requires GAO review of agency analyses that are required by separate statute or executive order.

In conclusion, Mr. Speaker, I support S. 1198 because it sheds light on the adequacy and usefulness of the agencies' analyses. Yet, it ensures that the GAO has adequate time and resources to fulfill its new responsibilities, and it preserves GAO's traditional role as auditor.

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

Mr. RYAN of Wisconsin. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. KELLY), the champion of small business, the chairman of the Subcommittee on Regulatory Reform and Paperwork Reduction, and the champion of CORA.

Mrs. KELLY. Mr. Speaker, the Truth in Regulating Act represents the culmination of nearly 4 years of hard work and an effort that will provide Congress with a new resource for reviewing new government regulations before they take effect.

I first introduced this legislation during the 105th Congress, Mr. Speaker, with the goal of giving Congress the tools it needs to oversee the steady stream of new and often costly regulations coming from the Federal government.

Government regulations have an impact on every American. We see an average of close to 4,000 new regulations promulgated every year.

In most cases, regulations speak to a noble purpose, and can often be viewed as a measure of the value that we place in protecting such things as human health, workplace safety, or the environment. Yet, too often the government oversteps its bounds in its attempt to achieve these goals, and we all pay the price as a consequence.

The price of regulations poses a particularly heavy burden on small businesses and manufacturers. They drive our economy forward. They need our help.

Estimates vary on the annual cost of government regulations from a range of $300 billion a year to $700 billion every year. Congress has a special entity, the Congressional Budget Office, or CBO, to help it grapple with our enormous Federal budget. There is growing sentiment that a similar office is needed within the legislative branch to review and analyze the numerous government regulations that are developed and issued every year.

To address this need, in 1997 I first introduced legislation to create the Congressional Office of Regulatory Analysis, or CORA. Today's legislation is the culmination of that effort.

As the vice chairman of the Committee on Small Business and the Chairwoman of the Subcommittee on Regulatory Reform and Paperwork Reduction, and as a small businesswoman myself, I know that small business owners are very familiar with the burdens that Federal regulations place on them.

Some studies have shown that for small employers, the cost of complying with Federal regulations is more than double what it cost their larger counterparts. Mr. Speaker, we do not need any study to reach that conclusion. Common sense says that if a regulation costs a company with a $5 billion revenue stream the same as it does a company with a $5 million revenue stream, the overall impact on the smaller company will be significantly more on a per unit basis.

S. 1198 creates an office within GAO that would focus solely on conducting independent regulatory evaluations of regulations to help determine whether the agencies have complied with the law and executive orders. The fact is, Congress cannot obtain unbiased information from the participants in the rulemaking because each participant, including the Federal agency, has a particular viewpoint and bias.

This legislation will fill the information gap and assist Members in Congress in determining whether action is warranted. The purpose of the bill is to ensure Congress exercises its legislative powers in the most informed manner possible. Ultimately, this will lead to better and more finely tuned legislation, as well as more effective agency regulations.

The office will provide Congress with reliable, non-partisan information, levelling the playing field with the executive branch and improving Congress' ability to understand the burdens that are placed on small businesses and the economy by excessive regulation.

Mr. Speaker, I would like to thank the gentleman from Wisconsin (Mr. RYAN) for his work on this issue, the gentleman from Indiana (Mr. MCINTOSH) for his strong support, as well as the gentleman from Michigan (Mr. BARCIA) and the gentleman from California (Mr. CONDIT) for their longstanding support for this legislation.

I would also like to thank the ranking member of the Committee on Government Reform, the gentleman from California (Mr. WAXMAN), as well as the gentleman from Ohio (Mr. KUCINICH), for their support in moving this legislation forward.

Finally, I would like to thank especially the gentleman from Indiana (Mr. BURTON) for moving this legislation quickly to the floor today, and for his leadership on this issue. I strongly urge my colleagues to join me in supporting this effort.

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

Mr. Speaker, I want to echo the gentlewoman's remarks with respect to the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. WAXMAN).

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

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also just want to thank everybody who put a lot of hard work into this bill. I think we have a good bipartisan compromise.

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

The SPEAKER pro tempore (Mr. OSE). The question is on the motion offered by the gentleman from Wisconsin (Mr. RYAN) that the House suspend the rules and pass the Senate bill, S. 1198.

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

A motion to reconsider was laid on the table.

TRANSFERRING CERTAIN LANDS IN UTAH TO THE UNITED STATES

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4721) to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States, as amended.

The Clerk read as follows:

H.R. 4721

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

SECTION 1. ACQUISITION OF CERTAIN PROPERTY IN WASHINGTON COUNTY, UTAH.

(a) IN GENERAL.—Notwithstanding any other provision of law, effective 30 days after the date of the enactment of this Act, all right, title, and interest in and to, and the right to immediate possession of, the 1,516 acres of real property owned by the Environmental Land Technology, Ltd. (ELT) within the Red Cliffs Reserve in Washington County, Utah, and the 34 acres of real property owned by ELT which is adjacent to the land within the Reserve but is landlocked as a result of the creation of the Reserve, is hereby vested in the United States.

(b) COMPENSATION FOR PROPERTY.—Subject to section 309(f) of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), the United States shall pay just compensation to the owner of any real property taken pursuant to this section, determined as of the date of the enactment of this Act. An initial payment of $15,000,000 shall be made to the owner of such real property not later than 30 days after the date of taking. The full faith and credit of the United States is hereby pledged to the payment of any judgment entered against the United States with respect to the taking of such property. Payment shall be in the amount of—

(1) the appraised value of such real property as agreed to by the land owner and the United States, plus interest from the date of the enactment of this Act; or

(2) the valuation of such real property awarded by judgment, plus interest from the date of the enactment of this Act, reasonable costs and expenses of holding such property from February 1990 to the date of final payment, including damages, if any, and reasonable costs and attorneys fees, as determined by the court. Payment shall be made from the permanent judgment appropriation established pursuant to section 1304 of title 31, United States Code, or from another appropriate Federal Government fund. Interest under this subsection shall be compounded in the same manner as provided for in section 1(b)(2)(B) of the Act of April 17, 1954, (Chapter 153; 16 U.S.C. 429b(b)(2)(B)) except that the reference in that provision to ''the date of the enactment of the Manassas National Battlefield Park Amendments of 1988'' shall be deemed to be a reference to the date of the enactment of this Act.

(c) DETERMINATION BY COURT IN LIEU OF NEGOTIATED SETTLEMENT.—In the absence of a negotiated settlement, or an action by the owner,

the Secretary of the Interior shall initiate within 90 days after the date of the enactment of this section a proceeding in the United States Federal District Court for the District of Utah, seeking a determination, subject to section 309(f) of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), of the value of the real property, reasonable costs and expenses of holding such property from February 1990 to the date of final payment, including damages, if any, and reasonable costs and attorneys fees.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

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

Mr. Speaker, this bill was brought about by the 1973 Endangered Species Act. When that was passed, they found in southern Utah the desert tortoise. Out of finding the desert tortoise, we then had to find a place for the habitat for the desert tortoise, which basically really is not endangered, but I will not get into that.

Finding it there, they found a situation where 33 different people had to give up ground to get it. We have taken care of all of those people for a critical habitat because they had that ground and they could not put their foot on it, all they could do was pay taxes.

We have one person left, the biggest one. We are trying to get it resolved in this particular bill.

During the hearing on this bill, several concerns were raised by the administration and the minority. At committee, my amendment in the nature of a substitute was adopted which addressed those concerns.

This amendment accomplishes the following four things:

First, the acreage will be vested in the United States 30 days after enactment.

Second, just compensation shall be paid, with an initial payment of $15 million, which will prevent the property from reverting to creditors during litigation. According to the BLM's lowest estimate, the property is worth at least $35 million.

Third, the court may consider the damages, costs, and attorneys' fees, as the court determines appropriate.

Lastly, the values as determined by the court, not Congress or the BLM, will be paid out of the permanent judgment fund.

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

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

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

Mr. FALEOMAVAEGA. Mr. Speaker, I want to commend the gentleman from Utah (Mr. HANSEN), the chief sponsor of this legislation.

We have no opposition to this legislation, Mr. Speaker, but there are some concerns on this side of the aisle concerning the provisions of the bill.

Mr. Speaker, this is an extraordinary procedure taken on this bill. It is an authorization, it is an appropriation, and also an implementation of condemnation of land rolled into one. Only a few times in the past quarter century has a legislative taking been used by the Congress. Furthermore, the language of this legislation is substantially different from that used in other cases.

There is also considerable controversy associated with the land identified by this legislation. Several news articles from the State of Utah have called into question actions by the landowner with regard to this property. Title has been clouded to this land, and it is unclear what interests the landowner has and what interests other parties have to the property in question.

Mr. Speaker, the BLM has attempted to negotiate with the landowner. These negotiations have been hampered by the landowner's insistence on using appraisal assumptions that are not consistent with Federal standards and that were not used in other transactions, including those done previously with the landowner.

The bill also seeks to open the door to payments to the landowner dating back to February, 1990. This raises several issues. First, the Desert Tortoise Reserve was not even established until 1996. It was only after this that attempts were made to acquire the property. Even until 1996, the landowner was involved in litigation on the property and could not present clear title. Settlement of the litigation and other subsequent actions have made other unnamed parties a beneficiary of this legislation.

Like I said, Mr. Speaker, I do not oppose this legislation.

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

Mr. HANSEN. 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 Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 4721, as amended.

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

A motion to reconsider was laid on the table.

HISTORICALLY WOMEN'S PUBLIC COLLEGES OR UNIVERSITIES HISTORIC BUILDING RESTORATION AND PRESERVATION ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4503) to provide for the preservation and restoration of historic buildings at historically women's public colleges or universities, as amended.

The Clerk read as follows:

H.R. 4503

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 ''Historically Women's Public Colleges or Universities Historic Building Restoration and Preservation Act''.

SEC. 2. DEFINITIONS.

In this Act:

(1) HISTORICALLY WOMEN'S PUBLIC COLLEGE OR UNIVERSITY.—The term ''historically women's public college or university'' means a public institution of higher education created in the United States between 1836 and 1908 to provide industrial education for women, including the institutions listed in clauses (i) though (viii) of section 3(d)(2)(A).

(2) HISTORIC BUILDING OR STRUCTURE.—The term ''historic building or structure'' means a building or structure listed (or eligible to be listed) on the National Register of Historic Places, designated as a National Historic Landmark, or located within a designated historic district.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 3. PRESERVATION AND RESTORATION GRANTS FOR HISTORIC BUILDINGS AND STRUCTURES AT HISTORICALLY WOMEN'S PUBLIC COLLEGES OR UNIVERSITIES.

(a) AUTHORITY TO MAKE GRANTS.—

(1) IN GENERAL.—From amounts made available under paragraph (2), the Secretary shall award grants in accordance with this section to historically women's public colleges or universities for the preservation and restoration of historic buildings and structures on their campuses.

(2) SOURCE OF FUNDING.—Grants under paragraph (1) shall be awarded from amounts appropriated to carry out the National Historic Preservation Act (16 U.S.C. 470 et seq.) for fiscal years 2001 through 2005.

(b) GRANT CONDITIONS.—Grants made under subsection (a) shall be subject to the condition that the grantee agree, for the period of time specified by the Secretary, that—

(1) no alteration will be made in the property with respect to which the grant is made without the concurrence of the Secretary; and

(2) reasonable public access to the property for which the grant is made will be permitted by the grantee for interpretive and educational purposes.

(c) MATCHING REQUIREMENT FOR BUILDINGS AND STRUCTURES LISTED ON THE NATIONAL REGISTER OF HISTORIC PLACES.—

(1) IN GENERAL.—Except as provided by paragraph (2), the Secretary may obligate funds made available under this section for a grant with respect to a building or structure listed on the National Register of Historic Places, designated as a National Historic Landmark, or located within a designated historic district, only if the grantee agrees to provide for activities under the grant, from funds derived from non-Federal sources, an amount equal to 50 percent of the costs of the program to be funded under the grant with the Secretary providing 50 percent of such costs under the grant.

(2) IN-KIND CONTRIBUTIONS.—In addition to cash outlays and payments, in-kind contributions of property or personnel services by non-Federal interests may be used for the non-Federal share of costs required by paragraph (1).

(d) FUNDING PROVISIONS.—

(1) AMOUNTS TO BE MADE AVAILABLE.—Not more than $16,000,000 for each of the fiscal years 2001 through 2005 may be made available under this section.

(2) ALLOCATIONS FOR FISCAL YEAR 2001.—

(A) IN GENERAL.—Of the amounts made available under this section for fiscal year 2001, there shall be available only for grants under subsection (a) $2,000,000 for each of the following:

(i) Mississippi University for Women in Colombus, Mississippi.

(ii) Georgia College and State University in Milledgeville, Georgia.

(iii) University of North Carolina in Greensboro, North Carolina.

(iv) Winthrop University in Rock Hill, South Carolina.

(v) University of Montevallo in Montevallo, Alabama.

(vi) Texas Woman's University in Denton, Texas.

(vii) University of Science and Arts of Oklahoma in Chickasha, Oklahoma.

(viii) Wesleyan College in Macon, Georgia.

(B) LESS THAN $16,000,000 AVAILABLE.—If less than $16,000,000 is made available under this section for fiscal year 2001, then the amount made available to each of the institutions listed in subparagraph (A) shall be reduced by the same amount.

(3) ALLOCATIONS FOR FISCAL YEARS 2002–2005.—Any funds which are made available during fiscal years 2002 through 2005 under subsection (a)(2) shall be distributed by the Secretary in accordance with the provisions of subparagraphs (A) and (B) of paragraph (2) to those grantees named in paragraph (2)(A) which remain eligible and desire to participate, on a uniform basis, in such fiscal years.

(e) REGULATIONS.—The Secretary shall promulgate such regulations as are necessary to carry out this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

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

Mr. Speaker, H.R. 4503, introduced by the gentleman from Mississippi (Mr. PICKERING), authorizes the Secretary of the Interior to provide restoration and preservation grants for historic buildings and structures at seven historically women's public colleges or universities.

The gentleman from Mississippi (Mr. PICKERING) is to be commended for his hard work on this bill, which serves an important part of preserving our cultural history.

H.R. 4503 directs the Secretary to award $14 million annually from fiscal year 2001 to 2005 to the seven academic institutions. These institutions are located in seven separate States, mainly in the Southeastern United States.

Despite their continued use, many of the structures located on these campuses are facing destruction or closure because preservation funds are not available. H.R. 4503 would enable these buildings to be preserved and maintained. Funds would be awarded from the National Historic Preservation Fund, subject to a 50 percent matching requirement from non-Federal sources. The bill also assures that the in-kind contributions will count toward the non-Federal share of the match.

Mr. Speaker, I have an additional amendment I would like to add. It has come to my attention that there is an older women's academic institution in Georgia than the ones identified in this bill.

In this light, the amendment adds Wesleyan College in Macon, Georgia, to the schools eligible for the grants, and adds $2 million to the authorized grant accounts.

Mr. Speaker, I urge my colleagues to support H.R. 4503, as amended.

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

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

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

Mr. FALEOMAVAEGA. Mr. Speaker, I want to again commend the gentleman from Mississippi (Mr. PICKERING) for introducing this legislation.

Mr. Speaker, I will not oppose this piece of legislation. I too, however, would like to share with my colleagues some observations and concerns concerning the provisions of this bill.

As introduced, H.R. 4503 earmarks up to $70 million over 5 years from the Historic Preservation Fund for grants to seven public colleges and universities, most located in the Southeastern region, and that were originally founded to serve women.

The grantees will be required to provide a 50 percent match, and the funds could be used to restore historic buildings and structures. The schools would divide the money equally.

Apparently we are actually amending the bill before us today to add another school, this one located in the State of Georgia. This raises the small number of schools which would benefit from this legislation to eight schools, and raises the cost of the bill to $80 million over 5 years.

Mr. Speaker, we fully support historic preservation in general, and could even agree with the specific goal of this legislation to aid historically women's colleges, universities, in preserving historic structures on their campuses.

However, we have serious concerns regarding the approach taken on this bill. Under current law, the Secretary of the Interior is authorized to make grants from the Historic Preservation Fund based on statutory criteria to States or local governments to preserve the precise sites or buildings that would receive funding under this legislation.

Since these sites are eligible under current law, the effect of this bill is to single out eight of these specific schools, all located in a particular part of our Nation, and move them up to the front of the line by fencing off $16 million a year that must bypass the Secretary of the Interior and go directly to these schools.

The bill sets out no criteria for why these schools needed these funds, and makes no distinction between the schools themselves.

Furthermore, Mr. Speaker, while we are considering legislation to earmark $16 million for these schools from the Historic Preservation Fund, the conference report in the FY 2001 Interior appropriations bill just adopted on this floor contained just $79 million total for historic preservation.

□ 1945

If this funding level were to become law, these eight schools would receive more than 20 percent of all historic preservation funds nationwide.

Mr. Speaker, this legislation includes no standards, which explains how these eight schools were selected. There are currently 78 women's colleges and universities in the United States today. Why are these eight deserving of this funding and the other 70 are not? We are told that these schools are selected because they represent a unique subset of women's colleges and universities in America. However, the last minute addition of yet another school to the bill raises serious questions about the selection process included in the provisions of this bill.

If historic sites on these campuses are deserving of historic preservation funding, the relevant State or locality should apply for such funding under the current system. The kind of earmarks contained in this legislation, Mr. Speaker, I honestly believe undermines our historic preservation efforts and work to benefit a small group of schools unfairly.

Again, Mr. Speaker, I remind my colleagues there are currently 78 women's colleges and universities in our Nation today. Yet we are providing special funding for only eight of these colleges and universities.

So, Mr. Speaker, let us proceed to pass the bill. But let us hope that, in the future, this legislation or this kind of proposed program will not come back to haunt us.

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

Mr. HANSEN. Mr. Speaker, I am happy to yield such time as he may consume to the gentleman from Mississippi (Mr. PICKERING), the author of this legislation.

Mr. PICKERING. Mr. Speaker, I am very pleased to be on the floor this evening in support of my bill, H.R. 4503, the Historically Women's Public Colleges or Universities Historic Building Restoration and Preservation Act.

I want to commend the gentleman from Utah (Chairman HANSEN) for his commitment to women and minorities education and thank him for his work to see that this important authorization reaches the floor. I also thank the gentleman from Alaska (Chairman YOUNG) for his similar commitment and work.

I would also like to address some of the concerns raised by the gentleman from American Samoa (Mr. FALEOMAVAEGA), our friend on the other side, and talk about why this is so important as we go into the 21st century that we look to the institutions who educated and trained the

women, beginning in my home State of Mississippi in 1884.

If we look at the subset of the universities that we picked out, why should they receive priority? They are the oldest public women's colleges in the country. We may talk about the 78 other women's colleges, but these are the oldest of the women's colleges in the country. They happen to reside in my region. But if we are looking at historic preservation, it seems to me that we look at the oldest first, and that should receive the priority.

If we are looking at continuing their mission into the 21st century, Mississippi University for Women has a great legacy, not only going back into the late 1800s, the 1900s; but today, in 2000, they received U.S. News and World Report's ranking of the best in the South as a liberal arts college. They are educating, not only women today and minorities, but also male students.

If we are to continue the rich history and the legacy of what they have done over their history over their time and to continue the mission into the 21st century, then the buildings that house their students where the teachers train the students of tomorrow, we must preserve those buildings that house the places where we are now providing the education for women and minorities across the South.

I introduced H.R. 4503 to advance what I think is the most important priority for funding in this Congress, and that is education. The bipartisan cosponsorship and support for this effort affirms the principle that if we are to continue to progress as a society, if we are to continue to lead the world in science, medicine, law and many other fields, we must educate all Americans.

The historically women's public institutions, which are the subject of this bill, were founded in the United States between 1836 and 1908. This was a time when women, particularly poor women, were unable to attain a higher education in public schools; the opportunity simply did not exist.

In recognition of this injustice and unfair circumstance for women, there was introduced into the United States Senate a resolution in the late 1800s which sought the establishment and endowment of schools of science and technics for the education of females in appropriate branches of science and the useful arts, upon a plan similar in its principles to that upon which agricultural and mechanical colleges have been aided by the United States. This need expressed in this resolution, introduced over 100 years ago, continues today.

As I mentioned earlier, in my home State of Mississippi the State legislature worked and established the Mississippi Industrial Institute and College of Girls to provide for women, particularly those without the means, a public education which would empower them to lift themselves out of their circumstance. Over 100 years later, I know that the W, and the other colleges prioritized in this bill, continue to be crucial educational institutions for women, minorities, and all students.

With buildings in some of these colleges and universities well over 150 years old still in use, their disrepair now endangers their ability to continue their critical role in educating women and minorities. Due to advanced age of these buildings, the upkeep costs are more than most budgets can allow. Since most of these universities were built in the early 1900s, most of today's basic needs are not provided for in their facilities.

This Congress can and should reaffirm its commitment to the education of women, the underprivileged, and minorities. Education cannot take place without adequate facilities. We must, therefore, contribute to the rehabilitation of these facilities. Funding for restoration of these historic buildings, much as we did for the historically black colleges across our region, is and should be a sound investment.

I want to thank again the gentleman from Utah (Mr. HANSEN), the subcommittee chairman, and all those who have cosponsored this legislation. It is the place where my mother received her education and where many of the women who were trained and educated in my home State who then became leaders and teachers and those who have raised the next generations of leaders have received their education. It is a special place for my family and for me, and I want to thank all those who have made this authorization possible.

Mr. FALEOMAVAEGA. Mr. Speaker, I want to thank the gentleman from Mississippi (Mr. PICKERING) for his excellent presentation in defense of the provisions of the bill that he has introduced.

Mr. MASCARA. Mr. Speaker, I rise to support the bill and to show appreciation for the contributions of these seven institutions. I would also like to mention the educational contributions of a coed liberal arts institution in my district, Washington and Jefferson College, which was founded in 1781 and has the historical McIlvaine building which was the site of the Washington Women's Seminary from 1897 to 1939. This fine building is currently under renovation and is recognized in Western Pennsylvania for its gracious federal architecture designed by three women and eventually absorbed on to the Washington and Jefferson campus which became coeducational in 1970.

Mr. FALEOMAVAEGA. Mr. Speaker, I do not have any further speakers, so I yield back the balance of my time.

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

The SPEAKER pro tempore (Mr. OSE). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 4503, as amended.

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

A motion to reconsider was laid on the table.

SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY IRRIGATION WORKS OWNERSHIP

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2820) to provide for the ownership and operation of the irrigation works on the Salt River Pima-Maricopa Indian Community's reservation in Maricopa County, Arizona, by the Salt River Pima-Maricopa Indian Community, as amended.

The Clerk read as follows:

H.R. 2820

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

SECTION 1. FINDINGS.

The Congress finds and declares that—

(1) it is the policy of the United States, in fulfillment of its trust responsibility to Indian tribes, to promote Indian self-determination and economic self-sufficiency;

(2) the Salt River Pima-Maricopa Indian Community (hereinafter referred to as the ''Community'') has operated the irrigation works within the Community's reservation since November 1997 and is capable of fully managing the operation of these irrigation works;

(3) considering that the irrigation works, which are comprised primarily of canals, ditches, irrigation wells, storage reservoirs, and sump ponds located exclusively on lands held in trust for the Community and allottees, have been operated generally the same for over 100 years, the irrigation works will continue to be used for the distribution and delivery of water;

(4) considering that the operational management of the irrigation works has been carried out by the Community as indicated in paragraph (2), the conveyance of ownership of such works to the Community is viewed as an administrative action;

(5) the Community's laws and regulations are in compliance with section 2(b); and

(6) in light of the foregoing and in order to—

(A) promote Indian self-determination, economic self-sufficiency, and self-governance;

(B) enable the Community in its development of a diverse, efficient reservation economy; and

(C) enable the Community to better serve the water needs of the water users within the Community,

it is appropriate in this instance that the United States convey to the Community the ownership of the irrigation works.

SEC. 2. CONVEYANCE AND OPERATION OF IRRIGATION WORKS

(a) CONVEYANCE.—The Secretary of the Interior, as soon as is practicable after the date of enactment of this Act, and in accordance with the provisions of this Act and all other applicable law, shall convey to the Community any or all rights and interests of the United States in and to the irrigation works on the Community's reservation which were formerly operated by the Bureau of Indian Affairs. Notwithstanding the provisions of sections 1 and 3 of the Act of April 4, 1910 (25 U.S.C. 385) and sections 1, 2, and 3 of the Act of August 7, 1946 (25 U.S.C. 385a, 385b, and 385c) and any implementing regulations, during the period between the date of the enactment of this Act and the conveyance of the irrigation works by the United

States to the Community, the Community shall operate the irrigation works under the provisions set forth in this Act and in accordance with the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), including retaining and expending operations and maintenance collections for irrigation works purposes. Effective upon the date of conveyance of the irrigation works, the Community shall have the full ownership of and operating authority over the irrigation works in accordance with the provisions of this Act.

(b) FULFILLMENT OF FEDERAL TRUST RESPONSIBILITIES.—To assure compliance with the Federal trust responsibilities of the United States to Indian tribes, individual Indians and Indians with trust allotments, including such trust responsibilities contained in Salt River Pima-Maricopa Indian Community Water Rights Settlement Act of 1988 (Public Law 100–512), the Community shall operate the irrigation works consistent with this Act and under uniform laws and regulations adopted by the Community for the management, regulation, and control of water resources on the reservation so as to assure fairness in the delivery of water to water users. Such Community laws and regulations include currently and shall continue to include provisions to maintain the following requirements and standards which shall be published and made available to the Secretary and the Community at large:

(1) PROCESS.—A process by which members of the Community, including Indian allottees, shall be provided a system of distribution, allocation, control, pricing and regulation of water that will provide a just and equitable distribution of water so as to achieve the maximum beneficial use and conservation of water in recognition of the demand on the water resource, the changing uses of land and water and the varying annual quantity of available Community water.

(2) DUE PROCESS.—A due process system for the consideration and determination of any request by an Indian or Indian allottee for distribution of water for use on his or her land, including a process for appeal and adjudication of denied or disputed distributions and for resolution of contested administrative decisions.

(c) SUBSEQUENT MODIFICATION OF LAWS AND REGULATIONS.—If the provisions of the Community's laws and regulations implementing subsection (b) only are to be modified subsequent to the date of enactment of this Act by the Community, such proposed modifications shall be published and made available to the Secretary at least 120 days prior to their effective date and any modification that could significantly adversely affect the rights of allottees shall only become effective upon the concurrence of both the Community and the Secretary.

(d) LIMITATIONS OF LIABILITY.—Effective upon the date of enactment of this Act, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on the Community's ownership or operation of the irrigation works, except for damages caused by acts of negligence committed by the United States prior to the date of enactment of this Act. Nothing in this section shall be deemed to increase the liability of the United States beyond that currently provided in the Federal Tort Claims Act (28 U.S.C. 2671 et seq.).

(e) CANCELLATION OF CHARGES.—Effective upon the date of conveyance of the irrigation works under this section, any charges for construction of the irrigation works on the reservation of the Community that have been deferred pursuant to the Act of July 1, 1932 (25 U.S.C. 386a) are hereby canceled.

(f) PROJECT NO LONGER A BIA PROJECT.—Effective upon the date of conveyance of the irrigation works under this section, the irrigation works shall no longer be considered a Bureau of Indian Affairs irrigation project and the facilities will not be eligible for Federal benefits based solely on the fact that the irrigation works were formerly a Bureau of Indian Affairs irrigation project. Nothing in this Act shall be construed to limit or reduce in any way the service, contracts, or funds the Community may be eligible to receive under other applicable Federal law.

SEC. 3. RELATIONSHIP TO OTHER LAWS.

Nothing in this Act shall be construed to diminish the trust responsibility of the United States under applicable law to the Salt River Pima-Maricopa Indian Community, to individual Indians, or to Indians with trust allotments within the Community's reservation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

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

Mr. Speaker, H.R. 2820 transfers the ownership of the irrigation works currently operated by the Salt River Pima-Maricopa Indian Community.

Over the last several years, the subcommittee has moved legislation that has defederalized several Bureau of Reclamation facilities in the western United States. This bill proposes to transfer all rights and interest to the irrigation works from the Bureau of Indian Affairs to the Pima-Maricopa Indian Community. Management of the facilities has been under the jurisdiction of the tribe for several years.

Mr. Speaker, I urge an ''aye'' vote on this legislation.

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

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

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

Mr. FALEOMAVAEGA. Mr. Speaker, I certainly would like to commend and compliment the gentleman from Arizona (Mr. HAYWORTH) for his sponsorship of this legislation. This legislation has bipartisan support. The gentleman from Arizona (Mr. PASTOR) is also a very strong supporter of this legislation.

Mr. Speaker, H.R. 2820 would direct the Secretary of Interior to transfer to the Salt River Pima-Maricopa Indian Community any remaining authority and responsibility held by the Secretary for the irrigation works on their reservation. I congratulate the gentleman from Arizona (Mr. PASTOR) and also the gentleman from Arizona (Mr. HAYWORTH) for their contributions to this bill.

Under the bill, the Pima-Maricopa Indian Community would have full operating authority over the irrigation works within the community to deliver their water to their lands. I believe it is appropriate that the project facilities be transferred to the community, and I urge my colleagues to support this legislation.

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

Mr. HANSEN. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Arizona (Mr. HAYWORTH), the author of this legislation.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Utah (Mr. HANSEN) and the gentleman from American Samoa (Mr. FALEOMAVAEGA), and I echo and reinforce their comments.

Mr. Speaker, I would also like to take time to thank the gentleman from Arizona (Mr. PASTOR), who worked with me to draft this bipartisan, common sense piece of legislation.

The gentleman from American Samoa just a few years ago had a chance to join me on the Salt River Pima-Maricopa Indian Community for a good visit about housing. So he has had a chance firsthand to see the area we are talking about.

Again, to echo the previous comments, this legislation would transfer ownership and operation of the irrigation works there from the Bureau of Indian Affairs to the tribe.

H.R. 2820 was intended as a way to jump-start talks between the tribe and the Bureau of Indian Affairs to transfer ownership of the irrigation canals to the tribe. This final legislative product is the culmination of intense negotiations and is agreeable to the tribe, the Bureau of Indian Affairs, the Interior Department, and, as has been mentioned on the floor tonight, both Republicans and Democratic Members of the Committee on Resources. In fact, Mr. Speaker, I do not know of anyone who stands in opposition to this legislation.

Mr. Speaker, H.R. 2820 is a win-win for the tribe, the BIA, the government-to-government relationship between the Federal Government and the tribes, and obviously it is also a win for the taxpayers. As the BIA has allowed the tribe to operate the irrigation works since November of 1997, it is important to note there would be no disruption in service.

It is important to note also something interesting and perhaps unique to Arizona and certainly the portion of Arizona that is part of the Sonoran Desert environment. Water is so critically important there. We have a variation of the saying in the Old West: ''Whiskey's for drinking, water's for fighting.'' I am glad we are not going to be fighting about this when we see the common sense of transferring ownership of these canals to the tribe. It would allow the tribe to make desperately needed improvements to the canals.

Mr. Speaker, some of these canals are nearly a century old; and by offering these improvements, we can save precious water supplies. Sadly, though it is unintended, under the current situation, improvements to the canals were

impeded and complicated by the Bureau of Indian Affairs' control of those canals.

With ownership transferred to the tribe, the tribe would be able to line the canals with concrete and make substantial improvements to save water and enhance agricultural opportunities for the tribe and its members.

Now, as the gentleman from American Samoa (Mr. FALEOMAVAEGA) will attest based on his personal visit, the community is located in the shadow of suburban Scottsdale, but it is worth noting that this Native American community is largely an agricultural community dependent on cotton and other crops to generate revenue for the tribe and its members. Improved canals would bring more surface water to use for crops and eventually increase revenue because of the additional water that will not be lost to the aforementioned poorly maintained canals.

Transferring the control of the irrigation canals from the BIA to the tribe would also give local BIA employees the freedom and flexibility to work on other worthwhile projects. In addition, it would strengthen the unique government-to-government relationship between the tribe and the Federal Government by allowing the community to move a step closer to self-sufficiency and independence from the Federal Government.

Again, to restate the win for American taxpayers, the victory for all Americans comes with enactment of this legislation because the costs allocated for maintenance and operation of the irrigation canals to the BIA will no longer be necessary.

Mr. Speaker, while we look at the calendar and note that this is, indeed, the political season, and while we rejoice at the fact that we can have deeply held philosophical differences, this is one occasion far from the interest of the Fourth Estate and many around the country where we are able to enact a common sense policy, not because it is the trademark of either major party, not because it is the intellectual creation of one particular Member of Congress. No, Mr. Speaker, this stands as a classic common sense, good government piece of legislation. In that spirit of consensus and bipartisanship, even as we note this particular date on the political calendar, I am pleased to join with my friends, Republicans and Democrats alike, in urging the House to pass this legislation.

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

Mr. Speaker, in that spirit also, I would be remiss if I do not express my sense of appreciation to the gentleman from Arizona (Mr. HAYWORTH). Yes, I have visited the State of Arizona, and I would gladly give him some of the 200 inches of rain that my district of American Samoa could give to the State Arizona if it were possible.

But I do want to also compliment the gentleman for his leadership, outstanding leadership role that he has played as a cochairman of our National Native American Congressional Caucus. He has played a very effective role in helping our American community. I thank the gentleman for that.

BACKGROUND

Mr. YOUNG of Alaska. Mr. Speaker, the purpose of this legislation is to convey to the Salt River Pima Maricopa Indian Community (SRPMIC) the ownership of the irrigation works composed primarily of ditches, laterals, sump ponds and several wells on Reservation lands formerly operated by the Bureau of Indiana Affairs. Because the irrigation works is entirely on Reservation land and because the operational control of the irrigation works was transferred to the SRPMIC in 1997, this proposed legislative conveyance is anticipated to be a relatively straight-forward administrative transfer that should be carried out in keeping with the underlying goals of Indian self-determination, self-governance and economic self-sufficiency.

As early as August 1993, the SRPMIC held discussions in the Community concerning the potential transfer of the irrigation works. The Bureau of Indian Affairs (BIA), the Salt River Agency (the local BIA office), and the Branch of Land Operations and P.L. 93–638 Contract administration met at that time to explore this conveyance.

According to the Community, these consultations resulted in efforts by the SRPMIC toward assuming management and operation of the irrigation delivery system by: (1) its approval of SRPMIC Ordinance No. 199–95 Surface Water management (Ordinance) approved on May 3, 1995; (2) the partial completion of P.L. 93–368 Contract No. CTH55T61517—Water Resources Program (Contract) awarded on August 10, 1993 through the final submission in August 1995 by SFC Engineering Co. report titled ''Irrigation System Evaluation and Rehabilitation Study for Lands South of the Arizona Canal,'' (3) the request by the SRPMIC for financial records of the project; (4) the establishment of monthly meetings between the SRPMIC and the Salt River Agency and its Branch of Land Operations to review the status, coordinate activities and share information; (5) the origination by SRPMIC of a report entitled ''SRPMIC Irrigation Project—Transfer of Operation and Maintenance from the BIA to the SRPMIC Community'' dated January 10, 1996.

The irrigation works over the past 20 years or so unfortunately did not receive sufficient funding. As a result, the project facilities deteriorated, and if this deterioration were allowed to continue, the allotted landowners would receive less rent for a less efficient system. Even while the BIA operated the project, it was the Community which obtained non-BIA funds to line the main Evergreen Canal and some lateral mileage. Also, the Community is in the midst of a refurbishment program at a cost up to approximately $1.25 million over five years from the USDA/EQIP program. The cost to the Community above and beyond the amount collected currently from water users is approximately $200,000 per year. The original construction costs carried by the BIA are $3,313,192, which have long since been amortized to zero since the project dates back 84 years to 1916. It is important to note that the Pima people and their ancestors used gravity-fed irrigation for hundreds of years prior to federal involvement.

Today, the Irrigation Works employees are no longer BIA employees as they were prior to 1997. They are employees of the Community. The equipment and buildings that were used in BIA's operation were transferred from the BIA to SRPMIC which now provides irrigation services for landowners and water users.

The SRPMIC Water Resources Division manages this Irrigation Works Project. Based upon testimony from the Community, the irrigation system is managed with a staff of 12 full time employees including a division manager, an engineer, an agricultural engineer and other irrigation staff. It operates under a budget based on incoming water sales. About 8,000 acres of farmland are irrigated with the following system: (1) Evergreen Canal (main canal) 4.5 miles with 6 main check structures and 16 primary headgates; (2) 23.5 miles of lateral pipelines with 15 miles of lateral canals and 25 canal turnout structures; (3) 44 miles of drainage channels with service roads; (4) 12 irrigation wells (only 4 are useable); (5) 2 storage reservoirs and 2 sump ponds with 3 capable of pumping.

Since June 1999, the SRPMIC and its representatives have had numerous discussions, consultations and negotiations with the Department of the Interior to reach a common understanding and agreement on legislative language to transfer the ownership of the irrigation works to the SRPMIC, as well as any remaining authority and responsibility that the Secretary has regarding the administration of such works, except for the Secretary's trust responsibilities.

H.R. 2820 with the proposed amended text changes to be considered by the House fairly balances the interests of the Department of the Interior and the Salt River Pima-Maricopa Indian Community.

The SRPMIC Water Code provides a detailed method of distributing and using this limited and sometimes scarce resource. Combined with the irrigation regulations and assessment schedule adopted by the SRPMIC tribal council, they appear to provide for fair treatment, equitable allocation and sensitive use of this important resource.

The Community contends that the rights of allotted landowners will be enhanced by the operation of the system by the SRPMIC. And, while it appears that is the case, the legislation includes ample safeguards to help insure that allottee rights are protected.

The SRPMIC has been operating the irrigation works project for nearly three years. By doing so, as well as by its operating other businesses, it has demonstrated its ability to manage and operate the system. Its reputation is one that instills confidence that the Community is clearly capable of operating, and is expected to operate, the irrigation works efficiently, effectively, and equitably.

For the Community to operate this former BIA project and make it relevant in this millennium, the SRPMIC should have full

responsibility and ownership of the irrigation works. The United States trust responsibility will continue unimpaired to the SRPMIC, to individual Indians, and to Indian allottees, as provided for in the legislation even as the Community assumes full ownership of and operations for the irrigation works.

In furtherance of the United States policies of self-governance, self-determination and economic self-sufficiency with respect to American Indians, H.R. 2820, as amended, should be passed by the Congress of the United States and sent to the President, who is expected to sign the bill into law based upon the attached Departmental letter report supporting the bill.

BILL SUMMARY

Section 1. Findings. The findings section sets forth the underlying considerations that are the backdrop for the enactment of this legislation. At its core, the bill recognizes the federal policies of Indian self-determination, economic self-sufficiency and self-governance and that the conveyance of the irrigation works is in furtherance of those policies. The findings also recognize and adhere to the trust responsibilities of the United States to Indian tribes. They recognize that the irrigation works are primarily a system of canals, ditches, wells, storage reservoirs and sump ponds on Reservation land. They convey too that, considering the community has been operating the works since 1997, the conveyance is viewed by Congress as an administrative action. The findings take cognizance of the fact that the Community's amended Water Code is currently in compliance with Section 2b. of the legislation.

Section 2. Conveyance and Operation of Irrigation Works. (a) Conveyance: The Secretary is directed to convey the irrigation works to the Community in accordance with the legislation and other applicable law. The intent of this provision is to ensure that, while applicable law is to be fully adhered to, it is contemplated that the process involved should be a straightforward, relatively uncomplicated, and inexpensive administrative procedure. This is especially so given the nature of the facilities being conveyed and that the Community has been operating the irrigation works for the past three years.

The bill language provides for the Community to continue as it is doing currently and retaining and expending operations and maintenance collections to be used for irrigation works purposes. Once the conveyance takes place, the bill language recognizes that the Community will then have full ownership of and operating authority over the irrigation works as provided in the bill.

(b) Fulfillment of Federal Trust Responsibilities: A key provision of this legislation provides a balance between the need of the Community to be able to operate the irrigation works during the year 2000 and beyond and the need of the United States to be able to fulfill its trust responsibilities to Indian tribes, individual Indians and Indians with trust allotments. The language seeks to accomplish this by requiring that the Community's laws and regulations regarding management, regulation and control of water resources on the Reservation contain certain basic requirements and standards. The Community has currently brought its Water Code into compliance with the requirements and standards contained in the legislation (that amended Water Code is, and will be, on file with the Committee on Resources and the U.S. Department of the Interior). The two key requirements and standards are as follows:

(1) This paragraph requires that a process continue to be included in the Community's laws and regulations to provide members of the Community, including allottees, a water system that, in turn, will provide a just and equitable distribution of water to achieve the goals of maximum beneficial use and conservation of water, while factoring in such considerations as the demand on the water resource, land use changes, and the varying quantity of water available to the Community.

(2) This paragraph requires that a due process system continue to be included in the Community's laws and regulations to ensure the consideration and determination of a request from an Indian or Indian allottee for distribution of water for use on his or her land. It also requires that such laws and regulations continue to be provided through an appellate process, including a means for adjudicating denied or disputed distributions of water and resolution of contested administrative decisions.

(c) Subsequent Modification of Laws and Regulations: The bill seeks to ensure that if the Community needs to or seeks to amend its laws and regulations after the legislation is enacted, there be a process by which that should be carried out. That process would involve generally a notice and wait procedure. The community would publish the proposed changes, and make them available to the Secretary at least 120 days before the effective date of the changes. The process also requires that, if a proposed change could ''significantly adversely affect'' the rights of allottees, then it would take the concurrence of both the Community and the Secretary in order for such changes to become effective. Although it is not expected that the community will need to amend its Code as it pertains to this subsection, it may. It is expected, however, that the Secretary will not seek to utilize this provision unless there were to be, indeed, a proposed change to the Community's Water Code that could significantly adversely affect allottee rights.

(d) Limitations on Liability: This subsection provides that the united States is not liable for damages based on the Community's ownership and operation of the irrigation works except for those damages caused by acts of negligence by the United States before the date of enactment. Also, the subsection makes clear that nothing in the subsection should be construed to increase the liability of the United States beyond what is provided in the Federal Tort Claims Act.

(e) Cancellation of charges: As has been the case in similar, although not identical, legislation in the past, as of the conveyance date, the charges for construction for the irrigation works deferred under 25 USC 386 are canceled. This is also, in part, in recognition that this project is comprised of deteriorating laterals, ditches, sump ponds, reservoirs and a few wells, some of which do not work currently, and some of the ditches are not even lined. The irrigation works is an aging gravity-fed system. It dates back to the early 1900s. In recent years the Community has contributed funds (as opposed to appropriated funds), that have been devoted to the refurbishment of the works. The construction funds committed to the project by the United States have long ago been more than amortized. By the Community assuming full responsibilities for the works, it is recognized that the United States is taking the next logical step to complete the process begun several years ago which resulted in 1997 with the transfer of operational management to the Community. If the United States were not to take this next step, the Community has indicated that it would be compelled to seek retroceding the irrigation works to the United States at significant costs to the United States. In such an eventuality, the U.S. would need to assign Bureau of Indian Affair employees to operate the works and commit federal funds to the works' refurbishment.

(f) Project No Longer a BIA Project: The legislation provides that, once the conveyance has occurred, the irrigation works will not be eligible for federal benefits ''based solely on the fact that the irrigation works were formerly'' a BIA irrigation project. It also recognizes though that the legislation is not to be interpreted to limit or reduce in any way funds the Community may be eligible to receive under other federal law.

Section 3. Relationship to Other Laws: This section makes clear that the provisions of this legislation are not to be construed to ''diminish the trust responsibility of the United States'' to the Community, to individual Indians or to Indian allottees within the Reservation.

Enclosures: (1) Section-by-Section analysis; (2) Departmental Report on H.R. 2820: Letter from Hon. David J. Hayes, Deputy Secretary, U.S. Department of the Interior to Chairman Don Young, Committee on Resources; (3) Resolution of Salt River Pima-Maricopa Indian Community Tribal Council.

SECTION-BY-SECTION ANALYSIS

Section 1. Findings. This section expresses the findings of the Congress that—in light of a number of considerations, including that, in fulfillment of federal trust responsibility to Indian tribes, it is the policy of the United States to promote Indian self-determination and economic self-sufficiency—it is appropriate that the U.S. convey to the Community the irrigation works.

Section 2. Conveyance and Operation of Irrigation Works.

(a) Conveyance. This subsection authorizes and directs the Secretary to convey to the Community all rights and interests of the U.S. to the irrigation works. It further provides the authority for the Community to continue operating the irrigation works during the period from the date of enactment until the conveyance in accordance with this Act and 25 USC §450, including retaining and expending operations and maintenance collections for irrigation works purposes.

(b) Fulfillment of Federal Indian Trust Responsibilities. This subsection provides that to assure compliance with federal trust responsibilities, the Community will operate the irrigation works under this Act and the Community's laws and regulations to assure fairness in the delivery of water to water users. It provides that the Community laws and regulations must continue to include—

(1) A process in which all members of the Community are provided a system of distribution, allocation, control, pricing and regulation of water that will in turn, provide a just and equitable distribution of water to attain the maximum use and conservation of water; and

(2) A due process system to deal with requests by Indians and Indian allottees for distribution of water.

(c) Subsequent Modification of Laws and Regulations. This subsection provides that, if the Community's laws and regulations are modified after the date of enactment of this Act, the proposed modifications will be published and made available to the Secretary before the effective date of those laws and regulations. Additionally, the subsection requires that the Community and the Secretary concur in any proposed changes that could significantly adversely affect the rights of allottees.

(d) Limitations of Liability. This subsection sets forth the limits on the liability of the United States for damages from the Community's ownership and operation of the irrigation works.

(e) Cancellation of Charges. This subsection provides for the cancellation of certain charges deferred under 25 USC §386(a) for construction of the irrigation works.

(f) Project No Longer BIA Project. This subsection provides that, after conveyance, the irrigation works will no longer be a Bureau of Indian Affairs project and therefore not eligible for federal benefits based only on its status as a former BIA project.

Section 3. Relationship to Other Laws. This section ensures that nothing in this Act diminishes the federal Indian Trust Responsibility on the Community's Reservation.

THE DEPUTY SECRETARY
OF THE INTERIOR,
Washington, DC, September 20, 2000.

Hon. DON YOUNG,
Chairman, Resources Committee,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This letter sets forth the views of the Department of the Interior on H.R. 2820, to provide for the ownership and operation of the irrigation works on the Salt River Pima-Maricopa Indian Community's reservation in Maricopa County, Arizona, by the Salt River Pima-Maricopa Indian Community. We understand that the Salt River Pima Maricopa Indian Community (Community) will request that the attached bill be introduced as a substitute for H.R. 2820.

The Department intends to support the attached substitute bill which represents a compromise reached between the Department and the Community with respect to original provisions of H.R. 2820 that were objectionable to the Department. Our support is contingent on the enactment by the Community of the attached amendments to its water code that will bring the code into compliance with the provisions of the substitute bill. We understand that the Community intends to enact these amendments to its water code before or shortly after the substitute bill is introduced. We recommend that action on the bill await assurances that the necessary changes to the Community water code have been made.

Finally, the Department suggests Section 2(d) of the substitute bill be amended by removing ''employees, agents, or contractors'' from the clause.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

DAVID J. HAYES.

Enclosures.

RESOLUTION

Whereas, the Congress of the United States has under consideration the passage of H.R. 2820 to convey to the Salt River Pima Maricopa Indian Community (''Community'') the irrigation works formerly owned and operated by the Bureau of Indian Affairs and located on Community tribal and allottee land; and

Whereas, as a result of negotiations that led to the development of H.R. 2820, and amendments thereto, the legislation's language contemplates that the Community will adopt certain amendments to its Surface Water Management Code prior to enactment of the legislation: Now, Therefore be it

Resolved, That the Community hereby adopts the attached amendments to this Surface Water Management Code; and be it

Resolved further, That such amendments are to become effective immediately;

Resolved further, That, if substitute legislation for H.R. 2820 (1) is not passed by the Congress prior to the adjournment *sine die* of the 106th Congress, or (2) if so passed by Congress, but is not signed into law during the 106th Congress, the approval by the Community of these amendments shall become null and void.

(i) in light of the foregoing and in order to—

(1) promote Indian self-determination, economic self-sufficiency, and self-governance;

(2) enable the Community in its development of a diverse, efficient reservation economy; and

(3) enable the Community to better serve the water needs of the water users within the Community,

it is appropriate in this instance that the United States convey to the Community the ownership of the irrigation works.

SEC 2. CONVEYANCE AND OPERATION OF IRRIGATION WORKS

(a) CONVEYANCE.—The Secretary, as soon as is practicable after the date of enactment of this Act, and in accordance with the provisions of this Act and all other applicable law, shall convey to the Community any or all rights and interests of the United States in and to the irrigation works on the Community's Reservation which were formerly operated by the Bureau of Indian Affairs. Notwithstanding the provisions of 25 U.S.C. §385, 385a., 385b., and 385c, and any implementing regulations, during the period between the date of the enactment of this Act and the conveyance of the irrigation works by the United States to the Community, the Community shall operate the irrigation works under the provisions set forth in this Act and in accordance with the Indian Self Determination and Education Assistance Act (25 U.S.C. §450 et seq.), including retaining and expending operations and maintenance collections for irrigation works purposes. Effective upon the date of conveyance of the irrigation works, the Community shall have the full ownership of and operating authority over the irrigation works in accordance with the provisions of this Act.

(b) FULLFILLMENT OF FEDERAL TRUST RESPONSIBILITIES.—To assure compliance with the federal upon the concurrence of both the Community and the Secretary.

(d) LIMITATIONS OF LIABILITY.—Effective upon the date of enactment of this Act, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on the Community's ownership or operation of the irrigation works, except for damages caused by acts of negligence committed by the United States prior to the date of enactment of this Act. Nothing in this section shall be deemed to increase the liability of the United States beyond that currently provided in the Federal Tort Claims Act, 28 U.S.C. §2671 et seq.

(e) CANCELLATION OF CHARGES.—Effective upon the date of conveyance of the irrigation works on the Reservation of the Community that have been deferred pursuant to 25 U.S.C. §386a are hereby canceled.

(f) PROJECT NO LONGER A BIA PROJECT.—Effective upon the date of conveyance of the irrigation works under this section, the irrigation works shall no longer be considered a Bureau of Indian Affairs irrigation project and the facilities will not be eligible for federal benefits based solely on the fact that the irrigation works were formerly a Bureau of Indian Affairs irrigation project. Nothing in this Act shall be construed to limit or reduce in any way the service, contracts, or funds the Community may be eligible to receive under other applicable federal law.

SEC 3. RELATIONSHIP TO OTHER LAWS

Nothing in this Act shall be construed to diminish the trust responsibility of the United States under applicable law to the Salt River Pima-Maricopa Indian Community, to individual Indians, or to Indians with trust allotments within the Community's Reservation.

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

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

The SPEAKER pro tempore (Mr. OSE). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 2820, as amended.

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

A motion to reconsider was laid on the table.

AUTHORIZING MEMORIAL AND GARDENS IN HONOR AND COMMEMORATION OF FREDERICK DOUGLASS

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5331) to authorize the Frederick Douglass Gardens, Inc., to establish a memorial and gardens on Department of the Interior lands in the District of Columbia or its environs in honor and commemoration of Frederick Douglass.

The Clerk read as follows:

H.R. 5331

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

SECTION 1. MEMORIAL AND GARDENS TO HONOR AND COMMEMORATE FREDERICK DOUGLASS.

(a) MEMORIAL AND GARDENS AUTHORIZED.—The Frederick Douglass Gardens, Inc., is authorized to establish a memorial and gardens on lands under the administrative jurisdiction of the Secretary of the Interior in the District of Columbia or its environs in honor and commemoration of Frederick Douglass.

(b) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the Frederick Douglass memorial and gardens shall be in accordance with the Commemorative Works Act (40 U.S.C. 1001 et seq.).

(c) PAYMENT OF EXPENSES.—The Frederick Douglass Gardens, Inc., shall be solely responsible for acceptance of contributions for, and payment of the expenses of, the establishment of the memorial and gardens. No Federal funds may be used to pay any expense of the establishment of the memorial and gardens.

(d) DEPOSIT OF EXCESS FUNDS.—If, upon payment of all expenses of the establishment of the memorial and gardens (including the maintenance and preservation amount required under section 8(b) of the Commemorative Works Act (40 U.S.C. 1008(b)), or upon expiration of the authority for the memorial and gardens under section 10(b) of such Act (40 U.S.C. 1010(b)), there remains a balance of funds received for the establishment of the memorial and gardens, Frederick Douglass Gardens, Inc., shall transmit the amount of the balance to the Secretary of the Treasury for deposit in the account provided for in section 8(b)(1) of such Act (40 U.S.C. 1008(b)(1)).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from American Samoa (Mr.

FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

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

Mr. Speaker, H.R. 5331 is a bipartisan bill that was introduced by the gentleman from Illinois (Mr. DAVIS).

Mr. Speaker, Frederick Douglass was one of the most prominent leaders of the 19th century abolitionist movement. Born into slavery in eastern Maryland in 1818, Douglass escaped to the North as a young man where he became a world-renowned defender of human rights and eloquent orator, and later a Federal ambassador and advisor to several Presidents. Frederick Douglass was a powerful voice for human rights during the important period of American history, and is still revered today for his contributions against racial injustice.

H.R. 5331 authorizes the Frederick Douglass Gardens, Inc., a nonprofit organization, in partnership with the National Park Service, to establish a memorial and gardens in the District of Columbia or its environs in honor and commemoration of Frederick Douglass. Although not certain, the preferred site would be in the D.C. area, east of the Anacostia River, where Douglass spent the last 20 years of his life.

The Douglass memorial will comply with the Commemorative Works Act, and no Federal funds may be spent for any expense of the establishment of the memorial and gardens. Mr. Speaker, I urge my colleagues to support H.R. 5331.

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

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

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

Mr. FALEOMAVAEGA. Mr. Speaker, I want to commend the gentleman from Illinois (Mr. DAVIS), who is the chief sponsor of this legislation. I am also listed as an original cosponsor of this bill.

Mr. Speaker, H.R. 5331 authorizes the establishment of a memorial and gardens in the District of Columbia or its environs to honor and commemorate the life and achievements of Frederick Douglass. Frederick Douglass was the Nation's leading 19th century African American spokesman. A gifted writer and speaker, he was a key figure in the abolitionist movement. Because of this historic significance, the National Park Service administers the Frederick Douglass national historic site currently now in Washington, D.C.

Mr. Speaker, we are supportive of this measure, and I want to commend again my good friend, the gentleman from Illinois, for his leadership in sponsoring this legislation.

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

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. SHIMKUS).

Mr. SHIMKUS. Mr. Speaker, I want to personally thank the gentleman from Utah (Mr. HANSEN) and the ranking member for moving this expeditiously, and I want to join my colleagues in urging the passage of H.R. 5331, which establishes the Frederick Douglass National Memorial Gardens within the District of Columbia.

For years now, many people have asked about the legacy of Frederick Douglass. Certainly it lives on through his family, especially his great great grandson, Frederick Douglass, IV, who I had the pleasure of meeting last week, and it also lives on within each of us because Frederick Douglass bestowed upon us an awesome responsibility to choose the harder right over the easier wrong. He freed himself from slavery and went on to advise President Lincoln, and served as an inspiration to those who yearned to breathe free.

Earlier today, the House passed legislation to appropriate funds for the Abraham Lincoln Presidential Library to be built in Springfield, Illinois. I think that President Lincoln would be pleased that we would honor another hero of the common man by passing this bill to establish the Frederick Douglass National Memorial and Gardens.

Like President Lincoln, Frederick Douglass stands as a reminder of a time when our Nation faced its greatest peril. Through the strength of their resolve and the millions of others who had tasted freedom, our Nation survived and flourished. There are still many issues and problems facing us today, but the foundation they built for us stands strong and allows us the opportunity to meet our challenges together.

Frederick Douglass paved the way for us to better understand the true meaning of the statement that all men are created equal. His legacy lives in each of us, and with the memorial gardens we will ensure that his legacy lives among us as well.

Mr. Speaker, I applaud my colleague, the gentleman from Illinois (Mr. DAVIS), for his forethought in bringing this legislation to the floor, and I want to thank him for bringing me into the fold and allowing me to help him cosponsor this legislation. I also want to thank him for his leadership.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, first of all, let me thank the gentleman from American Samoa for yielding me this time. I also want to thank the ranking member of the subcommittee not only for his diligence but also for his sensitivity in helping to move this legislation forward.

Mr. Speaker, I am pleased to be a principal sponsor of this legislation to honor the renowned 19th century abolitionist leader Frederick Douglass with the National Memorial and Gardens in the Nation's capitol. Without question, Frederick Douglass is an American hero deserving of such honor.

During the course of his remarkable life, Frederick Douglass freed himself from slavery and became internationally renowned for his eloquence in the cause of individual liberty and human rights. Douglass is rightfully regarded as the true father of the civil rights in America and one of profound intellectual thought.

Frederick Douglass published the North Star and Frederick Douglass' Paper, which spread news of the abolitionist movement. His piercing commentary earned him a role as a trusted advisor to President Abraham Lincoln and other American Presidents as the Nation struggled to make good on the promise of emancipation.

Breaking yet another racial barrier, in 1877, Frederick Douglass moved to a house on a hill, Cedar Hill, he called it, in the Anacostia neighborhood of Washington, D.C., where he could look down on the Nation's most historic monuments from the sanctity of his garden.

From his offices in Anacostia in the late 19th century, he published the New National Era, a beacon for a reformed, racially integrated Nation which was to be published, in his words, ''in the interest of the colored people of America; not as a separate class, but as a part of the whole people,'' the American people.

He represented the United States as a foreign diplomat in both Haiti and the Dominican Republic and also served as a member of the Howard University Board of Directors. He resided in Anacostia until his death in 1895, and is remembered by local schoolchildren to this date as the ''Sage of Anacostia.''

In a speech for which he is perhaps most well-known, Frederick Douglass deplored how little democratic ideals had yet extended to his people. By building a national memorial and gardens to Douglass in the Nation's capitol, in the sight line of the U.S. Capitol, we demonstrate that his voice was heard.

America is not finished fighting for a 4th of July that includes all people. By surrounding the memorial with a beautiful garden, we pay tribute to the contemplative side of the man that fed his public passion. We remember a man who understood rightly the nature of true power. He knew the value of power vested in a ''moral majority of one.'' To quote his contemporary, Thoreau, ''And he wielded the power of personal example as his weapon of choice in the greatest moral struggle of modern times.''

The outcome of that struggle could be different if not for the looming presence of Douglass, a man who Langston Hughes said quite simply, ''is not dead,'' and we know what he meant. It would be inappropriate to build a passive memorial of silent, motionless stone. Our most fitting tribute to Douglass is a memorial that will include in its presentation the living,

breathing lives grown out of his life, lives fleshing Douglass' dreams of liberty and inspiring others to manifest the personal qualities of Douglass the man: Integrity, courage, passion, a love for liberty and justice, and a commitment to intellectual excellence.

As a passionate defender of the best of American ideals, Frederick Douglass remains a powerful symbol for our times and a goad to constant vigilance. Freedom is not free, and we would do well to provide a reminder to our children that, as Douglass would say, struggle, struggle, strife and pain are the prerequisites for change. And if there is no struggle, there can be no progress.

Mr. Speaker, this moment would not be possible if it were not for people like those in the Anacostia Garden Club; my colleagues, the gentleman from Illinois (Mr. SHIMKUS), the gentleman from Missouri (Mr. TALENT), and the gentlewoman from the District of Columbia (Ms. NORTON); who all were very instrumental in helping to shape this legislation and bring it to the floor. I thank them for joining as original cosponsors.

Also I thank the Speaker, the gentleman from Illinois (Mr. HASTERT); the gentleman from Alaska (Mr. YOUNG), the ranking member; the gentleman from California (Mr. MILLER), the subcommittee chairman; the gentleman from Utah (Mr. HANSEN); and the ranking member, the gentleman from Puerto Rico (Mr. ROMERO-BARCELO) for their help in getting this matter to the floor.

Finally, I urge all my colleagues to join with us in passing this legislation, not just for Anacostia or Frederick Douglass, IV, but for the entire Nation and for the entire world to see.

Mr. HANSEN. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in support of this effort to pay tribute to a truly, truly great American, Frederick Douglass.

Frederick Douglass has been an inspiration to me throughout my adult life. Let me say that Frederick Douglass was one of the truly great orators in American history, and I have read so much about him in the past. I, of course, was a speech writer for President Reagan, and when I read about Frederick Douglass and how he moved people and changed history with his passion, with his moral passion, I just could not help but admire him so.

And, of course, he was also a gifted writer, and I am a former journalist, and I certainly admire the fact that we have a great orator and a gifted writer who did what? He helped save America from a moral sin. He helped cleanse America. He was a freedom fighter. He was a human rights advocate when the freedom fighters and the human rights advocates needed to work on the United States of America because we needed cleansing from our horrible institution of slavery.

So I am happy to join in this tribute to Frederick Douglass.

Mr. FALEOMAVAEGA. Mr. Speaker, how much time do we have remaining on this side of the aisle?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from American Samoa (Mr. FALEOMAVAEGA) has 13 minutes remaining.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield 8 minutes to the gentlewoman from the District of Columbia (Ms. NORTON), and I also do want to thank the gentleman from Illinois for his most eloquent statement about this great American leader.

Ms. NORTON. Mr. Speaker, I thank the gentleman from American Samoa for yielding me this time and for his work in facilitating this bill to the floor so soon after it was introduced. I also thank the gentleman from Utah (Mr. HANSEN), who has worked with me on similar bills and without whom this bill would certainly not be here so promptly.

I am particularly indebted to my good friends, the gentleman from Illinois (Mr. SHIMKUS) and the gentleman from Illinois (Mr. DAVIS), whose leadership has been central to this bill.

Mr. Speaker, on any list of the 10 greatest Americans of all time Frederick Douglass' name would probably appear. A man of multiple talents and great principle.

Of course, he is known for many on the one hand as the great abolitionist. That is his national-international reputation. Those of us in the District of Columbia call him the Sage of Anacostia, Anacostia and southeast Washington. This much seems clear: Frederick Douglass was the most important black man of the 19th century, just as Martin Luther King is surely the most important black man of the 20th Century.

There are two important differences, though. First, a memorial for Martin Luther King, Jr. is about to come forward on the mall. We are very close to that now. A mall site has been approved, the memorial itself has been approved, yet there is none for Douglass anywhere in the Nation's capitol.

And, secondly, we do not seek a place for Douglass on the mall. To be sure, Douglass deserves a national memorial wherever the greats are sited, but there has been great sensitivity in thinking through where this memorial should sit.

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I thank the original cosponsors with whom I have cosponsored this bill, because, in a very real sense, Douglass belongs with us in the District of Columbia.

Now, the National Park Service maintains a very interesting, wonderfully educational home, the home he called Cedar Hill in Southeast, in Anacostia. If Members have not been there, it is a place you must not avoid. They have set that home up exactly as Douglass left it. It is a great and wonderful mansion that he purchased in historic Anacostia.

It is also in historic Anacostia where the memorial itself belongs, not on the overcrowded mall where with all our hubris we all seek to crowd but in Anacostia, in Southeast, where Douglass lived, where he wrote, and from where he often rode on horseback and even walked to Capitol Hill. He held every conceivable position in the District, U.S. marshal, board of Howard University, recorder of deeds for the District of Columbia. He was a man for all seasons and all nations and he was a man of the District of Columbia. To be sure, a national and international hero and diplomat, but above all, a man of this town.

So it stands to reason that it would be a local group in Anacostia who wishes to raise the funds, working with the National Park Service, for this memorial, of course, with no funds to come from the United States Government.

One of the most appealing aspects of the notion of this memorial is that it is a memorial and gardens, and the sponsor is the Frederick Douglass Gardens. What a wonderful idea, an idea that did not come from us but from the community which has thought about Douglass and his life, how he lived that life, close to the city, close to nature. Supporters, of course, include not only the Frederick Douglass Institute, Frederick Douglass, IV himself, a man who looks strikingly like his great great grandfather, I might add, but also the Anacostia Historical Society and the Anacostia Garden Club; residents of the District of Columbia who studied his life and try to live by his principles.

The preferred site is even more wonderful. Again, it is not some grand site in the middle of the most important part of the memorial, though heaven knows Douglass would deserve such a site were it appropriate in our sight, but it would be, we hope, on Poplar Point.

Where is Poplar Point? Poplar Point is a discarded site where the Architect of the Capitol maintained his greenhouse. There is nothing there now. We have moved the greenhouse. We would like to reclaim it and integrate it as a memorial grove to be kept by the Park Service with some appropriate memorial to the great Frederick Douglass in the gardens, gardens so that people can come not just to watch whatever we put there but to think about his life, to think about where he lived, to think about what Douglass stood for.

I do believe this is the way to do a memorial, Mr. Speaker, at least for this man. It is, as well, a way to spread out the memorials to other historic parts of the District. We all somehow see ourselves close to the Capitol, waving to history. You cannot do it. You cannot fill it up with ourselves. You cannot fill it up with our favorite heroes. Yet much of the District is historic. Not far from the Capitol is where the great historic figures like George Washington and Abraham Lincoln

spent their time, not in this plot of land but in the wonderful plots surrounding the District. That is where Douglass belongs. That is where we want a memorial to him, in another historic part of the District, historic old Anacostia.

We hope it will prove a perfect precedent for memorials for other great men and women. This was a perfect idea. I thank the original cosponsors, and I thank my own constituents here in Washington for giving us an idea that I hope will be repeated to honor great men and women like Frederick Douglass.

Mr. FALEOMAVAEGA. Mr. Speaker, I want to thank the gentlewoman from the District of Columbia for an excellent presentation concerning her support of this legislation. Again I urge my colleagues to support this bill.

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

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

I am also honored to be a part of honoring this great American. If I may be a wee bit political, the gentleman from California tells me he was one of the founders of the Republican Party.

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

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 5331.

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

A motion to reconsider was laid on the table.

EL CAMINO REAL DE TIERRA ADENTRO NATIONAL HISTORIC TRAIL ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 366) to amend the National Trails System Act to designate El Camino Real de Tierra Adentro as a National Historic Trail.

The Clerk read as follows:

S. 366

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 ''El Camino Real de Tierra Adentro National Historic Trail Act.''

SEC. 2. FINDINGS.

The Congress finds the following:

(1) El Camino Real de Tierra Adentro (the Royal Road of the Interior), served as the primary route between the colonial Spanish capital of Mexico City and the Spanish provincial capitals at San Juan de Los Caballeros (1598–1600), San Gabriel (1600–1609) and then Santa Fe (1610–1821).

(2) The portion of El Camino Real de Tierra Adentro that resided in what is now the United States extended between El Paso, Texas and present San Juan Pueblo, New Mexico, a distance of 404 miles;

(3) El Camino Real is a symbol of the cultural interaction between nations and ethnic groups and of the commercial exchange that made possible the development and growth of the borderland;

(4) American Indian groups, especially the Pueblo Indians of the Rio Grande, developed trails for trade long before Europeans arrived;

(5) In 1598, Juan de Onate led a Spanish military expedition along those trails to establish the northern portion of El Camino Real;

(6) During the Mexican National Period and part of the U.S. Territorial Period, El Camino Real de Tierra Adentro facilitated the emigration of people to New Mexico and other areas that would become the United States;

(7) The exploration, conquest, colonization, settlement, religious conversion, and military occupation of a large area of the borderlands was made possible by this route, whose historical period extended from 1598 to 1882;

(8) American Indians, European emigrants, miners, ranchers, soldiers, and missionaries used El Camino Real during the historic development of the borderlands. These travelers promoted cultural interaction among Spaniards, other Europeans, American Indians, Mexicans, and Americans;

(9) El Camino Real fostered the spread of Catholicism, mining, an extensive network of commerce, and ethnic and cultural traditions including music, folklore, medicine, foods, architecture, language, place names, irrigation systems, and Spanish law.

SEC. 3. AUTHORIZATION AND ADMINISTRATION.

Section 5 (a) of the National Trails System Act (16 U.S.C. 1244 (a)) is amended—

(1) by designating the paragraphs relating to the California National Historic Trail, the Pony Express National Historic Trail, and the Selma to Montgomery National Historic Trail as paragraphs (18), (19), and (20), respectively; and

(2) by adding at the end the following:

''(21) EL CAMINO REAL DE TIERRA ADENTRO.—

''(A) El Camino Real de Tierra Adentro (the Royal Road of the Interior) National Historic Trail, a 404 mile long trail from the Rio Grande near El Paso, Texas to San Juan Pueblo, New Mexico, as generally depicted on the maps entitled 'United States Route: El Camino Real de Tierra Adentro', contained in the report prepared pursuant to subsection (b) entitled 'National Historic Trail Feasibility Study and Environmental Assessment: El Camino Real de Tierra Adentro, Texas-New Mexico', dated March 1997.

''(B) MAP.—A map generally depicting the trail shall be on file and available for public inspection in the Office of the National Park Service, Department of Interior.

''(C) ADMINISTRATION.—The Trail shall be administered by the Secretary of the Interior.

''(D) LAND ACQUISITION.—No lands or interests therein outside the exterior boundaries of any federally administered area may be acquired by the Federal Government for El Camino Real de Tierra Adentro except with the consent of the owner thereof.

''(E) VOLUNTEER GROUPS; CONSULTATION.—The Secretary of the Interior shall—

''(i) encourage volunteer trail groups to participate in the development and maintenance of the trail; and

''(ii) consult with other affected Federal, State, local governmental, and tribal agencies in the administration of the trail.

''(F) COORDINATION OF ACTIVITIES.—The Secretary of the Interior may coordinate with United States and Mexican public and non-governmental organizations, academic institutions, and, in consultation with the Secretary of State, the government of Mexico and its political subdivisions, for the purpose of exchanging trail information and research, fostering trail preservation and educational programs, providing technical assistance, and working to establish an international historic trail with complementary preservation and education programs in each nation.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

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

Mr. Speaker, S. 366 amends the National Trails System Act to designate El Camino Real de Tierra Adentro as a component of the National Trails System. The bill directs the Secretary of the Interior to administer the trail, to encourage volunteer groups to develop and maintain the trail, and also to consult with affected Federal, State, local governmental and tribal agencies in its administration. The bill requires owner consent for any Federal land acquisition along the trail. Additionally, S. 366 authorizes the Secretary to coordinate trail activities and programs with the Government of Mexico as well as Mexican nongovernmental organizations and academic institutions.

I urge my colleagues to support this legislation.

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

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

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

Mr. FALEOMAVAEGA. Mr. Speaker, El Camino Real de Tierra Adentro, or the Royal Road of the Interior, covers more than 400 miles from El Paso, Texas to San Juan Pueblo, New Mexico. The trail was established as a trade route by Native Americans more than 300 years ago and played an important role in the exploration, settlement and economic development of a large section of the American Southwest.

The 103rd Congress commissioned a study of the trail to determine whether or not it met the criteria to be included as part of the National Historic Trails System. The study was completed in 1997 and concluded that such a designation would be appropriate. The final step in this process is the adoption of this legislation now before us today.

The discussion of this trail may seem familiar to some Members. That is because the House has already passed H.R. 2271, sponsored by the gentleman from Texas (Mr. REYES), legislation to complete the designation of this historic trail. However, at the last minute an amendment to the gentleman from Texas' bill was forced through that significantly weakened the bill and created controversy over what had been a noncontroversial piece of legislation to begin with.

Now that cooler heads have prevailed, Mr. Speaker, we are forced to consider the Senate-passed companion version of this legislation as a means of undoing the damage that was done to the gentleman from Texas' bill. This is good legislation, Mr. Speaker. It is unfortunate that my friends in the majority's insistence on a pointless amendment to the House bill has resulted in delaying its enactment.

I urge my colleagues to support the bill. I want to thank my good friend from Utah, the chairman of the Subcommittee on National Parks and Public Lands, for pushing for this legislation to be brought to the floor.

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

Mr. HANSEN. 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 Utah (Mr. Hansen) that the House suspend the rules and pass the Senate bill, S. 366.

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

A motion to reconsider was laid on the table.

NORTHERN COLORADO WATER CONSERVANCY DISTRICT LAND CONVEYANCE

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4389) to direct the Secretary of the Interior to convey certain water distribution facilities to the Northern Colorado Water Conservancy District, as amended.

The Clerk read as follows:

H.R. 4389

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

SECTION 1. DEFINITIONS.

In this Act:

(1) CONTRACT.—The term ''contract'' means the contract between the United States and the Northern Colorado Water Conservancy District providing for the construction of the Colorado-Big Thompson Project, dated July 5, 1938 (including any amendments and supplements).

(2) DISTRICT.—The term ''District'' means the Northern Colorado Water Conservancy District.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(4) TRANSFERRED WATER DISTRIBUTION FACILITIES.—The term ''transferred water distribution facilities'' means the North Poudre Supply Canal and Diversion Works, also known as the Munroe Gravity Canal, the Charles Hansen (Supply) Canal and Windsor Extension, and the Dixon Feeder Canal, all of which are facilities of the Colorado-Big Thompson Project located in Larimer County, Colorado.

SEC. 2. CONVEYANCE OF TRANSFERRED WATER DISTRIBUTION FACILITIES.

(a) IN GENERAL.—The Secretary shall, as soon as practicable after the date of enactment of this Act and in accordance with all applicable law, convey to the District all right, title, and interest in and to the transferred water distribution facilities.

(b) SALE PRICE.—

(1) IN GENERAL.—The Secretary shall accept $150,315 as payment from the District and $1,798,200 as payment from the power customers under the terms specified in this section, as consideration for the conveyance under subsection (a). Out of the receipts from the sale of power from the Loveland Area Projects collected by the Western Area Power Administration and deposited into the Reclamation fund of the Treasury in fiscal year 2001, $1,798,200 shall be treated as full and complete payment by the power customers of such consideration and repayment by the power customers of all aid to irrigation associated with the facilities conveyed under subsection (a).

(2) NO EFFECT ON OBLIGATIONS AND RIGHTS.—Except as expressly provided in this Act, nothing in this Act affects or modifies the obligations and rights of the District under the contract.

(3) PAYMENTS.—Except as provided in subsection (c), the District shall continue to make such payments as are required under the contract.

(c) CREDIT TOWARD PROJECT REPAYMENT.—Upon payment by the District of the amount authorized to be accepted from the District under subsection (b)(1), the amount paid shall be credited toward repayment of capital costs of the Colorado-Big Thompson Project in an amount equal to the associated undiscounted obligation for repayment of the capital costs.

SEC. 3. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the transferred water distribution facilities under this Act, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on any prior ownership or operation by the United States of the conveyed property.

The SPEAKER pro tempore. Pursuant to the rule the gentleman from Utah (Mr. HANSEN) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

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

Mr. Speaker, H.R. 4389 transfers a small component of a much larger project. The larger overall project was built from 1938 to 1957 and called the Colorado-Big Thompson project. The water is used primarily to help irrigate 615,000 acres of northeastern Colorado farmland.

The proposed legislation will divest the Bureau of Reclamation of responsibility for future management, liability and replacement of the North Poudre Supply Canal and Diversion Works, the Charles Hansen Supply Canal and Windsor Extension, and the Dixon Feeder Canal.

An agreement on the sale price has been worked out between the District, the Bureau of Reclamation and Western Area Power Administration for the facilities to be conveyed under this act.

I urge an aye vote on this legislation.

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

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

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

Mr. FALEOMAVAEGA. Mr. Speaker, I will not oppose the provisions of this bill. I ask that my colleagues support this legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, while I will not oppose H.R. 4389, I will note that this project transfer bill does not in my view represent good stewardship of a valuable Federal asset. The bill is full of generalities, and the United States and taxpayer-owners get practically nothing out of this deal. No environmental benefits will result from this transfer, and public involvement opportunities are minimal. My formal views on H.R. 4389 are set forth in the Committee Report accompanying the bill.

The bill mandates conveyance without first allowing the Secretary to determine whether such a conveyance is in the public interest. The bill should, instead simply authorize the conveyance so the Secretary can make such a determination.

The bill does not provide for local public involvement prior to final action on the transfer.

The bill fails to provide for environmental protection and enhancement. Environmental protection and enhancement are the appropriate quid pro quo to mitigate for post-transfer loss of federal control and applicability of most federal laws.

Finally, H.R. 4389 creates a fixed ''sale price'' prior to knowing the details of the transfer. The United States should negotiate a fair price for the conveyance only after the terms and conditions of transfer are established through negotiations with local stakeholders.

Transfers of Western water projects to local beneficiaries are not inherently bad, but H.R. 4389 should not be used as a template for future transfers. These projects are publicly-owned, and taxpayer interests should be recognized and protected.

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

Mr. HANSEN. 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 Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 4389, as amended.

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

A motion to reconsider was laid on the table.

VETERANS' ORAL HISTORY PROJECT ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5212) to direct the American Folklife Center at the Library of Congress to establish a program to collect video and audio recordings of personal histories and testimonials of American war veterans, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5212

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 ''Veterans' Oral History Project Act''.

SEC. 2. FINDINGS; PURPOSE.

(a) FINDINGS.—Congress finds as follows:

(1) Military service during a time of war is the highest sacrifice a citizen may make for his or her country.

(2) 4,700,000 Americans served in World War I, 16,500,000 Americans served in World War II, 6,800,000 Americans served in the Korean Conflict, 9,200,000 Americans served in the Vietnam Conflict, 3,800,000 Americans served in the Persian Gulf War, and countless other Americans served in military engagements overseas throughout the 20th century.

(3) The Department of Veterans Affairs reports that there are almost 19,000,000 war veterans living in this Nation today.

(4) Today there are only approximately 3,400 living veterans of World War I, and of the some 6,000,000 veterans of World War II alive today, almost 1,500 die each day.

(5) Oral histories are of immeasurable value to historians, researchers, authors, journalists, film makers, scholars, students, and citizens of all walks of life.

(6) War veterans possess an invaluable resource in their memories of the conflicts in which they served, and can provide a rich history of our Nation and its people through the retelling of those memories, yet frequently those who served during times of conflict are reticent to family and friends about their experiences.

(7) It is in the Nation's best interest to collect and catalog oral histories of American war veterans so that future generations will have original sources of information regarding the lives and times of those who served in war and the conditions under which they endured, so that Americans will always remember those who served in war and may learn first-hand of the heroics, tediousness, horrors, and triumphs of war.

(8) The Library of Congress, as the Nation's oldest Federal cultural institution and largest and most inclusive library in human history (with nearly 119,000,000 items in its multimedia collection) is an appropriate repository to collect, preserve, and make available to the public an archive of these oral histories. The Library's American Folklife Center has expertise in the management of documentation projects and experience in the development of cultural and educational programs for the public.

(b) PURPOSE.—It is the purpose of this Act to create a new federally sponsored, authorized, and funded program that will coordinate at a national level the collection of video and audio recordings of personal histories and testimonials of American war veterans, and to assist and encourage local efforts to preserve the memories of this Nation's war veterans so that Americans of all current and future generations may hear directly from veterans and better appreciate the realities of war and the sacrifices made by those who served in uniform during wartime.

SEC. 3. ESTABLISHMENT OF PROGRAM AT AMERICAN FOLKLIFE CENTER TO COLLECT VIDEO AND AUDIO RECORDINGS OF HISTORIES OF VETERANS.

(a) IN GENERAL.—The Director of the American Folklife Center at the Library of Congress shall establish an oral history program—

(1) to collect video and audio recordings of personal histories and testimonials of veterans of the armed forces who served during a period of war;

(2) to create a collection of the recordings obtained (including a catalog and index) which will be available for public use through the National Digital Library of the Library of Congress and such other methods as the Director considers appropriate to the extent feasible subject to available resources; and

(3) to solicit, reproduce, and collect written materials (such as letters and diaries) relevant to the personal histories of veterans of the armed forces who served during a period of war and to catalog such materials in a manner the Director considers appropriate, consistent with and complimentary to the efforts described in paragraphs (1) and (2).

(b) USE OF AND CONSULTATION WITH OTHER ENTITIES.—The Director may carry out the activities described in paragraphs (1) and (3) of subsection (a) through agreements and partnerships entered into with other government and private entities, and may otherwise consult with interested persons (within the limits of available resources) and develop appropriate guidelines and arrangements for soliciting, acquiring, and making available recordings under the program under this Act.

(c) TIMING.—As soon as practicable after the enactment of this Act, the Director shall begin collecting video and audio recordings under subsection (a)(1), and shall attempt to collect the first such recordings from the oldest veterans.

SEC. 4. PRIVATE SUPPORT.

(a) ACCEPTANCE OF DONATIONS.—The Librarian of Congress may solicit and accept donations of funds and in-kind contributions to carry out the oral history program under section 3.

(b) ESTABLISHMENT OF SEPARATE GIFT ACCOUNT.—There is established in the Treasury (among the accounts of the Library of Congress) a gift account for the oral history program under section 3.

(c) DEDICATION OF FUNDS.—Notwithstanding any other provision of law—

(1) any funds donated to the Librarian of Congress to carry out the oral history program under section 3 shall be deposited entirely into the gift account established under subsection (b);

(2) the funds contained in such account shall be used solely to carry out the oral history program under section 3; and

(3) the Librarian of Congress may not deposit into such account any funds donated to the Librarian which are not donated for the exclusive purpose of carrying out the oral history program under section 3.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act—

(1) $250,000 for fiscal year 2001; and

(2) such sums as may be necessary for each succeeding fiscal year.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Maryland (Mr. HOYER) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

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

Mr. Speaker, H.R. 5212 was introduced by the gentleman from Wisconsin (Mr. KIND) and the gentleman from New York (Mr. HOUGHTON) and has 230 cosponsors. The bill creates a recording program within the American Folklife Center at the Library of Congress to collect videotaped histories of American war veterans.

There are 19 million veterans in the United States, but only about 3,400 remaining who served in World War I. As the bill points out, of the 6 million World War II vets alive today, almost 1,500 die each day. We are currently observing the 50th anniversary of the Korean conflict.

This program will ensure that future generations have access to the memories and experiences of veterans acquired during their service to the Nation. These individual stories will provide historians with invaluable information to give context to some of the greatest moments in our history and some of the most tragic. It will also provide the public with a way to remember and celebrate the sacrifices made by the men and women who have fought to protect our freedom.

The Library of Congress, through the National Digital Library, Local Legacies program and other activities has developed the capability to digitize materials collected and to make them available to all Americans through the Library's Web pages so that the greatest number of Americans can benefit from the memories of our veterans.

Mr. Speaker, unfortunately the lead cosponsor of this legislation the gentleman from New York (Mr. HOUGHTON) could not be here for floor debate at this time. I will ask as part of general leave that his written statement on this bill be made part of the RECORD.

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

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume. I thank the distinguished gentleman from Utah for his comments and his undertaking the responsibility to make sure this bill passes in a timely fashion. He is one of the good Members of this body and is always there when you need him.

Mr. Speaker, it is an honor to speak in support of H.R. 5212, as amended, the Veterans' Oral History Project Act. The manager's amendment in my opinion has strengthened an already good bill and I want to thank the gentleman from California (Mr. THOMAS), certainly the gentleman from Wisconsin (Mr. KIND), and the gentleman from New York (Mr. HOUGHTON) for all their work in getting this legislation to the floor.

This bill directs the American Folklife Center, as the gentleman from Utah said, at the Library of Congress to establish a program to collect video and audio of personal histories and testimonials of America's war veterans.

□ 2030

Our war veterans include 19 million men and women who risked their lives so that this bold experiment in democracy could flourish. Their record of valor, courage, and bravery is unmatched in world history.

The numbers of men and women, Mr. Speaker, who have served our Nation is staggering: 4.7 million in World War I; 16.5 million in World War II; 6.8 million in the Korean War; 9.2 million in the Vietnam War; and 3.8 million in the Persian Gulf War. Of these veterans, almost 19 million are still with us today. In my district, there are more than 11,000 military retirees.

Though these numbers are astounding, the veterans' stories and achievements are even more remarkable.

Among these 19 million nationwide and 11,000 in Maryland's fifth district are the Doughboys, who broke the German resistance at Meuse-Argonne and forged victory in World War I; the brave paratroopers who jumped behind enemy lines and the courageous soldiers who charged the beaches of Normandy; the men who endured the vicious fighting in the Pacific theater, including five brutal months at Guadalcanal.

These veterans climbed Pork Chop Hill and endured the losses at Heartbreak Ridge in the Korean War, a war, Mr. Speaker, whose 50th anniversary we are honoring this year.

They quietly patrolled the rivers in search for a hidden enemy in the jungles of Vietnam.

These 19 million veterans saw their countrymen fall around them; yet they continued to march forward. They continued to fight, not for their personal glory, but for our freedom. By passing this bill, Mr. Speaker, we allow their firsthand accounts to become part of our Nation's history.

It is imperative that we act soon, tonight. The Department of Veterans Affairs estimates that 572,000 veterans will die this year, including an estimated 1,500 World War II veterans each day, as the gentleman from Utah (Mr. HANSEN) pointed out. As we lose these men and women of courage, we also lose their stories of valor and honor. We must make every effort to learn their stories. These remembrances will help not only those interested in America's past; they will guide those who will lead America's future.

Mr. Speaker, I would like to congratulate two of our body, the gentleman from Wisconsin (Mr. KIND), a Democrat, and the gentleman from New York (Mr. HOUGHTON), a Republican, two distinguished Representatives in this body, who have joined together to make sure that we remember and that generations yet to come will remember.

Mr. Speaker, I am pleased to ask unanimous consent to yield the balance of my time to the gentleman from Wisconsin (Mr. KIND), a distinguished leader on this legislation, whose efforts, along with those of the gentleman from New York (Mr. HOUGHTON), have resulted in this being on the floor and on the front lobes of our brains tonight, and ask that he be allowed to control this time.

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

There was no objection.

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

Mr. Speaker, first of all I want to thank my friend and colleague from Utah for agreeing to call up this legislation tonight and sticking around, even though we are approaching the debate hour in this town. But I also want to thank the gentleman from California (Chairman THOMAS) and his majority staff of the Committee on House Administration, and the ranking member, the gentleman from Maryland (Mr. HOYER) and his staff, for all the help and cooperation and support they have shown in regards to this legislation that my friend and colleague, the gentleman from New York (Mr. HOUGHTON), and I introduced just a couple of weeks ago.

Mr. Speaker, this legislation is very simple, but I believe it is very important; important if this country has an interest in preserving our history. What this legislation basically does is directs the Library of Congress to establish a national archives for the collection and preservation of the oral history through videotape testimony of our veterans who are still with us today.

Now that we have the technology to do it, I believe this Nation should make every conceivable effort to try to preserve this very important piece of American oral history before it is too late, as the gentleman from Maryland (Mr. HOYER) already indicated.

Time is of the essence. We have roughly 19 million veterans who are still with us today. Of that number, slightly more than 6 million are from the Second World War generation. They are passing away at roughly 1,500 a day, and with them go their memories.

Recently, I have encountered a lot of veterans of the Second World War and the Korean generation who have been more willing to speak about their experiences in the twilight of their years. I have also encountered many family members who regret today the fact that they did not take time to videotape their loved ones, their father or mother or grandparents, in regards to their experience during these great conflicts that shaped the 20th century.

Earlier this year, in April, this Congress declared the American GI as the Person of the Century because of the profound influence and impact they had on the course of human events in the 20th century. I do not think we can honor them any better than by trying to preserve their memories.

What I envision ultimately once this project gets established and implemented is that children in the 22nd, 23rd, or even the 24th century, will be able to access through the Internet the videotaped statements of their great-great-great-grandfather or grandmother who served during the Second World War or Korean War or the Viet Nam War or the Gulf War. What an incredibly powerful history lesson that would be, and for future historians being able to research this part of history by using firsthand accounts from the videotape testimony we are going to be able to collect and preserve for future generations.

The Library of Congress is uniquely situated to handle this project. They have an American Folk Life Center which is already taking videotape testimony of community leaders across the country asking them how they would like their communities to be remembered 100 or 200 years from now. So they have the expertise, and they have the technology. They are moving to digitize virtually everything contained at the Library of Congress now, and once we are able to start collecting these videotapes, they are going to be able to index it, digitize it, and make it available over the Internet for anyone interested in learning this part of our Nation's history.

I also envision the help of a lot of family members and encourage their support in videotaping their loved ones, veterans who served in foreign conflicts, members of the VFW, American Legion Halls, who can set up videotaping places within their halls, encouraging veterans to come in and share their story. Class projects, students going out and actually videotaping and interviewing these veterans on tape for educational benefit, and these videotape collections being saved for the family archives purposes for community libraries, or historical societies, but ultimately a copy being sent out to the Library of Congress so we can index it, digitize it and make it available for future generations.

I think this is a worthwhile project, one that will require the cooperation of countless people across the country, but especially from our veterans, who can leave an incredible gift, a gift that will keep on giving to generation after generation, by stepping forward and talking about their experiences in these conflicts that made this Nation the great Nation that it is today.

So I want to again thank the gentleman from New York (Mr. HOUGHTON) for all of his work and efforts put into this project. Unfortunately, he had a death in the family tonight, so he is not here to speak in person in favor of the bill. But I want to thank him for being the lead cosponsor on the Veterans Oral History Project. We have worked together on several pieces of good bipartisan legislation, and I am pleased to have joined forces with him yet again today. The gentleman from New York (Mr. HOUGHTON) himself is a veteran of the Second World War. He served as a private first class in the United States Marine Corps; and, with any luck, we are going to be able to encourage him and the other veterans in this place to also participate in this important project. But it is going to require a collective effort to do so, and to do it well.

Mr. Speaker, I also want to thank the author Stephen Ambrose for the support he has shown on the recommendations that he has made in support of the veterans oral history project.

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

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

Mr. Speaker, I appreciate the remarks of the gentleman from Maryland (Mr. HOYER) and the gentleman from Wisconsin (Mr. KIND) on this very worthy piece of legislation.

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

Mr. KIND. Mr. Speaker, I yield myself such time as I may.

Mr. Speaker, I also want to thank a few other people who have been instrumental in the creation of this legislation. Senators MAX CLELAND and CHUCK HAGEL have introduced this bill on the Senate side, and we are hoping towards the tail-end of their session we will be able to bring this up under unanimous consent and see it moved through the United States Senate. They have been instrumental in being able to move this on the Senate side.

I also want to thank, in particular, Steve Kelly and Winston Tabb at the Library of Congress for providing invaluable assistance in the development of the project and for their enthusiasm they have shown for this project.

I want to thank the Veterans of Foreign Wars and the American Legion for their support so far in what we anticipate to be a great partnership with those key and important organizations.

I also want to thank Jeff Mazur on my staff, who has sat through countless numbers of meetings and countless number of drafts of this legislation in order to shape it and get it to a point where we were successful in speaking to our colleagues and obtaining close to 250 original cosponsors for this legislation.

But, most of all, I want to thank the veterans of this Nation, those who I personally spoke to and who inspired me and those who I am sure the rest of my colleagues have had an opportunity to meet with and talk to and listen to them tell their stories. Without them, obviously, we would not be enjoying the freedoms and the liberties that we enjoy today. Again, with their support we can make this project what it was intended to be, a living legacy of their service to our country and a gift to future generations.

Mr. HOUGHTON. Mr. Speaker, this is a solid, basic bill—with a great purpose.

It is to help honor and remember those Americans who used solid, basic values to perform exceptionally and serve great purposes on behalf of our nation.

Now veterans are modest people. They don't boast. They are matter-of-fact. They feel they ''did their job''. But the fact is that they did remarkable things—things that we must always remember.

This project will see to that. How?

Simply put, history often records the momentous events. But those momentous events are made up of countless individual storylines. Individual storylines that couldn't all fit into current history books or TV documentaries—stories that need their own archive. This bill will allow the Library of Congress to create such an archive—an archive of videotaped testimonials of the veterans themselves, telling their own stories.

If those stories are not told, recorded, studied, preserved—we risk losing them, and all that they teach us.

This project will seize the moment before us—before too much time has gone by—to go to our veterans and learn of duty, heroism, sacrifice, fear, humor, patriotism, comradeship, compassion . . . and of darker things and times, almost unspeakable things—and how ordinary Americans stood up to resist them.

Those are lessons we must impart to the next generation. Today, we are helping to see that great purpose is served.

Mrs. MCCARTHY of New York. Mr. Speaker, I rise in support of Congressman KIND and Congressman HOUGHTON's bill that allows the public to hear our history directly from the men and women who fought to preserve it.

America's war veterans will be offered the opportunity to share their experiences first-hand by providing an oral history to the Library of Congress.

Most of our history is found in books usually written by those who witnessed or played an active role in the events that made this country what it is today.

Well, this legislation goes a step further and puts a face to the name by video-taping the recollections of our veterans' time in service.

But this bill actually does much more. It allows students, as well as the community, to get involved and learn more about their local veterans.

To actually speak to a veteran who fought for this country, and hear about the events first-hand is the best history lesson anyone can receive.

On Long Island, we have thousands of veterans who answered their country's call to duty and are proud to share their experiences with today's youth.

As someone who lived through the Vietnam era, I remember what a difficult time it was for our country.

I remember watching many of our soldiers leaving to fight with the chance of not returning. Unfortunately, many did not.

For those that made it home, this is an opportunity to talk about the experiences and the sacrifices they endured during this time and share them with the country.

I'd like to commend Representative KIND and Representative HOUGHTON for taking the initiative in drafting this legislation and urge my colleagues to support the measure.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of H.R. 5212 the Veterans Oral History Project Act of 2000. I urge my colleagues to lend this timely and important legislation their support.

This bill would authorize a program within the Library of Congress to supervise and facilitate the collecting of personal histories and recollections of American combat veterans.

These personal histories will include both oral testimony recorded on video-tape, as well as written letters and testimonials from veterans.

As a World War II veteran, I am deeply aware of the importance of my generation recording its stories for those future generations yet unborn.

American veterans played a unique and defining role in shaping the events of the 20th century. The American citizen soldier was responsible for defending the cause of freedom from German aggression in 1917, Nazi tyranny and Japanese imperialism in 1942, and Communist invasion in 1950.

Today, many of these veterans are passing on. There are less than 3,500 World War I veterans alive today, out of a fighting force of over 4.5 million. Moreover, almost 1,500 World War II veterans die each day.

It is vitally important that we gather as many of their personal stories before they are lost to us forever.

This legislation is a good first step toward meeting that goal. It will both help ensure that future generations remember the contributions of those who served in combat, as well as to preserve the triumphs of the citizen soldier over evil in America's 20th century conflicts.

I urge my colleagues to join in supporting this bill.

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 Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 5212, as amended.

The question was taken.

Mr. KIND. 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.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and add extraneous material on H.R. 5212, as amended.

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

There was no objection.

RUSSIAN ANTI-SHIP MISSILE NONPROLIFERATION ACT OF 2000

Mr. ROHRABACHER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4022) regarding the sale and transfer of Moskit anti-ship missiles by the Russian Federation.

The Clerk read as follows:

H.R. 4022

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 ''Russian Anti-Ship Missile Nonproliferation Act of 2000''.

SEC. 2. PURPOSE.

The purpose of this Act is to prohibit the forgiveness or rescheduling of any bilateral debt owed by the Russian Federation to the United States until the Russian Federation has terminated all sales and transfers of Moskit anti-ship missiles that endanger United States national security.

SEC. 3. FINDINGS.

The Congress makes the following findings:

(1) In February 2000, the first of two Russian-built Sovremenny-class destroyers sold to the People's Republic of China arrived in the Taiwan Strait, manned by a mixed Russian and Chinese naval crew. Currently, the Russian and Chinese Governments are discussing the sale of 2 additional Sovremenny destroyers.

(2) Within weeks after the arrival of the destroyers, the Russians are scheduled to transfer the first of several of the ship's most lethal weapon, the radar-guided Moskit (also known as Sunburn) anti-ship missile, which can carry either conventional or nuclear warheads.

(3) The supersonic Moskit missile, which can be mounted on a naval or mobile land platform, was designed specifically to destroy American aircraft carriers and other warships equipped with advanced Aegis radar and battle management systems. The United States Navy considers the missile to be extremely difficult to defend against.

(4) The Moskit missile has an over-the-horizon range of 65 miles and can deliver a 200-kiloton warhead in under 2 minutes. One conventional Moskit missile can sink a warship or disable an aircraft carrier, causing the deaths of hundreds of American military personnel.

(5) The Russian Federation is helping the air force of the People's Liberation Army to assemble Sukhoi Su–27 fighter aircraft, which are capable of carrying an air-launched version of the Moskit missile, which has a longer range than the sea-launched version. The Russian Federation is reportedly discussing the sale of air-launched Moskit missiles to the People's Republic of China.

(6) Land-, sea-, or air-launched Moskit missiles raise the potential for American casualties and could affect the outcome in any future conflict in the Taiwan Strait or South China Sea. The transfer of the missile by China to Iran or other belligerent nations in the Persian Gulf region would increase the potential for conflict and for American casualties. A Moskit missile mounted on a mobile land platform would be difficult to locate and could wreak havoc on the coastline of the Straits of Hormuz.

SEC. 4. PROHIBITION OF DEBT FORGIVENESS.

(a) PROHIBITION.—Notwithstanding any other provision of law, the President shall not reschedule or forgive any outstanding bilateral debt owed to the United States by the Russian Federation, until the President certifies to the Congress that the Russian Federation has terminated all transfers of Moskit anti-ship missiles that endanger United States national security, particularly transfers to the People's Republic of China.

(b) WAIVER.—The President may waive the application of subsection (a) if the President determines and certifies to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate that such waiver is vital to the national security interest of the United States.

SEC. 5. REPORTS ON THE TRANSFER BY RUSSIA OF MOSKIT MISSILES.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act and every 6 months thereafter, until the certification under section 4, the President shall submit to the Committee on International relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report identifying the status of any contract and the date of the transfer of any version of the Moskit missile, particularly transfers to the People's Republic of China, occurring on or after February 1, 2000.

(b) SUBMISSION IN CLASSIFIED FORM.—Reports submitted under subsection (a), or appropriate parts thereof, may be submitted in classified form.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROHRABACHER) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. ROHRABACHER).

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

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

Mr. Speaker, in February 2000, just the beginning of this year, a Russian-built Sovremenny class destroyer sailed through the Taiwan Strait with a mixed Russian and Communist Chinese crew, and the ship sailed to its new home in southeast China.

The ship's most lethal weapon was the supersonic SSN–22 Moskit missile, also known as the Sunburn missile, which was developed by Russia during the Cold War to destroy U.S. aircraft carriers and Aegis class warships.

On his recent visit to Beijing, leaders of the Chinese People's Liberation Armed Forces told Admiral Dennis Blair, Chief of U.S. Pacific Command, that if U.S. aircraft carriers once again sailed close to the Taiwan Strait, just as they did during the cross-Strait tensions of 1996, that the People's Liberation Army would fight a battle ''at any cost.''

□ 2045

The Moskit missiles now allow the Communist Chinese Navy to make such threats against the U.S. Navy's most powerful platforms, and they allow the Communist Chinese to endanger the lives of thousands of American service personnel. The Moskit missiles, which can be mounted on ships or on land-based mobile platforms, can carry either conventional or nuclear warheads. A new version is being developed to be fired from jet fighters. It is the most dangerous antiship missile, the Russians and now the Communist Chinese have in their fleet.

Our Navy admittedly has limited ability to defend itself against this 20 kilo-ton nuclear-capable weapon, a payload, I might add, that surpasses the bomb that was dropped on Hiroshima during World War II, and they can hit an American target at a range of up to 65 nautical miles.

Each destroyer that the Russians are transferring to the Communist Chinese carries 8 Moskit missiles. This arsenal could destroy an entire U.S. aircraft carrier battle group, killing thousands of American service personnel.

China is scheduled to receive at least three more of these Sovremenny destroyers at the end of 2001. The next delivery is scheduled during the end of this year. Each ship will have a component of at least 18 of these deadly missiles.

H.R. 4022 seeks to deter the Russians from transferring these missiles to the Communist Chinese or any other nation or organization that would endanger U.S. naval vessels. The resolution prohibits the rescheduling of any outstanding bilateral debt owed to the United States by Russia, until the President of the United States certifies that the Russian Federation has terminated all transfers of these deadly antiship missiles that would endanger not only U.S. national security but the lives of thousands upon thousands of our naval personnel.

Mr. Speaker, the resolution does not affect U.S. support for reform and humanitarian aid to Russia. It does not affect U.S. assistance to the Nunn-Lugar program. In fact, it gives Russian leaders the choice of whether they prefer selling these deadly weapon systems to the potential enemies of the United States, or whether they instead would prefer us to have bilateral debt restructuring and forgiveness, something that would help them out.

This choice makes sense, and it makes sense for us to offer the Russian leadership this choice. Thousands of lives of our brave men and women in uniform who are serving in the Asia-Pacific Theater depend on our vote. And why should we be restructuring Russia's debt, giving them the benefit of not having to pay the money that they owe, if they are going to use that economic largesse on our part to provide deadly weapons that are aimed at one purpose, and one purpose only, the destruction of U.S. naval vessels and the killing of naval personnel, of U.S. naval personnel. I urge my colleagues to support this resolution.

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

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

Mr. Speaker, I rise in support of this legislation. Russian sales of Moskit antiship missiles to the PRC pose a great threat to the security of Taiwan and to our country. These missiles arrived in China at a time when the mainland has enormously increased the number of other types of missiles on China's coast facing Taiwan.

Taiwan is a vibrant democracy and a key economic player in the Asia-Pacific region, and it is unacceptable that the PRC continues to boast to the world about its missile threat to Taiwan and, by extension, of the United States.

When this legislation was first marked up in our committee, we expressed concerns that the bill did not give the President sufficient flexibility to balance the national security implications of this complicated situation.

On one hand, China's possession of these missiles poses a danger to our Navy and the Taiwan Straits. On the other hand, Russia may need to seek a comprehensive multilateral agreement to deal with its debt burden in the future, without which it may face the prospect of default to key western governments. A Russian default could even force the Russians to sell more missiles to China and to other countries which obviously are of a concern to the United States.

We must balance, Mr. Speaker, the national security implications posed by Russia's missile sales to China with those posed by a further destabilized economic situation in Russia.

For this reason, the committee agreed to an amendment giving the President the national security interest waiver. This waiver allows the President the flexibility to protect adequately U.S. national security interests in this situation.

Mr. Speaker, it is hoped that the President will not need to use this

waiver. Russia should take a careful look at the strong support for this legislation in this House and decide the continued sales of Moskit missiles to China are not in Russia's interests.

Mr. Speaker, I urge my colleagues to support the bill.

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

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

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from California (Mr. ROHRABACHER) that the House suspend the rules and pass the bill, H.R. 4022, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROHRABACHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4022, as amended.

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

There was no objection.

EXPRESSING SENSE OF CONGRESS REGARDING TAIWAN'S PARTICIPATION IN THE UNITED NATIONS

Mr. ROHRABACHER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H.Con.Res. 390) expressing the sense of the Congress regarding Taiwan's participation in the United Nations, as amended.

The Clerk read as follows:

H. CON. RES. 390

Whereas Taiwan has dramatically improved its record on human rights and routinely holds free and fair elections in a multiparty system, as evidenced most recently by Taiwan's second democratic presidential election of March 18, 2000, in which Mr. Chen Shui-bian was elected as president;

Whereas the 23,000,000 people on Taiwan are not represented in the United Nations and many other international organizations, and their human rights as citizens of the world are therefore severely abridged;

Whereas Taiwan has in recent years repeatedly expressed its strong desire to participate in the United Nations and other international organizations;

Whereas Taiwan has much to contribute to the work and funding of the United Nations and other international organizations;

Whereas the world community has reacted positively to Taiwan's desire for international participation, as shown by Taiwan's membership in the Asian Development Bank and Taiwan's admission to the Asia-Pacific Economic Cooperation group as a full member and to the World Trade Organization as an observer;

Whereas the United States has supported Taiwan's participation in these bodies and, in the Taiwan Policy Review of September 1994, declared an intention of a stronger and more active policy of support for Taiwan's participation in appropriate international organizations;

Whereas Public Law 106–137 required the Secretary of State to submit a report to the Congress on administration efforts to support Taiwan's participation in international organizations, in particular the World Health Organization; and

Whereas in such report the Secretary of State failed to endorse Taiwan's participation in international organizations and thereby did not follow the spirit of the 1994 Taiwan Policy Review: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) Taiwan and its 23,000,000 people deserve appropriate meaningful participation in the United Nations and other international organizations such as the World Health Organization; and

(2) the United States should fulfill the commitment it made in the 1994 Taiwan Policy Review to more actively support Taiwan's participation in appropriate international organizations.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROHRABACHER) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. ROHRABACHER).

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

Mr. Speaker, the people of Taiwan have proved that freedom and democracy are not just American ideals, not just European ideals, they are the universal principles that apply to every individual, to every community and every nation as our Founding Fathers stated, that we look at the rights as being God given to all people on this planet.

The United States State Department's report on the Taiwan Policy Review 1994 clearly stated that the U.S. should more actively support Taiwan's membership in international organizations, because Taiwan has lived up to the ideals that we expect of democracies. And President Clinton, however, has not used our influence in international bodies to try to insist that Taiwan be able to participate in these organizations. Congressional support for Taiwan is solid.

Taiwan has made enormous strides towards becoming a full democracy, as I stated, and it is unreasonable for the people of Taiwan to be excluded from the full participation in international organizations due to threats from mainland China. Unfortunately, what we have today is a Communist dictatorship headed by gangsters who have never been elected to anything, who are making demands upon us to mistreat a democratically elected government in Taiwan.

It is embarrassing that our administration seems to be kowtowing to that type of pressure. The United States has supported Taiwan's membership in the Asian Development Bank and its admission to the Asian-Pacific Economic Cooperation group. Extending United Nations and World Health Organization membership is the next step in demonstrating U.S. support for Taiwan and a United States commitment to those people around the world who believe in democracy and freedom and liberty and justice and have actually moved to make sure their country, as Taiwan has done, enshrines those ideals.

China's continued harassment and intimidation of Taiwan also underlines the urgency and necessity of Taiwan's participation in the United Nations. Taiwan currently does not have access to the United Nations Security Council, and the forum countries whose safety is in jeopardy and they must turn to. Not only that, but after Taiwan has joined the United Nations' responsibility for Taiwan safety and security, it will be shifted solely to the United States as laid down in the 1979 Taiwan's Relations Act to the international community.

Mr. Speaker, I would ask my colleagues to support this legislation, and in doing so, strike a very solid note that can be heard around the world in the halls of the dictatorships in Beijing but also in the halls of democracy in Taiwan and in those countries that are struggling to be free that shows the United States is on the side of democracy and democratic people.

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

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

Mr. Speaker, I rise in support of the resolution. Taiwan's 40-year journey toward democracy is one of the 20th century's great success stories. The people of Taiwan have proved to the whole world that freedom and democracy are not just American ideals; they are universal principles that apply to every individual, to every community and to every Nation.

We must take steps to reward nations like Taiwan that are making such great progress towards democracy.

Mr. Speaker, I dream of a day when Taiwan is a contributing member of the World Trade Organization, the World Health Organization and the United Nations. I dream of a day when the U.S. will replace its one China policy with a policy of one China, one Taiwan, one Tibet.

H.Con.Res. 390 recognizes that Taiwan and its 23 million people deserve to participate in the UN and other international organizations, such as the World Health Organization.

The U.S. should fulfill its commitment made in the 1994 Taiwan Policy Review to more actively support Taiwan's membership in organizations such as the UN and the WHO. This legislation has received broad bipartisan support, 86 colleagues from both sides of the aisle have cosponsored this bill.

Taiwan's growing regional and global significance demands a more active and thoughtful U.S. policy. Our ties with Taiwan must encompass all aspects of Taiwan's security, trade relations and support for the right of self-

determination for the people of Taiwan.

Mr. Speaker, I look forward to the day when the people of Taiwan replace their observance of 10–10 with President Lee's July 9 call for state-to-state relations with the People's Republic of China. One day I hope July 9th will be as important to the Taiwanese people as July 4th is to us.

Mr. Speaker, so much still remains to be done. If the U.S. believes so strongly in self determination and the freedom for all people, we must support Taiwan in its struggle to become an independent democracy. The U.S. must immediately abandon its misguided one China policy. Mr. Speaker, I ask support for the resolution.

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

Mr. ROHRABACHER. Mr. Speaker, I ask unanimous consent to yield the balance of my time to the gentleman from Colorado (Mr. SCHAFFER) to control the time.

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

There was no objection.

Mr. SCHAFFER. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Speaker, it is an honor to be here tonight to support my friend, the gentleman from Colorado (Mr. SCHAFFER), who has introduced this important resolution and to the gentleman from California (Mr. ROHRABACHER), the gentleman from Ohio (Mr. BROWN), champions of human rights around the world.

It is frustrating that we even have to debate a resolution like this, as to whether a free country, where they have just proven the ultimate test to democracy, and that is can a long-time power like in Taiwan and like in Mexico, where parties were in power for so many years we wondered whether it was a real democracy. But in fact, they made it a peaceful transition. The economy has not really changed.

The basic institutions in the society are sound like they are in America. And Taiwan is a model of what we should be looking at. If we look at them, they have been successful in high tech. They are one of our major trading partners, important in Indiana, and important in the Midwest and important to all the United States of America. The second largest trading partner with Japan, in fact, a major investor in trade with mainland China.

When we look at it, economically they are what we wanted. Politically they have undergone a transformation of power successfully without violence; that is what we ask of the world. They have religious freedom in their country with diverse religions, without warring, much of what we do not see from other member states of the United Nations.

They supported financially different foreign aid projects such as in Kosovo, even though they are not allowed to be in the United Nations, and we look at it and say what exactly do we want out of a country, what can we demand of these people that they are not delivering? Why in the world would an organization like the United Nations often full of states that are actually controlled by another state, states that are in constant disarray, where democracy is not practiced, where human rights are not practiced, and yet we let them in the United Nations and we will not let Taiwan. What is it that is so intimidating us and other nations of the world.

□ 2100

What is it that is so intimidating us and other nations of the world?

Well, we have undergone a transformation in our relationships with the People's Republic of China. It is clear, as the world's largest nation, that we are going to continue to have some sort of a relationship that we need to work through with this giant nation. But that does not give them the right to push around and deny the rights to others such as Taiwan.

I stand here tonight in strong support of this resolution.

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

Mr. Speaker, Taiwan has played a positive role in promoting world trade and eradicating poverty and in advancing human rights, a fact that merits recognition by members of the United Nations.

Taiwan has a population of 23 million and has a democratic system of government, but above all, it is a peace-loving nation which is able and willing to carry out the obligations contained in the charter of the United Nations.

Today the people of Taiwan enjoy a high degree of freedom and democracy. Taiwan held its first presidential election in March of 1996, the first time in history that Taiwan elected its highest leader by a popular vote.

In March of 2000, Mr. Chen Shui-bian of the Democrat Progressive Party was elected in the second direct presidential election, marking the first ever change of political parties for the Taiwan presidency.

Since Mr. Chen's inauguration on May 20 of this year, the people of Taiwan have witnessed a peaceful transition of power as a result of a democratic election.

Taiwan is one of the most successful examples of economic development in the 21st century, and is now the world's 19th largest economy in terms of gross national product, and the 14th most important trading country where the United States is concerned. It is also a major investor in East Asia, and possesses the third largest amount of foreign reserves in the world.

Taiwan is also a humanitarian-minded country. Over the years, it has sent over 10,000 experts to train technicians all over the world, especially in countries of Asia, the South Pacific, Latin America, and Africa to help develop agriculture, fisheries, livestock industries, and so on.

It also has provided billions of U.S. dollars in disaster relief throughout the world, including in China over the past several years, and has responded to the United Nations appeals for emergency relief and rehabilitation assistance to countries suffering from natural disasters and wars.

Currently, Taiwan contributes capital to regional development programs throughout international financial institutions, such as the Asian Development Bank, the Central American Bank for Economic Integration, the InterAmerican Development Bank, and the European Bank for Reconstruction and Development.

Taiwan is fully committed to observing the premise of the Universal Declaration of Human Rights and to its integration into international human rights systems, spearheaded by the United Nations.

It is for that reason, Mr. Speaker, that this resolution is here before us. Taiwan's quest for self-determination is something that the United States of America has traditionally and consistently supported. That support and that goal of self-determination is critical as the world watches a truly democratic and economic success story unfolding before our very eyes in Taiwan.

It is at this point in time that I urge my colleagues to adopt this resolution which I have introduced to once again restate our support and our commitment to the progress of democracy, the progress of free markets, the progress of a pro-American attitude and sentiment that we see in Taiwan today that is important not only for freedom-loving people in Taiwan, but also important for America's' national and strategic interests, as well.

I might also add, Mr. Speaker, there are millions and millions of Taiwan immigrants here in the United States whose dream for their homeland is the kind of democracy and liberty which they sought in coming to the United States. It is a dream that is born by the greatness of the United States, and in this way, I think this Congress can play a tremendous role in helping not only Taiwanese Americans but also certainly those who are fighting for freedom and liberty and democracy in Taiwan today have the greatest opportunity to secure their hopes and dreams for themselves and for the world.

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

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

GENERAL LEAVE

Mr. SCHAFFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 390.

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

There was no objection.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ROHRABACHER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 390, 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.

The title was amended so as to read:

Concurrent resolution expressing the sense of the Congress regarding Taiwan's participation in the United Nations and other international organizations.

A motion to reconsider was laid on the table.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. GUTKNECHT. Mr. Speaker, I offer a resolution (H. Res. 608) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 608

Resolved, That the following named Members be, and are hereby, elected to the following standing committees of the House of Representatives:

Committee on Transportation and Infrastructure: Mr. Martinez of California;

Committee on Armed Services: Mrs. Wilson of New Mexico.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

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.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GEKAS) is recognized for 5 minutes.

(Mr. GEKAS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CARDIN) is recognized for 5 minutes.

(Mr. CARDIN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CAMPBELL) is recognized for 5 minutes.

(Mr. CAMPBELL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 5 minutes.

(Mr. BLUMENAUER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

(Mr. DUNCAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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 addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 5 minutes.

(Mr. PETERSON of Pennsylvania addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. WISE) is recognized for 5 minutes.

(Mr. WISE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

(Mr. ENGEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

(Ms. MILLENDER-MCDONALD addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE STATE OF AMERICA'S AGRICULTURAL ECONOMY

The SPEAKER pro tempore. 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, I first want to thank the Speaker for the hours that he has spent in the chair for these special orders. The gentleman has gone above and beyond the call of duty to be present to enable Members to address the House for these special orders, and I want to personally thank the Chair.

Mr. Speaker, my colleague, the gentleman from Minnesota (Mr. GUTKNECHT), and I will be talking about an important issue for the agricultural community. I rise today to address an issue that should concern all Americans, the state of our agricultural economy.

Our farmers and livestock producers are faced with another year of daunting economic prospects. Just yesterday, Mr. Speaker, Agriculture Secretary Glickman reported the U.S. had distributed a record $28 billion in direct financial assistance to American farmers and ranchers during fiscal year 2000, $28 billion. This represents up to 50 percent of on-farm cash income. This is significant and should open our eyes to what is happening to American agriculture.

When I listen to farmers in my district, I hear several messages as they try to explain the causes of the economic situation. Many say that we need to address the issue of additional export markets, and I fully agree, and I applaud this Congress for passing monumental trade legislation and opening the door to the potential represented by over 1 billion China citizens when we passed in this Congress permanent normal trade relations with China.

But I also hear from my farmers fears that they are being squeezed out of business by large agricultural corporations. Over the past several years, we have watched as agribusiness after agribusiness has consolidated its operations, merged with its competitors, and created yet an even larger company, dramatically tilting the playing field to the potential disadvantage of the family farmer.

The meat industry may be the best example of concentration run rampant, with concentration and vertical integration in the packing industry making it difficult for small producers to get a fair shake.

In today's livestock markets, four companies, four companies, slaughter

80 percent of the Nation's steers and heifers. In 1998, four companies slaughtered 56 percent of the Nation's hogs, up from 32 percent in 1985.

Complicating matters further is the increased vertical integration of the industry. The most visible was the recent merger of Smithfield Foods, one of the largest packers and owners of hogs, with Murphy Farms, perhaps its greatest competitor in live hog production.

So what has this done to the markets? Well, maybe it has negatively affected competition. Maybe the increased concentration has reduced the marketability of hogs and cattle raised by independent producers in Iowa and other States, like Minnesota. Maybe it has given these large agribusinesses an unfair competitive advantage and allowed them to manipulate prices, and forced smaller companies out of business. We just do not know.

Who will provide answers to these questions? The farmers and livestock producers in my district are looking for help from their government, their only available ally. Some advocate new laws to protect their interests, claiming the existing ones are not doing the job.

But I am not sure that new laws are necessary. We already have some pretty strong laws on the books. The problem is, this administration has not enforced the laws that are already on the books.

I think that increased concentration in the agricultural markets has negatively affected competition and put farmers and producers in Iowa and elsewhere at a disadvantage. But in recent years, the USDA's Grain Inspection and Packers and Stockyard Administration, known as GIPSA, has found relatively few incidents of illegal business practices in livestock markets.

This should provide some reassurance, should it not? Unfortunately, it does not, because last month the General Accounting Office released this report, ''Packers and Stockyards Programs, Actions Needed to Improve Investigations of Competitive Practices.''

In this report, the GAO says, ''USDA has authority under the Packers and Stockyards Act which has been delegated to the Grain Inspection and Packers and Stockyards Administration to initiate administrative actions to halt unfair and anticompetitive practices by packers and livestock marketing and meatpacking.''

The authority is already there, but USDA, under this administration, has not done its job. It is not that GIPSA does not investigate alleged anticompetitive behavior. It does. In fact, between October, 1997, and December, 1999, it conducted 74 investigations. The problem is, GIPSA's investigative procedures are inadequate for determining anti-competition investigations.

□ 2115

Despite repeated recommendations to improve its practices, GIPSA continues in its failed attempt to protect the interest of small producers. The GAO found that GIPSA's ability to investigate and enforce allegations of unfair and anti-competitive practices was insufficient because its investigations are lead by economists without the formal involvement of the USDA's Office of General Counsel.

The GAO wrote, ''As a result, a legal perspective that focuses on assessing potential violations is generally absent.'' The GAO recommended that investigation should be based upon the model followed by the Department of Justice and the Federal Trade Commission. These agencies ''emphasize establishing the theory of each case and the elements that will prove a case. At each stage of the investigation, there are reviews by senior officials who are attorneys and economists which focus on developing sound cases.''

Under these procedures, violations of the Packers and Stockyards Act would be much easier to identify. However, at GIPSA, legal reviews are generally not performed until an investigation is completed. In fact, between 1994 and 1996, only 4 of 84 investigations had been submitted to the general counsel for review because investigations were conducted by staff with inappropriate qualifications, inadequate input from attorneys, and apparent lack of cooperation among GIPSA branches. That, in my mind, is unacceptable.

In addition to developing investigative procedures based on Department of Justice and FTC models, the GAO recommends that the USDA, A, develop a teamwork approach for investigations with GIPSA's economists and USDA's attorneys working together to identify violations of the law; B, determine the number of attorneys that are needed for USDA's general counsel to participate in and, where appropriate, lead GIPSA's investigations; C, provide senior GIPSA and general counsel officials to review the progress of investigations at main decision points; and, D, ensure that legal specialists are used effectively by providing them with leadership and supervision by USDA's attorneys and ensure that GIPSA has the economic talents that it needs.

Mr. Speaker, the Department of Agriculture accepts and agrees with the GAO recommendations. In their official letter of comment, Undersecretary of Marketing and Regulatory Affairs, Michael Dunn, said, ''Overall, GIPSA and the OGC concur with the recommendations provided in this report. The Department finds that GAO's recommendations are within GIPSA's existing reorganization, reengineering, training, and long-term planning and implementation strategies.''

But reform has not been coming from the agency. In 1997, GIPSA's own Inspector General recommended similar changes. That report highlighted the importance of having attorneys participate in GIPSA's investigations. The office of Inspector General recommended then that GIPSA should follow the FTC and Department of Justice models and recommended several reforms that would greatly improve GIPSA's ability to enforce the Packers and Stockyards Act. At that time, like now, GIPSA agreed; but this new GAO report shows that the reforms taken by GIPSA in response to its office of Inspector General's recommendations are insufficient to properly enforce the law.

In addition, in 1991, the GAO recommended USDA implement a more feasible approach for monitoring activity in livestock markets. So we are looking at an agency which was told 9 years ago it needed to improve its performance with respect to anticompetitive activity in the livestock markets. The agency was again told by its Inspector General 3 years ago what specifically needed to be done to improve its investigative procedures, and they have not done so.

Obviously, USDA needs some Congressional pressure to implement the necessary reforms. That is why today I joined the gentleman from Minnesota (Mr. Gutknecht), who is with me here tonight, and our colleagues in the Senate, Senator GRASSLEY from Iowa and Senator GRAMS from Minnesota, in introducing the Packers and Stockyards Enforcement Improvement Act of 2000.

This bill requires USDA to implement within 1 year the recommendations of the GAO to improve its investigations into alleged anti-competitive activity. In addition, the bill requires USDA to develop and implement a training program for competition, investigations, and to provide an annual report to Congress on the State of the cattle and hog industries, identifying business activities that represent possible violations of the Packers and Stockyards Act.

Mr. Speaker, this is an important issue. Farmers and producers rely on the USDA to protect them from anticompetitive practices. If GIPSA cannot do this, who can they turn to? We should implement this bill this year. Our farmers deserve a department and an agency which are properly prepared to address their concerns.

Mr. Speaker, I yield to the gentleman from Minnesota (Mr. GUTKNECHT), a cosponsor of this bill, and I want to express my appreciation to him.

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman from Iowa for yielding to me. I thank him for this special order, and I thank him for this bill.

I want to say a special thank you to our colleagues in the Senate, particularly Senator GRASSLEY for his hearing in September, on September 25, where he highlighted this report.

I want to point out to people who may be watching who the General Accounting Office is. The General Accounting Office is basically our auditors; and many times, they file reports. We send them out to investigate different agencies to find out if they are really doing their jobs. Altogether too

often they do a beautiful job of coming back with a report and recommendations, and the reports wind up sitting on some desk somewhere and gathering dust.

So I want to say a special thank you to our colleagues over on the other body for at least saying this time we are going to do something about it, this time we really mean it.

I want to talk a little bit about the Packers and Stockyards Act. It goes back about 70 years, and it was designed to protect individual producers. It was not designed to protect the packers and the stockyards. As the gentleman from Iowa (Mr. GANSKE) mentioned, and I do not want to become repetitive, but what we have seen in the last 10 years especially is a tremendous change in what has happened in the livestock industry.

Frankly, from my perspective, and listening to the gentleman from Iowa speak earlier, we came here together in 1994, and I have always thought in many respects we both come from what I thought was the Teddy Roosevelt wing of the Republican parties, whether it is fighting for open markets and more competition for prescription drugs, which I think we are winning, and I am not so certain. We seem to be waging a war, not only against the pharmaceutical industry, but the FDA itself, and sometimes our own leadership makes our job even more difficult. But the important point is we understand that markets are more powerful than armies and that competition is good.

I was reading about Teddy Roosevelt this weekend; and the more one reads about him, the more interesting he is. But he really and deeply and fiercely believed that competition was a good thing, that it brought out the best, whether it was on the sporting fields or whether it was in business. He fought literally all of his life to make certain that there was adequate competition in every field.

What we have seen in the last several years are really disturbing trends. Let me just share with the people who may be watching this what has happened relative to some of the large mergers. We have talked about this relative to pharmaceutical industry. It was not that long ago we had, well, let us see, there was Glaxo and there was Wellcome and Bristol-Myers. There was Squibb. There were four separate companies. If they have their way, by the end of this year, there will be one company. Now, all of those companies were big companies, and they had tremendous market power, but imagine what it is like now that there is one.

We have talked about the oil industry, the same thing. People sometimes scratch their heads, and they wonder why is it we seem to be at the mercy of the large oil companies. Well, at one time we had Exxon and Mobile, and one was a $55 billion company, and the other was a $43 billion company, and now they are one company.

It was Teddy Roosevelt who was behind breaking up Standard Oil. Now we see all those big oil companies coming back together.

Let us talk about concentration.

Mr. GANSKE. Mr. Speaker, reclaiming my time for a moment, at the moment that we are speaking here on the floor, there is a Presidential debate going on. I hope that one of the questions that is asked Vice President GORE and Governor Bush is what would be their position on antitrust.

I, too, feel like I am a member of the Teddy Roosevelt wing of the Republican Party, a progressive wing that felt that it was important for the little guy to have a chance to compete.

To bring us back to this issue of meat packing, correct me if I am wrong, but I believe the gentleman from Minnesota (Mr. GUTKNECHT) has some personal experience in the business, does he not?

Mr. GUTKNECHT. Mr. Speaker, my experience, I think the gentleman from Iowa is referring to, is that I am a licensed and bonded auctioneer. Yes, I can spit it out pretty fast.

I would like to illustrate, 10 years ago, about 80 percent of the livestock in the United States was sold either in what we call a spot market or in some kind of an auction format. That has now changed that 80 percent of livestock today is sold under some kind of a contract.

Now, I am not totally opposed to contracts, but we have a number of problems with contracts. One is transparency. Many times one producer, independent producers living right across the road from each other, both could have contracts with the same packer, and neither may know what the other's contract really is.

Mr. GANSKE. Mr. Speaker, reclaiming my time, many times, I think they may have clauses in those contracts that say they are not supposed to divulge the contents of that contract; is that not right?

Mr. Speaker, I yield to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, that is correct. But the interesting thing is, under the Packers and Stockyards Act, as I understand it, actually the USDA has access to that information. Now, I am not saying they ought to share the information from one neighbor to the other, but there ought to be a way that they can share more information about what actually is going on in the marketplace. Because as I have said, many times our independent producers, our farmers, it is like they go into the casino every day, and they make bets. They are betting against the big grain companies, they are betting with the big fertilizer companies, they are betting with the packers and the people who buy their products.

The problem is the people that they are dealing with have enormous amounts of information. They know what is going on in China. They know what deals they may have going on in other parts of the world. They have much better information. So, in effect, they are going in and they are betting against the house, and the house always wins.

We are not saying that the packers or the stockyards are necessarily evil. But there is something wrong with the system where they have a lot more information, they know what the prices are actually being paid, and the producers do not.

What we are saying is it is time for the USDA to, at least, do what the General Accounting Office is telling us and what they have told us in the past needs to be done to more aggressively enforce the act.

Let me go back to this issue of concentration, because I want to share these numbers with the gentleman from Iowa and some of the people who may be watching.

Since 1993, which coincidentally was when Mr. GORE and Mr. Clinton came into office, since 1993, there have been in the United States 46,571 mergers in the United States that were approved by the Department of Justice. Those deals totaled more than $5 trillion. Now, that is just a big number to most of us, but let us compare that to the previous 8 years. During the previous 8 years, there were only 19,518 mergers, and they totaled a little more than $1 trillion in value.

What we have seen in the last several years is just an enormous amount of concentration, and we are seeing it particularly in agriculture, whether it is on the seed and fertilizer side of the farmer's ledger or whether it is on the side of the ledger where he is selling what he is producing, whether it is grain, or whether it is livestock.

As an auctioneer, I know this. If you have an auction and you only have two bidders, you are not going to get as good a price as if you have five or six bidders.

Now, we cannot always force the situation relative to how many people are going to be in the meat packing business. Again, I am not saying they are particularly evil, but I think there is a system beginning to develop that looks incredibly sinister to those independent producers, and it looks an awful lot like that there is potential for manipulation of some of these prices.

So all we are really saying is we do not need to rewrite the Packers and Stockyards Act. That is what this report says. What we have to do is a better job of enforcing those laws. This is true throughout so much of what we do.

A lot of our more liberal friends says we need more laws, whether it is campaign finance laws or other laws. Some of us say, yes, maybe we do need some changes in the law, but first and foremost, let us enforce the laws that are on the books today. That is what this audit says. That is what this bill says. In effect, this says to the USDA, this time we really mean it.

□ 2130

Mr. GANSKE. Mr. Speaker, I appreciate the gentleman's comments on the meat packing situation. In talking to farmers across the Fourth Congressional District in Iowa, they are very frustrated. We in the State of Iowa have been trying to put together a deal which would create a new beef packing plant in the State of Iowa. I do not know that there has been a modern beef packing plant done in the United States in the last 15 to 20 years.

It is clear that there are a number of reasons why there needs to be more modern packing plants in terms of, I think, the water quality issues and things like that, but also packing facilities that are at a reasonable distance from the producer and an option for them to use. There would be farmers that would have cattle, producers that would have an option then of going to one of the established packers or coming, for instance, to central Iowa. They would then be able to make that judgment based on some competition for the price between those two cattle packers. That does not exist right now.

As the gentleman has pointed out, the number of mergers not just in this industry but in the entire economy is just accelerating beyond belief. And I am glad that the gentleman mentioned the instance of the pharmaceuticals, because we can talk about prescription drugs in a few minutes, but before we leave this issue of enforcement, I think it is important to go over again what we are talking about, and that is that there already is what is called the Grain Inspection and Packers and Stockyards Administration. This administration is charged with finding out whether or not there are anti-competitive practices. Unfortunately, as this GAO report has shown, and others in the past have shown, because of the way the investigations are done by GIPSA, they are not taking advantage of counsel along the way that will help their inspectors determine whether in fact anti-competitive behavior has occurred.

There needs to be counsel giving advice on that. That is one of the recommendations in this report. And it is unfortunate that the USDA and GIPSA has not followed the recommendations of the report in the past. Nine years ago a similar report was made to this, and still nothing has happened. So that is the reason why the gentleman and I have introduced our bill, and Senator GRASSLEY and Senator GRAMS in the Senate have introduced our bill, The Packer and Stockyards Enforcement Improvement Act of 2000.

We are calling on our colleagues, both Republicans and Democrats, particularly in areas that are rural and where they have constituents who are meat producers, to sign on to our bill. As my colleague from Minnesota said, this bill does not write new language in terms of the law, it seeks to affect a more efficient and effective implementation of the prior law.

Mr. GUTKNECHT. And I just want to point out that one of the things that many times people inside the bureaucracy will say is, well, we do not have enough staff or we do not have enough money. But the General Accounting Office does not say that in their report. We currently allocate 153 people and about $16 million, and over the last 2 years they have conducted a grand total of 74 investigations.

Now, I do not know how many is the right number, whether it is staff or whether it is the appropriation or how many investigations that they should conduct, but I do know this; that there is enormous distrust out in farm country among our independent producers out there of the way this law is being enforced. There is a lot of concern. And I think the way to allay that concern is to make certain that at least the recommendations of our own General Accounting Office, as it relates to the investigative methodology that is used, is implemented, to make certain we get to the bottom of this.

We cannot completely solve this problem of concentration. I think that is sort of a function of the way the economy seems to be moving today. On the other hand, I think we can do all within this law that is possible to make certain that if there is only going to be four major packers that are involved in beef packing, that at least there is adequate competition.

Personally, I would love to see moving back to more of an auction format. Frankly, I think that is the fairest way to sell almost anything. And I say that as a licensed and bonded auctioneer. But the real key about the auction was that a person could go to the auction ring and sit there and see what cattle or hogs were actually selling for. If they paid close enough attention, they could tell who was buying them; whether they were going to Armour or Swift or Hormel, wherever they were going. If someone paid attention, they could know who was buying and how much was being paid.

In today's market, that is next to impossible. They publish some prices in the paper, but, in fact, I have to tell my colleague that when we went through that period when hogs dropped to $8 per hundred, the truth of the matter was that many of the hogs being slaughtered in our facilities in Iowa and Minnesota were not selling for $8 a hog, they were selling for substantially more than that because they were on some form of contract. Even today, when we look at the cash market, that may or may not be the price that hogs are actually being sold for on that given day.

The USDA has enormous power under the Packers and Stockyards Act, and what we are saying as part of this is that they need to do a better job of sharing the information they have with those independent producers.

And let me just say finally about the independent producers that anybody who has spent any amount of time with these people who raise livestock, farmers in general but livestock producers in particular, these are the salt of the earth people. The truth of the matter is they do not ask for much from government. Matter of fact, if any of my colleagues were to go to the National Cattlemen's Association, if there is any group in America who says get the government out of our business, it is the Nation's cattlemen. I admire them so much.

All they really ask for is a level playing field and a set of rules that are fair so that they have a chance to compete and take care of their families, perhaps grow their farms and their ranches for their families and future generations. They do not ask for much. And so I think the very minimum that we can do in this Congress is to make certain that we at least implement the recommendations of our own General Accounting Office.

So I congratulate the gentleman for bringing this bill forward. I congratulate the Senate sponsors as well. Hopefully, we can get this bill passed, perhaps in the next 10 days. But I will promise the gentleman that if we do not get it passed before we are able to go home and this Congress adjourns, we will be back next year and I will be prodding my colleagues on the Committee on Agriculture, and I know the gentleman will be prodding his colleagues in the Committee on Commerce to make certain that we do follow through on this and that something happens for these great people out there working their tails off every day.

Mr. GANSKE. Well, Teddy Roosevelt was known as the trust buster, and what we were dealing with at that time was the big oil and the railroads. Probably one of the great books in American literature on capitalism is a book by the name of the ''Octopus,'' and I would encourage all our colleagues to read that book because that book dealt with the iron grip that the railroads had over our agricultural communities at that time. The average farmer there was the victim of a monopoly most of the time in those areas. Take it or leave it; this is our freight rate, and they had no choice. It required the hand of government to come in and act as an equalizing force so that, in effect, competition could flourish and that we could see some justice in the economic markets.

I am afraid that we are heading, with the continued concentration in the food industry, and particularly the meat packing industry, in that same direction. I think it would be better to implement the current laws now effectively rather than at some time in the future be faced with a more draconian type of legislation. And strange things can happen in a democracy. I think that it would behoove the meat packing industry itself to have an interest in the effective application by GIPSA of the Packers and Stockyards Act. So I thank my colleague for joining me on this issue.

I think that we also could speak for a few minutes on a very important issue to our constituents, and that is the high cost of prescription drugs. This is an issue that is important not just for senior citizens but for everyone in the country. We are seeing health insurance premiums rise at 10, 11, 12 percent per year now, largely due to the fact that prescription drug costs are rising at 18 to 20 percent per year, and so employers are being hit with increased costs of premiums and they are passing part of that on to the employees, which is making health care much more expensive.

We are seeing prescription drug prices in this country at four times the cost for the same medicine than it would cost in Mexico; at twice the cost for the same medicine as someone can get the medicine from Canada or the European Union.

I got a letter from a constituent who said that he had been in a clinical trial for a new arthritis medicine. It worked great. He was a volunteer at a hospital, so he went to the hospital pharmacy where, with his volunteer discount, he could get that pill for $2.50 per pill. He got on the Internet that night and he found he would be able to get that pill for about half price from Canada or Europe, Geneva, Switzerland, and a quarter price from Mexico.

And yet, if he does that, he is likely to get a threatening letter from the Food and Drug Administration saying that he is breaking a law that was passed in 1980 that prevents the reimportation of prescription drugs; drugs that are made in this country, safely packaged in this country, and sent overseas. In 1980, they passed a law that said we could not reimport those drugs back into the United States.

It was part of an FDA reform bill. It was a small part, but Ronald Reagan, who was the President at that time, signed the bill in general but gave a warning about that particular part. He said he was really concerned about that special protection for the pharmaceutical industry, because he thought that not allowing reimportation could result in the increase of prescription drugs in the United States. And Ronald Reagan was right, because we are now seeing these high costs.

The gentleman from Minnesota and I, and the gentlewoman from Missouri (Mrs. EMERSON), and a couple of our other colleagues, the gentleman from Oklahoma (Mr. COBURN), including some of our colleagues on the Democratic side of the aisle, the gentleman from Vermont (Mr. SANDERS) and the gentleman from Maine (Mr. BALDACCI) and others, have worked hard to try to fix that law that was passed in 1980 so that we can reimport prescription drugs. If we allowed drugs to come back into the United States at a lower cost, I guaranty the competition in the market would lower the cost for everyone, not just for senior citizens.

I would be happy to yield to the gentleman to give us an update on where that bill is at this point in time.

Mr. GUTKNECHT. Well, the gentleman has done a great job of setting the stage. In this case, I should say Dr. GANSKE. The gentleman probably understands this issue as well as anybody. I sort of fell into it at some of my town hall meetings.

Several years ago, seniors started to talk about bus trips to Canada to buy prescription drugs. And, to be honest, the first couple of times it came up, I just sort of dismissed it. If people want to go to Canada, they can go to Canada. But then I began to learn that the FDA actually sent these threatening letters to seniors if they attempted to reorder. Generally speaking, they will allow people to go across the border with a legal prescription and go into a pharmacy in Canada or Mexico, or, frankly, around the rest of the world.

But I want to take a moment to talk about the differentials. Let us take one drug. The purple pill; Prilosec. The average price in the United States now is about $139 for a 30-day supply. And one of the aspects of many of these drugs is that once a patient begins to take these, they tend to be on them for very long periods of time.

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Prilosec is a wonderful drug. It is for acid reflux disease and for ulcers. It is a wonderful drug. I really do not want to bash the makers of it. But the problem is this. In the United States that 30-day supply is about $139 now. That same 30-day supply of exactly the same drug made in the same plant under the same FDA approval sells in Canada for about $55. But in Mexico I am told you can buy the same drug for $17.50. In Europe the average price is about $39.

I think Americans want to pay their fair share. But what is really happening right now is the pharmaceutical industry is shifting much of their cost for research and development and most of their profits are coming at the expense of American consumers. That is just wrong. When we talk about Teddy Roosevelt, we talk about competition and how competition makes things stronger. Competition in sports, competition in business. What we are saying is you have got to have competition in the drug industry. Right now they hide behind the protection of the FDA. We are saying that that has to stop.

I will give the gentleman one more example. My 83-year-old father, unlike some of the politicians' stories, really does take Coumadin. It is a blood thinner. The average price here in the United States for a 30-day supply is about $28. That same drug in Switzerland sells for $2.85. The President and the Vice President and a lot of people on both sides of the aisle say, ''We've got to have prescription drug coverage for seniors.'' But one of the seniors at my town hall meetings said it so well. He said, ''If you think drugs are expensive today, just wait till the government provides them for free.'' If we do not solve this price side of this problem, we will never be able to solve the coverage side. I support the coverage side. I think it is time to have a benefit as part of Medicare that includes prescription drugs. I think that is the right thing to do. But you will never get there, you will never be able to afford that benefit if we do not create some competition in the United States so that Americans have access to world market prices. It is the only area I know of where the world's best customers pay far and away the world's highest prices.

We are making progress. The President has now embraced our bill. Congressional leaders on both sides have embraced our bill. But the FDA and the drug companies are not exactly embracing our bill. As we speak, they are trying to throw more and more grit into the gears to try and slow this thing down. I do believe that ultimately, because we are in the Information Age, this is going to happen. You cannot hold back markets. Shortly after the Soviet flag came down for the last time over the Kremlin, a headline was written and it was so powerful, because what it said was, markets are more powerful than armies. If you think about it, the Soviet experiment was 70 years of the government trying to hold back markets. It cannot be done, particularly in the Information Age. We are going to win this fight. We are going to see prescription drug prices in the United States come down by at least 30 percent. And with those savings, and the estimates are next year we are going to spend $150 billion in this country on prescription drugs, a 30 percent savings, I am not good in math but that works out to $45 billion in savings for American consumers. With some of those savings we can begin to create a better safety net, a better program, some kind of a benefit that will take care of those seniors that currently fall through the cracks.

I want to thank the gentleman for all his help. It has been bipartisan. We have the gentleman from Vermont (Mr. SANDERS), we have got a lot of Democrats who have joined us, the gentleman from Maine (Mr. BALDACCI), lots of Democrats have helped us on this. It is not a partisan issue. I always tell people this is not a debate between the right and the left. This is a debate between right and wrong and it is wrong to make American consumers pay the world's highest prices.

Mr. GANSKE. I would point out that on the House appropriations bill, we have passed an amendment in a bipartisan fashion, 375–12, to allow the reimportation of prescription drugs back into the United States. And on the Senate side, the vote was about 75 for allowing reimportation. Here is where we are on the specifics of the legislation as I understand it today in talks that are ongoing with the White House and between congressional leadership

and, that is, that there is an issue on labeling. The prescription drug companies want to try to get a provision into this bill that would say that if the label is at all different, then you cannot bring the drug back in. Those labels frequently will be written in the foreign language of the country that they are in, not necessarily the instructions inside the box, the instructions inside the box could easily be just like the instructions inside the box of a DVD that you would buy. In other words, they would be written in English, German, Spanish, French, so that you would have the same information, but the drug companies are trying to prevent the reimportation by saying that if there is anything different on the label, then it cannot come back in. We need to make sure that that type of loophole is not allowed into it.

Then the drug companies are looking at ways where they can write contracts with wholesalers and retailers overseas, restrictive contracts that would say that they cannot send those drugs back into the United States. That would be totally gutting the bill if they were allowed to do that. We cannot allow the pharmaceutical companies to put a provision into a bill saying that they can write contracts that would be exclusive contracts and not allow for the reimportation.

On the safety issue, honestly I believe that prescription drugs that are made in the United States, shipped overseas, can safely be reimported. The Secretary of Health and Human Services Donna Shalala says that we think that the FDA can monitor the safety of drugs coming back into the United States. Just give us about $24 million more to beef up our inspection service in the FDA and we think we can do it safely and effectively. $24 million is a drop in the bucket compared to the billions of dollars that consumers in this country would save by having increased competition.

I just have to reinforce what my colleague has said. We are talking about increased competition. We are not talking about price controls. We are talking about really letting the market work, whereas right now there is a special protection for those products that almost no other industry has. Do our farmers have that kind of protection? We are dealing with a global market. Our farmers when they sell their corn and beans, that sale price is determined by how many acres are planted in Brazil. They are dealing with a global market. So are our appliance makers. So is our entire economy if we are selling financial services. It is a global market. There is no reason why one industry should have such a special protection when we can safely and effectively administer the reimportation.

Finally, I just want to point out, the negotiations with the White House are primarily going on about whether to allow wholesalers and retailers to reimport prescription drugs. I think the gentleman from Minnesota would agree with me 100 percent, this should not be just for wholesalers and retailers. This should be for individuals as well. And at a bare minimum we ought to delete that law that says that the Customs Department and the Food and Drug Administration can send threatening letters to citizens from this country if they would purchase prescription drugs overseas.

Mr. GUTKNECHT. The gentleman is exactly right. I think that it has to be about allowing the local pharmacies and other groups to import, but most importantly, if nothing else happens this year, we ought to make it very clear to the FDA that as long as it is an FDA-approved drug, made in an FDA-approved facility, they should stop threatening American seniors for trying to save a few bucks on prescription drugs. It is immoral for them to send threatening letters to 87-year-old widows trying to save $15 on a prescription or $20 or maybe $100, whatever it happens to be. For our own FDA to be the bully in this whole debate, it seems to me is outrageous. Now, if it is an illegal drug, then absolutely it ought to be stopped at the border. But if it clearly is an FDA-approved drug made in an FDA-approved facility, for them to be allowed to send threatening letters to our seniors ought to stop and it ought to stop the day the President signs that bill. I feel very strongly about this. Yes, we want to do it for everybody.

Let me come back just real briefly to the whole issue of safety. One of the arguments and we have seen ads, in fact I think the pharmaceutical industry spent something like $400 million this year lobbying and advertising on this issue, it is the Henny Penny, the sky will fall. People just have to think what we can do today with today's technology. There is a software company in Minneapolis that was one of the people who developed the bar coding technology that is now being used in almost every hospital, where they bar code the pharmaceuticals and they put a bar-coded bracelet on everybody. They know exactly when you got your Prilosec or whatever drug was given to you. That technology is there today, could be modified and we can make certain that every product that comes off the line, whether the plant is in Switzerland or Indianapolis, that that is in fact what it says and that it was made on such and such a date at such and such a time, we can check that instantly with today's technology. Not only that, we have got tamperproof containers today that we did not have in 1980. Finally, we can bar code boxes. I do not know when the last time you got a package from Fed Ex or UPS or the post office but almost all of them now have bar coding technology. They know where that package is almost at any moment from the time you deliver it to the parcel delivery service to the time it is electronically signed for. The idea that we cannot protect this commodity when it is going from Great Britain or Geneva to the United States is just outrageous. That is not true. We have the technology.

Finally, let me say, how safe is safe? The truth of the matter is, sometimes people here in the United States get the wrong prescription, or even when they get the right prescription in the right dosage, some people will have adverse reactions. The gentleman mentioned our farmers. Every day hundreds of thousands of pounds of food go across our borders with very, very little inspection by the Food and Drug Administration. But somehow we have to build a wall a mile high to keep out pharmaceuticals. That is just not good common sense. That is all we are really asking for, is some competition and some common sense.

I do not like price controls. The way to break the backs of price controls in other parts of the world is open up the markets. But what will happen is American consumers on a net basis will see their costs go down while the rest of the world starts to pay their fair share.

Mr. GANSKE. I think that this is a very important issue. There are competing plans for more comprehensive pharmaceutical benefits in Medicare. They are caught up right now in presidential politics as well as partisan politics with the elections coming up. But this is something that we have been able to already vote on in both the House and in the Senate in a very bipartisan manner. Would this solve the total problem? No. But it would be an important step forward. I do think that it would result in more competitive and lower priced prescription drugs in this country. It would take a little while for the implementation of the rules that the FDA would make in terms of being able to inspect periodically reimported drugs. So I do not think it would be an immediate benefit. We might not see it in the first 6 months or maybe even year after the implementation, but very shortly I think it could be implemented. And I think that the administration has come to the conclusion that this can be done safely, too. Otherwise, Secretary Shalala would not have said we think that with some small amount of additional funding for the FDA, we can adequately protect American consumers on the reimportation of drugs.

I would point out that as the gentleman already has that food passes back and forth across our borders rather freely. It is inspected periodically. But there are pathogens that can appear on food that can be life-threatening, too. Yet we do not say that there can be no international trade on food. And so this is something that we ought to get done before we finish up. I truly encourage our leadership and the administration to work together in good faith and not to be unduly swayed by attempts by the pharmaceutical industry to put in provisions that would in essence continue this practice of protectionism.

Mr. GUTKNECHT. I would just thank the gentleman again for this special order. If I could just say that the two of us came in 1994 and hopefully, with the blessing of our voters in our district, we are going to be back next year to continue to fight in that Teddy Roosevelt tradition, to create more competition, whether it is in the pharmaceutical industry, whether it is with packers and stockyards, because at the end of the day one of the rules of the Federal Government is to ensure that there will be adequate competition, that there will be a level playing field, and that everybody has a chance to succeed in this marketplace.

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So we are going to be back next year, regardless of what happens on either of these issues. We are going to continue to press the envelope, and the spirit of Teddy Roosevelt is still alive and well here in Washington.

RECESS

The SPEAKER pro tempore (Mr. PEASE). Pursuant to clause 12 of rule I, the Chair declares the House in recess, subject to the call of the Chair.

Accordingly (at 10 p.m.) the House stood in recess, subject to the call of the Chair.

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AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 11 o'clock and 17 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4828, STEENS MOUNTAIN WILDERNESS ACT OF 2000

Mrs. MYRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 106–930) on the resolution (H. Res. 609) providing for consideration of the bill (H.R. 4828) to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon, and for other purposes, which was referred to the House Calendar and ordered to be printed.

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 Members (at the request of Mr. BROWN of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. CARDIN, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. ENGEL, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Mr. SIMPSON, for 5 minutes, October 5.

Mr. PETERSON of Pennsylvania, for 5 minutes, today.

Mr. BILIRAKIS, for 5 minutes, October 10.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker.

H.R. 3363. For the relief of Akal Security, Incorporated.

H.R. 4115. To authorize appropriations for the United States Holocaust memorial museum, and for other purposes.

H.R. 4733. Making appropriations for energy and water development for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 4931. To provide for the training or orientation or individuals, during a Presidential transition, who the President intends to appoint to certain key positions, to provide for a study and report on improving the financial disclosure process for certain Presidential nominees, and for other purposes.

H.R. 5193. To amend the National Housing Act to temporarily extend the applicability of the downpayment simplification provisions for the PHA single family housing mortgage insurance program.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 704. An act to amend title 18, United States Code, to combat the overutilization of prison health care services and control rising prisoner health care costs.

S. 179. An act to designate the Federal courthouse at 145 East Simpson Avenue in Jackson, Wyoming, as the ''Clifford P. Hansen Federal Courthouse''.

ADJOURNMENT

Mrs. MYRICK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 18 minutes p.m.), the House adjourned until tomorrow, Wednesday, October 4, 2000, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

10422. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the Annual Report for the calendar year 1999; to the Committee on Banking and Financial Services.

10423. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed transfer of major defense equipment from the Government of Israel [Transmittal RSAT–2–00], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

10424. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to South Korea [Transmittal No. DTC 130–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

10425. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a notice, in accordance with Section 42(b) of the Arms Export Control Act, that the Government of Egypt has requested that the United States Government permit the use of Foreign Military Financing for the sale and limited coproduction of 13 M88A2 tank recovery vehicle kits; to the Committee on International Relations.

10426. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Passport Procedures—Amendment to requirements for executing a passport application on behalf of a minor—received October 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

10427. A letter from the Chairman, Federal Maritime Commission, transmitting a Strategic Plan covering the program activities through fiscal year 2005; to the Committee on Government Reform.

10428. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the NASA 2000 Strategic Plan (Enclosure 1); to the Committee on Government Reform.

10429. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the Commission's Strategic Plan for Fiscal Years 2000 through 2005; to the Committee on Government Reform.

10430. A letter from the Director, Office of Federal Housing Enterprise Oversight, transmitting the Strategic Plan for Fiscal Year 2000–2005; to the Committee on Government Reform.

10431. A letter from the Acting Director, Office of Government Ethics, transmitting the Strategic Plan for Fiscal Years 2001–2006; to the Committee on Government Reform.

10432. A letter from the Board Members, Railroad Retirement Board, transmitting the Board's Strategic Plan for 2000 through 2005; to the Committee on Government Reform.

10433. A letter from the Secretary of Health and Human Services, transmitting the Department's Strategic Plan for Fiscal Years 2001 through 2006; to the Committee on Government Reform.

10434. A letter from the Secretary of Transportation, transmitting the Department's Strategic Plan for Fiscal Years 2000 through 2005; to the Committee on Government Reform.

10435. A letter from the Assistant Attorney General, Office of Justice Programs, transmitting the annual report of the Office of Justice Programs, Fiscal Year 1999, pursuant to 42 U.S.C. 3712(b); to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 3850. A bill to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, and for other purposes, with an amendment (Rept. 106–926). Referred to the Committee of the Whole House on the State of the Union.

Mr. GEKAS: Committee on the Judiciary. H.R. 1293. A bill to amend title 46, United States Code, to provide equitable treatment with respect to State and local income taxes for certain individuals who perform duties on vessels (Rept. 106–927, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 4721. A bill to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States; with an amendment (Rept. 106–928). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 4828. A bill to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon, and for other purposes; with an amendment (Rept. 106–929, Pt. 1).

Mrs. MYRICK: Committee on Rules. House Resolution 609. Resolution providing for consideration of the bill (H.R. 4828) to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon, and for other purposes (Rept. 106–930). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Transportation and Infrastructure discharged. H.R. 1293 referred to the Committee of the Whole House on the State of the Union.

Pursuant to clause 5 of rule X the Committee on Agriculture discharged. H.R. 4828 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1293. Referral to the Committee on Transportation and Infrastructure extended for a period ending not later than October 3, 2000.

H.R. 4828. Referral to the Committee on Agriculture extended for a period ending not later than October 3, 2000.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. POMBO (for himself and Mr. LANTOS):

H.R. 5360. A bill to direct the Secretary of Agriculture to conduct a comprehensive evaluation of, and make necessary recommendations to Congress regarding, Federal and State laws that regulate private ownership of exotic wild animals; to the Committee on Agriculture, and in addition to the Committee on Resources, 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. OBERSTAR (for himself, Mr. DINGELL, Mr. INSLEE, Mr. UDALL of New Mexico, Mr. PASCRELL, Mr. LEWIS of Georgia, Mr. PALLONE, Mr. SMITH of Washington, and Mr. TIERNEY):

H.R. 5361. A bill to amend title 49, United States Code, to require periodic inspections of pipelines and improve the safety of our Nation's pipeline system; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Commerce, 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. DREIER (for himself and Mr. MOAKLEY):

H.R. 5362. A bill to increase the amount of fees charged to employers who are petitioners for the employment of H–1B non-immigrant workers, and for other purposes; to the Committee on the Judiciary.

By Mr. GILMAN:

H.R. 5363. A bill to provide for the review by Congress of proposed construction of court facilities; to the Committee on Transportation and Infrastructure.

By Mr. BERMAN (for himself and Mr. BOUCHER):

H.R. 5364. A bill to amend title 35, United States Code, to provide for improvements in the quality of patents on certain inventions; to the Committee on the Judiciary.

By Mr. COX (for himself, Mr. BLILEY, Mr. TAUZIN, Mr. DREIER, Mr. DAVIS of Virginia, Mr. GOODLATTE, Mr. WELLER, Mr. DOOLEY of California, Ms. ESHOO, Mr. MORAN of Virginia, Mr. SMITH of Washington, Mr. CROWLEY, and Mr. GONZALEZ):

H.R. 5365. A bill to impose a temporary moratorium on the elimination of the existing ''pooling of interests'' method of accounting for business mergers and acquisitions, and for other purposes; to the Committee on Commerce.

By Mr. DINGELL:

H.R. 5366. A bill to abolish the Council on Environmental Quality; to the Committee on Resources.

By Mr. GANSKE (for himself and Mr. GUTKNECHT):

H.R. 5367. A bill to require the implementation of the recommendations of the General Accounting Office on improving the administration of the Packers and Stockyards Act, 1921, by the Department of Agriculture; to the Committee on Agriculture.

By Mr. NEY:

H.R. 5368. A bill to extend the deadline for commencement of construction of a hydroelectric project in the State of Ohio; to the Committee on Commerce.

By Ms. PRYCE of Ohio (for herself, Mr. HYDE, Mr. CAMP, Mrs. JOHNSON of Connecticut, and Mr. EWING):

H.R. 5369. A bill to improve the administrative efficiency and effectiveness of the Nation's abuse and neglect courts and for other purposes consistent with the Adoption and Safe Families Act of 1997; to the Committee on the Judiciary.

By Mr. RADANOVICH:

H.R. 5370. A bill to authorize the President to award a gold medal on behalf of the Congress to Peter F. Drucker, the father of modern management, in recognition of his accomplishments as a journalist, a writer, an economist, and a philosopher; to the Committee on Banking and Financial Services.

By Mr. SCHAFFER:

H.R. 5371. A bill to authorize the Secretary of the Interior to establish the Sand Creek Massacre National Historic Site in the State of Colorado; to the Committee on Resources.

By Mr. SMITH of Michigan:

H.R. 5372. A bill to amend the Agricultural Marketing Act of 1946 to enhance dairy markets through dairy product mandatory reporting, and for other purposes; to the Committee on Agriculture.

By Mr. TANCREDO (for himself, Mr. JONES of North Carolina, and Mr. MCCOLLUM):

H.R. 5373. A bill to guarantee the right of individuals to receive Social Security benefits under title II of the Social Security Act in full with an accurate annual cost-of-living adjustment; to the Committee on Ways and Means.

By Mr. UDALL of New Mexico:

H.R. 5374. A bill to settle the land claims of the Pueblo of Santo Domingo; to the Committee on Resources.

By Mr. WALSH (for himself, Mr. BOEHLERT, Mr. GILMAN, Mr. REYNOLDS, Mr. QUINN, Mr. LAZIO, Mr. HOUGHTON, Mr. MCHUGH, and Mr. SWEENEY):

H.R. 5375. A bill to establish the Erie Canalway National Heritage Corridor in the State of New York, and for other purposes; to the Committee on Resources.

By Mr. BORSKI (for himself, Mr. LIPINSKI, Mr. BRADY of Pennsylvania, Ms. MILLENDER-MCDONALD, Ms. KAPTUR, Mr. MCGOVERN, Mr. BROWN of Ohio, Mr. KLECZKA, Mr. DINGELL, Mr. GEJDENSON, Mr. QUINN, Mr. HOYER, Mr. SMITH of New Jersey, Mr. KANJORSKI, Mr. SAXTON, Mr. FROST, Mr. ROHRABACHER, Mr. KLINK, Mr. ENGLISH, Mr. MURTHA, Mr. HOLDEN, Mr. FATTAH, Mr. DOYLE, Mr. MCDERMOTT, Mr. MASCARA, Mr. PALLONE, Mr. LARSON, Mr. PASCRELL, Mr. HOEFFEL, Mr. STUPAK, and Mr. KUCINICH):

H. Con. Res. 416. Concurrent resolution recognizing the historical significance of the 20th anniversary of the workers' strikes in Poland that led to the creation of the independent trade union Solidarnosc, and for other purposes; to the Committee on International Relations.

By Mr. ROHRABACHER (for himself, Mr. LANTOS, Mr. BURTON of Indiana, and Mr. FALEOMAVAEGA):

H. Res. 606. A resolution calling upon the President to provide for the appropriate training of Foreign Service officers and other executive branch personnel in the primacy of democratic values and internationally-recognized human rights; to the Committee on International Relations.

By Mr. SHUSTER:

H. Res. 607. A resolution providing for the concurrence by the House with an amendment in the Senate amendment to H.R. 707; considered and agreed to.

By Mr. GUTKNECHT:

H. Res. 608. A resolution designating majority membership on certain standing committees of the House; considered and agreed to.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. BARR of Georgia introduced A bill (H.R. 5376) for the relief of Sandra J. Pilot; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 49: Mr. STRICKLAND.

H.R. 71: Mr. WALDEN of Oregon.
H.R. 82: Mr. MANZULLO.
H.R. 284: Mr. WALSH and Mr. GEKAS.
H.R. 303: Mr. GREENWOOD.
H.R. 632: Mr. COX.
H.R. 700: Mr. WALDEN of Oregon.
H.R. 842: Mr. CHABOT, Mr. RAHALL, Mr. WISE, and Mr. KUCINICH.
H.R. 1071: Mr. HOLT, Ms. SLAUGHTER, and Mr. PICKETT.
H.R. 1182: Mr. GREEN of Wisconsin.
H.R. 1196: Mr. MOAKLEY.
H.R. 1303: Mr. BEREUTER, and Mr. SAXTON.
H.R. 1422: Mr. CLEMENT.
H.R. 1560: Mr. CRANE.
H.R. 1595: Mr. NADLER.
H.R. 1671: Mr. GIBBONS.
H.R. 1689: Mr. LOBIONDO.
H.R. 2000: Mr. GREENWOOD.
H.R. 2166: Mr. HOLT, Ms. WOOLSEY, Mr. NORTHRUP, Mr. MICA, and Ms. BALDWIN.
H.R. 2355: Mr. LAMPSON.
H.R. 2451: Mr. PICKERING.
H.R. 2620: Mr. WELLER and Mr. WELDON of Florida.
H.R. 2702: Mrs. KELLY.
H.R. 2814: Ms. LEE.
H.R. 2835: Ms. WOOLSEY.
H.R. 2894: Mr. PICKERING.
H.R. 3083: Mr. HASTINGS of Florida.
H.R. 3433: Mr. FATTAH.
H.R. 4025: Mr. MICA.
H.R. 4145: Mr. BROWN of Ohio.
H.R. 4162: Mr. OLVER.
H.R. 4281: Mr. HASTINGS of Washington.
H.R. 4328: Mr. OSE and Mr. SANDLIN.
H.R. 4487: Mr. ALLEN.
H.R. 4493: Mr. MCNULTY.
H.R. 4498: Mrs. THURMAN.
H.R. 4527: Mr. WOLF, Mr. PHELPS, Mr. BECERRA, Mr. TIERNEY, Mr. HILL of Indiana, Ms. SANCHEZ, MR. GONZALEZ, Mrs. NAPOLITANO, Ms. BERKLEY, Mr. MOORE, Mr. OLVER, Mr. KIND, Mr. ABERCROMBIE, Mr. KUCINICH, Mr. WEINER, Mr. FRANK of Massachusetts, Mr. JEFFERSON, Mr. MEEKS of New York, Mr. THOMPSON of California, Mrs. LOWEY, Mr. MCGOVERN, Ms. MILLENDER-MCDONALD, Mr. DIXON, Mr. MILLER of Florida, Mr. MCDERMOTT, Mr. GEKAS, Mrs. WILSON, Mr. HOEFFEL, Mr. BALDACCI, Mr. DOYLE, Mr. GEORGE MILLER of California, Mr. HERGER, Mr. BACA, Ms. VELAZQUEZ, Mr. SABO, Mr. HULSHOF, Mr. BAIRD, Mrs. BONO, Mr. EVANS, Ms. KILPATRICK, and Mr. KOLBE.
H.R. 4570: Mr. PORTER, Mr. FATTAH, and Mr. WATKINS.
H.R. 4650: Mr. TOOMEY.
H.R. 4672: Mr. SMITH of Texas.
H.R. 4728: Ms. ESHOO, Mr. HAYWORTH, Mr. WATKINS, Mr. PICKERING, Mr. WICKER, Mr. MILLENDER-MCDONALD, Mr. COBURN, Mr. TURNER, Mr. HEFLEY, Mr. BILIRAKIS, Ms. PRYCE of Ohio, and Mr. SHAFFER.
H.R. 4792: Mrs. LOWEY and Mr. DINGELL.
H.R. 4825: Mr. WATT of North Carolina, Mr. INSLEE, Mr. JONES of North Carolina, Mr. MOORE, Mrs. ROUKEMA, Mr. HINCHEY, Mr. SAXTON, and Mr. MORAN of Virginia.
H.R. 4874: Mr. WEYGAND.
H.R. 4935: Ms. SCHAKOWSKY.
H.R. 4971: Mr. STEARNS, Mrs. MEEK of Florida, and Mr. CANADY of Florida.
H.R. 5015: Ms. KAPTUR and Mr. FROST.
H.R. 5055: Ms. KILPATRICK and Mr. GONZALEZ.
H.R. 5068: Mr. MICA, Mr. SCARBOROUGH, Mr. BILIRAKIS, and Mr. STEARNS.
H.R. 5081: Mr. ABERCROMBIE.
H.R. 5132: Mr. SHAYS, Ms. KAPTUR, Mr. FILNER, Mr. ABERCROMBIE, and Ms. MCKINNEY.
H.R. 5147: Mr. EVANS, Mr. TIERNEY, Mr. WEINER, Mr. MCGOVERN, Mr. CAPUANO, Mr. DEFAZIO, Mr. ABERCROMBIE, and Mr. MCDERMOTT.
H.R. 5151: Mr. ISAKSON.
H.R. 5166: Mr. EVANS.
H.R. 5178: Mrs. KELLY and Mr. KLINK.
H.R. 5180: Mr. DOYLE, Mr. KUYKENDALL, and Mr. GOODE.
H.R. 5212: Mrs. MYRICK, Mr. LIPINSKI, Mr. STEARNS, Mr. MCHUGH, and Mr. GIBBONS.
H.R. 5236: Mr. RODRIGUEZ.
H.R. 5237: Mr. RODRIGUEZ.
H.R. 5242: Mrs. LOWEY, Mr. FOSSELLA, Mr. ACKERMAN, Mr. MEEKS of New York, Mr. CROWLEY, and Ms. SLAUGHTER.
H.R. 5262: Ms. LOFGREN and Mr. FROST.
H.R. 5265: Mr. HEFLEY.
H.R. 5268: Mr. FILNER, Mr. KINGSTON, Mr. DAVIS of Illinois, and Mr. SISISKY.
H.R. 5271: Mr. HOLDEN, Mr. LIPINSKI, Mr. RANGEL, Mr. KUCINICH, and Mr. MASCARA.
H.R. 5275: Mr. STRICKLAND and Mr. BOEHLERT.
H.R. 5306: Mr. STUMP, Mr. SESSIONS, Mr. MCINTOSH, Mr. EHRLICH, Mr. RILEY, Mr. STEVENS, Mr. WATTS of Oklahoma, Mr. EVERETT, and Mr. PAUL.
H.R. 5311: Mr. SANDERS, Mr. FILNER, Ms. KAPTUR, Mrs. JONES of Ohio, Mr. ABERCROMBIE, Mr. FROST, Ms. MCKINNEY, Mr. RAHALL, Ms. MILLENDER-MCDONALD, Mr. BONIOR, and Mr. KUCINICH.
H.R. 5331: Mr. CARDIN, and Ms. BERKLEY.
H.R. 5345: Mr. BACA, Mr. DIXON, Mr. BOEHLERT, and Mr. MCHUGH.
H.J. Res. 48: Mr. WELLER.
H. Con. Res. 77: Mr. SAXTON.
H. Con. Res. 283: Mr. CONDIT.
H. Con. Res. 323: Mr. UDALL of Colorado.
H. Con. Res. 337: Mr. COX, Mr. KING, and Mr. WELLER.
H. Con. Res. 364: Mr. TURNER.
H. Con. Res. 373: Mr. DEFAZIO.
H. Con. Res. 384: Mr. HAYWORTH, Mr. BONILLA, and Mr. COX.
H. Con. Res. 395: Ms. HOOLEY of Oregon.
H. Con. Res. 404: Mr. FILNER, Mr. FALEOMAVAEGA, Mr. TOWNS, Mr. HINCHEY, Ms. BERKLEY, Mr. TURNER, and Mr. HUTCHINSON.
H. Res. 347: Mr. WALSH.
H. Res. 458: Mr. BACHUS, Mr. DEFAZIO, Mr. BALLENGER, Mr. WATT of North Carolina, Mr. LANTOS, and Mr. TAUZIN.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments, were submitted as follows:

H.R. 4828

OFFERED BY: MR. WALDEN OF OREGON

[Amendment in the Nature of a Substitute]

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; PURPOSES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Steens Mountain Cooperative Management and Protection Act of 2000''.

(b) PURPOSES.—The purposes of this Act are the following:

(1) To maintain the cultural, economic, ecological, and social health of the Steens Mountain area in Harney County, Oregon.

(2) To designate the Steens Mountain Wilderness Area.

(3) To designate the Steens Mountain Cooperative Management and Protection Area.

(4) To provide for the acquisition of private lands through exchange for inclusion in the Wilderness Area and the Cooperative Management and Protection Area.

(5) To provide for and expand cooperative management activities between public and private landowners in the vicinity of the Wilderness Area and surrounding lands.

(6) To authorize the purchase of land and development and nondevelopment rights.

(7) To designate additional components of the National Wild and Scenic Rivers System.

(8) To establish a reserve for redband trout and a wildlands juniper management area.

(9) To establish a citizens' management advisory council for the Cooperative Management and Protection Area.

(10) To maintain and enhance cooperative and innovative management practices between the public and private land managers in the Cooperative Management and Protection Area.

(11) To promote viable and sustainable grazing and recreation operations on private and public lands.

(12) To conserve, protect, and manage for healthy watersheds and the long-term ecological integrity of Steens Mountain.

(13) To authorize only such uses on Federal lands in the Cooperative Management and Protection Area that are consistent with the purposes of this Act.

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

Sec. 1. Short title; purposes; table of contents.
Sec. 2. Definitions.
Sec. 3. Maps and legal descriptions.
Sec. 4. Valid existing rights.
Sec. 5. Protection of tribal rights.
TITLE I—STEENS MOUNTAIN COOPERATIVE MANAGEMENT AND PROTECTION AREA
Subtitle A—Designation and Purposes
Sec. 101. Designation of Steens Mountain Cooperative Management and Protection Area.
Sec. 102. Purpose and objectives of Cooperative Management and protection Area.
Subtitle B—Management of Federal Lands
Sec. 111. Management authorities and purposes.
Sec. 112. Roads and travel access.
Sec. 113. Land use authorities.
Sec. 114. Land acquisition authority.
Sec. 115. Special use permits.
Subtitle C—Cooperative Management
Sec. 121. Cooperative management agreements.
Sec. 122. Cooperative efforts to control development and encourage conservation.
Subtitle D—Advisory Council
Sec. 131. Establishment of advisory council.
Sec. 132. Advisory role in management activities.
Sec. 133. Science committee.
TITLE II—STEENS MOUNTAIN WILDERNESS AREA
Sec. 201. Designation of Steens Mountain Wilderness Area.
Sec. 202. Administration of Wilderness Area.
Sec. 203. Water rights.
Sec. 204. Treatment of wilderness study areas.
TITLE III—WILD AND SCENIC RIVERS AND TROUT RESERVE
Sec. 301. Designation of streams for wild and scenic river status in Steens Mountain area.
Sec. 302. Donner und Blitzen River redband trout reserve.
TITLE IV—MINERAL WITHDRAWAL AREA
Sec. 401. Designation of mineral withdrawal area.
Sec. 402. Treatment of State lands and mineral interests.
TITLE V—ESTABLISHMENT OF WILDLANDS JUNIPER MANAGEMENT AREA
Sec. 501. Wildlands juniper management area.
Sec. 502. Release from wilderness study area status.
TITLE VI—LAND EXCHANGES
Sec. 601. Land exchange, Roaring Springs Ranch.

Sec. 602. Land exchanges, C.M. Otley and Otley Brothers.
Sec. 603. Land exchange, Tom J. Davis Livestock, Incorporated.
Sec. 604. Land exchange, Lowther (Clemens) Ranch.
Sec. 605. General provisions applicable to land exchanges.
TITLE VII—FUNDING AUTHORITIES
Sec. 701. Authorization of appropriations.
Sec. 702. Use of land and water conservation fund.

SEC. 2. DEFINITIONS.

In this Act:

(1) ADVISORY COUNCIL.—The term ''advisory council'' means the Steens Mountain Advisory Council established by title IV.

(2) COOPERATIVE MANAGEMENT AGREEMENT.—An agreement to plan or implement (or both) cooperative recreation, ecological, grazing, fishery, vegetation, prescribed fire, cultural site protection, wildfire or other measures to beneficially meet public use needs and the public land and private land objectives of this Act.

(3) COOPERATIVE MANAGEMENT AND PROTECTION AREA.—The term ''Cooperative Management and Protection Area'' means the Steens Mountain Cooperative Management and Protection Area designated by title I.

(4) EASEMENTS.—

(A) CONSERVATION EASEMENT.—The term ''conservation easement'' means a binding contractual agreement between the Secretary and a landowner in the Cooperative Management and Protection Area under which the landowner, permanently or during a time period specified in the agreement, agrees to conserve or restore habitat, open space, scenic, or other ecological resource values on the land covered by the easement.

(B) NONDEVELOPMENT EASEMENT.—The term ''nondevelopment easement'' means a binding contractual agreement between the Secretary and a landowner in the Cooperative Management and Protection Area that will, permanently or during a time period specified in the agreement—

(i) prevent or restrict development on the land covered by the easement; or

(ii) protect open space or viewshed.

(5) ECOLOGICAL INTEGRITY.—The term ''ecological integrity'' means a landscape where ecological processes are functioning to maintain the structure, composition, activity, and resilience of the landscape over time, including—

(A) a complex of plant communities, habitats and conditions representative of variable and sustainable successional conditions; and

(B) the maintenance of biological diversity, soil fertility, and genetic interchange.

(6) MANAGEMENT PLAN.—The term ''management plan'' means the management plan for the Cooperative Management and Protection Area and the Wilderness Area required to be prepared by section 111(b).

(7) REDBAND TROUT RESERVE.—The term ''Redband Trout Reserve'' means the Donner und Blitzen Redband Trout Reserve designated by section 302.

(8) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Bureau of Land Management.

(9) SCIENCE COMMITTEE.—The term ''science committee'' means the committee of independent scientists appointed under section 133.

(10) WILDERNESS AREA.—The term ''Wilderness Area'' means the Steens Mountain Wilderness Area designated by title II.

SEC. 3. MAPS AND LEGAL DESCRIPTIONS.

(a) PREPARATION AND SUBMISSION.—As soon as practicable after the date of the enactment of this Act, the Secretary shall prepare and submit to Congress maps and legal descriptions of the following:

(1) The Cooperative Management and Protection Area.

(2) The Wilderness Area.

(3) The wild and scenic river segments and redband trout reserve designated by title III.

(4) The mineral withdrawal area designated by title IV.

(5) The wildlands juniper management area established by title V.

(6) The land exchanges required by title VI.

(b) LEGAL EFFECT AND CORRECTION.—The maps and legal descriptions referred to in subsection (a) shall have the same force and effect as if included in this Act, except the Secretary may correct clerical and typographical errors in such maps and legal descriptions.

(c) PUBLIC AVAILABILITY.—Copies of the maps and legal descriptions referred to in subsection (a) shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management and in the appropriate office of the Bureau of Land Management in the State of Oregon.

SEC. 4. VALID EXISTING RIGHTS.

Nothing in this Act shall effect any valid existing right.

SEC. 5. PROTECTION OF TRIBAL RIGHTS.

Nothing in this Act shall be construed to diminish the rights of any Indian tribe. Nothing in this Act shall be construed to diminish tribal rights, including those of the Burns Paiute Tribe, regarding access to Federal lands for tribal activities, including spiritual, cultural, and traditional food gathering activities.

TITLE I—STEENS MOUNTAIN COOPERATIVE MANAGEMENT AND PROTECTION AREA

Subtitle A—Designation and Purposes

SEC. 101. DESIGNATION OF STEENS MOUNTAIN COOPERATIVE MANAGEMENT AND PROTECTION AREA.

(a) DESIGNATION.—The Secretary shall designate the Steens Mountain Cooperative Management and Protection Area consisting of approximately 425,550 acres of Federal land located in Harney County, Oregon, in the vicinity of Steens Mountain, as generally depicted on the map entitled ''Steens Mountain Boundary Map'' and dated September 18, 2000.

(b) CONTENTS OF MAP.—In addition to the general boundaries of the Cooperative Management and Protection Area, the map referred to in subsection (a) also depicts the general boundaries of the following:

(1) The no livestock grazing area described in section 113(e).

(2) The mineral withdrawal area designated by title IV.

(3) The wildlands juniper management area established by title V.

SEC. 102. PURPOSE AND OBJECTIVES OF COOPERATIVE MANAGEMENT AND PROTECTION AREA.

(a) PURPOSE.—The purpose of the Cooperative Management and Protection Area is to conserve, protect, and manage the long-term ecological integrity of Steens Mountain for future and present generations.

(b) OBJECTIVES.—To further the purpose specified in subsection (a), and consistent with such purpose, the Secretary shall manage the Cooperative Management and Protection Area for the benefit of present and future generations—

(1) to maintain and enhance cooperative and innovative management projects, programs and agreements between tribal, public, and private interests in the Cooperative Management and Protection Area;

(2) to promote grazing, recreation, historic, and other uses that are sustainable;

(3) to conserve, protect and to ensure traditional access to cultural, gathering, religious, and archaeological sites by the Burns Paiute Tribe on Federal lands and to promote cooperation with private landowners;

(4) to ensure the conservation, protection, and improved management of the ecological, social, and economic environment of the Cooperative Management and Protection Area, including geological, biological, wildlife, riparian, and scenic resources; and

(5) to promote and foster cooperation, communication, and understanding and to reduce conflict between Steens Mountain users and interests.

Subtitle B—Management of Federal Lands

SEC. 111. MANAGEMENT AUTHORITIES AND PURPOSES.

(a) IN GENERAL.—The Secretary shall manage all Federal lands included in the Cooperative Management and Protection Area pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable provisions of law, including this Act, in a manner that—

(1) ensures the conservation, protection, and improved management of the ecological, social and economic environment of the Cooperative Management and Protection Area, including geological, biological, wildlife, riparian, and scenic resources, North American Indian tribal and cultural and archaeological resource sites, and additional cultural and historic sites; and

(2) recognizes and allows current and historic recreational use.

(b) MANAGEMENT PLAN.—Within four years after the date of the enactment of this Act, the Secretary shall develop a comprehensive plan for the long-range protection and management of the Federal lands included in the Cooperative Management and Protection Area, including the Wilderness Area. The plan shall—

(1) describe the appropriate uses and management of the Cooperative Management and Protection Area consistent with this Act;

(2) incorporate, as appropriate, decisions contained in any current or future management or activity plan for the Cooperative Management and Protection Area and use information developed in previous studies of the lands within or adjacent to the Cooperative Management and Protection Area;

(3) provide for coordination with State, county, and private local landowners and the Burns Paiute Tribe; and

(4) determine measurable and achievable management objectives, consistent with the management objectives in section 102, to ensure the ecological integrity of the area.

(c) MONITORING.—The Secretary shall implement a monitoring program for Federal lands in the Cooperative Management and Protection Area so that progress towards ecological integrity objectives can be determined.

SEC. 112. ROADS AND TRAVEL ACCESS.

(a) TRANSPORTATION PLAN.—The management plan shall include, as an integral part, a comprehensive transportation plan for the Federal lands included in the Cooperative Management and Protection Area, which shall address the maintenance, improvement, and closure of roads and trails as well as travel access.

(b) PROHIBITION ON OFF-ROAD MOTORIZED TRAVEL.—

(1) PROHIBITION.—The use of motorized or mechanized vehicles on Federal lands included in the Cooperative Management and Protection Area—

(A) is prohibited off road; and

(B) is limited to such roads and trails as may be designated for their use as part of the management plan.

(2) EXCEPTIONS.—Paragraph (1) does not prohibit the use of motorized or mechanized vehicles on Federal lands included in the Cooperative Management and Protection Area if the Secretary determines that such use—

(A) is needed for administrative purposes or to respond to an emergency; or

(B) is appropriate for the construction or maintenance of agricultural facilities, fish and wildlife management, or ecological restoration projects, except in areas designated as wilderness or managed under the provisions of section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782).

(c) ROAD CLOSURES.—Any determination to permanently close an existing road in the Cooperative Management and Protection Area or to restrict the access of motorized or mechanized vehicles on certain roads shall be made in consultation with the advisory council and the public.

(d) PROHIBITION ON NEW CONSTRUCTION.—

(1) PROHIBITION, EXCEPTION.—No new road or trail for motorized or mechanized vehicles may be constructed on Federal lands in the Cooperative Management and Protection Area unless the Secretary determines that the road or trail is necessary for public safety or protection of the environment. Any determination under this subsection shall be made in consultation with the advisory council and the public.

(2) TRAILS.—Nothing in this subsection is intended to limit the authority of the Secretary to construct or maintain trails for nonmotorized or nonmechanized use.

(e) ACCESS TO NONFEDERALLY OWNED LANDS.—

(1) REASONABLE ACCESS.—The Secretary shall provide reasonable access to nonfederally owned lands or interests in land within the boundaries of the Cooperative Management and Protection Area and the Wilderness Area to provide the owner of the land or interest the reasonable use thereof.

(2) EFFECT ON EXISTING RIGHTS-OF-WAY.—Nothing in this Act shall have the effect of terminating any valid existing right-of-way on Federal lands included in the Cooperative Management and Protection Area.

SEC. 113. LAND USE AUTHORITIES.

(a) IN GENERAL.—The Secretary shall allow only such uses of the Federal lands included in the Cooperative Management and Protection Area as the Secretary finds will further the purposes for which the Cooperative Management and Protection Area is established.

(b) COMMERCIAL TIMBER.—

(1) PROHIBITION.—The Federal lands included in the Cooperative Management and Protection Area shall not be made available for commercial timber harvest.

(2) LIMITED EXCEPTION.—The Secretary may authorize the removal of trees from Federal lands in the Cooperative Management and Protection Area only if the Secretary determines that the removal is clearly needed for purposes of ecological restoration and maintenance or for public safety. Except in the Wilderness Area and the wilderness study areas referred to in section 204(a), the Secretary may authorize the sale of products resulting from the authorized removal of trees under this paragraph.

(c) JUNIPER MANAGEMENT.—The Secretary shall emphasize the restoration of the historic fire regime in the Cooperative Management and Protection Area and the resulting native vegetation communities through active management of Western Juniper on a landscape level. Management measures shall include the use of natural and prescribed burning.

(d) HUNTING, FISHING, AND TRAPPING.—

(1) AUTHORIZATION.—The Secretary shall permit hunting, fishing, and trapping on Federal lands included in the Cooperative Management and Protection Area in accordance with applicable laws and regulations of the United States and the State of Oregon.

(2) AREA AND TIME LIMITATIONS.—After consultation with the Oregon Department of Fish and Wildlife, the Secretary may designate zones where, and establish periods when, hunting, trapping or fishing is prohibited on Federal lands included in the Cooperative Management and Protection Area for reasons of public safety, administration, or public use and enjoyment.

(e) GRAZING.—

(1) CONTINUATION OF EXISTING LAW.—Except as otherwise provided in this section and title VI, the laws, regulations, and executive orders otherwise applicable to the Bureau of Land Management in issuing and administering grazing leases and permits on lands under its jurisdiction shall apply in regard to the Federal lands included in the Cooperative Management and Protection Area.

(2) CANCELLATION OF CERTAIN PERMITS.—The Secretary shall cancel that portion of the permitted grazing on Federal lands in the Fish Creek/Big Indian, East Ridge, and South Steens allotments located within the area designated as the ''no livestock grazing area'' on the map referred to in section 101(a). Upon cancellation, future grazing use in that designated area is prohibited. The Secretary shall be responsible for installing and maintaining any fencing required for resource protection within the designated no livestock grazing area.

(3) FORAGE REPLACEMENT.—Reallocation of available forage shall be made as follows:

(A) O'Keefe pasture within the Miners Field allotment to Stafford Ranches.

(B) Fields Seeding and Bone Creek Pasture east of the county road within the Miners Field allotment to Amy Ready.

(C) Miners Field Pasture, Schouver Seeding and Bone Creek Pasture west of the county road within the Miners Field allotment to Roaring Springs Ranch.

(D) 800 animal unit months within the Crows Nest allotment to Lowther (Clemens) Ranch.

(4) FENCING AND WATER SYSTEMS.—The Secretary shall also construct fencing and develop water systems as necessary to allow reasonable and efficient livestock use of the forage resources referred to in paragraph (3).

(f) PROHIBITION ON CONSTRUCTION OF FACILITIES.—No new facilities may be constructed on Federal lands included in the Cooperative Management and Protection Area unless the Secretary determines that the structure—

(1) will be minimal in nature;

(2) is consistent with the purposes of this Act; and

(3) is necessary—

(A) for enhancing botanical, fish, wildlife, or watershed conditions;

(B) for public information, health, or safety;

(C) for the management of livestock; or

(D) for the management of recreation, but not for the promotion of recreation.

(g) WITHDRAWAL.—Subject to valid existing rights, the Federal lands and interests in lands included in the Cooperative Management and Protection Areas are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, except in the case of land exchanges if the Secretary determines that the exchange furthers the purpose and objectives specified in section 102 and so certifies to Congress.

SEC. 114. LAND ACQUISITION AUTHORITY.

(a) ACQUISITION.—

(1) ACQUISITION AUTHORIZED.—In addition to the land acquisitions authorized by title VI, the Secretary may acquire other non-Federal lands and interests in lands located within the boundaries of the Cooperative Management and Protection Area or the Wilderness Area.

(2) ACQUISITION METHODS.—Lands may be acquired under this subsection only by voluntary exchange, donation, or purchase from willing sellers.

(b) TREATMENT OF ACQUIRED LANDS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), lands or interests in lands acquired under subsection (a) or title VI that are located within the boundaries of the Cooperative Management and Protection Area shall—

(A) become part of the Cooperative Management and Protection Area; and

(B) be managed pursuant to the laws applicable to the Cooperative Management and Protection Area.

(2) LANDS WITHIN WILDERNESS AREA.—If lands or interests in lands acquired under subsection (a) or title VI are within the boundaries of the Wilderness Area, the acquired lands or interests in lands shall—

(1) become part of the Wilderness Area; and

(2) be managed pursuant to title II and the other laws applicable to the Wilderness Area.

(3) LANDS WITHIN WILDERNESS STUDY AREA.—If the lands or interests in lands acquired under subsection (a) or title VI are within the boundaries of a wilderness study area, the acquired lands or interests in lands shall—

(1) become part of that wilderness study area; and

(2) be managed pursuant to the laws applicable to that wilderness study area.

(c) APPRAISAL.—In appraising non-Federal land, development rights, or conservation easements for possible acquisition under this section or section 122, the Secretary shall disregard any adverse impacts on values resulting from the designation of the Cooperative Management and Protection Area or the Wilderness Area.

SEC. 115. SPECIAL USE PERMITS.

The Secretary may renew a special recreational use permit applicable to lands included in the Wilderness Area to the extent that the Secretary determines that the permit is consistent with the Wilderness Act (16 U.S.C. 1131 et seq.). If renewal is not consistent with the Wilderness Act, the Secretary shall seek other opportunities for the permit holder through modification of the permit to realize historic permit use to the extent that the use is consistent with the Wilderness Act and this Act, as determined by the Secretary.

Subtitle C—Cooperative Management

SEC. 121. COOPERATIVE MANAGEMENT AGREEMENTS.

(a) COOPERATIVE EFFORTS.—To further the purposes and objectives for which the Cooperative Management and Protection Area is designated, the Secretary may work with non-Federal landowners and other parties who voluntarily agree to participate in the cooperative management of Federal and non-Federal lands in the Cooperative Management and Protection Area.

(b) AGREEMENTS AUTHORIZED.—The Secretary may enter into a cooperative management agreement with any party to provide for the cooperative conservation and management of the Federal and non-Federal lands subject to the agreement.

(c) OTHER PARTICIPANTS.—With the consent of the landowners involved, the Secretary may permit permittees, special-use permit holders, other Federal and State agencies, and interested members of the public to participate in a cooperative management agreement as appropriate to achieve the resource or land use management objectives of the agreement.

(d) TRIBAL CULTURAL SITE PROTECTION.—The Secretary may enter into agreements with the Burns Paiute Tribe to protect cultural sites in the Cooperative Management and Protection Area of importance to the tribe.

SEC. 122. COOPERATIVE EFFORTS TO CONTROL DEVELOPMENT AND ENCOURAGE CONSERVATION.

(a) POLICY.—Development on public and private lands within the boundaries of the Cooperative Management and Protection Area which is different from the current character and uses of the lands is inconsistent with the purposes of this Act.

(b) USE OF NONDEVELOPMENT AND CONSERVATION EASEMENTS.—The Secretary may enter into a nondevelopment easement or conservation easement with willing landowners to further the purposes of this Act.

(c) CONSERVATION INCENTIVE PAYMENTS.—The Secretary may provide technical assistance, cost-share payments, incentive payments, and education to a private landowner in the Cooperative Management and Protection Area who enters into a contract with the Secretary to protect or enhance ecological resources on the private land covered by the contract if those protections or enhancements benefit public lands.

(d) RELATION TO PROPERTY RIGHTS AND STATE AND LOCAL LAW.—Nothing in this Act is intended to affect rights or interests in real property or supersede State law.

Subtitle D—Advisory Council

SEC. 131. ESTABLISHMENT OF ADVISORY COUNCIL.

(a) ESTABLISHMENT.—The Secretary shall establish the Steens Mountain Advisory Council to advise the Secretary in managing the Cooperative Management and Protection Area and in promoting the cooperative management under subtitle C.

(b) MEMBERS.—The advisory council shall consist of 12 voting members, to be appointed by the Secretary, as follows:

(1) A private landowner in the Cooperative Management and Protection Area, appointed from nominees submitted by the county court for Harney County, Oregon.

(2) Two persons who are grazing permittees on Federal lands in the Cooperative Management and Protection Area, appointed from nominees submitted by the county court for Harney County, Oregon.

(3) A person interested in fish and recreational fishing in the Cooperative Management and Protection Area, appointed from nominees submitted by the Governor of Oregon.

(4) A member of the Burns Paiute Tribe, appointed from nominees submitted by the Burns Paiute Tribe.

(5) Two persons who are recognized environmental representatives, one of whom shall represent the State as a whole, and one of whom is from the local area, appointed from nominees submitted by the Governor of Oregon.

(6) A person who participates in what is commonly called dispersed recreation, such as hiking, camping, nature viewing, nature photography, bird watching, horse back riding, or trail walking, appointed from nominees submitted by the Oregon State Director of the Bureau of Land Management.

(7) A person who is a recreational permit holder or is a representative of a commercial recreation operation in the Cooperative Management and Protection Area, appointed from nominees submitted jointly by the Oregon State Director of the Bureau of Land Management and the county court for Harney County, Oregon.

(8) A person who participates in what is commonly called mechanized or consumptive recreation, such as hunting, fishing, off-road driving, hang gliding, or parasailing, appointed from nominees submitted by the Oregon State Director of the Bureau of Land Management.

(9) A person with expertise and interest in wild horse management on Steens Mountain, appointed from nominees submitted by the Oregon State Director of the Bureau of Land Management.

(10) A person who has no financial interest in the Cooperative Management and Protection Area to represent statewide interests, appointed from nominees submitted by the Governor of Oregon.

(c) CONSULTATION.—In reviewing nominees submitted under subsection (b) for possible appointment to the advisory council, the Secretary shall consult with the respective community of interest that the nominees are to represent to ensure that the nominees have the support of their community of interest.

(d) TERMS.—

(1) STAGGERED TERMS.—Members of the advisory council shall be appointed for terms of three years, except that, of the members first appointed, four members shall be appointed for a term of one year and four members shall be appointed for a term of two years.

(2) REAPPOINTMENT.—A member may be reappointed to serve on the advisory council.

(3) VACANCY.—A vacancy on the advisory council shall be filled in the same manner as the original appointment.

(d) CHAIRPERSON AND PROCEDURES.—The advisory council shall elect a chairperson and establish such rules and procedures as it deems necessary or desirable.

(e) SERVICE WITHOUT COMPENSATION.—Members of the advisory council shall serve without pay, but the Secretary shall reimburse members for reasonable expenses incurred in carrying out official duties as a member of the council.

(f) ADMINISTRATIVE SUPPORT.—The Secretary shall provide the advisory council with necessary administrative support and shall designate an appropriate officer of the Bureau of Land Management to serve as the Secretary's liaison to the council.

(g) STATE LIAISON.—The Secretary shall appoint one person, nominated by the Governor of Oregon, to serve as the State government liaison to the advisory council.

(h) APPLICABLE LAW.—The advisory committee shall be subject to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 132. ADVISORY ROLE IN MANAGEMENT ACTIVITIES.

(a) MANAGEMENT RECOMMENDATIONS.—The advisory committee shall utilize sound science, existing plans for the management of Federal lands included in the Cooperative Management and Protection Area, and other tools to formulate recommendations for the Secretary regarding—

(1) new and unique approaches to the management of lands within the boundaries of the Cooperative Management and Protection Area; and

(2) cooperative programs and incentives for seamless landscape management that meets human needs and maintains and improves the ecological and economic integrity of the Cooperative Management and Protection Area.

(b) PREPARATION OF MANAGEMENT PLAN.—The Secretary shall consult with the advisory committee as part of the preparation and implementation of the management plan.

(c) SUBMISSION OF RECOMMENDATIONS.—No recommendations may be presented to the Secretary by the advisory council without the agreement of at least nine members of the advisory council.

SEC. 133. SCIENCE COMMITTEE.

The Secretary shall appoint, as needed or at the request of the advisory council, a team of respected, knowledgeable, and diverse scientists to provide advice on questions relating to the management of the Cooperative Management and Protection Area to the Secretary and the advisory council. The Secretary shall seek the advice of the advisory council in making these appointments.

TITLE II—STEENS MOUNTAIN WILDERNESS AREA

SEC. 201. DESIGNATION OF STEENS MOUNTAIN WILDERNESS AREA.

The Federal lands in the Cooperative Management and Protection Area depicted as wilderness on the map entitled ''Steens Mountain Wilderness Area'' and dated September 18, 2000, are hereby designated as wilderness and therefore as a component of the National Wilderness Preservation System. The wilderness area shall be known as the Steens Mountain Wilderness Area.

SEC. 202. ADMINISTRATION OF WILDERNESS AREA.

(a) GENERAL RULE.—The Secretary shall administer the Wilderness Area in accordance with this title and the Wilderness Act (16 U.S.C. 1131 et seq.). Any reference in the Wilderness Act to the effective date of that Act (or any similar reference) shall be deemed to be a reference to the date of the enactment of this Act.

(b) WILDERNESS BOUNDARIES ALONG ROADS.—Where a wilderness boundary exists along a road, the wilderness boundary shall be set back from the centerline of the road, consistent with the Bureau of Land Management's guidelines as established in its Wilderness Management Policy.

(c) ACCESS TO NON-FEDERAL LANDS.—The Secretary shall provide reasonable access to private lands within the boundaries of the Wilderness Area, as provided in section 112(d).

(d) GRAZING.—

(1) ADMINISTRATION.—Except as provided in section 113(e)(2), grazing of livestock shall be administered in accordance with the provision of section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)), in accordance with the provisions of this Act, and in accordance with the guidelines set forth in Appendices A and B of House Report 101–405 of the 101st Congress.

(2) RETIREMENT OF CERTAIN PERMITS.—The Secretary shall permanently retire all grazing permits applicable to certain lands in the Wilderness Area, as depicted on the map referred to in section 101(a), and livestock shall be excluded from these lands.

SEC. 203. WATER RIGHTS.

Nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from State water laws.

SEC. 204. TREATMENT OF WILDERNESS STUDY AREAS.

(a) STATUS UNAFFECTED.—Except as provided in section 502, any wilderness study area, or portion of a wilderness study area, within the boundaries of the Cooperative Management and Protection Area, but not included in the Wilderness Area, shall remain a wilderness study area notwithstanding the enactment of this Act.

(b) MANAGEMENT.—The wilderness study areas referred to in subsection (a) shall continue to be managed under section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c)) in a manner so as not to impair the suitability of the areas for preservation as wilderness.

(c) EXPANSION OF BASQUE HILLS WILDERNESS STUDY AREA.—The boundaries of the Basque Hills Wilderness Study Area are hereby expanded to include the Federal lands within sections 8, 16, 17, 21, 22, and 27 of township 36 south, range 31 east, Willamette Meridian. These lands shall be managed

under section 603(c) of the Federal Lands Policy and Management Act of 1976 (43 U.S.C. 1782(c)) to protect and enhance the wilderness values of these lands.

TITLE III—WILD AND SCENIC RIVERS AND TROUT RESERVE

SEC. 301. DESIGNATION OF STREAMS FOR WILD AND SCENIC RIVER STATUS IN STEENS MOUNTAIN AREA.

(a) EXPANSION OF DONNER UND BLITZEN WILD RIVER.—Section 3(a)(74) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)(74)) is amended—

(1) by striking ''the'' at the beginning of each subparagraph and inserting ''The'';

(2) by striking the semicolon at the end of subparagraphs (A), (B), (C), and (D) and inserting a period;

(3) by striking ''; and'' at the end of subparagraph (E) and inserting a period; and

(4) by adding at the end the following new subparagraphs:

''(G) The 5.1 mile segment of Mud Creek from its confluence with an unnamed spring in the SW¼SE¼ of section 32, township 33 south, range 33 east, to its confluence with the Donner und Blitzen River.

''(H) The 8.1 mile segment of Ankle Creek from its headwaters to its confluence with the Donner und Blitzen River.

''(I) The 1.6 mile segment of the South Fork of Ankle Creek from its confluence with an unnamed tributary in the SE¼SE¼ of section 17, township 34 south, range 33 east, to its confluence with Ankle Creek.''.

(b) DESIGNATION OF WILDHORSE AND KIGER CREEKS, OREGON.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following new paragraph:

''(____) WILDHORSE AND KIGER CREEKS, OREGON.—The following segments in the Steens Mountain Cooperative Management and Protection Area in the State of Oregon, to be administered by the Secretary of the Interior as wild rivers:

''(A) The 2.6-mile segment of Little Wildhorse Creek from its headwaters to its confluence with Wildhorse Creek.

''(B) The 7.0-mile segment of Wildhorse Creek from its headwaters, and including .36 stream miles into section 34, township 34 south, range 33 east.

''(C) The approximately 4.25-mile segment of Kiger Creek from its headwaters to the point at which it leaves the Steens Mountain Wilderness Area within the Steens Mountain Cooperative Management and Protection Area.''.

(c) MANAGEMENT.—Where management requirements for a stream segment described in the amendments made by this section differ between the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.) and the Wilderness Area, the more restrictive requirements shall apply.

SEC. 302. DONNER UND BlITZEN RIVER REDBAND TROUT RESERVE.

(a) FINDINGS.—The Congress finds the following:

(1) Those portions of the Donner und Blitzen River in the Wilderness Area are an exceptional environmental resource that provides habitat for unique populations of native fish, migratory waterfowl, and other wildlife resources, including a unique population of redband trout.

(2) Redband trout represent a unique natural history reflecting the Pleistocene connection between the lake basins of eastern Oregon and the Snake and Columbia Rivers.

(b) DESIGNATION OF RESERVE.—The Secretary shall designate the Donner und Blitzen Redband Trout Reserve consisting of the Donner und Blitzen River in the Wilderness Area above its confluence with Fish Creek and the Federal riparian lands immediately adjacent to the river.

(c) RESERVE PURPOSES.—The purposes of the Redband Trout Reserve are—

(1) to conserve, protect, and enhance the Donner und Blitzen River population of redband trout and the unique ecosystem of plants, fish, and wildlife of a river system; and

(2) to provide opportunities for scientific research, environmental education, and fish and wildlife oriented recreation and access to the extent compatible with paragraph (1).

(d) EXCLUSION OF PRIVATE LANDS.—The Redband Trout Reserve does not include any private lands adjacent to the Donner und Blitzen River or its tributaries.

(e) ADMINISTRATION.—

(1) IN GENERAL.—The Secretary shall administer all lands, waters, and interests therein in the Redband Trout Reserve consistent with the Wilderness Act (16 U.S.C. 1131 et seq.) and the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.).

(2) CONSULTATION.—In administering the Redband Trout Reserve, the Secretary shall consult with the advisory council and cooperate with the Oregon Department of Fish and Wildlife.

(3) RELATION TO RECREATION.—To the extent consistent with applicable law, the Secretary shall manage recreational activities in the Redband Trout Reserve in a manner that conserves the unique population of redband trout native to the Donner und Blitzen River.

(4) REMOVAL OF DAM.—The Secretary shall remove the dam located below the mouth of Fish Creek and above Page Springs if removal of the dam is scientifically justified and funds are available for such purpose.

(f) OUTREACH AND EDUCATION.—The Secretary may work with, provide technical assistance to, provide community outreach and education programs for or with, or enter into cooperative agreements with private landowners, State and local governments or agencies, and conservation organizations to further the purposes of the Redband Trout Reserve.

TITLE IV—MINERAL WITHDRAWAL AREA

SEC. 401. DESIGNATION OF MINERAL WITHDRAWAL AREA.

(a) DESIGNATION.—Subject to valid existing rights, the Federal lands and interests in lands included within the withdrawal boundary as depicted on the map referred to in section 101(a) are hereby withdrawn from—

(1) location, entry and patent under the mining laws; and,

(2) operation of the mineral leasing and geothermal leasing laws and from the minerals materials laws and all amendments thereto except as specified in subsection (b).

(b) ROAD MAINTENANCE.—If consistent with the purposes of this Act and the management plan for the Cooperative Management and Protection Area, the Secretary may permit the development of saleable mineral resources, for road maintenance use only, in those locations identified on the map referred to in section 101(a) as an existing ''gravel pit'' within the mineral withdrawal boundaries (excluding the Wilderness Area, wilderness study areas, and designated segments of the National Wild and Scenic Rivers System) where such development was authorized before the date of enactment of this Act.

SEC. 402. TREATMENT OF STATE LANDS AND MINERAL INTERESTS.

(a) ACQUISITION REQUIRED.—The Secretary shall acquire, for approximately equal value and as agreed to by the Secretary and the State of Oregon, lands and interests in lands owned by the State within the boundaries of the mineral withdrawal area designated pursuant to section 401.

(b) ACQUISITION METHODS.—The Secretary shall acquire such State lands and interests in lands in exchange for—

(1) Federal lands or Federal mineral interests that are outside the boundaries of the mineral withdrawal area;

(2) a monetary payment to the State; or

(3) a combination of a conveyance under paragraph (1) and a monetary payment under paragraph (2).

TITLE V—ESTABLISHMENT OF WILDLANDS JUNIPER MANAGEMENT AREA

SEC. 501. WILDLANDS JUNIPER MANAGEMENT AREA.

(a) ESTABLISHMENT.—To further the purposes of section 113(c), the Secretary shall establish a special management area consisting of certain Federal lands in the Cooperative Management and Protection Area, as depicted on the map referred to in section 101(a), which shall be known as the Wildlands Juniper Management Area.

(b) MANAGEMENT.—Special management practices shall be adopted for the Wildlands Juniper Management Area for the purposes of experimentation, education, interpretation, and demonstration of active and passive management intended to restore the historic fire regime and native vegetation communities on Steens Mountain.

(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to the authorization of appropriations in section 701, there is authorized to be appropriated $5,000,000 to carry out this title and section 113(c) regarding juniper management in the Cooperative Management and Protection Area.

SEC. 502. RELEASE FROM WILDERNESS STUDY AREA STATUS.

The Federal lands included in the Wildlands Juniper Management Area established under section 501 are no longer subject to the requirement of section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c)) pertaining to managing the lands so as not to impair the suitability of the lands for preservation as wilderness.

TITLE VI—LAND EXCHANGES

SEC. 601. LAND EXCHANGE, ROARING SPRINGS RANCH.

(a) EXCHANGE AUTHORIZED.—For the purpose of protecting and consolidating Federal lands within the Cooperative Management and Protection Area, the Secretary may carry out a land exchange with Roaring Springs Ranch, Incorporated, to convey all right, title, and interest of the United States in and to certain parcels of land under the jurisdiction of the Bureau of Land Management in the vicinity of Steens Mountain, Oregon, as depicted on the map referred to in section 605(a), consisting of a total of approximately 76,374 acres in exchange for the private lands described in subsection (b).

(b) RECEIPT OF NON-FEDERAL LANDS.—As consideration for the conveyance of the Federal lands referred to in subsection (a) and the disbursement referred to in subsection (d), Roaring Springs Ranch, Incorporated, shall convey to the Secretary parcels of land consisting of approximately 10,909 acres, as depicted on the map referred to in section 605(a), for inclusion in the Wilderness Area, a wilderness study area, and the no livestock grazing area as appropriate.

(c) TREATMENT OF GRAZING.—Paragraphs (2) and (3) of section 113(e), relating to the effect of the cancellation in part of grazing permits for the South Steens allotment in the Wilderness Area and reassignment of use areas as described in paragraph (3)(C) of such section, shall apply to the land exchange authorized by this section.

(d) DISBURSEMENT.—Upon completion of the land exchange authorized by this section, the Secretary is authorized to make a disbursement to Roaring Springs Ranch, Incorporated, in the amount of $2,889,000.

(e) COMPLETION OF CONVEYANCE.—The Secretary shall complete the conveyance of the Federal lands under subsection (a) within 70 days after the Secretary accepts the lands described in subsection (b).

SEC. 602. LAND EXCHANGES, C.M. OTLEY AND OTLEY BROTHERS.

(a) C. M. OTLEY EXCHANGE.—

(1) EXCHANGE AUTHORIZED.—For the purpose of protecting and consolidating Federal lands within the Cooperative Management and Protection Area, the Secretary may carry out a land exchange with C. M. Otley to convey all right, title, and interest of the United States in and to certain parcels of land under the jurisdiction of the Bureau of Land Management in the vicinity of Steens Mountain, Oregon, as depicted on the map referred to in section 605(a), consisting of a total of approximately 3,845 acres in exchange for the private lands described in paragraph (2).

(2) RECEIPT OF NON-FEDERAL LANDS.—As consideration for the conveyance of the Federal lands referred to in paragraph (1) and the disbursement referred to in paragraph (3), C. M. Otley shall convey to the Secretary a parcel of land in the headwaters of Kiger gorge consisting of approximately 851 acres, as depicted on the map referred to in section 605(a), for inclusion in the Wilderness Area and the no livestock grazing area as appropriate.

(3) DISBURSEMENT.—Upon completion of the land exchange authorized by this subsection, the Secretary is authorized to make a disbursement to C.M. Otley, in the amount of $920,000.

(b) OTLEY BROTHERS EXCHANGE.—

(1) EXCHANGE AUTHORIZED.—For the purpose of protecting and consolidating Federal lands within the Cooperative Management and Protection Area, the Secretary may carry out a land exchange with the Otley Brother's, Inc., to convey all right, title, and interest of the United States in and to certain parcels of land under the jurisdiction of the Bureau of Land Management in the vicinity of Steens Mountain, Oregon, as depicted on the map referred to in section 605(a), consisting of a total of approximately 6,881 acres in exchange for the private lands described in paragraph (2).

(2) RECEIPT OF NON-FEDERAL LANDS.—As consideration for the conveyance of the Federal lands referred to in paragraph (1) and the disbursement referred to in subsection (3), the Otley Brother's, Inc., shall convey to the Secretary a parcel of land in the headwaters of Kiger gorge consisting of approximately 505 acres, as depicted on the map referred to in section 605(a), for inclusion in the Wilderness Area and the no livestock grazing area as appropriate.

(3) DISBURSEMENT.—Upon completion of the land exchange authorized by this subsection, the Secretary is authorized to make a disbursement to Otley Brother's, Inc., in the amount of $400,000.

(c) COMPLETION OF CONVEYANCE.—The Secretary shall complete the conveyances of the Federal lands under subsections (a) and (b) within 70 days after the Secretary accepts the lands described in such subsections.

SEC. 603. LAND EXCHANGE, TOM J. DAVIS LIVESTOCK, INCORPORATED.

(a) EXCHANGE AUTHORIZED.—For the purpose of protecting and consolidating Federal lands within the Wilderness Area, the Secretary may carry out a land exchange with Tom J. Davis Livestock, Incorporated, to convey all right, title, and interest of the United States in and to certain parcels of land under the jurisdiction of the Bureau of Land Management in the vicinity of Steens Mountain, Oregon, as depicted on the map referred to in section 605(a), consisting of a total of approximately 5,340 acres in exchange for the private lands described in subsection (b).

(b) RECEIPT OF NON-FEDERAL LANDS.—As consideration for the conveyance of the Federal lands referred to in subsection (a) and the disbursement referred to in subsection (c), Tom J. Davis Livestock, Incorporated, shall convey to the Secretary a parcel of land consisting of approximately 5,103 acres, as depicted on the map referred to in section 605(a), for inclusion in the Wilderness Area.

(c) DISBURSEMENT.—Upon completion of the land exchange authorized by this section, the Secretary is authorized to make a disbursement to Tom J. Davis Livestock, Incorporated, in the amount of $800,000.

(d) COMPLETION OF CONVEYANCE.—The Secretary shall complete the conveyance of the Federal lands under subsection (a) within 70 days after the Secretary accepts the lands described in subsection (b).

SEC. 604. LAND EXCHANGE, LOWTHER (CLEMENS) RANCH.

(a) EXCHANGE AUTHORIZED.—For the purpose of protecting and consolidating Federal lands within the Cooperative Management and Protection Area, the Secretary may carry out a land exchange with the Lowther (Clemens) Ranch to convey all right, title, and interest of the United States in and to certain parcels of land under the jurisdiction of the Bureau of Land Management in the vicinity of Steens Mountain, Oregon, as depicted on the map referred to in section 605(a), consisting of a total of approximately 11,796 acres in exchange for the private lands described in subsection (b).

(b) RECEIPT OF NON-FEDERAL LANDS.—As consideration for the conveyance of the Federal lands referred to in subsection (a) and the disbursement referred to in subsection (d), the Lowther (Clemens) Ranch shall convey to the Secretary a parcel of land consisting of approximately 1,078 acres, as depicted on the map referred to in section 605(a), for inclusion in the Cooperative Management and Protection Area.

(c) TREATMENT OF GRAZING.—Paragraphs (2) and (3) of section 113(e), relating to the effect of the cancellation in whole of the grazing permit for the Fish Creek/Big Indian allotment in the Wilderness Area and reassignment of use areas as described in paragraph (3)(D) of such section, shall apply to the land exchange authorized by this section.

(d) DISBURSEMENT.—Upon completion of the land exchange authorized by this section, the Secretary is authorized to make a disbursement to Lowther (Clemens) Ranch, in the amount of $148,000.

(e) COMPLETION OF CONVEYANCE.—The Secretary shall complete the conveyance of the Federal lands under subsection (a) within 70 days after the Secretary accepts the lands described in subsection (b).

SEC. 605. GENERAL PROVISIONS APPLICABLE TO LAND EXCHANGES.

(a) MAP.—The land conveyances described in this title are generally depicted on the map entitled ''Steens Mountain Land Exchanges'' and dated September 18, 2000.

(b) APPLICABLE LAW.—Except as otherwise provided in this section, the exchange of Federal land under this title is subject to the existing laws and regulations applicable to the conveyance and acquisition of land under the jurisdiction of the Bureau of Land Management. It is anticipated that the Secretary will be able to carry out such land exchanges without the promulgation of additional regulations and without regard to the notice and comment provisions of section 553 of title 5, United States Code.

(c) CONDITIONS ON ACCEPTANCE.—Title to the non-Federal lands to be conveyed under this title must be acceptable to the Secretary, and the conveyances shall be subject to valid existing rights of record. The non-Federal lands shall conform with the title approval standards applicable to Federal land acquisitions.

(d) LEGAL DESCRIPTIONS.—The exact acreage and legal description of all lands to be exchanged under this title shall be determined by surveys satisfactory to the Secretary. The costs of any such survey, as well as other administrative costs incurred to execute a land exchange under this title, shall be borne by the Secretary.

TITLE VII—FUNDING AUTHORITIES

SEC. 701. AUTHORIZATION OF APPROPRIATIONS.

Except as provided in sections 501(c) and 702, there is hereby authorized to be appropriated such sums as may be necessary to carry out this Act.

SEC. 702. USE OF LAND AND WATER CONSERVATION FUND.

(a) AVAILABILITY OF FUND.—There are authorized to be appropriated $25,000,000 from the land and water conservation fund established under section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–5) to provide funds for the acquisition of land and interests in land under section 114 and to enter into nondevelopment easements and conservation easements under subsections (b) and (c) of section 122.

(b) TERM OF USE.—Amounts appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.

Amend the title so as to read: ''A bill to designate the Steens Mountain Wilderness Area and the Steens Mountain Cooperative Management and Protection Area in Harney County, Oregon, and for other purposes.''.

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PROCEEDINGS AND DEBATES OF THE *106th* CONGRESS, SECOND SESSION

Vol. 146 WASHINGTON, TUESDAY, OCTOBER 3, 2000 *No. 121*

Senate

(Legislative day of Friday, September 22, 2000)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

God of hope, You have shown us that authentic hope is rooted in Your faithfulness in keeping Your promises. We hear Your assurance, ''Be not afraid, I am with you.'' We place our hope in Your problem-solving power, Your conflict-resolving presence, and Your anxiety-dissolving peace.

Lord, You have helped us discover the liberating power of an unreserved commitment to You. When we commit to You our lives and each of the challenges we face, we are not only released from the tension of living on our own limited resources, but we begin to experience the mysterious movement of Your providence. The company of heaven plus people and circumstances begin to rally to our aid. Unexpected resources are released; unexplainable good things start happening. We claim the promise of Psalm 37, ''Commit your way to the Lord, trust also in Him, and He shall bring it to pass.''—vs 5,7. You are our Lord and Saviour. Amen.

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PLEDGE OF ALLEGIANCE

The Honorable CRAIG THOMAS, a Senator from the State of Wyoming, 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.

—

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

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SCHEDULE

Mr. THOMAS. Mr. President, today the Senate will begin final action on the H–1B visa bill, with a vote on final passage scheduled to occur at 10 a.m.

Following the vote, the Senate will proceed to executive session to debate four nominations on the Executive Calendar. Under the previous order, there will be several hours of debate, with votes expected on the nominations during this afternoon's session. The Senate may also consider any appropriations conference reports available for action.

I thank my colleagues for their attention.

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AMERICAN COMPETITIVENESS IN THE TWENTY-FIRST CENTURY ACT OF 2000

The PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. REID. Mr. President, it is my understanding that we are now in the time equally divided on the H–1B matter to be voted on at 10 o'clock.

The PRESIDENT pro tempore. The Senator is correct.

Mr. REID. Mr. President, H–1B originated in our immigration laws in the 1950's so that trained professionals could work for a limited time in the U.S. In 1990, a cap was set on the category for the first time of 65,000.

Employers in every industry and sector of our economy, including manufacturing, higher education, health care, research, finance and others, have used it.

Employers from major multinational companies to small businesses seeking individuals with specific skills needed to grow their companies have used it.

It became wildly popular in the mid to late 90s following the Internet boom, when hundreds of hungry tech startups across the country began using it to recruit high tech workers from information technology jobs, mostly from India, China, Canada, and Britain. Some 420,000 are here today.

Those individuals have filled a critical shortage of high-tech workers in this country, which in fact, still exists today.

The American Competitiveness in the Twenty-first Century Act of 2000 proposes to raise the caps for the number of H–1B workers that employers can bring into the United States for the next 3 years.

NOTICE

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Michael F. DiMario, *Public Printer*

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When Congress set the 65,000 cap on H–1Bs in 1990, it was not based on any economic data or scientific study of the need.

And, this limitation was not challenged until 1997 when for the first time the cap was reached at the end of the fiscal year.

The following year the cap was again reached, but this time by May 1998. The cap has been reached earlier in each successive year.

In response to the increased demand, language was incorporated into the Omnibus Appropriations Act of 1998 to raise the cap on H–1B visas to 115,000 in fiscal year 1999; and 115,000 in fiscal year 2000; and 107,500 in fiscal year 2001.

Under the Omnibus Act of 1998 the cap would return to its original level of 65,000 after fiscal year 2001.

Despite the increases, continuing economic growth has led many in the technology sector particularly, to call for a further increase in the caps.

In fiscal year 1999 the INS reached the H–1B cap in June and stated that there my have been more than 20,000 additional visas issued over and above the ceiling.

The higher demand for H–1B visas has continued in fiscal year 2000.

In March of this year, the INS stopped accepting new H–1B applications, having enough cases in its pipeline to reach the cap.

In order to compensate for the demand, the INS began processing petitions in August 2000 for workers who are set to begin working fiscal year 2001.

Based on past years' filling patterns, the INS may have as many as 60,000 cases already pending to count against the 107,500 visas now available.

Most employers predict that the current visa allotment will expire before January.

There is no question we need to raise the cap for H–1B professionals.

I have always been in support of H–1B, as many of my colleagues have been.

But I have also been in support of the Latino Immigrant and Fairness Act, which I am a cosponsor and which I continue to strongly support.

But supporting one does not rule out supporting the other.

American industry's explosive demand for skilled and highly skilled workers is being stifled by the current federal quota on H–1B visas for foreign-born highly skilled workers.

The quota is hampering output, especially in high-technology sectors, and forcing companies to consider moving production offshore. Some companies already have.

The number of H–1B visas was unlimited before 1990, when it was capped at 65,000 a year.

In 1998 the annual cap was raised to 115,000 for 1999 and 2000 and currently there is a need once more to raise that cap.

The shortage shows no sign of abating.

Demand for core information technology workers in the United States is expected to grow by 150,000 a year for the next 8 years, a rate of growth that cannot be met by the domestic labor supply alone.

H–1B workers create jobs for Americans by enabling the creation of new products and spurring innovation.

High-tech industry executives estimate that a new H–1B engineer will typically create demand for an additional 3–5 American workers.

T.J. Rodgers of Cypress Semiconductor testified last year before Congress that for every H–1B professional he hires, he creates at least 5 more U.S. jobs to develop, manufacture, package, sell and distribute the products created.

H–1B workers are not driving down wages for native workers, in fact, wages are rising fastest and unemployment rates are lowest in industries in which H–1B workers are most prevalent.

High tech wages have risen 27 percent in the last decade, compared to 5 percent for the rest of the private sector.

The current unemployment rate for electrical engineers is 1.4 percent, 1.7 percent for systems analysts and 2.3 percent for computer programmers.

The vast majority of H–1B workers are being paid the legally required prevailing wage or more, undercutting charges that they are driving down wages.

The H–1B program mandates that these individuals be paid the higher of the average wage paid to workers in an area, or what the employer pays their U.S. workforce whichever is higher.

H–1B workers in many cases, because of their unique or highly demanded skills, earn more than U.S. workers.

For the reasons mentioned I am happy to support the American Competitiveness in the Twenty-first Century Act of 2000.

The ability to fill gaps in the workforce with qualified foreign national professionals rapidly, helps American business stay strong.

Mr. President, I am happy to support H–1B. It is good legislation that is very important. I am disappointed that we are not voting at the same time on the Latino and Immigrant Fairness Act, which we debated extensively last week, and I am sorry to say that on a straight party line vote we were prevented from voting up or down on this issue. That is a disappointment to me and to many millions of people in this country. I think the majority made a terrible mistake in that regard. But that does not take away from the need for the H–1B legislation we are going to pass today.

I yield the floor.

The PRESIDENT pro tempore. Who yields time?

The Senator from Michigan is recognized.

Mr. ABRAHAM. The chairman of the Judiciary Committee is not here. I believe he would approve of my yielding myself such time as I may need to speak this morning.

Mr. President, the H–1B visa program, which we will be addressing today when we vote on the American Competitiveness in the Twenty-first Century Act, is the subject of much interesting debate in our country today. One thing everybody agrees on is we face a serious worker shortage with respect to high-tech employment and skilled labor in America today. Most of the recent studies that have been produced on this subject indicate there are perhaps as many as 1 million unfilled positions in information technology today. The projections are that we will be creating somewhere between 150,000 and 200,000 new positions in these areas in each of the next 10 years. Yet in spite of the very lucrative and, I think, substantive nature of these jobs, our training programs, our college programs, our high school programs are not producing enough American workers to fill these posts today.

This presents us with a short-term problem and a long-term challenge. The short-term problem is how to fill these key positions immediately so that we don't lose opportunities to foreign competitors, or so that we don't force American businesses to move offshore to where skilled workers might live. The long-term problem is to determine what we can do to make certain that in the future we have a sufficient workforce of trained Americans to fill these jobs, because it is quite clear to me that immigration can only be a stopgap, short-term solution to these problems.

I am pleased we have reached an agreement on this legislation across the aisle with our colleagues because we need to act today. The legislation before us will allow a short-term increase in the number of skilled professionals allowed to work in this country on H–1B temporary visas and will help and encourage more disadvantaged young people to pursue studies related to high-tech. It will assure those young people of good jobs and good wages far into the future, and I believe it will also provide resources for the training and retraining of people in the workforce today, so they can begin to fill more of these positions as well.

To help young people, this bill will provide, we estimate, over 60,000 scholarships for American students in the math and science fields. Scholarships like this have already been available as a result of the American Competitiveness Act, which we passed in 1998—legislation that began the process of diverting application fees connected to the H–1B visas into scholarship and retraining funds.

The bill's training provisions will provide over 150,000 U.S. workers with access to training to help prepare them for the high-tech jobs of today and tomorrow. Interestingly, Mr. President, there is overwhelming unanimity that we must act in this fashion if we are to keep our economy strong. The support

from across the political spectrum for this H–1B visa increase is strong, ranging from the White House—not just the current occupant and staff but such people as former chief economic adviser to President Clinton, Laura D'Andrea, Federal Reserve Chairman Alan Greenspan, and legislative leaders on both sides of the aisle.

Indeed, in hearings we have conducted in the Immigration Subcommittee, we have heard from people throughout industry in America, not just the high-tech companies we think of when we think about these workers but people who employ high-tech workers in other phases and forms of manufacturing across the board; they have all indicated that the need to fill these provisions is significant and immediate. Indeed, we received countless pieces of information that led to a pretty clear indication that if we don't allow these technically skilled workers to come here, companies will be forced to move product lines, divisions perhaps, and whole operations overseas.

That won't help Americans. That will cost Americans jobs. Of course, there are those who have criticized this program over the years—people who are protectionist in their views on these sorts of issues. But it is important to make sure the record is clear that we can build in protections for American workers to make certain that they cannot be taken advantage of through the high-tech H–1B program.

Indeed, in 1998 we addressed many, if not all, of the issues which were raised with respect to H–1B visas and the possible displacement of Americans workers.

In 1988, the bill wrote into law three types of lay-off protections for American workers. And we have also, of course, included in the H–1B program requirements that the prevailing wage be paid to people who come in under this program so companies cannot game the system and somehow or another in any way pay foreign workers less and thus deprive American workers of opportunities. But, as I said, whether it is the Silicon Valley or the Research Triangle or the traditionally well-known high-tech sectors or whether it is in my State of Michigan, the need for these workers is extraordinarily strong.

For instance, the Michigan Economic Development Corporation is spending $2.7 million on an ad campaign and a revamped web site to attract knowledgeable workers to our State. The head of our economic development division says we are the only State to fully redirect our resources to recruiting businesses for recruiting workers to Michigan. Indeed, in one county alone—Oakland County—the estimate is that we currently need 10,000 engineers just to fill the positions that are projected to be needed today and in the immediate future. If we can't find those people, those companies and the jobs that are connected to those engineering jobs will go elsewhere. It is a challenge that we must address.

Let me just say that in the short term the only appropriate way we are going to be able to deal with this is through an increase in the H–1B visa program. But the long-term solution cannot be based on immigration alone. Indeed, this program is only a 3-year increase.

I think it is clear that the world now is competing. Virtually any country that wants to be competitive is working hard to attract the most talented and skilled people to their country and to their businesses to create strength in their economies. Thus, America must, in addition to the passage of today's legislation, focus even more of our resources and more of our attention on the important need of both encouraging young people to pursue careers in math, science, engineering, computer sciences, and so on but also in retraining workers to try to fill more of these positions because I predict that in the very near future immigration will not even come close to meeting our employment needs with respect to these high-tech positions.

For those reasons, the provisions which were launched in the 1998 American Competitiveness Act, and which are strengthened even in this legislation, I hope by the time we finish this process, will provide even more resources for education and training which are key to the long-term needs that we have in this country.

They alone will not be enough because it is pretty obvious that to generate the kind of skilled workforce in the 21st century needed to fill the sorts of technology positions that are going to be created, whether they are positions in the research area or manufacturing area or anywhere else, requires us to go well beyond even what we will have in this legislation.

I am very dedicated to working to make sure that we provide the Federal support necessary to make it possible for those kinds of technology positions to be filled by American workers. But it is going to take a comprehensive effort—an effort that is not just a Federal program but one that incorporates the private sector as well as the public sector, the corporate sector, and the government sector at all levels, and to involve our education system at all levels or we will find ourselves seeing foreign competitors gaining ground on America when it comes to leading the world with respect to advanced technologies.

This means that not only must we make sure that the students today get the training they need but that the college programs be expanded and the retraining programs be generated. It also means that we must address so many other issues—whether it is passing our Millennium Classrooms Act which will provide more computer courses for the classrooms of America, especially those in the economically disadvantaged areas or whether it means working together in a collaborative effort with the private sector to ensure that there are more resources directed at education and the training of workers who are in the workforce today, it is all part of what we must address or we will find that in the global economy of the 21st century our competitive edge is going to be somewhat reduced. We certainly don't want that to happen.

I compliment Senator HATCH for his ongoing leadership on this issue. We have worked together since 1998 when we passed the American Competitiveness Act. He has been a leader on these issues for many years. His leadership in the passage of this legislation, and his willingness to come to the floor and work over a very long period of time to make sure this bill, which we passed out of the Judiciary Committee by an overwhelming vote many months ago, finally, today, gets the consideration it deserves. I think he deserves all of our thanks. Hopefully, this process will now move quickly towards completion, and we will be able to provide the additional workers needed to make sure the key positions in technology in our country will be filled.

I say also to those who have raised some of the other immigration-related issues that as chairman of the subcommittee, I remain anxious to continue to work with people—whether it is on the H–2A visa program, the agricultural workers issues, or Latino fairness issues, and so on. It is unfortunate that we couldn't come to an agreement on this legislation some months ago when we were trying to work out an agreement. But certainly the subcommittee intends to continue to focus on these issues into the future. I look forward to working with my colleagues on all of these.

In conclusion, I thank Senator HATCH for working with me on this. I appreciate his leadership very much.

I yield the floor.

Mr. MCCAIN. Mr. President, I rise today to express my strong support for S. 2045, the American Competitiveness in the Twenty-First Century Act. Although it deals ostensibly with the visa cap on foreign-born high-tech workers, its effect would be far more profound—to enhance the dynamism of the American economy at a time when U.S. companies, if given access to the necessary resources, are poised to dominate the Information Age for decades to come. As the representatives of the American people, we in Congress should do all we can to contribute to their potential for success in the global economy.

I am convinced that the best thing government can often do to advance the fortunes of the private sector is to stay out of its way. I support this bill because it makes progress toward that end, by improving companies' flexibility to hire the talent they need, while providing for the regulatory framework and new educational opportunities to protect and promote American workers. By raising the arbitrary cap on temporary immigrant visas for skilled foreign workers—a cap set in 1990 and insufficiently increased in

1998—this legislation gets government out of the way of American companies, universities, and research labs which simply cannot hire the skilled professionals they need in the domestic labor market because of an arbitrary, anachronistic cap on H–1B visas that does not reflect the forces of supply and demand in the American economy today.

T.J. Rodgers, president and CEO of Cypress Semiconductor Corporation, captures best the logic of the H–1B program when he says, ''It takes two percent of Americans to feed us all, and five percent to make everything we need. Everything else will be service and information technology, and in that world humans and brains will be the key variable. Any country that would limit its brain power to a single select group from that country alone is going to self-destruct.''

The American Competitiveness Act of 1998, which I co-sponsored, raised the annual cap on H–1B visas for skilled professionals from 65,000 in Fiscal Year 1998 to 115,000 in both FY 1999 and FY 2000, and to 107,500 in FY 2001. Nonetheless, even the higher number of H–1B admissions authorized by Congress for FY 1999 was reached only eight months into that fiscal year, and the FY 2000 cap was reached in March 2000, or only six months into the current fiscal year.

S. 2045 authorizes an increase in the annual H–1B cap to 195,000 through FY 2002. All evidence indicates an increase is warranted. However, there is little evidence supporting the specific figure of 195,000. In fact, industry estimates of the number of unfilled high-tech jobs range from 300,000–800,000.

The original H–1B visa ceiling of 65,000, enacted in 1990, did not adequately foresee American companies' need for high-tech foreign workers. As this year's Judiciary Committee report accompanying S. 2045 states, by 1998 ''access [to skilled foreign personnel] was being curbed by a cap on H–1B visas put in place almost a decade earlier, in 1990, when no one understood the scope of the information revolution that was about to hit.'' Yet, our important 1998 legislation raising the H–1B caps similarly missed the mark by understating domestic demand for highly trained professionals. As the 2000 Committee report states, ''In fact, in 1998, the error Congress made was in underestimating the workforce needs of the United States in the year 2000. . . . As a result, the 1998 bill has proven to be insufficient to meet the current demand for skilled professionals.''

While I strongly support passage of this legislation to increase H–1B visa admissions, I also wonder: given Congress' shortsightedness each time we have attempted to forecast the private sector's demand for highly skilled workers, how are we to know this time that we have struck the right balance? To resolve this dilemma, I introduced legislation on October 27, 1999, that would lift the H–1B ceiling while focusing more heavily on the underlying problem resulting in a shortage of skilled American workers. My bill, S. 1804, the 21st Century Technology Resources and Commercial Leadership Act, addresses the need to improve Americans' skills in math, science, engineering, and technology in order to maintain our world leadership in high-tech fields. Several other bills before Congress would raise the H–1B visa cap, but focus less on the long-term goal of educating and training Americans to fill available high-tech jobs.

S. 1804 would encourage innovation in improving elementary and secondary education in math, science, and engineering, as well as provide powerful incentives to retrain American workers who lack the skills to compete in the high-tech economy. In the interim, to provide for the requisite number of highly skilled professionals until we have educated and trained a sufficient number of Americans to fill these jobs, the bill would lift the cap on H–1B visas through 2006. All current information indicates that the supply of American professionals in the math, science, engineering, and technology fields will not meet the demand of American industries through at least that date.

Specifically, S. 1804 provides for grants to be awarded under the supervision of the Secretary of Commerce in consultation with the Office of Technology Policy and the National Science Foundation, on a competitive basis, for implementing programs that will improve the math, science, engineering, and technology skills of American students and professionals. The types of programs to be awarded grants are not specified so that Congress does not unintentionally foreclose new and more innovative ideas from surfacing. The grants would be funded from current H–1B visa application fees and could be awarded to companies, organizations, schools, school districts, teachers, and institutions of higher learning.

My legislation would use H–1B visa fees to encourage innovation in our schools, to teach American students the skills they will need to succeed in the 21st century economy, and in our companies, to train and retain American workers in the high-tech skills American businesses rely upon. The legislation would support corporate partnerships with schools or school districts to improve math and science curricula; scholarships for students willing to study advanced engineering or technology fields, and for those who agree to teach math or science for a period of time after graduating college; and innovative worker training and retraining programs within American companies. It leaves open grant support for any proposal that promises to improve the American talent pool in high-tech fields.

Although I regret that the Congress chose not to take this approach in favor of that proposed by S. 2045, I commend the sponsor of the pending legislation for incorporating provisions involving public-private education partnerships in K–12 math, science, and technology through National Science foundation grants, as my legislation originally proposed. Inclusion of these provisions drawn from S. 1804 significantly strengthens the final bill we are voting on today. As originally introduced, S. 2045 did not contain these components, and I am pleased that the sponsors were able to incorporate them.

Ultimately, the answer to the shortage of highly skilled workers must be found at home, in the form of a new generation of Americans educated in the skills demanded by our knowledge-based economy in this ear of globalization. In the meantime, raising the H–1B cap is the right thing to do. S. 2045, by increasing high-tech visa admissions while devoting new resources to the education and training of American students and workers, represents the way forward for the United States as we seek to sustain our leadership in the Information Age. I commend its swift passage to my colleagues on both sides of the aisle.

Mr. BROWNBACK. Mr. President, I stand in support of the American Competitiveness in the Twenty-First Century Act (S. 2045) which I have co-sponsored with Senators ORRIN HATCH and SPENCER ABRAHAM. This legislation would increase the number of H–1B visas for skilled labor available to U.S. employers from 115,000 to 195,000 slots, starting next fiscal year, among other measures.

This is direly needed legislation. Alarmingly, this year's allotment of H–1B visas ran out very early this year, in March. As a result, hundreds of thousands of highly skilled positions have gone unfilled throughout America.

America is currently riding a very high wave of record economic growth, unmatched in our generation. With that expansion, the number of available jobs which have gone unfilled has increased dramatically. Unfortunately, we have begun to place a cap on this extraordinary economic expansion by limiting the pool of skilled laborers that companies can draw upon by the present limited visa allotment.

The hardest hit sector is the computer industry. This industry functions in six months cycles, with new products being developed and marketed within this short period of time. The computer industry suffers a severe lack of qualified information technicians. Less workers means a longer development period which means a loss of competitive edge. This ultimately results in a loss of market, business and jobs. In this scenario, everyone loses, including the economy, American consumers, companies and workers.

To avoid this wasteful and unnecessary result, we must adopt this legislation and expand the visa slots so that American companies can continue to grow. This is an urgent problem which cannot wait until next year. If we fail to pass this legislation, we could significantly jeopardize our notable competitive edge in a fierce global market.

Some falsely charge that this legislation gives away our most lucrative jobs, while skipping over American workers. This is not true. Clearly, American employers would rather select American workers first over foreign guest workers who must be processed through a burdensome immigration bureaucracy involving significant time delays and complications. This visa process is costly and cumbersome for employers, and can easily be avoided by hiring American workers. However, American businesses cannot fill these positions with only American workers anymore and are forced to search overseas for badly needed talent. Our economy has expanded that significantly and these workers are needed that badly.

If we do not allow American-based businesses to meet this skilled labor need, some may move their operations to other countries which will gladly accommodate them. Why would we encourage this unfortunate result when we can attain just the opposite, that of attracting new and vibrant businesses, by expanding our labor pool?

In addition to the new visa allotments, this legislation creates 20,000 new college scholarships to train American workers in greater numbers. This encourages more degrees among Americans in math, computer science, and engineering—all areas of expertise presently suffering a shortage. Thus, this bill addresses both present and future worker needs.

On October 1st the new fiscal year began, and the Immigration and Naturalization Service estimates that we will use up the entire allotment of H–1B visas before the end of this December. In other words, the H–1B visa allotment will be used up in three months. That leaves the balance of nine months of no additional visas for desperate American computer companies, among other businesses, which will suffer this serious lack of workers.

That's bad business and bad politics, which can be corrected with this bill. Americans continue to dream bigger and create greater innovations, generating an unmatched prosperity which we should encourage, not discourage. That's why we should support the American Competitiveness in the Twenty-First Century Act of 2000.

Mr. CONRAD. Mr. President, today the Senate will complete action on one of the most important bills in the 106th Congress, S. 2045, the American Competitiveness in the 21st Century Act, legislation that will help ensure our nation's continued growth and leadership in information technology (IT). S. 2045 will authorize visas for 195,000 high-tech professionals to work in the U.S. to meet the growing demand for skilled IT workers throughout our economy. The legislation also authorizes long term initiatives to ensure that Americans of all ages are trained to fill critical IT positions in our Information Age economy. I am pleased to strongly support this legislation.

Senate action to increase the ceiling on H1B visas for the next three years, however, is also a warning that we are not providing sufficient incentives or education opportunities to encourage our young people, as well as individuals of all ages, to consider careers or retraining in information technology. In 1998, Congress passed legislation to increase the number of H1B visas for skilled workers to enter the U.S. At that time, the Department of Commerce reported a shortage of 600,000 skilled IT workers in the U.S. Since 1998, the demand for skilled workers has increased dramatically.

Earlier this year, the Information Technology Association released its most recent report, ''Bridging the Gap'', on the demand for skilled IT workers in the U.S. That report estimated a shortage of more than 843,000 skilled workers. Moreover, the Department of Labor projected that the U.S. economy will require more than 130,000 new IT workers every year for the next ten years. Clearly, with our rapidly expanding economy, and the critical need to maintain our leadership in information technology, we face an extraordinary challenge from this shortage of skilled high-tech workers. As economies throughout the world recover, particularly in Asia, we cannot continue to assume that we will meet our demand for high-tech workers by increasing the cap on HIB visa every few years.

Throughout this debate on the IT worker shortage since 1998, I have recommended incentives to encourage IT worker training and partnerships between businesses and the education community. Earlier in the 106th Congress, I introduced legislation, S. 456, to authorize a tax credit of up to $6,000 for employers who provide IT worker training. Unfortunately, the Senate has not yet adopted this legislation. I am, however, very pleased that Vice President GORE has recognized the importance of this IT worker training incentive and included this proposal as a priority on his information technology agenda.

More recently, I also introduced S. 2347, the Information Technology Act of 2000, to encourage IT training partnerships between universities or colleges and the information technology community through a program of matching Federal grants. I urged that these partnerships focus on training for Americans that have traditionally not participated in the growth in information technology—women, veterans, Native Americans, dislocated workers, seniors, and students who have not completed their high school diploma. I am especially pleased to have had such strong endorsements for this proposal from groups including the Disabled Veterans of America, National Education Association, American Association of University Women, Green Thumb and the Computing Technology Industry Association.

Mr. President, while I regret that we have not been able to authorize tax incentives for businesses who provide IT training for workers, I am very pleased that S. 2045 authorizes funding for high-tech partnerships, as I proposed in S. 2347, through the Department of Labor. Funding for the training would come from the fees collected under the H–1B visa program. S. 2045 also expands K–12 training for educators in IT through the National Science Foundation, including the professional development of math and science teachers in the use of technology in the classroom. Expanding opportunities for IT training for educators was another important objective in S. 2347. S. 2045 also helps our educational and research communities by exempting them from the cap on recruiting skilled academic professionals.

Finally, I would like to express particular appreciation to the managers of the bill for accepting my amendment regarding J–1 visa waivers. My amendment will improve underserved communities' access to physician services by ensuring the Conrad State 20 J–1 visa waivers do not count against the H–1B visa cap.

Mr. President, the shortage of skilled high-tech workers will continue to be a major issue during the 107th Congress, and I believe it will be necessary for us to provide additional training incentives in the coming years to meet the growing domestic demand for IT workers. As I noted earlier, as economies throughout the world continue to expand, and countries including Singapore, China, and Malaysia develop their own high tech corridors, it will be difficult to recruit high-tech workers from these Asian countries to fill positions in the U.S.

In my view, rather than continue our dependence on H1B visa holders to meet our skilled worker demand, we must expand our efforts to encourage young people to consider careers in information technology and to train current workers to enter the IT field. This will continue to be a top priority for me during the 107th Congress, and I look forward to working with my colleagues and the information technology community on this critical issue. I commend my colleagues on the Senate Judiciary Committee for reporting a measure that provides important incentives for IT training as well as expanded education and training opportunities for teachers through the National Science Foundation.

Mr. HATCH. Mr. President, I reserve the remainder of our time.

Mr. LEAHY. Mr. President, how much time is remaining on this side of the aisle?

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Vermont has 10 minutes. The Senator from Utah has 1 minute 2 seconds.

Mr. LEAHY. Mr. President, I am very pleased the Senate is poised to pass legislation to increase the number of H–1B visas. The bill that we will pass today is the result of long negotiations. It is significantly improved from

the version reported from the Judiciary Committee earlier this year.

This is an important step that will allow American employers to compensate for the current shortage in highly skilled employees by hiring such employees from abroad.

Thanks to the efforts of Senators KENNEDY, LIEBERMAN, FEINSTEIN, and others, this bill also includes strong education and worker training components. That is going to help American workers and students to erase the skills shortage.

No one on this side of the aisle sees H–1B visas as a permanent solution. It is a stopgap until our renewed commitment to education and training pays dividends. I would like to thank all of those in the corporate world who have supported our efforts on education and training.

Although I am happy about the passage of this bill, I am somewhat disappointed in the severe way in which debate on this bill was restricted.

I had hoped that our consideration of this bill would allow us to achieve other crucially important immigration goals that have been neglected by the majority throughout this Congress.

I had hoped that the Republican majority could agree to at least vote on, if not vote for, limited proposals designed to protect Latino families and other immigrant families.

I had hoped that the majority would consider proposals to restore the due process that was taken away from immigrants by the immigration legislation that Congress passed in 1996.

I thought we could work together to restore some of America's lost luster on immigration issues. That did not happen.

Still, we did have a vote on the Latino and Immigrant Fairness Act that showed where the Senate stood on issues of extreme importance to the Hispanic community, Eastern Europeans, and the Liberians. On that vote, regrettably, every Republican voted no. They refused to even consider the amendment. We should have had a vote. Senators should have the political courage to either vote for it, or vote against it.

I hope my Republican colleagues have the chance to reevaluate their position. The President has said he wants Congress to address these issues before we adjourn. Many Democratic Members of Congress and I join him in that view, and we will continue to work to see that this Congress addresses the real needs of real people, whether they be native-born or immigrant.

Both my mother and my wife are first-generation Americans. I think if Congress had taken some of the attitudes toward immigration that some take today when their families were seeking to enter the United States, neither might be in this country.

I agree that we need to increase the number of H–1B visas. The stunning economic growth we have experienced in the past eight years has led to worker shortages in certain key areas of our economy, and I have been involved in promoting efforts to ease those shortages. Last year, I cosponsored the HITEC Act, S. 1645, legislation that Senator ROBB has introduced that would create a new visa that would be available to companies looking to hire recent foreign graduates of U.S. master's and doctoral programs in math, science, engineering, or computer science.

Although S. 2045 uses a broader approach, the goals are similar. Allowing workers with specialized skills to come to the U.S. and work for 6-year periods, as the H–1B visa does, helps to alleviate worker shortage. In the recently ended fiscal year, 115,000 such visas were available, and they ran out well before the fiscal year ended. That is why we have to change the law now.

If we do not change the law, there will actually be fewer visas available in fiscal year 2001, as the cap drops to 107,500. This will simply be insufficient to allow America's employers—particularly in the information technology industry—to maintain their current rates of growth. As such, I think that we need to increase the number of available visas dramatically. The bill we will vote on today accomplishes that goal, increasing the number of visas to 195,000 for FY 2001. It also contains a provision that will allow educational institutions to use H–1B visas without counting against the cap, which will greatly help our colleges and universities, which are often on a different hiring schedule than our nation's other employers and have been shut out in the past from obtaining needed visas.

Of course, H–1B visas are not a long-term answer to the current mismatch between the demands of the high-tech industry and the supply of workers with technical skills. Although I believe that there is a labor shortage in certain areas of our economy, I do not believe that we should accept that circumstance as an unchangeable fact of life. We need to make a greater effort to give our children the education they need to compete in an increasingly technology-oriented economy, and offer adults the training they need to refashion their careers to suit the changes in our economy. This bill takes significant steps to improve our education and training programs. Since employers pay a $500 fee for a visa, increasing the number of visas will lead to an increase in revenue generated for worker training programs, scholarships for disadvantaged students, and funding for public-private partnerships to improve science and technology education.

I also want to note that the legislation extends current law's attestation requirements. These requirements force employers to certify that they were unable to find qualified Americans to do a job that they have hired a visa recipient to fill. The Labor Department also retains authority under S. 2045 to investigate possible H–1B violations.

I continue to believe that we could have passed this legislation many months ago. The Judiciary Committee reported S. 2045 more than six months ago, with my support. During this long stretch of inactivity, it has often appeared that the Republican majority has been more interested in gaining partisan advantage from a delay than in actually making this bill law. The Democratic Leader said repeatedly that he wanted to pass a bill, and that although Democratic members did want the opportunity to offer amendments, he was ready to agree to limit debate on those amendments so that we could conclude all work on this bill in a single day. Those offers were rebuffed again and again by the majority.

Months went by in which the Republican majority made no attempt to negotiate with us, time which many members of the majority instead spent trying to blame Democrats for the delay in their bringing this legislation to the floor. At many times, it seemed that the majority was more interested in casting blame upon Democrats than in actually passing legislation. Instead of working in good faith with the minority to bring this bill to the floor, the majority spent its time trying to convince leaders in the information technology industry that the Democratic Party was hostile to this bill, which was always false. Considering that three-quarters of the Democrats on the Judiciary Committee voted for this bill, and that the bill has numerous Democratic cosponsors, including Senator LIEBERMAN, this partisan appeal was not only inappropriate but absurd on its face.

I do regret that we have not made more progress on the longstanding proposals that have been combined now under the Latino and Immigrant Fairness Act. These provisions had been proposed throughout this Congress, and in some cases in previous Congresses. They are solid, pro-family proposals that would reward immigrants who are working and paying taxes in the United States. But the Republican majority—as has been shown repeatedly on the Senate floor over the past week—refused even to consider these proposals, instead branding them as rewards for illegal immigrants.

Thankfully, the President has taken action to provide temporary protection for the Liberians who faced imminent return to their conflicted nation, and who would have been protected by the LIFA legislation. It is shameful that the Congress has not taken action on the Liberians' behalf, despite the dogged and dedicated efforts of Senator JACK REED.

I am worried about the things we have not done on immigration issues in this Congress. It is a disturbing but increasingly undeniable fact that the interest of the business community has become a prerequisite for immigration

bills to receive attention on the Senate floor. In fact, we are in the final days of the Congress, and this is the first immigration bill to be debated on the floor. Even humanitarian bills with bipartisan backing have been ignored in this Congress, both in the Judiciary Committee and on the floor of the Senate.

The majority has shown a similar lack of concern for proposals by Senators to restore the due process protections were removed by the passage of the Antiterrorism Death Penalty Act and the Illegal Immigration Reform and Immigrant Responsibility Act 4 years ago.

There are still many aspects of those laws that merit our careful review and rethinking, including the inhumane use of expedited removal, which would be sharply reformed by S. 1940, the Refugee Protection Act, which I have introduced with Senator BROWNBACK and our 10 cosponsors.

But the Refugee Protection Act has not even received a hearing in the Judiciary Committee, despite my requests as ranking member. This is quite unusual, because every committee I have served upon has honored such requests on the part of the ranking member. When I was chairman, any request made by a ranking member was honored. Indeed, I have never seen anything like this, especially on a bill that has such bipartisan support.

The bill addresses the issue of expedited removal, a process under which aliens arriving in the United States can be returned immediately to their native land at the say-so of low-level INS officers. Expedited removal was the subject of a major debate in this Chamber in 1996. The Senate voted to use it only during immigration emergencies. The Senate-passed restriction was removed at probably the most partisan conference committee I have ever witnessed. The Refugee Protection Act is modeled closely on the 1996 amendment. I hope someday we can pass it. We should.

As a result of the adoption of expedited removal, we now have a system of removing people arriving here either without proper documentation or with valid documents that INS officers suspect are invalid. This policy ignores the fact that somebody who is fleeing a despotic regime is quite often unable to go in and get a passport from the same regime they are trying to flee, either because of religious persecution or some other type of persecution. The only way to get out of there is with a forged passport.

In the limited time that expedited removal has been in operation, we already have numerous stories of valid asylum seekers who were kicked out of country without the opportunity to convince an immigration judge that they faced persecution in their native lands. To provide just one example, a Kosovo Albanian was summarily removed from the United States after the civil war in Kosovo had already made the front pages of America's newspapers. Imagine what happens to such people when they are forced to return to their native lands.

I also urge the Senate to take up S. 3120, the Immigrant Fairness Restoration Act, which was introduced by Senators KENNEDY and BOB GRAHAM. This bill would go a long way toward undoing the damage done to due process by the 1996 immigration laws, and the House has already passed related, bipartisan legislation. Among other things, S. 3120 would eliminate the retroactive features of those laws, which have led to the deportation of legal permanent residents who committed relatively minor crimes decades ago. I have sponsored legislation that would at the very least provide due process to those who have served in our Armed Forces, the Fairness for Immigrant Veterans Act, S. 871. This legislation has been endorsed by the American Legion, the Vietnam Veterans of America, and other veterans' groups. The Republican majority has refused to consider even this narrow reform.

As important as H–1B visas are for our economy and our nation's employers, this is not the only immigration issue that faces our nation. Although the legislation we are concerned with today is good legislation, it does not test our commitment to the ideals of opportunity and freedom that America has represented at its best. Those tests will apparently be left for another day, or another Congress.

In closing, I commend our leaders in this matter: Senator DASCHLE, Senator HARRY REID, Senator KENNEDY, and their able staffs. In particular, I would like to thank Andrea LaRue with Senator DASCHLE, Eddie Ayoob with Senator REID, Esther Olavarria and Melody Barnes with Senator KENNEDY and the Democratic staff of the Immigration Subcommittee, and Tim Lynch with my Judiciary Committee staff. I have not heard thanks from the other side. I thank Senator ABRAHAM and his staff for cooperation in improving the bill and Senator HATCH for allowing the matter finally to proceed to conclusion. I also thank Lee Otis and Stuart Anderson with Senator ABRAHAM and Sharon Prost with Senator HATCH for their hard work on this legislation.

VISA WAIVER PERMANENT PROGRAM ACT

In addition to passing S. 2045, the Senate has also agreed to pass H.R. 3767, legislation to make the visa waiver pilot program permanent. We pass this legislation only because Senator DASCHLE worked with Senator KENNEDY and me to make sure that the majority agreed to release its hold on the bill as part of our broader agreement on H–1B legislation. I hope that Senator DASCHLE's commitment to this bill is appreciated by the thousands of American travelers who benefit from it.

This legislation will achieve the important goal of making our visa waiver program permanent. We have had a visa waiver pilot project for more than a decade, and it has been a tremendous success in allowing American citizens to travel to some of our most important allies for up to 90 days without obtaining a visa, and in allowing citizens of those countries to travel here under the same terms. Countries must meet a number of requirements to participate in the program, including having very low rates of visa refusals. Of course, the visa waiver does not affect the need for international travelers to carry valid passports.

Despite having expressed no substantive objection to this bill, the majority refused to allow this legislation to go forward for months. I note for the record that every single Democratic Senator said they would vote for this bill. Those from the business community and elsewhere who asked about the bill were assured by Senator DASCHLE, Senator REID and I that every single Democratic Senator supported this.

Even though the travel industry and the State Department urged Republicans to allow this legislation to pass, and even though the visa waiver pilot program had expired April 30, the majority refused to let this bill go forward. They apparently held the bill to use as leverage to promote unrelated legislation, just a chit to be used whenever it seemed to fix a whim. I am glad they finally have reversed course.

The House passed legislation months ago to make this program permanent, heeding the calls of American tourists and business people who are able to travel to almost 30 other nations with only a passport because of the program. By playing political games, the Senate jeopardized our relationships with the other nations who take part in the program. Thankfully, we have finally moved beyond these games and are set to send this legislation back to the House for final approval.

I would like briefly to note the inclusion of an amendment in the visa waiver bill that is of major importance to my State of Vermont and many other States. This provision extends the EB–5 immigrant investor pilot program, which allows foreign investors to obtain resident status in return for substantial investments in regions that are not sharing in the general American prosperity. In my State, this program is starting to bear fruit—I am happy that we are extending it for an additional three years so that we can ensure that its potential is realized.

In conclusion, I would like to thank Senator KENNEDY for all of his work on immigration issues, from H–1B to visa waiver to the countless proposals he has initiated and supported to help immigrant families. He has consistently worked across the aisle with Senators HATCH and ABRAHAM to achieve the best possible solutions to our immigration problems. Immigrants in America should understand they have a devoted ally in the senior Senator from Massachusetts, Mr. KENNEDY. And I thank our Democratic Leader TOM DASCHLE

for his commitment to getting this matter concluded without additional unnecessary delay. They and their staffs, along with the staff of our Republican counterparts, were instrumental in moving this matter to passage.

I thank all on both sides.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. This is a very important bill. This is a bill that both sides have said they wanted for a long time. I have to say it is pitiful that we had to go through three cloture votes because it was filibustered three times. Even the motion to proceed was filibustered by colleagues on the other side. They have tried to make this into a political brouhaha which it doesn't deserve. Further, when they also brought up a bill that they did not even file until July 25 of this year, the Latino and Immigrant Fairness Act, which is anything but fair. They brought that up and asked, without hearings, without 1 minute of consultation, that we have a rolling amnesty for up to 2 million illegal aliens—perhaps even more than that; certainly they admit to at least 500,000. It shows the length to which politics can go in this body.

I am glad we are at this point. It took continual effort by our leader to push this bill through. There were many times when we thought we might have to pull it down because of the opposition from the other side.

But today, I look forward to an overwhelming vote this morning on this important, bipartisan bill and hope that by week's end, the House of Representatives will have acted favorably and with dispatch as well.

One of our greatest priorities, Mr. President, is and ought to be keeping our economy vibrant, and expanding educational opportunities for America's children and its workers. That is my priority for this country and for my own State of Utah.

I am proud of the growth and development in my own State that has made Utah one of the leaders of the country and the world in our high tech economy.

In Utah and elsewhere, however, our continued economic growth, and our competitive edge in the world economy requires an adequate supply of highly skilled high tech workers. This remains one of our great challenges in the 21st century, requiring both short and long term solutions. The legislation we will pass today, S. 2405, addresses both of these challenges.

Specifically, a tight labor market, increasing globalization, and a burgeoning economy have combined to increase demand for skilled workers well beyond what was forecast when Congress last addressed the issue of temporary visas for highly skilled workers in 1998. Therefore, this legislation once again increases the annual cap for this year and the next three years.

But increasing the number of H–1B visas is nothing more than a short term solution to the workforce needs in my State and the country. The long term solution lies with our own children and our own workers. Our continued success in this global economy depends on our ability to ensure that education and training for our current and future workforce matches the demands in our high tech 21st century global economy. Working with my colleagues, I have included in this bill strong, effective, and forward looking provisions directing the several hundred million dollars in fees expected to be generated by the visas toward the education and retraining of our children and our workforce. Those provisions are included in the substitute which is before us today.

Mr. President there are many to whom I want to express my gratitude this morning. This legislation had, from the beginning, an effective group of Senators at the forefront. That included Senator ABRAHAM, a leader on this issue for many years, as well as Senator GRAMM from Texas. On the other side of the aisle, we were joined early on by Senators GRAHAM, FEINSTEIN, and LIEBERMAN, and all have continued their commitment to the continued improvement of our bill. And finally, Mr. President, I want to thank Senator KENNEDY for his hard work and his tireless dedication to ensuring effective training provisions in this bill for American workers. I would be remiss were I not to also mention Senator PAT LEAHY—the committee's ranking member. He approached this bill in the spirit of bipartisanship and facilitated its consideration both here on the floor and in committee.

Mr. President. I look forward to working with my colleagues in the other body in the coming days to see that this bill becomes law.

I hope we can get this done for American workers and children and for our continued economic expansion.

Finally, Mr. President, I want to thank all of the dedicated staffers here in the Senate whose talent and hard work have helped get this bill passed. First, I'd like to thank my own committee staff, including Chief Counsel and Staff Director Manus Cooney, Deputy Chief Counsel Sharon Prost, and Press Secretary Jeanne Lopatto. The conventional wisdom in Washington a few months ago was that this bill was not going to pass. But they kept fighting for its passage. I want to particularly commend Sharon Prost for her tireless efforts.

I also want to thank Lee Otis and Stuart Anderson, of the Subcommittee on Immigration for their invaluable technical and legal assistance and Esther Olivarria of Senator KENNEDY's staff. My thanks also go to Michael Simmons, of Senator GRAMM's staff, Caroline Berver, with Senator GRAHAM, James Thurston, with Senator LIEBERMAN, and Lavita Strickland with Senator FEINSTEIN. I would also like to thank Jim Hecht of Senator LOTT's staff for his efforts. Finally, I want to thank Bruce Cohen and Tim Lynch of Senator LEAHY's committee staff.

Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. HATCH. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Mr. President, I note that each of the component parts of the Latino and Immigrant Fairness Act were filed long before July 25. Democratic Senators repeatedly asked for hearings on this proposal, and those requests were repeatedly denied.

It is not fair to say that this legislation is neither ''Latino'' nor ''fair.'' If anybody wants to know whether it is something that the Latino community wants and whether the Latino community thinks it is fair, just ask them. They will tell you the Latino fairness bill is supported by the Latino community and it is a fair bill.

I do thank my chairman, my close friend, that we are getting this through.

Mr. HATCH. Mr. President, let me just take a minute to respond to some of the comments of my colleague, Senator LEAHY. The so-called Latino Fairness Act has little to do with fairness for immigrants. This is no limited measure to undo a previous wrong to a limited class of immigrants who otherwise might have been eligible for amnesty under the 1986 act. In fact, it is a major new amnesty program with a price tag of almost $1.4 billion. That has major implications for our national policy on immigration.

The bill purports to be about ''immigrant fairness,'' but it does nothing to increase or preserve the categories of legal immigrants allowed in this country annually. It does nothing to shorten the long waiting period or remove the hurdles for persons who have waited years to legally enter this country. This so-called Latino fairness is no fairness at all to the millions of immigrants who have and will continue to play by the rules.

Moreover, the bill does not even fix a date for the registry. Rather it allows a rolling amnesty. What kind of signal does this send? Our government spends millions each year to combat illegal immigrant and deports thousands of persons each year. With the rolling amnesty, however, if an illegal alien can manage to escape law enforcement for long enough we reward that person with citizenship, or at least permanent resident status.

Finally, it should be noted that all of these dramatic changes were proposed in July of this year with no hearings and with no assessment of competing costs and benefits. The Senate appropriately refused to consider this bill because its many consequences were not addressed by its proponents.

We are proud of the fine bipartisan work that went into the H–1B visa bill and welcome its passage.

The PRESIDING OFFICER (Mr. Crapo). Under the previous order, the hour of 10 o'clock having arrived, the Senate will now vote on the passage of S. 2045. The question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. REID. I announce that the Senator from California (Mrs. FEINSTEIN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KENNEDY), would vote ''aye.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 262 Leg.]

YEAS—96

Abraham	Enzi	McCain
Akaka	Feingold	McConnell
Allard	Fitzgerald	Mikulski
Ashcroft	Frist	Miller
Baucus	Gorton	Moynihan
Bayh	Graham	Murkowski
Bennett	Gramm	Murray
Biden	Grams	Nickles
Bingaman	Grassley	Reed
Bond	Gregg	Reid
Boxer	Hagel	Robb
Breaux	Harkin	Roberts
Brownback	Hatch	Rockefeller
Bryan	Helms	Roth
Bunning	Hutchinson	Santorum
Burns	Hutchison	Sarbanes
Byrd	Inhofe	Schumer
Campbell	Inouye	Sessions
Chafee, L.	Jeffords	Shelby
Cleland	Johnson	Smith (NH)
Cochran	Kerrey	Smith (OR)
Collins	Kerry	Snowe
Conrad	Kohl	Specter
Craig	Kyl	Stevens
Crapo	Landrieu	Thomas
Daschle	Lautenberg	Thompson
DeWine	Leahy	Thurmond
Dodd	Levin	Torricelli
Domenici	Lincoln	Voinovich
Dorgan	Lott	Warner
Durbin	Lugar	Wellstone
Edwards	Mack	Wyden

NAYS—1

Hollings

NOT VOTING—3

Feinstein	Kennedy	Lieberman

The bill (S. 2045), as amended, was passed, as follows:

S. 2045

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

TITLE I—AMERICAN COMPETITIVENESS IN THE TWENTY-FIRST CENTURY

SEC. 101. SHORT TITLE.

This title may be cited as the ''American Competitiveness in the Twenty-first Century Act of 2000''.

SEC. 102. TEMPORARY INCREASE IN VISA ALLOTMENTS.

(a) FISCAL YEARS 2001–2003.—Section 214(g)(1)(A) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(1)(A)) is amended—

(1) by redesignating clause (v) as clause (vii); and

(2) by striking clause (iv) and inserting the following:

''(iv) 195,000 in fiscal year 2001;

''(v) 195,000 in fiscal year 2002;

''(vi) 195,000 in fiscal year 2003; and''.

(b) ADDITIONAL VISAS FOR FISCAL YEARS 1999 AND 2000.—

(1) IN GENERAL.—(A) Notwithstanding section 214(g)(1)(A)(ii) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(1)(A)(ii)), the total number of aliens who may be issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of such Act in fiscal year 1999 is increased by a number equal to the number of aliens who are issued such a visa or provided such status during the period beginning on the date on which the limitation in such section 214(g)(1)(A)(ii) is reached and ending on September 30, 1999.

(B) In the case of any alien on behalf of whom a petition for status under section 101(a)(15)(H)(I)(b) is filed before September 1, 2000, and is subsequently approved, that alien shall be counted toward the numerical ceiling for fiscal year 2000 notwithstanding the date of the approval of the petition. Notwithstanding section 214(g)(1)(A)(iii) of the Immigration and Nationality Act, the total number of aliens who may be issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of such Act in fiscal year 2000 is increased by a number equal to the number of aliens who may be issued visas or otherwise provided nonimmigrant status who filed a petition during the period beginning on the date on which the limitation in such section 214(g)(1)(A)(iii) is reached and ending on August 31, 2000.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect as if included in the enactment of section 411 of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277).

SEC. 103. SPECIAL RULE FOR UNIVERSITIES, RESEARCH FACILITIES, AND GRADUATE DEGREE RECIPIENTS; COUNTING RULES.

Section 214(g) of the Immigration and Nationality Act (8 U.S.C. 1184(g)) is amended by adding at the end the following new paragraphs:

''(5) The numerical limitations contained in paragraph (1)(A) shall not apply to any nonimmigrant alien issued a visa or otherwise provided status under section 101(a)(15)(H)(i)(b) who is employed (or has received an offer of employment) at—

''(A) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))), or a related or affiliated nonprofit entity; or

''(B) a nonprofit research organization or a governmental research organization.

''(6) Any alien who ceases to be employed by an employer described in paragraph (5)(A) shall, if employed as a nonimmigrant alien described in section 101(a)(15)(H)(i)(b), who has not previously been counted toward the numerical limitations contained in paragraph (1)(A), be counted toward those limitations the first time the alien is employed by an employer other than one described in paragraph (5).

''(7) Any alien who has already been counted, within the 6 years prior to the approval of a petition described in subsection (c), toward the numerical limitations of paragraph (1)(A) shall not again be counted toward those limitations unless the alien would be eligible for a full 6 years of authorized admission at the time the petition is filed. Where multiple petitions are approved for 1 alien, that alien shall be counted only once.''.

SEC. 104. LIMITATION ON PER COUNTRY CEILING WITH RESPECT TO EMPLOYMENT-BASED IMMIGRANTS.

(a) SPECIAL RULES.—Section 202(a) of the Immigration and Nationality Act (8 U.S.C. 1152(a)) is amended by adding at the end the following new paragraph:

''(5) RULES FOR EMPLOYMENT-BASED IMMIGRANTS.—

''(A) EMPLOYMENT-BASED IMMIGRANTS NOT SUBJECT TO PER COUNTRY LIMITATION IF ADDITIONAL VISAS AVAILABLE.—If the total number of visas available under paragraph (1), (2), (3), (4), or (5) of section 203(b) for a calendar quarter exceeds the number of qualified immigrants who may otherwise be issued such visas, the visas made available under that paragraph shall be issued without regard to the numerical limitation under paragraph (2) of this subsection during the remainder of the calendar quarter.

''(B) LIMITING FALL ACROSS FOR CERTAIN COUNTRIES SUBJECT TO SUBSECTION (E).—In the case of a foreign state or dependent area to which subsection (e) applies, if the total number of visas issued under section 203(b) exceeds the maximum number of visas that may be made available to immigrants of the state or area under section 203(b) consistent with subsection (e) (determined without regard to this paragraph), in applying subsection (e) all visas shall be deemed to have been required for the classes of aliens specified in section 203(b).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 202(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1152(a)(2)) is amended by striking ''paragraphs (3) and (4)'' and inserting ''paragraphs (3), (4), and (5)''.

(2) Section 202(e)(3) of the Immigration and Nationality Act (8 U.S.C. 1152(e)(3)) is amended by striking ''the proportion of the visa numbers'' and inserting ''except as provided in subsection (a)(5), the proportion of the visa numbers''.

(c) ONE-TIME PROTECTION UNDER PER COUNTRY CEILING.—Notwithstanding section 214(g)(4) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(4)), any alien who—

(1) is the beneficiary of a petition filed under section 204(a) of that Act for a preference status under paragraph (1), (2), or (3) of section 203(b) of that Act; and

(2) is eligible to be granted that status but for application of the per country limitations applicable to immigrants under those paragraphs,

may apply for, and the Attorney General may grant, an extension of such nonimmigrant status until the alien's application for adjustment of status has been processed and a decision made thereon.

SEC. 105. INCREASED PORTABILITY OF H–1B STATUS.

(a) IN GENERAL.—Section 214 of the Immigration and Nationality Act (8 U.S.C. 1184) is amended by adding at the end the following new subsection:

''(m)(1) A nonimmigrant alien described in paragraph (2) who was previously issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) is authorized to accept new employment upon the filing by the prospective employer of a new petition on behalf of such nonimmigrant as provided under subsection (a). Employment authorization shall continue for such alien until the new petition is adjudicated. If the new petition is denied, such authorization shall cease.

''(2) A nonimmigrant alien described in this paragraph is a nonimmigrant alien—

''(A) who has been lawfully admitted into the United States;

''(B) on whose behalf an employer has filed a nonfrivolous petition for new employment before the date of expiration of the period of stay authorized by the Attorney General; and

''(C) who, subsequent to such lawful admission, has not been employed without authorization in the United States before the filing of such petition.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to petitions filed before, on, or after the date of enactment of this Act.

SEC. 106. SPECIAL PROVISIONS IN CASES OF LENGTHY ADJUDICATIONS.

(a) EXEMPTION FROM LIMITATION.—The limitation contained in section 214(g)(4) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(4)) with respect to the duration of authorized stay shall not apply to any nonimmigrant alien previously issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of that Act on whose behalf a petition under section 204(b) of that Act to accord the alien immigrant status under section 203(b) of that Act, or an application for adjustment of status under section 245 of that Act to accord the alien status under such section 203(b), has been filed, if 365 days or more have elapsed since—

(1) the filing of a labor certification application on the alien's behalf (if such certification is required for the alien to obtain status under such section 203(b)); or

(2) the filing of the petition under such section 204(b).

(b) EXTENSION OF H1–B WORKER STATUS.—The Attorney General shall extend the stay of an alien who qualifies for an exemption under subsection (a) in one-year increments until such time as a final decision is made on the alien's lawful permanent residence.

(c) INCREASED JOB FLEXIBILITY FOR LONG DELAYED APPLICANTS FOR ADJUSTMENT OF STATUS.—

(1) Section 204 of the Immigration and Nationality Act (8 U.S.C. 1154) is amended by adding at the end the following new subsection:

''(j) JOB FLEXIBILITY FOR LONG DELAYED APPLICANTS FOR ADJUSTMENT OF STATUS TO PERMANENT RESIDENCE.—A petition under subsection (a)(1)(D) for an individual whose application for adjustment of status pursuant to section 245 has been filed and remained unadjudicated for 180 days or more shall remain valid with respect to a new job if the individual changes jobs or employers if the new job is in the same or a similar occupational classification as the job for which the petition was filed.''.

(2) Section 212(a)(5)(A) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(5)(A)) is amended by adding at the end the following new clause:

''(iv) LONG DELAYED ADJUSTMENT APPLICANTS.—A certification made under clause (i) with respect to an individual whose petition is covered by section 204(j) shall remain valid with respect to a new job accepted by the individual after the individual changes jobs or employers if the new job is in the same or a similar occupational classification as the job for which the certification was issued.''.

(d) RECAPTURE OF UNUSED EMPLOYMENT-BASED IMMIGRANT VISAS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the number of employment-based visas (as defined in paragraph (3)) made available for a fiscal year (beginning with fiscal year 2001) shall be increased by the number described in paragraph (2). Visas made available under this subsection shall only be available in a fiscal year to employment-based immigrants under paragraph (1), (2), or (3) of section 203(b) of the Immigration and Nationality Act.

(2) NUMBER AVAILABLE.—

(A) IN GENERAL.—Subject to subparagraph (B), the number described in this paragraph is the difference between the number of employment-based visas that were made available in fiscal year 1999 and 2000 and the number of such visas that were actually used in such fiscal years.

(B) REDUCTION.—The number described in subparagraph (A) shall be reduced, for each fiscal year after fiscal year 2001, by the cumulative number of immigrant visas actually used under paragraph (1) for previous fiscal years.

(C) CONSTRUCTION.—Nothing in this paragraph shall be construed as affecting the application of section 201(c)(3)(C) of the Immigration and Nationality Act (8 U.S.C. 1151(c)(3)(C)).

(3) EMPLOYMENT-BASED VISAS DEFINED.—For purposes of this subsection, the term ''employment-based visa'' means an immigrant visa which is issued pursuant to the numerical limitation under section 203(b) of the Immigration and Nationality Act (8 U.S.C. 1153(b)).

SEC. 107. EXTENSION OF CERTAIN REQUIREMENTS AND AUTHORITIES THROUGH FISCAL YEAR 2002.

(a) ATTESTATION REQUIREMENTS.—Section 212(n)(1)(E)(ii)) of the Immigration and Nationality Act (8 U.S.C. 1182(n)(1)(E)(ii)) is amended by striking ''October 1, 2001'' and inserting ''October 1, 2003''.

(b) DEPARTMENT OF LABOR INVESTIGATIVE AUTHORITIES.—Section 413(e)(2) of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of Public Law 105–277) is amended by striking ''September 30, 2001'' and inserting ''September 30, 2003''.

SEC. 108. RECOVERY OF VISAS USED FRAUDULENTLY.

Section 214(g)(3) of the Immigration and Nationality Act (8 U.S.C. 1184 (g)(3)) is amended to read as follows:

''(3) Aliens who are subject to the numerical limitations of paragraph (1) shall be issued visas (or otherwise provided nonimmigrant status) in the order in which petitions are filed for such visas or status. If an alien who was issued a visa or otherwise provided nonimmigrant status and counted against the numerical limitations of paragraph (1) is found to have been issued such visa or otherwise provided such status by fraud or willfully misrepresenting a material fact and such visa or nonimmigrant status is revoked, then one number shall be restored to the total number of aliens who may be issued visas or otherwise provided such status under the numerical limitations of paragraph (1) in the fiscal year in which the petition is revoked, regardless of the fiscal year in which the petition was approved.''.

SEC. 109. NSF STUDY AND REPORT ON THE "DIGITAL DIVIDE".

(a) STUDY.—The National Science Foundation shall conduct a study of the divergence in access to high technology (commonly referred to as the ''digital divide'') in the United States.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Director of the National Science Foundation shall submit a report to Congress setting forth the findings of the study conducted under subsection (a).

SEC. 110. MODIFICATION OF NONIMMIGRANT PETITIONER ACCOUNT PROVISIONS.

(a) ALLOCATION OF FUNDS.—Section 286(s) of the Immigration and Nationality Act (8 U.S.C. 1356(s)) is amended—

(1) in paragraph (2), by striking ''56.3 percent'' and inserting ''55 percent'';

(2) in paragraph (3), by striking ''28.2 percent'' and inserting ''23.5 percent'';

(3) by amending paragraph (4) to read as follows:

''(4) NATIONAL SCIENCE FOUNDATION COMPETITIVE GRANT PROGRAM FOR K–12 MATH, SCIENCE AND TECHNOLOGY EDUCATION.—

''(A) IN GENERAL.—15 percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available to the Director of the National Science Foundation until expended to carry out a direct or matching grant program to support private-public partnerships in K–12 education.

''(B) TYPES OF PROGRAMS COVERED.—The Director shall award grants to such programs, including those which support the development and implementation of standards-based instructional materials models and related student assessments that enable K–12 students to acquire an understanding of science, mathematics, and technology, as well as to develop critical thinking skills; provide systemic improvement in training K–12 teachers and education for students in science, mathematics, and technology; support the professional development of K–12 math and science teachers in the use of technology in the classroom; stimulate systemwide K–12 reform of science, mathematics, and technology in rural, economically disadvantaged regions of the United States; provide externships and other opportunities for students to increase their appreciation and understanding of science, mathematics, engineering, and technology (including summer institutes sponsored by an institution of higher education for students in grades 7–12 that provide instruction in such fields); involve partnerships of industry, educational institutions, and community organizations to address the educational needs of disadvantaged communities; provide college preparatory support to expose and prepare students for careers in science, mathematics, engineering, and technology; and provide for carrying out systemic reform activities under section 3(a)(1) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(a)(1)).'';

(4) in paragraph (6), by striking ''6 percent'' and inserting ''5 percent''; and

(5) in paragraph (6), by striking ''3 percent'' each place it appears and inserting ''2.5 percent''.

(b) LOW-INCOME SCHOLARSHIP PROGRAM.—Section 414(d)(3) of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of Public Law 105–277) is amended by striking ''$2,500 per year.'' and inserting ''$3,125 per year. The Director may renew scholarships for up to 4 years.''.

(c) REPORTING REQUIREMENT.—Section 414 of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of Public Law 105–277) is amended by adding at the end the following new subsection:

''(e) REPORTING REQUIREMENT.—The Secretary of Labor and the Director of the National Science Foundation shall—

''(1) track and monitor the performance of programs receiving H–1B Nonimmigrant Fee grant money; and

''(2) not later than one year after the date of enactment of this subsection, submit a report to the Committees on the Judiciary of the House of Representatives and the Senate—

''(A) the tracking system to monitor the performance of programs receiving H–1B grant funding; and

''(B) the number of individuals who have completed training and have entered the high-skill workforce through these programs.''.

SEC. 111. DEMONSTRATION PROGRAMS AND PROJECTS TO PROVIDE TECHNICAL SKILLS TRAINING FOR WORKERS.

Section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of Public Law 105–277; 112 Stat. 2681–653) is amended to read as follows:

''(c) DEMONSTRATION PROGRAMS AND PROJECTS TO PROVIDE TECHNICAL SKILLS TRAINING FOR WORKERS.—

''(1) IN GENERAL.—

''(A) FUNDING.—The Secretary of Labor shall use funds available under section 286(s)(2) of the Immigration and Nationality Act (8 U.S.C. 1356(s)(2)) to establish demonstration programs or projects to provide technical skills training for workers, including both employed and unemployed workers.

''(B) TRAINING PROVIDED.—Training funded by a program or project described in subparagraph (A) shall be for persons who are currently employed and who wish to obtain and upgrade skills as well as for persons who are unemployed. Such training is not limited to skill levels commensurate with a four-year undergraduate degree, but should include the preparation of workers for a broad range of positions along a career ladder. Consideration shall be given to the use of grant funds to demonstrate a significant ability to expand a training program or project through such means as training more workers or offering more courses, and training programs or projects resulting from collaborations, especially with more than one small business or with a labor-management training program or project. The need for the training shall be justified through reliable regional, State, or local data.

''(2) GRANTS.—

''(A) ELIGIBILITY.—To carry out the programs and projects described in paragraph (1)(A), the Secretary of Labor shall, in consultation with the Secretary of Commerce, subject to the availability of funds in the H–1B Nonimmigrant Petitioner Account, award—

''(i) 75 percent of the grants to a local workforce investment board established under section 116(b) or section 117 of the Workforce Investment Act of 1998 (29 U.S.C. 2832) or consortia of such boards in a region. Each workforce investment board or consortia of boards receiving grant funds shall represent a local or regional public-private partnership consisting of at least—

''(I) one workforce investment board;

''(II) one community-based organization or higher education institution or labor union; and

''(III) one business or business-related nonprofit organization such as a trade association: *Provided*, That the activities of such local or regional public-private partnership described in this subsection shall be conducted in coordination with the activities of the relevant local workforce investment board or boards established under the Workforce Investment Act of 1998 (29 U.S.C. 2832); and

''(ii) 25 percent of the grants under the Secretary of Labor's authority to award grants for demonstration projects or programs under section 171 of the Workforce Investment Act (29 U.S.C. 2916) to partnerships that shall consist of at least 2 businesses or a business-related nonprofit organization that represents more than one business, and that may include any educational, labor, community organization, or workforce investment board, except that such grant funds may be used only to carry out a strategy that would otherwise not be eligible for funds provided under clause (i), due to barriers in meeting those partnership eligibility criteria, on a national, multistate, regional, or rural area (such as rural telework programs) basis.

''(B) DESIGNATION OF RESPONSIBLE FISCAL AGENTS.—Each partnership formed under subparagraph (A) shall designate a responsible fiscal agent to receive and disburse grant funds under this subsection.

''(C) PARTNERSHIP CONSIDERATIONS.—Consideration in the awarding of grants shall be given to any partnership that involves and directly benefits more than one small business (each consisting of 100 employees or less).

''(D) ALLOCATION OF GRANTS.—In making grants under this paragraph, the Secretary shall make every effort to fairly distribute grants across rural and urban areas, and across the different geographic regions of the United States. The total amount of grants awarded to carry out programs and projects described in paragraph (1)(A) shall be allocated as follows:

''(i) At least 80 percent of the grants shall be awarded to programs and projects that train employed and unemployed workers in skills in high technology, information technology, and biotechnology, including skills needed for software and communications services, telecommunications, systems installation and integration, computers and communications hardware, advanced manufacturing, health care technology, biotechnology and biomedical research and manufacturing, and innovation services.

''(ii) No more than 20 percent of the grants shall be available to programs and projects that train employed and unemployed workers for skills related to any single specialty occupation, as defined in section 214(i) of the Immigration and Nationality Act.

''(3) START-UP FUNDS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), not more than 5 percent of any single grant, or not to exceed $75,000, whichever is less, may be used toward the start-up costs of partnerships or new training programs and projects.

''(B) EXCEPTION.—In the case of partnerships consisting primarily of small businesses, not more than 10 percent of any single grant, or $150,000, whichever is less, may be used toward the start-up costs of partnerships or new training programs and projects.

''(C) DURATION OF START-UP PERIOD.—For purposes of this subsection, a start-up period consists of a period of not more than 2 months after the grant period begins, at which time training shall immediately begin and no further Federal funds may be used for start-up purposes.

''(4) TRAINING OUTCOMES.—

''(A) CONSIDERATION FOR CERTAIN PROGRAMS AND PROJECTS.—Consideration in the awarding of grants shall be given to applicants that provide a specific, measurable commitment upon successful completion of a training course, to—

''(i) hire or effectuate the hiring of unemployed trainees (where applicable);

''(ii) increase the wages or salary of incumbent workers (where applicable); and

''(iii) provide skill certifications to trainees or link the training to industry-accepted occupational skill standards, certificates, or licensing requirements.

''(B) REQUIREMENTS FOR GRANT APPLICATIONS.—Applications for grants shall—

''(i) articulate the level of skills that workers will be trained for and the manner by which attainment of those skills will be measured;

''(ii) include an agreement that the program or project shall be subject to evaluation by the Secretary of Labor to measure its effectiveness; and

''(iii) in the case of an application for a grant under subsection (c)(2)(A)(ii), explain what barriers prevent the strategy from being implemented through a grant made under subsection (c)(2)(A)(i).

''(5) MATCHING FUNDS.—Each application for a grant to carry out a program or project described in paragraph (1)(A) shall state the manner by which the partnership will provide non-Federal matching resources (cash, or in-kind contributions, or both) equal to at least 50 percent of the total grant amount awarded under paragraph (2)(A)(i), and at least 100 percent of the total grant amount awarded under paragraph (2)(A)(ii). At least one-half of the non-Federal matching funds shall be from the business or businesses or business-related nonprofit organizations involved. Consideration in the award of grants shall be given to applicants that provide a specific commitment or commitments of resources from other public or private sources, or both, so as to demonstrate the long-term sustainability of the training program or project after the grant expires.

''(6) ADMINISTRATIVE COSTS.—An entity that receives a grant to carry out a program or project described in paragraph (1)(A) may not use more than 10 percent of the amount of the grant to pay for administrative costs associated with the program or project.''.

SEC. 112. KIDS 2000 CRIME PREVENTION AND COMPUTER EDUCATION INITIATIVE.

(a) SHORT TITLE.—This section may be cited as the ''Kids 2000 Act''.

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

(1) There is an increasing epidemic of juvenile crime throughout the United States.

(2) It is well documented that the majority of juvenile crimes take place during after-school hours.

(3) Knowledge of technology is becoming increasingly necessary for children in school and out of school.

(4) The Boys and Girls Clubs of America have 2,700 clubs throughout all 50 States, serving over 3,000,000 boys and girls primarily from at-risk communities.

(5) The Boys and Girls Clubs of America have the physical structures in place for immediate implementation of an after-school technology program.

(6) Building technology centers and providing integrated content and full-time staffing at those centers in the Boys and Girls Clubs of America nationwide will help foster education, job training, and an alternative to crime for at-risk youth.

(7) Partnerships between the public sector and the private sector are an effective way of providing after-school technology programs in the Boys and Girls Clubs of America.

(8) PowerUp: Bridging the Digital Divide is an entity comprised of more than a dozen nonprofit organizations, major corporations, and Federal agencies that have joined together to launch a major new initiative to help ensure that America's underserved young people acquire the skills, experiences, and resources they need to succeed in the digital age.

(9) Bringing PowerUp into the Boys and Girls Clubs of America will be an effective way to ensure that our youth have a safe, crime-free environment in which to learn the technological skills they need to close the divide between young people who have access to computer-based information and technology-related skills and those who do not.

(c) AFTER-SCHOOL TECHNOLOGY GRANTS TO THE BOYS AND GIRLS CLUBS OF AMERICA.—

(1) PURPOSES.—The Attorney General shall make grants to the Boys and Girls Clubs of America for the purpose of funding effective after-school technology programs, such as PowerUp, in order to provide—

(A) constructive technology-focused activities that are part of a comprehensive program to provide access to technology and technology training to youth during after-school hours, weekends, and school vacations;

(B) supervised activities in safe environments for youth; and

(C) full-time staffing with teachers, tutors, and other qualified personnel.

(2) SUBAWARDS.—The Boys and Girls Clubs of America shall make subawards to local boys and girls clubs authorizing expenditures associated with providing technology programs such as PowerUp, including the hiring

of teachers and other personnel, procurement of goods and services, including computer equipment, or such other purposes as are approved by the Attorney General.

(d) APPLICATIONS.—

(1) ELIGIBILITY.—In order to be eligible to receive a grant under this section, an applicant for a subaward (specified in subsection (c)(2)) shall submit an application to the Boys and Girls Clubs of America, in such form and containing such information as the Attorney General may reasonably require.

(2) APPLICATION REQUIREMENTS.—Each application submitted in accordance with paragraph (1) shall include—

(A) a request for a subgrant to be used for the purposes of this section;

(B) a description of the communities to be served by the grant, including the nature of juvenile crime, violence, and drug use in the communities;

(C) written assurances that Federal funds received under this section will be used to supplement and not supplant, non-Federal funds that would otherwise be available for activities funded under this section;

(D) written assurances that all activities funded under this section will be supervised by qualified adults;

(E) a plan for assuring that program activities will take place in a secure environment that is free of crime and drugs;

(F) a plan outlining the utilization of content-based programs such as PowerUp, and the provision of trained adult personnel to supervise the after-school technology training; and

(G) any additional statistical or financial information that the Boys and Girls Clubs of America may reasonably require.

(e) GRANT AWARDS.—In awarding subgrants under this section, the Boys and Girls Clubs of America shall consider—

(1) the ability of the applicant to provide the intended services;

(2) the history and establishment of the applicant in providing youth activities; and

(3) the extent to which services will be provided in crime-prone areas and technologically underserved populations, and efforts to achieve an equitable geographic distribution of the grant awards.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated $20,000,000 for each of the fiscal years 2001 through 2006 to carry out this section.

(2) SOURCE OF FUNDS.—Funds to carry out this section may be derived from the Violent Crime Reduction Trust Fund.

(3) CONTINUED AVAILABILITY.—Amounts made available under this subsection shall remain available until expended.

SEC. 113. USE OF FEES FOR DUTIES RELATING TO PETITIONS.

(a) Section 286(s)(5) of the Immigration and Nationality Act (8 U.S.C. 1356(s)(5)) is amended to read as follows: ''4 percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available to the Attorney General until expended to carry out duties under paragraphs (1) and (9) of section 214(c) related to petitions made for nonimmigrants described in section 101(a)(15)(H)(i)(b), under paragraph (1) (C) or (D) of section 204 related to petitions for immigrants described in section 203(b).''.

(b) Notwithstanding any other provision of this Act, the figure on page 14, line 16 is deemed to be ''22 percent''; the figure on page 16, line 14 is deemed to be ''4 percent''; and the figure on page 16, line 16 is deemed to be ''2 percent''.

SEC. 114. EXCLUSION OF CERTAIN "J" NONIMMIGRANTS FROM NUMERICAL LIMITATIONS APPLICABLE TO "H-1B" NONIMMMIGRANTS.

The numerical limitations contained in section 102 of this title shall not apply to any nonimmigrant alien granted a waiver that is subject to the limitation contained in paragraph (1)(B) of the first section 214(l) of the Immigration and Nationality Act (relating to restrictions on waivers).

SEC. 115. STUDY AND REPORT ON THE "DIGITAL DIVIDE".

(a) STUDY.—The Secretary of Commerce shall conduct a review of existing public and private high-tech workforce training programs in the United States.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary of Commerce shall submit a report to Congress setting forth the findings of the study conducted under subsection (a).

SEC. 116. SEVERABILITY.

If any provision of this title (or any amendment made by this title) or the application thereof to any person or circumstance is held invalid, the remainder of the title (and the amendments made by this title) and the application of such provision to any other person or circumstance shall not be affected thereby. This section be enacted 2 days after effective date.

TITLE II—IMMIGRATION SERVICES AND INFRASTRUCTURE IMPROVEMENTS

SEC. 201. SHORT TITLE.

This title may be cited as the ''Immigration Services and Infrastructure Improvements Act of 2000''.

SEC. 202. PURPOSES.

(a) PURPOSES.—The purposes of this title are to—

(1) provide the Immigration and Naturalization Service with the mechanisms it needs to eliminate the current backlog in the processing of immigration benefit applications within 1 year after enactment of this Act and to maintain the elimination of the backlog in future years; and

(2) provide for regular congressional oversight of the performance of the Immigration and Naturalization Service in eliminating the backlog and processing delays in immigration benefits adjudications.

(b) POLICY.—It is the sense of Congress that the processing of an immigration benefit application should be completed not later than 180 days after the initial filing of the application, except that a petition for a nonimmigrant visa under section 214(c) of the Immigration and Nationality Act should be processed not later than 30 days after the filing of the petition.

SEC. 203. DEFINITIONS.

In this title:

(1) BACKLOG.—The term ''backlog'' means, with respect to an immigration benefit application, the period of time in excess of 180 days that such application has been pending before the Immigration and Naturalization Service.

(2) IMMIGRATION BENEFIT APPLICATION.—The term ''immigration benefit application'' means any application or petition to confer, certify, change, adjust, or extend any status granted under the Immigration and Nationality Act.

SEC. 204. IMMIGRATION SERVICES AND INFRASTRUCTURE IMPROVEMENT ACCOUNT.

(a) AUTHORITY OF THE ATTORNEY GENERAL.—The Attorney General shall take such measures as may be necessary to—

(1) reduce the backlog in the processing of immigration benefit applications, with the objective of the total elimination of the backlog not later than one year after the date of enactment of this Act;

(2) make such other improvements in the processing of immigration benefit applications as may be necessary to ensure that a backlog does not develop after such date; and

(3) make such improvements in infrastructure as may be necessary to effectively provide immigration services.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to the Department of Justice from time to time such sums as may be necessary for the Attorney General to carry out subsection (a).

(2) DESIGNATION OF ACCOUNT IN TREASURY.—Amounts appropriated pursuant to paragraph (1) may be referred to as the ''Immigration Services and Infrastructure Improvements Account''.

(3) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(4) LIMITATION ON EXPENDITURES.—None of the funds appropriated pursuant to paragraph (1) may be expended until the report described in section 205(a) has been submitted to Congress.

SEC. 205. REPORTS TO CONGRESS.

(a) BACKLOG ELIMINATION PLAN.—

(1) REPORT REQUIRED.—Not later than 90 days after the date of enactment of this Act, the Attorney General shall submit a report to the Committees on the Judiciary and Appropriations of the Senate and the House of Representatives concerning—

(A) the backlogs in immigration benefit applications in existence as of the date of enactment of this title; and

(B) the Attorney General's plan for eliminating such backlogs.

(2) REPORT ELEMENTS.—The report shall include—

(A) an assessment of the data systems used in adjudicating and reporting on the status of immigration benefit applications, including—

(i) a description of the adequacy of existing computer hardware, computer software, and other mechanisms to comply with the adjudications and reporting requirements of this title; and

(ii) a plan for implementing improvements to existing data systems to accomplish the purpose of this title, as described in section 202(a);

(B) a description of the quality controls to be put into force to ensure timely, fair, accurate, and complete processing and adjudication of such applications;

(C) the elements specified in subsection (b)(2);

(D) an estimate of the amount of appropriated funds that would be necessary in order to eliminate the backlogs in each category of immigration benefit applications described in subsection (b)(2); and

(E) a detailed plan on how the Attorney General will use any funds in the Immigration Services and Infrastructure Improvements Account to comply with the purposes of this title.

(b) ANNUAL REPORTS.—

(1) IN GENERAL.—Beginning 90 days after the end of the first fiscal year for which any appropriation authorized by section 204(b) is made, and 90 days after the end of each fiscal year thereafter, the Attorney General shall submit a report to the Committees on the Judiciary and Appropriations of the Senate and the House of Representatives concerning the status of—

(A) the Immigration Services and Infrastructure Improvements Account including any unobligated balances of appropriations in the Account; and

(B) the Attorney General's efforts to eliminate backlogs in any immigration benefit application described in paragraph (2).

(2) REPORT ELEMENTS.—The report shall include—

(A) State-by-State data on—

(i) the number of naturalization cases adjudicated in each quarter of each fiscal year;

(ii) the average processing time for naturalization applications;

(iii) the number of naturalization applications pending for up to 6 months, 12 months, 18 months, 24 months, 36 months, and 48 months or more;

(iv) estimated processing times adjudicating newly submitted naturalization applications;

(v) an analysis of the appropriate processing times for naturalization applications; and

(vi) the additional resources and process changes needed to eliminate the backlog for naturalization adjudications;

(B) the status of applications or, where applicable, petitions described in subparagraph (C), by Immigration and Naturalization Service district, including—

(i) the number of cases adjudicated in each quarter of each fiscal year;

(ii) the average processing time for such applications or petitions;

(iii) the number of applications or petitions pending for up to 6 months, 12 months, 18 months, 24 months, 36 months, and 48 months or more;

(iv) the estimated processing times adjudicating newly submitted applications or petitions;

(v) an analysis of the appropriate processing times for applications or petitions; and

(vi) a description of the additional resources and process changes needed to eliminate the backlog for such processing and adjudications; and

(C) a status report on—

(i) applications for adjustments of status to that of an alien lawfully admitted for permanent residence;

(ii) petitions for nonimmigrant visas under section 214 of the Immigration and Nationality Act;

(iii) petitions filed under section 204 of such Act to classify aliens as immediate relatives or preference immigrants under section 203 of such Act;

(iv) applications for asylum under section 208 of such Act;

(v) registrations for Temporary Protected Status under section 244 of such Act; and

(vi) a description of the additional resources and process changes needed to eliminate the backlog for such processing and adjudications.

(3) ABSENCE OF APPROPRIATED FUNDS.—In the event that no funds are appropriated subject to section 204(b) in the fiscal year in which this Act is enacted, the Attorney General shall submit a report to Congress not later than 90 days after the end of such fiscal year, and each fiscal year thereafter, containing the elements described in paragraph (2).

Mr. HATCH. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DASCHLE. Mr. President, I rise to congratulate all those who have worked so hard for so long on the H–1B bill. Senators LEAHY, HATCH, KENNEDY, ABRAHAM, FEINSTEIN, LIEBERMAN and BIDEN have all done an admirable job at putting together a good bipartisan bill that will strengthen our economy and increase the resources that go to technology education and training.

I would also like to thank the Majority Leader for his efforts. While we have disagreements about how the process, here in the Senate, should work, on this bill, we have shared a commitment that the Senate must act to ensure the stability of the H–1B program in the years to come.

Mr. President, as you know, this legislation responds to the pressing need many American companies are facing for highly-skilled workers. The bill increases the annual ceiling for the admission of H–1B non-immigrants to 195,000 for fiscal years 2001, 2002 and 2003. It also includes an important provision to exempt H–1B visa applicants employed by higher education institutions and other non-profits from the yearly numerical limits.

This visa increase could not come at a more important time. With unemployment rates currently at or near historic lows, the H–1B program has become an increasingly important source of skilled labor for U.S. employers. U.S. employers are expected to need roughly 1.6 million information technology workers in the next year. Unfortunately, the demand far exceeds the supply of qualified individuals. This shortage not only threatens the competitiveness of U.S. high technology companies but it also threatens our economy, which owes much of its success to the technology sector.

These labor shortfalls are not just felt in Silicon Valley, Northern Virginia and other high tech clusters—they are felt nationwide. In fact, 35 percent of the unfilled jobs in the information technology sector are in the Midwest. In a study done by the Bureau of Labor Statistics, the state of South Dakota had the greatest high-technology employment growth in the early 1990's—a whopping 172 percent increase. And South Dakota companies, like those in other states, are struggling to find the workers they need to continue to grow.

That said, the H–1B visa program is only a short-term solution to the skills shortage being experienced by American companies. Accordingly, I am proud of the work that was done, largely at the behest of Democratic Senators, to ensure that this bill begins to address our long-term challenge—ensuring that in the future there are enough Americans with the necessary skills to fill these jobs. Indeed, as Senator MIKULSKI reminded us during this debate, America is facing a skills shortage, rather than a worker shortage. It is our job to reverse that trend.

This bill is a step in the right direction. It dedicates over half of the H–1B fees collected to the worker training primarily in the fields of high technology, information technology and biotechnology skills. By increasing the H–1B visa fee modestly, this bill will triple the money going to these important training programs enabling 45,000 workers a year to take advantage of these new training opportunities. In addition, the bill also triples the money dedicated to providing meaningful educational scholarships for students, particularly minority students, who are enrolled in a mathematics, engineering or computer science degree program and for improving science, mathematics and technology education in the K–12 system.

There are millions of Americans who yearn for the opportunity to participate in our new economy and all its rewards. And they need only one thing to do just that—skills training and education.

It is our duty to help these Americans realize their dreams. This bill is an important down-payment in that effort. Thus, I look forward to this bill becoming law in the near future. Both U.S. workers and U.S. companies stand to benefit.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD)

• Mrs. FEINSTEIN. Mr. President, as a cosponsor of S. 2045, ''American Competitiveness in the Twenty-first Century Act of 2000,'' I am pleased to see this important legislation pass the Senate today.

One of my most sobering experiences as a U.S. Senator occurred a few years ago when several CEOs of California's leading high-tech companies told me our schools were not producing enough skilled graduates and asked me to support an increase in the number of H–1B temporary visas for skilled foreign workers.

Initially, I did not believe this. But subsequently the problem became very clear at a Senate Judiciary Committee hearing on the subject. California's high-tech sector has fueled our record economic expansion, providing more than 784,000 high-tech jobs in our state alone. But that continued growth is threatened if California cannot produce an adequate number of well-educated workers. Clearly our education system needs major reform.

I asked TechNet, a network of the nation's leading high-tech CEOs, to help me develop a program to reduce our reliance on H–1B workers. The discussions led to a public-private plan, which Senator SPENCER ABRAHAM, R–Mich., and I offered as an amendment to the H–1B visa bill. It was approved by the Judiciary Committee in March.

From the funds collected for H–1B fees over the next three years, the amendment would allocate 15 percent of the H–1B fees, or roughly $23 million for National Science Foundation kindergarten through 12th grade math and science education and skills-development programs. The technology industry will match these funds and then some. This is an incredible commitment by the industry to help develop a pipeline of American students who are better prepared for the workplace of tomorrow.

Additionally, $35 million will be designated for post-secondary school scholarships for 16,000 to 18,000 low-income students to obtain degrees in

science, math or other technology-related disciplines so that they can compete for the cutting-edge jobs in the high-tech sector. At the same time, our amendment provides 23.5 percent, or more than $35 million per year in funding—in addition to that already being provided—for scholarships so that American students and workers can also enjoy the opportunity to work in the high tech and other industries demanding a highly skilled workforce.

Another $83 million, or 55 percent of the H–1B fee revenue, as a result of an amendment by Senator Kennedy, would be allocated to workforce training programs and demonstration projects to provide technical skills training for U.S. workers. I am hopeful that, in the end, we can work in a provision to increase the H–1B visa fee from $500 to $1,000. This will double the amount of funding for these important education and training programs.

I support lifting the H–1B visa cap, but clearly it is only a short-term solution to a long-term problem. The technology industry recognizes this and has already made significant financial contributions to education training programs. These amendments represent an additional industry commitment to educating America's workforce.

Recent research indicates that the number of bachelor of science degrees awarded in computer science and math fell 29 percent from 1985 to 1995. Engineering degrees fell 16 percent from 1985 to 1997; computer and information sciences experience a 42 percent drop. Yet it is expertise in these very areas that businesses, especially high-technology companies, need in order to stay globally competitive.

Our society is undergoing a dramatic technological transformation. Information technology has changed every aspect of our society, from telephone and banking services to commerce and education. Given this, the demand for highly skilled professionals has exploded. Even excluding the biotechnology industry, the high-tech explosion has created over 4.8 million jobs in the United States since 1993 and produced an industry unemployment rate of 1.4 percent.

Despite the billions of dollars that companies spend annually on training, a gap still exists between professionals available in the U.S. workforce and the needs of employers. We need to raise the H–1B cap for the next few years because often employers' needs are immediate; they cannot afford to wait for workforce training or retraining while positions remain unfilled. I look forward to the day when it is not necessary to bring in workers from abroad for these positions because California's schools are producing students who can match the best and brightest from anywhere across the globe.

I am also pleased that the Senate has adopted as an amendment to the H–1B legislation, the provisions of S. 2586, the ''Immigration Services and Infrastructure Improvement Act of 2000,'' which I introduced earlier this year. As we seek to address the needs of the high tech industry by increasing the number of H–1B visas, I am pleased that we are also taking an active role in addressing the unacceptably long backlogs in processing other immigration applications.

We have all heard the horror stories of the long processing delays associated with the Immigration and Naturalization Service (INS). What was once a 6-month process has now become a three- to four-year ordeal. When I first introduced S. 2586, the INS had roughly 2.3 million cases pending. Out of this number, California had 600,000 naturalization and adjustment of status cases pending.

While the INS has made some improvements in reducing processing times for some applications, the INS's overall record keeping and computer systems still suffer from serious flaws. Many forms filed during the application process have been lost, automatically disqualifying immigrants from an immigrant visa or naturalization because they missed their INS appointments.

It is unacceptable that millions of people who have followed our nation's laws, made outstanding contributions to our nation, and paid the requisite fees have had to wait months, and even years, to obtain the immigration services they need. These processing delays have had a negative impact on businesses seeking to employ or retain essential workers.

Faced with a shortage of highly skilled workers in the U.S., many of our nation's businesses, including those in the high tech industry, must increasing rely on the INS to help provide them with access to highly skilled foreign professionals. However, long delays and inconsistencies in INS processing are causing many companies to postpone or cancel major projects that support their fiscal growth.

I believe the backlog reduction provisions included in this bill will send a clear signal to the INS that it is time to change the way they do business. The provisions would require the INS to process H–1B applications and other non-immigrant visa applications within 30 days, and naturalization applications, permanent employment visas, and other immigration visa applications within six months. In addition, the provisions would establish a separate account with the INS to fund backlog reduction efforts.

This account would permit the INS to fund across several fiscal years infrastructure improvements, including additional staff, computer records management, fingerprinting, and nationwide computer integration. Finally, the provisions would require the INS to put together a plan on how it intends to eliminate existing backlogs and report on this plan before it could obtain any appropriated funds.

The backlog reduction provisions are intended to provide the INS with direction and accountability, and would enable millions of law-abiding residents, immigrants, and businesses, who have paid substantial fees to the INS, to have their applications processed in a timely manner. I believe enactment of these provisions as part of the H–1B legislation will send a strong Congressional directive to the INS that timely and efficient service is not merely a goal, but a mandate.

Our nation has undergone a dramatic technological transformation. The U.S. economy has enjoyed unprecedented expansion, in large part because of the high tech industry. In California alone, this growth in technology has made our State number one in high tech employment by creating almost 800,000 jobs and comprising 61 percent of California's exports. I am convinced that the economy of California as well as the rest of the nation could run out of steam if the driving engine—that is, the high tech industry—does not have the resources it needs to continue its unprecedented growth.

Certainly, it is in our interest to ensure that these industries, which are located in the U.S. and help drive our economy, can continue to obtain qualified, highly skilled employees. This bill meets the needs of the industry by providing additional temporary visas for exceptional professional personnel. Despite the billions of dollars that companies spend annually to train their work force, a gap still exists between professionals available in the U.S. work force and the needs of employers. Often employers' needs are immediate; they cannot afford to wait for work force training or retraining while positions remain unfilled.

I look forward to the day when it is not necessary to bring in workers from abroad for these positions because California's schools are producing students who can match the best and brightest from anywhere across the globe.●

Mr. LEVIN. Mr. President, the Senate has now approved an increase in the total number of H–1B non-immigrant visas made available to skilled foreign workers.

I supported that increase because I believe it will help meet this country's growing demand for people with high skills, particularly in fast growing industries such as the high technology industry. However, I want to make clear that I understand this bill to be a short-term fix for the needs of our economy and not a long-term solution.

If Congress is going to deal with the workforce needs in this country we can not simply rely on the H–1B program. The national skill shortage problem must be resolved by expanding training programs for American workers and increasing educational opportunities for our young people.

Section 10 of this bill provides significant new resources for funding new innovative activities in K–12 math and science across the nation. It also represents a major boost beyond what was provided in the H–1B legislation in 1998.

Under the 1998 H–1B bill, the amount of funding for the National Science Foundation (NSF) K–12 activities was fairly small—less than $6 million in FY 2000. Thanks to the leadership of Senator FEINSTEIN and Senator KENNEDY, this legislation would more than double that amount to $15 million.

We can make further progress in our education and training needs by increasing the fee that sponsors pay for H–1B visas. Hopefully, the Conference Committee will increase the fee to $1000 more than tripling the amount made available for job training grants, low income scholarships and NSF enrichment courses—opportunities, which in the long-term, will produce a better trained American workforce. The bill before us today does not increase the fee because the Senate can not originate a revenue measure. However, I supported the bill because of a commitment made by both Republicans and Democrats on the Judiciary Committee to increase the fee to $1000 when the bill goes to conference with the House.

The focus on technology training for teachers addresses a critical need, one that I've fought for in my home state of Michigan. That is why I'm happy to note that we've included language in this bill, which I proposed, with the support of Senator CONRAD, specifying that the NSF should make teacher training in the integration of technology into the math and science curriculum a priority in funding projects from resources provided under this legislation. My office will be working with the National Science Foundation as they develop programs to be funded under this legislation so that investments in such professional development will lead the list of funding initiatives.

This provision is essential if we are going to realize the full potential of our investment in new technology in the classroom. So few of our school districts have been able to offer state-of-the-art training, or any training at all for that matter, to their teaching staff. Last year, a report by Education Week's National Survey of Teachers' Use of Digital Content revealed some startling findings relative to the lack of teacher training in integrating technology into the curriculum. In a national poll of over 1,400 teachers, 36 percent of teachers responded that they received absolutely no training in integrating technology in the curriculum; another 36 percent said they had only received 1 to 5 hours of such training; 14 percent received 6 to 10 hours of such training; and only 7 percent received between 11–20 hours.

This bill is an important step towards addressing this problem, a step that I hope is followed by many others. We are fortunate in my state and across this country to find in the ranks of teachers men and women who are deeply committed to helping America's children learn. I believe we have to match their commitment to our children with our own commitment to helping them acquire the skills they seek to be effective educators in the digital age.

I also supported this bill because it guarantees that H–1B visas will be made available to those working at educational institutions, non-profit organizations, and non-profit or governmental research organizations. Currently, these institutions, who recruit scholars and researchers with the highest possible credentials, are forced to compete with for profit companies for the limited number of visas available, and have had difficulties obtaining H–1B visas for their prospective employees.

Some of those visa holders are people like Thomas Hofweber, a first-year assistant professor in the Philosophy Department at the University of Michigan, who has conducted research in the areas of metaphysics and epistemology and is believed to be among the most talented young metaphysicians in the world. Another H–1B visa holder at Michigan State University's Department of Agricultural Economics is a researcher and teacher in Agribusiness Management and brings an outstanding background in the economics of horticultural enterprises and the management of their labor forces.

It is of great benefit for Michigan students to be able to study with these scholars. I am pleased that universities and research institutions will be able to obtain more needed visas under this bill.

VISA WAIVER PERMANENT PROGRAM ACT

The PRESIDING OFFICER. Under the previous order, H.R. 3767, as amended, is passed.

EXECUTIVE SESSION

NOMINATIONS OF MICHAEL J. REAGAN, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ILLINOIS; SUSAN RITCHIE BOLTON, OF ARIZONA, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA; MARY H. MURGUIA, OF ARIZONA, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session and proceed to the consideration en bloc of Executive Calendar Nos. 652, 654, and 655, which the clerk will report.

The assistant legislative clerk read the nominations of Michael J. Reagan, of Illinois, to be U.S. District Judge for the Southern District of Illinois;

Susan Ritchie Bolton, of Arizona, to be U.S. District Judge for the District of Arizona;

Mary H. Murguia, of Arizona, to be U.S. District Judge for the District of Arizona.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, we are here today in the crunch of end-of-session business to debate and take time on four noncontroversial judicial nominees. This debate today was demanded by Senate Democrats who, ironically, have stood in the way of these nominations made by President Clinton, their own President. These are Clinton nominees the Democrats are holding up, Clinton nominees whom Democrats are insisting we take precious time to debate.

For the past few years, Senate Democrats have threatened shutdowns, claimed the existence of a so-called judicial vacancy crisis, and complained of race and sex bias in order to push through President Clinton's judicial nominees. These allegations are false.

First, there is and has been no judicial vacancy crisis. consider, for example, the Clinton administration's statements on this issue. At the end of the 1994 Senate session, the Clinton administration in a press release entitled ''Record Number of Federal Judges Confirmed'' took credit for having achieved a low vacancy rate. At that time, there were 63 vacancies and a 7.4 percent vacancy rate. The Clinton administration's press release declared: ''This is equivalent to 'full employment' in the . . . federal judiciary.'' Today, there are 67 vacancies—after the votes today there will be only 63 vacancies, the same as in the 1994. Instead of declaring the judiciary fully employed as they did in 1994. Democrats claim that there is a vacancy crisis.

In fact, the Senate has confirmed President Clinton's nominees at almost the same rate as it confirmed those of Presidents Reagan and Bush. President Reagan appointed 382 Article III judges. Thus far, the Senate has confirmed 373 of President Clinton's nominees and, after the votes today, will have confirmed four more. During President Reagan's two terms, the Senate confirmed an average of 191 judges. During President Bush's one term, the Senate confirmed 193 judges. After these four judges are confirmed today, the Senate will have confirmed an average of 189 judges during each of President Clinton's two terms.

Second, there has not been a confirmation slowdown this year. Comparing like to like, this year should be compared to prior election years during times of divided government. In 1988, the Democrat-controlled Senate confirmed 41 Reagan judicial nominees. After these four nominees are confirmed today, the Republican Senate this year will have confirmed 39 of President Clinton's nominees—a nearly identical number.

In May, at a Judiciary Committee hearing, Senator BIDEN, the former chairman of the Judiciary Committee, said: ''I have told everyone, and I want to tell the press, if the Republican Party lets through more than 30 judges

this year, I will buy you all dinner.'' When he said this, Senator BIDEN apparently believed that the confirmation this year of more than 30 judges would be fair. Well Senator BIDEN owes some people some dinners, maybe everybody in the press. After the votes today, the Senate this year will have confirmed 39 judicial nominees.

The 1992 election year requires a bit more analysis.

The Democrat-controlled Senate did confirm 64 Bush nominees that year, but this high number was due to the fact that Congress had recently created 85 new judgeships. Examining the percentage of nominees confirmed shows that compared to 1992, there is no slowdown this year. In 1992, the Democrat-controlled Senate confirmed 33 of 73 individuals nominated that year—or 45 percent. This year, the Senate will confirm 25 of 44 individuals nominated in 2000—or 57 percent. Those who cite the 1992 high of 64 confirmations as evidence of an election-year slowdown do not mention these details. Nor do they mention that despite those 64 confirmations, the Democrat-controlled Senate left vacant 115 judgeships when President Bush left office—nearly double the current number of vacancies.

Senate Democrats often cite Chief Justice Rehnquist's 1997 remarks as evidence of a Republican slowdown. Referring to the 82 vacancies then existing, the Chief Justice said: ''Vacancies cannot remain at such high levels indefinitely without eroding the quality of justice that traditionally has been associated with the federal Judiciary.'' Senators who cite this statement, however, do not also cite the Chief Justice's similar statement in 1993, when the Democrats controlled both the White House and the Senate: ''There is perhaps no issue more important to the judiciary right now than this serious judicial vacancy problem.'' As the head of the judicial branch, the Chief Justice has continued to maintain pressure on the President and Senate to speedily confirm judges. He has not singled out the Republican Senate, however. Selective use of his statements to imply that he has is inappropriate.

The Chief Justice made additional comments in 1997, which also undermine the claim of a vacancy crisis. After calling attention to the existing vacancies, he wrote: ''Fortunately for the Judiciary, a dependable corps of senior judges has contributed significantly to easing the impact of unfilled judgeships.'' The 67 current vacancies, in other words, are not truly vacant. There are 363 senior judges presently serving in the federal judiciary. Although these judges' seats are technically counted as vacant, they continue to hear cases at reduced workload. Assuming that they maintain a 25 percent workload (the minimum required by law), the true number of vacancies is less than zero.

Third, allegations of race or sex bias in the confirmation process are absolutely false. Just this month, for example, President Clinton issued a statement alleging bias by the Senate. He said: ''The quality of justice suffers when highly qualified women and minority candidates are denied an opportunity to serve in the judiciary.'' The White House, though, also issued a statement boasting of the high number of women and minorities that Clinton has appointed to the federal courts: ''The President's record of appointing women and minority judges is unmatched by any President in history. Almost half of President Clinton's judicial appointees have been women or minorities.'' The Senate, obviously, confirmed this record number of women and minorities. That is hardly evidence of systemic bias—or any bias at all.

Last November, Senator JOSEPH BIDEN, former chairman of the Judiciary Committee, stated:

> There has been argumentation occasionally made . . . that [the Judiciary] Committee . . . has been reluctant to move on certain people based upon gender or ethnicity or race. . . . [T]here is absolutely no distinction made [on these grounds]. . . . [W]hether or not [a nominee moves] has not a single thing to do with gender or race. . . . I realize I will get political heat for saying that, but it happens to be true.

I personally appreciated Senator BIDEN's comments on that, while others were trying to play politics with these issues. He knows how difficult it is under the circumstances to please both sides on these matters. The chairman takes pain from both sides on these matters. There is no question there are some on our side who have wanted to slow down this process, and others on the other side have wanted to speed up the process. The important thing is that we do a good process. That is what we have tried to do.

The statistics confirm Senator BIDEN's position. Data comparing the median time required for Senate action on male versus female and minority versus non-minority nominees shows only minor differences. During President Bush's final two years in office, the Democrat-controlled Senate took 16 days longer to confirm female nominees compared with males. This differential decreased to only 4 days when Republicans gained control of the Senate in 1994. During the subsequent 105th and 106th Congresses, it increased.

The data concerning minority nominees likewise shows no clear trend. When Republicans gained control in 1994, it took 28 days longer to confirm minority nominees as compared to non-minority nominees. This difference decreased markedly during the 105th Congress so that minorities were confirmed 10 days faster than non-minorities. The present 106th Congress is taking only 11 days longer to confirm a minority nominees than it is to confirm non-minority nominees.

These minor differences are a matter of happenstance. They show no clear trend. And even if there were actual differences, a differential of a week or two is insignificant compared to the average time that it takes to select and confirm a nominee. On average, the Clinton White House spends an average of 315 days to select a nominee while the Senate requires an average of 144 days to confirm.

Under my stewardship, the Judiciary Committee has considered President Clinton's judicial nominees more carefully than the Democratic Senate did in 1993 and 1994. Some individuals confirmed by the Senate then likely would not clear the committee today. The Senate's power of advice and consent, after all, is not a rubber stamp.

But there is no evidence of bias or of a confirmation slowdown. Senate Democrats claim that Republicans have politicized the confirmation process. Republicans, though, have not levied false charges or used petty parliamentary games.

In conclusion, it always is the case that some nominations die at the end of the Congress. In 1992, when Democrats controlled the Senate, Congress adjourned without having acted on 53 Bush nominations. Currently there are only 38 Clinton nominations that are pending before the Judiciary Committee.

It is not the end of the line for nominees that do not get confirmed this year. Republican nominees who failed to get confirmed have bone on to great careers, both in public service and the private sector. Senator JEFF SESSIONS, Governor Frank Keating, Washington attorney John Roberts, and law professor Lillian BeVier are just a few examples. Lillian BeVier and a number of other women are prime examples of those who were denied the opportunity of being on the court for one reason or another back in those days.

I bitterly resent anybody trying to play politics with this issue. I stand ready to defend our position on the Judiciary Committee, and I look forward to confirming these last four nominees today. And, of course, once we have done that, we will have matched what was done back in 1994, when the President said we had a full judiciary, with a vacancy of 7.4 percent.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. It is my understanding that under the unanimous consent request, I have 10 minutes to speak.

The PRESIDING OFFICER. Correct.

Mr. DURBIN. Mr. President, I have spoken with the staff of Senator LEAHY and, if I go beyond 10 minutes, I ask that the additional time be taken from that allocated to Senator LEAHY.

I thank Senator HATCH for his leadership and friendship on the Senate Judiciary Committee. We have our differences. When I served on the committee, we had some profound differences, but I respect him very much, and I respect the job he does.

I thank Senator HATCH personally for the kind attention which he has given to the vacancies in my home State of

Illinois. I am happy to report that with the nomination and confirmation of Michael Reagan, we will have a full complement of Federal judges in our State, which will make the workload more manageable all across the State. So I thank Senator HATCH and also Senator FITZGERALD. We have been working for the last 2 years, on a very bipartisan basis, toward approving these nominees to have come before the Senate.

Before I address the nomination of Michael Reagan, I would like to address a larger issue which involves not only the Senate Judiciary Committee but the entire Senate, the Congress, and the people of this country because this week marks the opening of the Supreme Court's new term. It is a good moment to reflect on the role of the Supreme Court, its past, and its future.

This brief statement that I present to you represents some of the concerns I have about the Supreme Court, the role it is playing, and the impact of the Presidential election on the future of that Court.

One of the most interesting books ever written about America was written by a French tourist by the name of Alexis de Tocqueville. He came to the United States 165 years ago, traveling around different cities and making observations about this American character. This was a brand new nation. De Tocqueville wrote in his famous work his observations and took them back to Europe.

One might think that a book such as that would be lost in history. It turns out that de Tocqueville's observations were so impressive that 165 years later we still turn to this book, and I think it is nothing short of amazing that his observations turn out to be valid today. De Tocqueville made an observation about America and about all of the important political questions in our country which sooner or later turn out to be judicial questions. This wasn't a criticism. Quite the contrary. De Tocqueville admired the innovations in the American judiciary that granted the courts the independence and clarity of function that were found nowhere else in the world. De Tocqueville believed these observations would mean that America's judicial system would hear, and act on, the most important issues of the day. He couldn't have been more correct.

Think about the ''big issues''. The issues that the American people have cared about—argued about—most deeply. The issues that spark the most debate—and the most passion. Sooner or later, the battle over these issues comes before the highest court in the land. Slavery. Child labor. Worker safety. Monopolies. Unionization. Freedom of the press. Capital punishment. Segregation. Environmental protection. Voting rights. A woman's right to choose.

The battle always comes to the Supreme Court; always comes before the nine justices who are Constitutionally granted enormous responsibilities, and enormous power.

In just the past year, the Supreme Court has offered important rulings on abortion, school prayer, gay rights, aid to parochial schools, pornography, Miranda rights, violence against women, parental rights—just to name a few. Not all of these decisions have turned out as I would have hoped.

For instance, take the case of U.S. vs. Morrison. The Supreme Court struck down a provision of the Violence Against Women Act that gave victims of rape and domestic violence the right to sue their attackers in federal court. Congress passed this law to give women an additional means of pursuing justice when they are the victims of assault. We passed this law because the States themselves did not always adequately pursue rapists and assailants. And the States acknowledged this!

Thirty-six States had entered this suit on behalf of the woman who had been victimized. They wanted victims of violence against women to retain the right to bring their attackers to court. But the Supreme Court, in a narrow vote, decided otherwise. The vote . . . five to four.

But this close margin is not unusual on our highest court—it is becoming commonplace. Rarely has the Supreme Court been so narrowly divided for such a long period of time. The replacement of just one judge could drastically change the dynamic of the Court for decades to come.

Chief Justice Rehnquist and Justices Scalia and Thomas—the Court's most conservative members—tend to vote together on hot button social and political issues such as affirmative action and school prayer. Centrist conservatives, Justices O'Connor and Kennedy, usually join them. The dissent is often written by the more liberal justices—Stevens, Souter, Ginsberg and Breyer. Both Ginsberg and Breyer are Clinton appointments.

Many of the Supreme Courts decisions have been made on the basis of a single vote. Partial birth abortion—five to four. Age discrimination—five to four. Gay rights—five to four. Warantless police searches—five to four. The federal role in death penalty cases—five to four.

These are not mere academic cases. These are decisions that change people's lives. We all hope that the Supreme Court will act wisely and fairly. But we also all know—history and human nature tell us so—that this is not always the case.

We learned in school about the Dred Scott case. Mr. Scott had lived in my home state of Illinois—where slavery was banned—and sued for his freedom on the basis that he had already lived as a free man, and had the right to continue to do so. The Supreme Court infamously disagreed, finding that Mr. Scott was nothing more than property—''to be Used in Subserviency to the Interests, the Convenience, or the Will, of His Owner'', a man ''Without Social, Civil, or Political Rights.'' The decisions of the Supreme Court—and at times, the opinion of just one Justice—can make the difference between having, or losing, a cherished right.

Perhaps that is the reason that my colleague, the senior Senator from Utah, is of the opinion that a President's power to make nominations to the Supreme Court and to the federal bench is—and this is a quote—''. . .the single most important issue of this next election.''

I think he's right. The next President may have the opportunity to make two or three appointments to the Supreme Court. He may even appoint the next Chief Justice.

In the first two hundred years since the signing of the Constitution, the Supreme Court invalidated 128 laws that had been passed by Congress. About one law every two years, on average. Since 1995, however, the Court has struck down 21 laws, more than four per year. This is an unprecedented assertion of judicial power.

Will the next President try to use the appointment process to further shift the balance of power between the branches of government?

Will the next President of the United States use a litmus test to ''pack'' the Supreme Court with Justices—Justices whose minds were already made up on important issues?

That is what the far right, members of the Federalist Society, want. They want to turn back the hands of the clock.

So I'm inclined to agree with the distinguished Senator from Utah. This is, indeed, one of the most important issues of the Presidential campaign.

Imagine a Supreme Court with three Antonin Scalia's—three Clarence Thomases—three radically conservative Justices bent on greatly restricting the authority of the federal government. The philosophical balance of the Court would shift dramatically. One by one the protections that have been built up over the past thirty five years could fall.

If you read the history of the Supreme Court, you will note that up until the time Franklin Roosevelt was President, it was an extremely conservative and somewhat lackluster Court. The Court started to change during Roosevelt's Presidency, and beyond. Republican and Democratic Presidents thereafter appointed more activist judges who looked at the problems facing America. One by one, the protections which we built up over that period of time would be in jeopardy.

Protection of the rights of minorities, women, and the handicapped; protection of voting rights, civil rights, worker rights, reproductive rights; protection of the environment; protection from gun violence; and protection of our fundamental freedoms as Americans. One by one, a different court could challenge each of these protections.

No longer could the federal government require background checks for gun purchases, rein in polluters, or protect the persecuted.

I hope all Americans will give some thought to the type of Supreme Court they feel can best serve the American people. I hope they give it some thought before they go out and vote in November.

In addition to who will be appointed, it's also critical to realize who is not being appointed.

More than any previous president, President Clinton has succeeded in diversifying the bench. Nevertheless, women and minorities are still underrepresented in our Federal courts. It isn't as if some Members of Congress have not tried to address this disparity. But as hard as we try to diversify the bench, we have not been able to produce the record of success that we would like to show.

I wonder how one of the great Justices ever to serve on the Supreme Court, Justice Thurgood Marshall, would have reflected on the treatment of a nominee, Ronnie White for the Federal District Court in Missouri. He is a member of Missouri Supreme Court. He is African American. He was judged qualified and reported by the Senate Judiciary Committee. Then he was rejected on the Senate floor by a party-line vote. Some labeled him a ''judicial activist.'' They produced some excuses or reasons for not confirming him, and he was defeated—one of the few times in modern memory that a judge made it to the floor and lost on a recorded vote.

I wonder how Justice Thurgood Marshall, the first black Justice appointed to the Supreme Court 33 years ago, would observe and reflect on what happened to Ronnie White.

I think Justice Marshall would have viewed the current state of judicial nominations differently than the Federalist Society. This conservative group has over 25,000 members plus scores of affiliates, including former Independent Counsel Kenneth Starr; Supreme Court Justices Thomas and Scalia; and University of Chicago's Richard Epstein and Frank Easterbrook, also a federal appellate judge.

And their numbers are growing. The Federalist Society has chapters in 140 out of the 182 accredited law schools. The campus chapter at the University of Illinois College of Law is very active.

I don't have to tell you about the Society's ''originalist'' approach to the Constitution. Justice Scalia's and Justice Thomas's opinions clearly reflect their point of view.

I don't have to tell you the Federalist Society has been instrumental in influencing the law. They have helped to weaken or rolled back statutes on civil rights and affirmative action; voting rights; women's right's and abortion rights; workers' rights; prisoners' rights; and the rights of consumers, the handicapped and the elderly.

Martin Luther King., Jr., once said, ''The moment is always right to do what is right.''

I think the moment is right to hold the tobacco industry responsible for the costs incurred by the federal government for the medical treatment of individuals made ill by their deadly products.

I think the moment is right to hold the gun industry accountable for the irresponsible design, manufacture, distribution and marketing of their lethal weapons.

The moment is right to ensure that HMOs and health insurance companies can be held accountable for their wrongdoing that results in the injury or death of American citizens.

The moment may be right to elect a President who will appoint Justices who reflect that point of view and will protect our civil liberties.

I think the moment is right to remove barriers to the bench so that every citizen—whether man, woman, or whatever ethnic, racial, or religious background—can be adequately represented on our court.

I will say a word on behalf of my nominee who is before the Senate, Michael Reagan, the judicial nominee for the U.S. District Court for the Southern District of Illinois. Senator FITZGERALD and I reached an agreement about the selection of these nominees. Michael Reagan is the product of this agreement.

Michael Reagan possesses all the qualities necessary to make a tremendous contribution to the federal bench.

He has strong bipartisan support, as well as, the support of several respected judges, leaders, and organizations including: the National Sheriffs' Association; the Honorable Moses Harrison II, Chief Justice, Illinois Supreme Court; The Most Reverend Wilton D. Gregory, Bishop of the Diocese of Belleville; the Illinois Federation of Teachers; and the Illinois Pharmacists Association.

They have all written letters supporting Michael Reagan's nomination to fill the Southern District of Illinois' judicial vacancy.

Michael Reagan is a full-time public servant who wears several hats. In addition to his private practice, Mr. Reagan serves as a Commissioner of the Attorney Registration and Disciplinary Commission of the Supreme Court of Illinois. Mr. Reagan has held this position since 1995 and is responsible for supervising the attorney registration and disciplinary system in Illinois, a very important assignment.

In addition, Mr. Reagan serves as Assistant Public Defender in St. Clair County, Illinois. In this capacity, he represents indigent criminal defendants charged with major felonies. Mr. Reagan has served as an Assistant Public Defender since 1996.

Mr. Reagan also serves as an Honorary Deputy Sheriff in St. Clair, a fully commissioned law enforcement position that he has held for the past three years. His background as a police officer certainly qualified him in that capacity. As an Honorary Deputy Sheriff, Mr. Reagan has full arrest powers and is subject to be called to duty in the event of an emergency.

Mr. Reagan began his career in public service as a police officer after graduating with a Bachelor's of Science degree from Bradley University in 1976, his law degree from St. Louis University in 1980.

Although Mr. Reagan holds many notable positions, the most important roles he plays are that of husband and father. Mr. Reagan has been married to Elaine Catherine Edgar since 1976. They have four boys. I have met them all; they are great kids.

The Reagans will soon be celebrating their 25th anniversary. It is a great family.

I am pleased that the Senate will have this opportunity to vote for Michael Reagan. He possesses a rare combination of intelligence, practical experience, temperament, and devotion to public service that makes for a great Federal judge. I look forward to his service on the Federal bench.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, I join my distinguished colleagues to express my outrage at the treatment of judicial nominees this year. I do so with the same preface as my distinguished friend from Illinois, in saying that I have a good working and personal relationship with the chairman of the committee, but the failure to confirm the nominees at this time is an outrage.

I would like to focus my remarks on our efforts to fill one of the vacancies on the Fourth Circuit Court of Appeals.

The Fourth Circuit Court of Appeals has fifteen seats. Five of those seats are currently vacant.

We have one seat on the Fourth Circuit Court of Appeals that has been vacant for a decade—longer than any other vacancy in the nation.

Filling this vacancy has been deemed a ''judicial emergency'' by the U.S. Judicial Conference.

On June 30, the President of the United States nominated Roger Gregory, a distinguished lawyer from Virginia, to fill this vacancy. Mr. Gregory graduated summa cum laude from Virginia State University and received his J.D. from the University of Michigan. He has an extensive federal practice, is an accomplished attorney, and was described by Commonwealth Magazine as one of Virginia's ''Top 25 Best and Brightest.'' And he has bipartisan support. Senators JOHN WARNER and ARLEN SPECTER have also written to the Judiciary Committee to seek a hearing for Mr. Gregory.

Despite the well-documented need for another judge on this court, and despite Mr. Gregory's stellar qualifications, the Judiciary Committee has

stubbornly refused to even grant Mr. Gregory the courtesy of a hearing. In failing to provide Mr. Gregory with a hearing, the Judiciary Committee is abdicating its Constitutional responsibility and is effectively standing in the courthouse door to block this nomination.

Article II of the United States Constitution makes clear that the President is to nominate and the Senate is to provide advice and consent on the nomination. It is difficult for the Senate to provide advice or give its consent if it won't even allow the nominee to be heard. Many excuses have been offered for why this nominee won't be granted a hearing. One convenient excuse is that this is a presidential election year.

There is nothing in Article II of the United States Constitution, however, that suspends its provisions every four years. We have a constitutional obligation to render our advice and, if appropriate, grant our consent or, if not appropriate, decline to grant our consent. But we cannot just throw up our hands and declare that this provision of the Constitution is rendered meaningless during presidential election years.

The supposed logic that underlies this excuse is that the nominee may not reflect the judicial philosophy of the next Administration. But how can we even question the nominee's judicial philosophy if we never hear from him. So even this excuse argues in favor of granting the nominee a hearing.

The most recent excuse for failing to act on Mr. Gregory's nomination is that five years ago a gentleman from North Carolina was nominated for this seat, and so the argument goes this seat now ''belongs'' to North Carolina. But five years before that, when this seat and three others were created, a Virginian was arguably nominated to fill this seat—but the Senate only acted to fill the other three seats and this one has been vacant ever since.

More importantly, however, seats on Courts of Appeal don't ''belong'' to any state. As I have already noted, there are only ten judges currently sitting in the Fourth Circuit. Four of these ten judges are filling seats that were previously filled by a candidate judge and then from another state. Finally, it's a little hard for the senior Senator from North Carolina to complain that the seat belongs to North Carolina when he is the one who has been blocking a North Carolinian from filling the seat.

Rather than hide behind excuses, the Senate Judiciary Committee ought to seize the opportunity to right a historical wrong. The Fourth Circuit Court of Appeals has the largest percentage of African-Americans in the nation. Yet, the Fourth Circuit has never been integrated. In fact, it is the only Circuit in the country that has never in history had minority representation. If we were to confirm Roger Gregory—who is African-American—we could knock down yet another barrier that has existed for far too long.

In my view, courts should better reflect the people over whom they pass judgment. We still have time, if only we have the will to act. In 1992, when there was a Republican in the White House and the Democrats ran the Senate, we confirmed 6 Circuit Court judges later than July: 3 in August 2, in September 1, in October. In fact, its instructive to look at the one nominee who was confirmed in October of 1992. Timothy K. Lewis was nominated to the Third Circuit Court of Appeals on September 17. The Judiciary Committee gave him a hearing on September 24. He was reported out of the Judiciary Committee on October 7, and confirmed by the Senate on October 8.

Roger Gregory is an outstanding nominee. Rather than standing in the courthouse door, we ought to throw the door open and desegregate the Fourth Circuit. We ought to end this judicial and moral emergency and we ought to do it now.

Mr. President, I yield the floor and reserve any time remaining for those covered under the unanimous consent order.

The PRESIDING OFFICER (Mr. ENZI). The Chair, in his capacity as a Senator from Wyoming, suggests the absence of a quorum with time to be allocated equally between the sides.

Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. 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. LEVIN. Mr. President, the Senate today will vote on the confirmation of a number of judicial nominees. I not only have no problem with that, I very much favor it. These nominees deserve a vote. The districts in which they will serve surely deserve to have their nominations acted upon. I believe the Nation, as a whole, deserves to have these nominees, and other nominees awaiting hearings and votes acted on by this Senate as well.

The Judiciary Committee held hearings for three of the nominees and approved those nominations less than a week after the nominations were received. Other nominees wait in vain for years just for a hearing. That strikes me as being an arbitrary and inexplicable system, unfair to nominees awaiting hearings, awaiting votes, and unfair to the districts or the circuits in which they would serve if confirmed. I believe it is also unfair—perhaps this is most important of all—to the people who await justice in their courts.

Two Michigan nominees to the Sixth Circuit have been waiting unsuccessfully for a hearing for more than 3½ years and 1 year respectively. Two women, highly qualified, nominated from Michigan for the Sixth Circuit where there is a severe shortage of judges and an enormous caseload that sits there pending, while they have been waiting for more than 3½ years and 1 year respectively.

Judge Helene White, who is a court of appeals judge in Michigan, was first nominated in January of 1997. Her nomination to the Sixth Circuit Court of Appeals has never been acted upon. She has never been granted a hearing.

Kathleen McCree Lewis was nominated to the Sixth Circuit over a year ago. It has been pending before the Judiciary Committee for over a year. No hearing, no action.

These are two judicial nominees from my home State of Michigan. Despite there being no objection that I know of to their nominations, and in the absence of any explanation whatsoever, they have been kept in limbo without even a hearing for 3½ years and 1 year respectively. I believe that is truly unconscionable. In the history of the Senate, no nominee has waited as long as Judge White for a confirmation hearing. The seat that she has been nominated for has been vacant for 5½ years. It is considered a ''judicial emergency'' by the Judicial Conference of the United States.

There is no apparent reason for the denial of hearings for these two nominees. No one has questioned their qualifications for the bench. No one that I know of objects to their candidacies. It is well known Judge White and Ms. Lewis are both talented, hard-working nominees.

Each are highly respected for their records which show them to be women of integrity and fairness. Judge White has had a distinguished career. She was a trial judge for 10 years on the Wayne County Circuit Court bench and in 1992 was elected to the Michigan Court of Appeals where she has served ever since. She also serves on the board of directors of the Michigan Legal Services and the board of governors of the American Jewish Committee.

Kathleen McCree Lewis is a distinguished appellate practitioner at the Detroit law firm of Dykema Gossett, one of the most prestigious law firms in our State. She also served as a commissioner on the Detroit Civil Service Commission and on the Civic Center Commission. She has argued dozens of cases and is a respected appellate lawyer in the very circuit to which she has been nominated. She also happens to be the daughter of the late Wade McCree, a highly respected judge who served on the Sixth Circuit, and was a former Solicitor General of the United States. If confirmed, Kathleen McCree Lewis will be the first African American woman ever to serve on the Sixth Circuit.

Gov. George Bush has said that the Senate should act on nominees within 60 days. That deadline passed years ago for Judge White and for Kathleen McCree Lewis. According to Governor Bush:

> The Constitution empowers the President to nominate officers of the United States, with the advice and consent of the Senate.

Then he said:

> That is clear-cut, straightforward language. It does not empower anyone to turn

the process into a protracted ordeal of unreasonable delay and unrelenting investigation.

To keep these nominees pending for so long without hearings is unfair to the nominees, particularly where there is no known objection and where there is no explanation for the refusal to grant hearings.

Even more important, it is unfair to the citizens served by the court. There is a large backlog of cases in the Sixth Circuit which is a serious concern for not just Michigan but for all the States that are served by that court. Over one-fourth of the judgeships on the Sixth Circuit are currently vacant, and that is among the highest vacancy rate of any circuit court in the country.

Judge Gilbert Merritt, who recently served as chief judge of the Sixth Circuit, wrote in a March 20 letter to Chairman HATCH: The court is ''hurting badly and will not be able to keep up with its workload due to the fact that the Senate Judiciary Committee has acted on none of the nominations to our court.''

Judge Merritt went on to say the following—and this is the former chief judge who still sits on the court. This is what Judge Merritt said:

Our court should not be treated in this fashion. The public's business should not be treated this way. The litigants in the Federal courts should not be treated this way. The remaining judges on a court should not be treated this way. The situation in our court is rapidly deteriorating due to the fact that 25 percent of the judgeships are vacant. Each active judge of our court is now participating in deciding more than 550 cases a year—a caseload that is excessive by any standard. In addition, we will have almost 200 death penalty cases that will be facing us before the end of the next year.

The Founding Fathers certainly intended the Senate ''advise'' as to judicial nominations, i.e., consider, debate and vote up or down. They surely did not intend that the Senate, for partisan or factional reasons, would remain silent and simply refuse to give any advice or consider any vote at all, thereby leaving the courts in limbo, understaffed and unable to properly carry out their responsibilities for years.

That is Judge Merritt's letter. In addition to that, the Judiciary Committee chairman, Senator HATCH, received a letter from 14 former presidents of the State bar of Michigan. These include, by the way, Democrats and Republicans. That letter pleads for action relative to the situation on the Sixth Circuit.

The Michigan bar presidents wrote in their letter to Senator HATCH that the state of affairs on the Sixth Circuit has ''serious adverse effects on the bar and the administration of justice for our clients. We urge you to promptly schedule hearings for, and to pass to the Senate floor for a vote, the nominations of Judge Helene White and Kathleen McCree Lewis.''

In the last few months, there have also been several articles and editorials in papers around Michigan calling on the Senate to confirm the court of appeals nominees for Michigan.

An editorial in the Detroit Free Press said:

The Senate's delay in considering President Clinton's nominations to the [Sixth Circuit] court is unfair to Michigan, to the nominees, and to anyone whose future might be affected by a decision of this court.

An editorial in the Observer and Eccentric newspapers urged the Judiciary Committee and its members to ''give two thoughtful and well-respected Michigan lawyers the courtesy of timely hearings on their nominations to the Federal judiciary that is currently hamstrung in carrying out its work.''

An editorial in the Detroit News described the failure to act on Sixth Circuit nominees as ''the sort of die-hard intransigence that should be out of bounds.''

And a Jewish News editorial called the stall a ''travesty of justice.''

If Senators have concerns about something in the records of these Michigan candidates—and no one has raised anything to that effect—then Senators should air their concerns in a committee hearing and then let the committee vote. It is unfair to Michigan, it is unfair to the citizens who use this court to keep these judicial nominees endlessly in limbo, despite the absence of any objection that I know of to their nominations and with no explanation forthcoming whatsoever.

A number of us have spent many hours over the last few years trying to get hearings for these Sixth Circuit Court of Appeals nominees from Michigan, and yet two well-qualified candidates, each deserving a hearing and a Senate vote, have been left in limbo with no explanation, no stated objection.

What we are doing today in approving these four nominees, it seems to me, is surely our function, totally appropriate, and I believe and hope the nominees will be confirmed.

As we do this, we should also focus on nominees pending in the Judiciary Committee, awaiting hearings or awaiting a vote by the committee after a hearing, who are left there no matter how long they have been waiting, sometimes, again, years in the case of Helene White and Barry Goode. We have others who have been waiting since April of last year, June of last year, August of last year, September of last year. I think we can do better than that. We should rise above that kind of nonaction on the part of our Judiciary Committee.

No plea from me or from others who have worked with me on these nominations has produced hearings, despite the editorials, despite the letters from the bar associations and from Judge Merritt. Despite all these efforts, we have received just silence and statements about waiting a little longer or ''we'll see'' or ''we'll try.''

We should be better than that. The Constitution wants us to be better than that. I will vote to confirm these nominees whose nominations, in many cases, were sent to the Senate, heard by the Judiciary Committee, and approved by the Judiciary Committee in less than a week. At the same time, I will be thinking of the vacancies that exist on the Sixth Circuit Court of Appeals that have remained unfilled for years, where there is a judicial emergency, an enormous backlog, and where, despite all the pleas from the bar association, the Sixth Circuit, from indeed the Chief Justice of the United States, to vote on confirmations, we have these two well-qualified women from Michigan sitting there, awaiting a hearing, endlessly in limbo, nothing but silence, no explanation as to why their hearings are refused, no objection being noted or stated to their nominations, only two well-qualified women left in limbo and in silence.

We can do better. We should do better. I hope we find a way some day to do better.

I ask unanimous consent to print in the RECORD the following letters and editorials.

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

U.S. COURT OF APPEALS
FOR THE SIXTH CIRCUIT,
Nashville, TN, March 20, 2000.

Re: Vacancies on the Sixth Circuit Court of Appeals

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH: Several years ago during the period that I was Chairman of the Executive Committee of the United States Judicial Conference, we met from time to time, and you were always concerned that the Senate Judiciary Committee do its duty in filling the vacancies on the various Courts of Appeals. I write now to you to request that the Judiciary Committee bring up for a hearing and a vote nominations to the Sixth Circuit Court of Appeals.

I was taken aback to see an alleged statement of Senator Mike DeWine from Ohio that no vote would be taken for a nomination to fill the vacancy currently existing from Ohio. Senator DeWine was quoted as saying that due to partisan considerations there would be no more hearings or votes on vacancies for the Sixth Circuit Court of Appeals. I hope that this was not an accurate quote.

The Sixth Circuit Court of Appeals now has four vacancies. Twenty-five per cent of the seats on the Sixth Circuit are vacant. The Court is hurting badly and will not be able to keep up with its work load due to the fact that the Senate Judiciary Committee has acted on none of the nominations to our Court. One of the vacancies is five years old and no vote has ever been taken. One is two years old. We have lost many years of judge time because of the vacancies.

By the time the next President is inaugurated, there will be six vacancies on the Court of Appeals. Almost half of the Court will be vacant and will remain so for most of 2001 due to the exigencies of the nomination process. Although the President has nominated candidates, the Senate has refused to take a vote on any of them.

Our Court should not be treated in this fashion. The public's business should not be treated this way. The litigants in the federal courts should not be treated this way. The remaining judges on a court should not be treated this way. The situation in our Court is rapidly deteriorating due to the fact that 25% of the judgeships are vacant. Each active judge of our Court is now participating

in deciding more than 550 cases a year—a case load that is excessive by any standard. In addition, we have almost 200 death penalty cases that will be facing us before the end of next year. I presently have six pending before me right now and many more in the pipeline. Although the death cases are very time consuming (the records often run to 5000 pages), we are under very short deadlines imposed by Congress for acting on these cases. Under present circumstances, we will be unable to meet these deadlines. Unlike the Supreme Court, we have no discretionary jurisdiction and must hear every case.

The Founding Fathers certainly intended that the Senate ''advise'' as to judicial nominations, i.e., consider, debate and vote up or down. They surely did not intend that the Senate, for partisan or factional reasons, would remain silent and simply refuse to give any advice or consider and vote at all, thereby leaving the courts in limbo, understaffed and unable properly to carry out their responsibilities for years.

You and other members of the Senate have appeared before the Judicial Conference and other judges' groups many times and said that you care about the federal courts. I hope that you will now act to help us on the Sixth Circuit Court of Appeals. We need your help and the help of the two Senators from Ohio, the two Senators from Tennessee, the two Senators from Kentucky, and the Senators from Michigan.

Sincerely,

GILBERT S. MERRITT.

JULY 7, 2000.

Re: Vacancies on the Sixth Circuit Court of Appeals.

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.
Hon. PATRICK LEAHY,
U.S. Senate,
Washington, DC.

DEAR SENATORS HATCH AND LEAHY: Recently, the former and current presidents of the Ohio State Bar wrote Senators DeWine and Voinovich a letter expressing their deep concern over the present situation in the Court of Appeals for the Sixth Circuit. With four of the sixteen seats vacant, the circuit is in a state of judiciary emergency. Former Chief Judge Gilbert Merritt has said:

''Our Court should not be treated in this fashion. The public's business should not be treated this way. The litigants in the federal courts should not be treated this way. The remaining judges on a court should not be treated this way.

* * * * *

''The Founding Fathers certainly intended that the Senate ''advise'' as to judicial nominations, i.e., consider, debate and vote up or down. They surely did not intend that the Senate, for partisan or factional reasons, would remain silent and simply refuse to give any advice or consider and vote at all, thereby leaving the courts in limbo, understaffed and unable to properly to carry out their responsibilities for years.''

Chief Justice Rehnquist has expressed the same sentiments.

Presently three Michigan seats remain open. The President has made two nominations. Judge Helene White was nominated in January 1997, and is the longest pending nominee without a hearing by over a year; Kathleen McCree Lewis was nominated in September, 1999. Senator Abraham returned the ''blue slips'' for the nominees in April. Joe Davis, a spokesman for Senator Abraham, was quoted as saying that Senator Abraham wants hearings for these nominees to take place. Still, no hearings have been scheduled.

As former Michigan Bar Presidents, we agree with our Ohio colleagues that the situation has serious adverse affects on the bar and the administration of justice for our clients. We urge you to promptly schedule hearings for, and to pass to the Senate floor for a vote, the nominations of Judge Helene White and Kathleen McCree Lewis.

Respectfully,

Honorable Victoria A. Roberts (1996–1997); Honorable Dennis W. Archer (1984–1985); John A. Krsul (1982–1983); George T. Roumell, Jr. (1918–1986); William G. Reamon (1976–1977); Joseph L. Hardig, Jr. (1977–1978); Eugene D. Mossner (1987–1988); Donald Reisig (1988–1989); Robert B. Webster (1989–1990); Fred L. Woodworth (1991–1992); George A. Googasian (1992–1993); Jon R. Muth (1994–1995); Thomas G. Kienbaum (1995–1996); and Edmund M. Brady, Jr. (1997–1998).

[From the Detroit Free Press, May 2, 2000]

JUDGES ON HOLD: SENATE HURTS JUSTICE BY DELAYING CONFIRMATIONS

The 6th Circuit Court of Appeals now has four vacancies. Twenty-five percent of the seats . . . are vacant. The court is hurting badly and will not be able to keep up with its workload due to the fact that the Senate Judiciary Committee has acted on none of the nominations to our court.''

Those were the words of Judge Gilbert Merritt, former chief judge of the Cincinnati-based circuit, in a letter last month to Senate Judiciary Chairman Orrin Hatch, R-Utah, and eight other senators—including Senates Carl Levin and Spencer Abraham of Michigan, one of eight states covered by the circuit.

Merritt should not be alone in his outrage. The Senate's delay in considering President Bill Clinton's nominations to the court is unfair to Michigan, to the nominees, and to anyone whose future might be affected by a decision of this court.

The judicial confirmation process has bogged down in mean-spirited, petty partisan wrangling between Democrat Clinton and the Republican-controlled Senate, which seems determined to wait out the lame duck and let his nominations wither.

It's not just the 6th Circuit, either. According to the Senate Judiciary Committee, there are 78 vacancies and 10 future vacancies in the federal judiciary. Only seven judges have been confirmed this year. Six nominees are pending on the Senate floor, 39 in committee, one nominee has withdrawn.

The 6th Circuit vacancies are for seats vacated by Judges Damon J. Keith and Cornelia Kennedy. Michigan Appeals Court Judge Helene White was nominated in January 1997 to fill the Keith vacancy. She has never had even a hearing. Nominee Kathleen McCree Lewis has been waiting since September 1999.

This is a disgrace that did not have to happen. Abraham sits on the Judiciary Committee and could move these along. Instead, he stalled consideration for three years, claiming the Clinton administration blindsided him with the White nomination.

It's hard to fathom what that has to do with the efficient, effective administration of justice in reasonable time, with the best interests of citizens in Michigan.

The federal court system should not be treated this way. Neither should the judges who seek to serve it, nor the citizens it is supposed to serve.

[From the Michigan Press, June 25, 2000]

IS THE GOP PLAYING POLITICS WITH JUDICIAL APPOINTMENTS?

(By Phil Power)

''The presidential appointments process now verges on complete collapse.'' So concludes Paul C. Light, of the Brookings Institution (usually a liberal Washington think tank) and Virginia L. Thomas, of the Heritage Foundation (usually conservative) in a study of the experiences of 435 cabinet and sub-cabinet officials who served in the Reagan, Bush and Clinton administrations.

Some found treatment by the White House appointments people ''an ordeal.''

Others—35 percent of Reagan administration appointees and 57 percent of Clinton's nominees—were held hostage to the politics of the U.S. Senate in waiting for confirmation hearings.

That's one reason a lot of talented people are not about to consider appointment to top government positions.

A perfect instance of this general problem concerns the nominations of two Michigan lawyers to fill vacancies on the U.S. Sixth Circuit Court of Appeals that have been twisting slowly in the wind of the U.S. Senate for far too long.

Helene White is presently a member of the Michigan Court of Appeals; nominated by President Clinton in January 1997, Judge White has yet to receive a hearing from the Senate Judiciary Committee. Kathleen McCree Lewis, the daughter of former U.S. Solicitor General Wade McCree, is a partner in the Dykema Gossett law firm in Detroit; her nomination has been pending before the Judiciary Committee since September, 1999.

The Sixth Circuit is authorized to have 16 judges. Currently, the Court has four vacancies, one of which goes back for five years. For the Court to operate at 75 percent efficiency means long delays to the litigants and enormous workloads for the remaining judges (each of whom now has a caseload of 550 cases each year). Authorities now consider the number of vacancies in the federal court system to constitute a ''judicial emergency.''

What's going on here?

Michigan's Senator Carl Levin, a Democrat and a minority member of the Judiciary Committee, says it's because Republicans in the Senate, hoping to win the presidency this fall, have decided to hold up judicial nominations from the Clinton White House.

As evidence, he produces a table showing that while the Democrats controlled the Senate during the Bush Administration, a total of 66 federal judges were confirmed.

However, when the GOP ran the Senate during the first term of the Clinton Administration, 17 judges were confirmed.

So far in Clinton's second term, the Senate has confirmed only seven judges, with a total of 33 judicial nominees hanging fire before the Judiciary Committee without any hearings scheduled on their nominations. There are at present 81 vacancies in the federal judiciary.

Michigan's other Senator, Spencer Abraham, is also a member of the Judiciary Committee, but as a Republican his party controls the committee.

I asked Joe Davis, a spokesman for Senator Abraham, how come it's taken three and a half years (in the case of Judge White) and eight months (in the case of lawyer Lewis) just to get the committee to hold hearings on their nominations.

According to Davis, ''Senator Abraham does not know whether or when hearings will take place. He wants them to take place, though.''

That's nice. Frankly, I suspect if Senator Abraham really wanted the Judiciary Committee to hold hearings on these nominations, he'd find a way to do it PDQ.

A member of the Sixth Circuit, Judge Gilbert S. Merit, wrote in March a letter to Senate Judiciary Chairman Orrin Hatch: ''The Founding Fathers certainly intended that the Senate 'advise' as to judicial nominations, i.e., consider, debate and vote up or down.

They surely did not intend that the Senate, for partisan or factional reasons, would remain silent and simply refuse to give any advice or consider and vote at all, thereby leaving the courts in limbo, under-staffed and unable properly to carry out their responsibilities for years.''

Senator Abraham is running for reelection this fall.

He is stressing his performance as an effective senator in his campaign. Somebody should ask him why he can't get his committee to give two able, thoughtful and well respected Michigan lawyers the courtesy of timely hearings on their nominations to the federal judiciary that is currently hamstrung in carrying out its work.

[From the Detroit News, August 13, 2000]

GET JUDGES OUT OF LIMBO

Michigan Court of Appeals Judge Helene White got the welcome word that she had been appointed to the federal bench in January 1997.

That was 43 months, or more than 1,300 days ago. She is still waiting to be approved by the U.S. Senate and take her seat with the Sixth Circuit appeals court in Cincinnati, which covers Michigan and several other states. She now has the distinction of being the longest-delayed judicial nominee in American history.

Judge White has been caught in the crossfire between President Bill Clinton and the Republican Senate leadership. So has Detroit attorney Kathleen McRee Lewis, whose nomination to the same court has been held up for nine months.

The Senate is angry, and justifiably so, at the president for deliberately bypassing the confirmation process and appointing Bill Lann Lee head of the civil rights division of the Justice Department. President Clinton knew that Mr. Lee did not stand a chance of being confirmed because of the his record in backing racial quotas.

Mr. Clinton got around it by the semi-devious route of making a recess appointment. This has infuriated Senate Majority Leader Trent Lott. In retaliation, he is holding up 37 judicial appointments.

This is exactly the sort of bitter political obstruction that Texas Gov. George W. Bush pledged to end in his convention acceptance speech last week.

''I don't have enemies to fight,'' he said. ''I want to change the tone in Washington to one of civility and respect.''

Senate Republicans should listen to their party's nominee. While their anger is understandable. It is the courts, and by extension those who use the federal courts, who are punished because of the resulting shortage of judges.

Sen. Lott hasn't even scheduled hearings for these nominations. And the clock is ticking. If no action is taken by Oct. 6, when the Senate adjourns, the nominations will die.

U.S. Sen. Spencer Abraham, the Michigan Republican, initially supported the stall by withholding his approval of the nominations on the grounds that he was not properly consulted by the White House. But he has since been mollified, and he has given his go-ahead. His staff says, however, that he will not push for hearings, which would be within his power as a member of the Judiciary Committee. That is for the Democratic nominators to do, his staff argues.

Every nominee deserves, at the least, a hearing within a reasonable time frame. Mr. Bush has specifically suggested 60 days.

Certainly, there is ample room for disagreement when the legislative and executive branches of government are in the hands of different parties. But Mr. Lott's pique has outlived any reasonable purpose. [It is the sort of die-hard intransigence that should be out of bounds.]

Mr. LEVIN. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the time will be equally divided. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. 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. HARKIN. Mr. President, parliamentary inquiry: I understand this Senator has 30 minutes?

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. I thank the Chair.

Mr. President, I will support consideration by the Senate of these nominations to fill district judge vacancies in Arizona and Illinois because we are entering a critical stage in the rising number of judicial vacancies in our Federal courts. However, in addition to the district vacancies, there are 22 vacancies in our Federal appeals courts, and pending before the Judiciary Committee are several appeals court nominations who are more than qualified to fill those positions. That, of course, includes a constituent of mine, Bonnie J. Campbell, former attorney general of the State of Iowa and presently the head of the Department of Justice Office of Violence Against Women. Her nomination is for the Eighth Circuit U.S. Court of Appeals.

These positions should be filled with qualified individuals as soon as possible. I urge the Republican leadership to take the steps necessary to allow the full Senate to vote up or down on these important nominations.

Basically what I have been hearing from the other side of the aisle, the Republican leadership, is: This is an election year. Why allow circuit nominees a vote on the floor? Hold it up. Maybe Governor Bush will win the election and we will control the Senate and the House, and we can have a whole new batch of appointees next year.

That attitude led me to take a look at the history of our judicial nominations. Let's go back to a time when there was a mirror image of what we have here, when there was a Republican President in the White House and a Democratic majority in the Senate. That year would be 1992. That year, then-President George Bush nominated fourteen circuit court judges. From July through October, the Democrat-controlled Senate confirmed nine of those judges. This year, a Democratic President nominated seven circuit court judges but with a Republican-controlled Senate, only one of these nominees has been confirmed. We have several pending, but we see no action. Time is running out. Basically what I have been told is, it is over with. They are not going to report any more of these nominees out for circuit courts.

I have also heard the argument that Bonnie Campbell was not nominated until this year so we shouldn't expect this nominee to go through. Let's take a look at what I am talking about with these charts. This is kind of a busy looking chart, but these are the circuit judges nominated in 1992 by then-President George Bush. These were all nominated in 1992. There were 14 nominated. There were 9 who had hearings, 9 who were referred, and 9 who were confirmed, 9 out of 14 who were nominated that year.

There was one nominee—Timothy Lewis—who was nominated in September of 1992, had his hearing in September of 1992, was referred in October of 1992, and confirmed in October of 1992. If the attitude that prevails among the Republican leadership today had prevailed in the Democrat-controlled Senate in 1992, we would not have confirmed anyone after July. This year, we have had none since July.

In 1992, we had two in September, two in August, and one in October, despite the fact that it too was late in an election year. This year we have only had one.

It is clear who is playing politics with judgeships. The Republican leadership of the Senate is playing the most baldfaced politics. It is not alleged that these nominees are not qualified. It is simply that they were nominated by a Democratic President. That is all. I have not heard one person on the Republican side tell me that Bonnie Campbell is not qualified to be a circuit court judge.

Some people on the other side may have some differences with her on some of her views. I understand that. I have had differences of view with judges I have voted to confirm. Why? Because I thought they were qualified.

I thought that if the President nominated them, they had a fair hearing, and they were reported out, my only decision was whether or not they were qualified—not whether they were ideologically opposed to me or to how I feel or what I believe. It has been my observation over the last quarter century that oftentimes when judges who have more of a liberal bent get appointed to the court, in many cases they come down on the more conservative side of cases. And I have seen conservative judges appointed to the court come down on the liberal side of cases. You never really know how this will come out, but you know whether or not people are legitimately qualified to serve on the bench.

So the arguments made that Bonnie Campbell wasn't nominated until this year—well, as I said, in 1992, we had nine circuit court judges confirmed that were nominated in that year. A couple of these were quite controversial. This year, we have had one confirmed. We have six more pending for the circuit courts. I know my colleague

from Vermont, who is ranking member on the Judiciary Committee, stated this last week that when a majority in the Senate starts playing these kinds of games, the result is that when the other side becomes the majority they will do the same thing. That is too bad for our democratic system of government, too bad for the judgeships, and for our third branch of Government to have that happen.

I am not naive enough not to know that there are always politics involved in how judges are nominated. I understand that. That is the system in which we live. But there comes a point where politics ends and responsibility begins. When you have people who have had a hearing, who are qualified, yet they won't be reported out for a vote on the Senate floor, that is pure politics and that is the height of irresponsibility. The Republican leadership is being totally irresponsible.

Of the judges nominated in 1992, every judge who got a hearing—every single judge who had a hearing in a Democrat-controlled Congress, when a Democrat was the Chair of the Judiciary Committee, when the Democrats controlled the Judiciary Committee, every person who got a hearing was confirmed. Every single one. That is not the case today. Too many political games are being played, I am afraid, on the Judiciary Committee and on the other side.

I would like to mention one other judicial example from 1992. Michael Melloy was nominated for the district court in April of that year. He was a Bush nominee, supported by Senator GRASSLEY. As my colleagues know, Senator GRASSLEY and I have a longstanding commitment to support the nominations of individuals from Iowa to our courts. Mr. Melloy is an example of this. He was nominated April 9, 1992, received his hearing on August 4, 1992, reported out of committee on August 12, 1992, and confirmed by the Senate that very same day in 1992.

Again, I may have been ideologically opposed to Mr. Melloy. There may have been some things he believed in that I didn't, but there was no question in my mind that Mr. Melloy was fully qualified to be a Federal judge. As long as he was qualified and supported by Senator GRASSLEY and the administration, I supported that nominee, even though it was in the closing days of 1992.

Let's look at the current nominees that we have. Three of the four we are going to be voting on today were nominated, got hearings, and were reported out of the committee within one week. Mr. James Teilborg was nominated on July 21, 2000, got his hearing on July 25, and was reported out of the committee on July 27. Now he stands to be confirmed today. On the other hand, Bonnie Campbell received a hearing by the Judiciary Committee in May—more than 2 months before Mr. Teilborg. Yet she is not here on the floor. Why is it that Mr. Teilborg can come out on the floor today and not Bonnie Campbell? Politics, the rankest form of politics.

The majority is being very inconsistent in their arguments. They say, well, Bonnie Campbell was nominated this year, so it is too late. Mr. Teilborg was nominated this year—nominated, had a hearing, and was reported out all in the same week, and he will be confirmed today. If this year was too late for Bonnie Campbell, why wasn't it too late for James Teilborg?

As I said, nobody has come up and said Bonnie Campbell is not qualified. I challenge someone to come on the floor and say that. Again, if people want to vote against Bonnie Campbell to be a circuit court judge, that is the right of each Senator—not only a right, but an obligation—if they believe someone is unqualified. We can't do that as long as she is bottled up in the committee.

The Senator from Utah has the power on that committee to report her out. I say to my good friend from Utah, who just appeared on the floor, the Senator from Utah can report Bonnie Campbell's name out here to the floor and we can have a vote on this nominee. That is the way it should be done. Nobody has come up to me to say she is not qualified. She is a former attorney general of the State of Iowa. Since 1995, she has led the implementation of the Violence Against Women Act as the head of that office under the Justice Department. She has broad support on both sides of the aisle. This is a case where a judicial nominee has the support of both the Republican Senator from Iowa, Mr. GRASSLEY, and the Democratic Senator from Iowa, me. Yet she has not been reported out of the Judiciary Committee. I say report her out. If people want to vote against her or say something about her qualifications, let them.

I can stand here today and talk about the qualifications of James Teilborg, or the other people; but, quite frankly, I am convinced they are qualified. I may be opposed to the way they think once in a while, but they are qualified. Is the reason Bonnie Campbell is not being reported out because somebody on the other side of the aisle doesn't like the way she thinks, or because she may have a view on an issue contrary to theirs? The rankest form of politics is holding up Bonnie Campbell's nomination. We have a backlog of nominees and we should vote on her.

The Violence Against Women Act expires this year. The Office of Violence Against Women in the Department of Justice has had only one person head it since this bill was first implemented in 1995, and that is Bonnie J. Campbell. The reauthorization of the Violence Against Women Act was voted on in the House of Representatives last week. If I am not mistaken, I think the vote was 415–3. So 415 Members of the House voted to reauthorize the Violence Against Women Act. Now, if the only person to ever head that office had done a bad job in enforcing that law, had not acted responsibly, had not brought honor and acclaim to that office and the administration of that law, do you think that 415 Members of the House would have voted to reauthorize it? No. They would have been on their feet over there, one after the other, talking about how terrible this office has been run and how the person operating that office had done such a bad job in enforcing the law. Not one Member of the House took the floor to so speak.

The one person to head that office is Bonnie J. Campbell. Not one person I have ever run across has said she has done anything less than an exemplary job in running that office. Yet the Senate Judiciary Committee will not report her name out for action by the full Senate. Yet we will get the Violence Against Women Act here and Senator after Senator will rush up to speak about how great this law is. I will bet you won't hear one Senator get up and say how badly this law has been administered by the Office of Violence Against Women in the Department of Justice.

That tells you what an outstanding job Bonnie Campbell has done in that office.

If that is the case, why won't the Senate Judiciary Committee report her name out? Politics; pure rank politics. That is what is going on in the Judiciary Committee today. I hope it won't be that way if the Democrats take charge of the Senate. I am not on the Judiciary Committee, but we tend to get in what I call a ''cesspool spiral,'' like a whirlpool. One side takes over the majority and begins to stall nominations, and then the other side takes over, we keep spiraling down further and further to the point where any nominee for a Federal court will be held up months and perhaps even years while we await the next election. Then our third branch of Government truly becomes a political football.

I hope the Judiciary Committee and the leadership on that side—I say to my friend from Utah—will listen to the words of Texas Governor George Bush. He said he would call for a 60-day deadline for judges—once they are nominated, the Senate will have 60 days to hold a hearing, to report out of committee and vote on the Senate floor.

Bonnie Campbell has been there a lot longer than 60 days and so have some of the other judges.

I say to my friends on the Republican side—you are supporting George Bush for President. If he said he would call for a 60-day deadline, I ask my friends on the Republican side: Why don't we act accordingly?

In this Congress, the judicial nominees who have been confirmed had to wait on average 211 days. Governor Bush said they should not wait longer than 60 days. This is not getting better; it is getting worse around here. It is really a shame.

Let's look at the percentages. I am told: This is the same today as it was before—blah, blah, blah, blah. I hear this all the time—nothing has changed.

It has changed dramatically. For example, in the Reagan years, during the 98th Congress, the Republicans were in the majority. They had a Republican President. We received 22 circuit court nominations, and 14 were confirmed. This is a Republican President and a Republican Senate—22 received, and 14 confirmed, for a 63.6-percent confirmation rate.

Let's look at the 100th Congress. President Reagan was still President, but there was a Democratic Senate. Twenty-six circuit court judge nominations were received; 17 were confirmed, for a 65.4-percent confirmation rate.

Think about that. Democrats had a higher confirmation rate under President Reagan—a very conservative President. We had a higher confirmation rate when the Democrats were in charge of the Senate than when the Republicans were in charge. We didn't block things when the Democrats were in charge.

Next, the 102d Congress, 1991–1992. President Bush was the Republican making nominations and the Democrats were in charge in the Senate. We received 31 circuit court nominations. Twenty were confirmed, again, for a 64.5-percent confirmation rate—Republican President and a Democratic Senate.

Now we move to the 104th Congress. We had a Democratic President, President Clinton, and we had a Republican Senate. Twenty circuit court nominations were received; 11 were confirmed. That was a 55-percent confirmation rate.

Now we are in the 106th Congress. We have a Democratic President and a Republican Senate. Thirty-one circuit court of appeals nominations have been received; 15 have been confirmed, for a 48.4-percent confirmation rate.

I ask my friend—and he is my friend—the chairman of the Judiciary Committee: How can we live with something like that? How can the Judiciary Committee come to this Senate with a straight face and say that a 48-percent confirmation rate is what we did in the past, when the record is clear? The record is in the 60-percent confirmation rate when we had Republican Presidents and a Democratic Senate. Yet today we are faced with a 48-percent confirmation rate.

I have heard from many judges. I have gotten letters from them saying that it is time we filled the bench. Cases are backing up. We need to get judges on the bench. But I suppose we first have to pay attention to the elections.

This one nominee, Bonnie J. Campbell, should be reported out if for no other reason than we need people on the bench who are sensitive to what is happening in domestic abuse cases and violence against women.

In 1998, American women were the victims of 876,000 acts of domestic violence. In 5 years—1993 to 1998—domestic violence accounted for 22 percent of the violent crimes against women. During those same years, children under the age of 12 lived in 43 percent of the households where this violence occurred. It is generational. The kids see it, they grow up, and they become abusive parents themselves.

In Iowa, and all across America, prosecutors, victim service organizations, and law enforcement officers are fighting. But they need help. We need to reauthorize the Violence Against Women Act. But there is more we can do to make sure that we have judges who know what is happening from firsthand experience and who can make sure that the law is applied fairly and upheld in courts around the country.

That is why we need someone like Bonnie Campbell on the circuit court of appeals. As I said, she is widely supported. She is supported by me and by Senator GRASSLEY. She has the support of judges, police organizations, women, and domestic violence coalitions. She has strong support in the State of Iowa and on both sides of the aisle.

I ask the chairman of the committee: Why aren't we reporting out Bonnie Campbell? Why? Just one simple question: Why? Is there a member of the majority who thinks she is not qualified? Let them so state. Have specific objections been raised as to her qualifications? If so, we ought to know that so they can be addressed. But all we hear is a deafening silence from the other side. We are left to assume that the reason Bonnie Campbell is being held up is because they are hoping their nominee wins the election. That is their right to hope that. They can work as hard as they can for him. I don't blame them for that. But to hold up a qualified person like Bonnie Campbell who had her hearing 2 months before Mr. Teilborg had his; yet she is being locked up in the committee—all the paperwork is done. Yet politics is holding her up.

Mr. President, I ask unanimous consent the text of an article that appeared in the Des Moines Register the other day regarding the Bonnie Campbell nomination and the text of two editorials, one in the Cedar Rapids Gazette and one in the Des Moines Register, be printed in the RECORD.

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

[From the Des Moines Register, Oct. 1, 2000]

CAMPBELL ISSUE AIDS DEMOCRATS' POLITICS

(By Jane Norman)

If Iowa Democrats needed any more reason to be excited and energized about this year's presidential race in the state, they probably have found it in the controversy swirling around the stalled nomination of Iowan Bonnie Campbell in the Republican-controlled U.S. Senate. George W. Bush, hello?

Campbell, the director of the Violence Against Women office for the U.S. Justice Department, was nominated in March to be Iowa's new appeals-court judge for the 8th Circuit based in St. Louis. She had a spectacularly sedate hearing before the Senate Judiciary Committee in May, but then the nomination process ground to a halt. She's one of 42 judicial nominees pending in the Senate.

Campbell has had the support not just of Senator Tom Harkin, but also Senator Charles Grassley, even though it must stick in Grassley's craw. Campbell, who ran for governor of Iowa in 1994 and lost, made remarks during her race about Christian conservatives that riled conservative activists, who appealed to Grassley to kill her bid for the bench. That's fair; whatever you think of the merits of their arguments, it's their right to protest something as significant as a lifetime judicial appointment.

Grassley declined to side with his traditional conservative allies and supported Campbell, saying Democrats did not stand in the way he wanted judicial appointments during the waning days of the Bush presidency. While Grassley predicted that Campbell would fall victim to election-year politics, there's no evidence that he has tried to sabotage her behind the scenes.

Campbell's nomination hung around all summer, gaining the support of the bar association and the Iowa Police Association. When Congress returned to work in September, Harkin started turning up the heat. During the past week, he has taken to the floor repeatedly to lambaste majority Republicans for holding up the nomination, and he holds forth at length on the Campbell nomination with Iowa reporters.

This has been a masterful strategy by Harkin, who's become such a surrogate for Vice President Al Gore that Harkin was paired with GOP vice-presidential nominee Dick Cheney on a Fox News show. Campbell's woes only assist Harkin in making the case for a Democratic presidency, over and over again in media outlets across Iowa.

On Tuesday night, Harkin enlisted the help of Senator Joe Biden, the Delaware Democrat and Judiciary Committee member who's a friend of Campbell. Harkin and Biden formed a mutual admiration society on the floor to praise Campbell, and Biden recalled that he recommended that Campbell be made director of the Violence Against Women office when it was launched.

Biden insisted it was ''flat malarkey'' that Democrats have held up Republican appointments during the last days of Republican presidencies, and said he pushed through a flock of qualified Texas judges for Senator Phil Gramm in late 1992. ''To be fair about it there were three members of our caucus who ripped me a new ear in the caucus for doing this,'' said Biden.

Harkin said no Republican has ever come to him and explained their opposition to the nomination. ''In fact, Republicans in Iowa ask me why she is being held up,'' said Harkin. ''Mainstream Republicans are asking me that.''

Biden said it is a ''terrible precedent,'' and that it is hard on Harkin to see someone so ''shabbily treated'' from his home state. You hoped there was a box of tissues close at hand.

Then, on Thursday, Harkin revealed to reporters that he had been told by Senate Judiciary Committee Chairman Orrin Hatch ''in no uncertain terms'' that the Republican caucus won't budge on the nomination. Harkin said there's not much he can do now other than fume on the floor and ponder holding up Republican priorities.

All of this cater-wauling gives Harkin, and Iowa Democrats, a huge opportunity to seize a way to criticize Republicans on the selection of judges, an issue where the GOP is somewhat vulnerable, particularly among women and undecided voters.

Texas Governor Bush does not sit in the Senate, and he is not the one holding up the stop sign. But his party is doing it, ostensibly for his benefit. Is it really wise to have the confirmation of a woman as a judge become a major fuss in a supposedly battleground state in the last month before the presidential election?

On top of that, many Iowa Democrats are still angry at how Campbell was treated during her race for governor. The prospect that women such as Campbell will be shut out for another four years if Bush is elected president is like a booster shot for get-out-the-vote efforts.

Harkin said Thursday that he 'absolutely' would push Campbell to be nominated again if Gore wins the presidency. For the time being, she serves Democrats' purposes just as well if she never dons black robes.

[From the Cedar Rapids Gazette, Sept. 26, 2000]

STOP STALLING ON JUDICIAL CANDIDATE

In three weeks or less, Congress will adjourn before the 2000 elections, and increasingly it appears it will do so before the U.S. Senate brings the nomination of Bonnie Campbell to the U.S. Court of Appeals for the Eighth Circuit up for a vote.

It's not as if Campbell, the former attorney general of Iowa, is trying to get in at the last minute—unless you consider a six-month wait the last minute. Campbell was nominated to the job by the Clinton Administration in March. She had a hearing in May.

What's taking so long?

It seems apparent the Republican-controlled Senate Judiciary Committee is growing content to hold onto this nomination until after the session—and, not coincidentally—until after the November election, when they hope to win the White House. That would mean a Republican would more than likely be appointed to the job.

It is not unusual for political parties to try to run out the clock on nominations in the hope the next election will bring them to power. That does not make it right, and in this case it makes no sense to sit on the Campbell nomination.

U.S. Sen. Tom Harkin, D-Iowa, is her sponsor and he pointed out a week ago there are 22 vacancies on the federal appeals court. Campbell has the backing of the American Bar Association and the Iowa State Police Association. She also has the backing of U.S. Sen. Charles Grassley, R-Iowa, who is also a member of the Judiciary Committee. Traditionally, Grassley and Harkin have backed the other's nominees, and if Campbell's nomination fails, we would hate to see that understanding damaged.

Frustrated proponents of the Campbell nomination—as well as several other nominations—have been arguing recently that over the last three years, women and minority candidates have had to wait longer to get through the confirmation process than their white male counterparts.

The chairman of the Judiciary Committee, U.S. Sen. Orrin Hatch, R-Utah, has denied women and minorities are being treated differently in the committee than their white male counterparts. Still, of the 21 candidates for the federal bench who are women or minorities, nine have been waiting for more than a year for a hearing.

Campbell has a lengthy record in private legal practice. Elected in 1990, she was the first woman to serve as Iowa Attorney General. She was appointed in 1995 to be the director of the Violence Against Women Office in the U.S. Justice Department. Her hearing revealed no good reason why she should be denied this position.

The Senate leadership should do the right thing in the waning days of this session and let the full Senate vote on Campbell. It should set aside whatever reason it has for stalling and move forward. Let the process work and bring this nomination to the floor for a vote.

Mr. HARKIN. I see the distinguished chairman of the Judiciary Committee on the floor. He is a good man. He and I have fought many battles together. I like him personally and I respect him. If he would like to engage in colloquy, I will. He knows how strongly I feel about this nominee, about her qualifications and about the kind of job she has done at the Department of Justice. I am sure he knows I will do everything that is humanly and senatorially possible to try to get her name here. I believe I have a right and an obligation to do that. I will, within the confines of what is right and proper in the Senate, not violating any rules, do everything I can to try to get her name out.

We will be here this week and we will be here next week. I ask my friend from Utah, will we be allowed to have a vote on Bonnie Campbell for the Eighth Circuit Court of Appeals?

I yield the floor.

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

Mr. HATCH. Mr. President, I will submit a resolution, and after these remarks I will spend some time answering my two dear colleagues, Senator ROBB of Virginia and Senator HARKIN from Iowa, to the best of my ability.

(The remarks of Mr. HATCH pertaining to the submission of S. Res. 364 are printed in today's RECORD under ''Submission of Concurrent and Senate Resolutions.'')

Mr. HATCH. Mr. President, I must respond to the remarks of Senator ROBB and Senator HARKIN.

With regard to the nomination of Roger L. Gregory, the position for which Mr. Gregory has been nominated has been vacant since it was created in 1990. Before nominating Mr. Gregory, the President had not even submitted a name to the Senate for this position in almost 5 years. Despite the long-standing vacancy of this judgeship, the work of the Fourth Circuit has not been adversely affected.

Moreover, when the President did submit a name to the Senate for disposition almost 5 years ago, he submitted the name of a resident of North Carolina, J. Rich Leonard. In doing so, the President effectively agreed that this seat should be filled by a North Carolinian.

The PRESIDING OFFICER. Without objection, the Senator's previous time consumed on the Olympics will not count against his 7 minutes.

Mr. HATCH. I ask unanimous consent I be able to speak for another 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. The President effectively agreed this seat should be filled by a North Carolinian. By nominating Roger Gregory, a Virginian, for the seat instead of a North Carolinian, the President sought to avoid the traditional practice of seeking the ''advice and consent'' of the Senators from the State where the judgeship is located about which local lawyer should be nominated.

It is very late in the session to be considering a circuit court nomination. Some nominations can move through the confirmation process quickly, but only where the White House has dealt with the Senate on nominations in good faith. The Arizona nominations we are debating today moved through the confirmation process quickly because the White House did work closely with Senator KYL and negotiated in good faith over which Arizonans should get these lifetime appointments.

In contrast, the White House has not dealt with the Senate on nominations in good faith. During our August recess, the President determined to recess appoint several executive branch officials over the express objections of numerous Senators. Furthermore, Democrats stood in the way of these four nominees we are debating today, the President's nominees, and they threatened to shut down the work of the Senate. This is hardly good faith. In fact, it was a Democrat hold—a Democrat hold by the minority leader on these four judges who are put forth by this President in accordance with an agreement worked out—that really caused a lot of angst on our side, plus the fact that these recess appointments that were made without consultation caused a lot of difficulty. Then we have virtually every bill filibustered, even on the motion to proceed. As a matter of fact, the H–1B bill, which just passed 96–1, had three filibusters on it, from the motion to proceed right on up through final passage of 96–1.

I must respond to some of the things Senator ROBB said here this morning. He used some pretty incendiary language to imply that the Senate majority is biased against Mr. Gregory because he is an African American. Senator ROBB said we ''are standing in the courthouse door'' and are refusing to ''integrate'' the Fourth Circuit. These allegations of racial bias are beneath the dignity of a Senator in the U.S. Senate, and they are offensive and politically motivated. When Democrats blocked the nomination of Lillian BeVier to the Fourth Circuit—which is what they did—the first female nominee to the Fourth Circuit, no one on our side accused them of gender bias.

I am sure Roger Gregory is a fine man. I have no doubt about that. I have been told that by a number of friends of mine, including former Secretary Coleman. But I have informed my colleagues that because of the atmosphere that has resulted from the President's refusal to consult with the Senators from North Carolina, because of the President's recent recess appointments and disregard of commitments he had made up here, and disregard of the advice and consent because of the petty parliamentary games in which our friends on the other side have engaged, Mr. Gregory's nomination is not going to move forward. And because this is a North Carolina seat. We would have to have somebody nuts, from North Carolina, who would not stand up for a

North Carolinian in this seat. There is just no question about it. The President knew that, having nominated a North Carolinian before.

I would like to respond to Senator LEVIN for a few minutes. I don't want to go beyond that. There are other things I could say. But I bitterly resent anybody trying to play racial politics with judges, especially after what we went through in prior administrations.

It had always been my intention as chairman of the Judiciary Committee to hold a hearing on judicial nominations during the month of September. I planned on doing that. At that hearing I was fully prepared to consider the nomination of some of these people, and perhaps even Helene White or Kathleen McCree Lewis to the U.S. Court of Appeals for the Sixth Circuit. A number of my colleagues were pressing very strongly for that. I wanted to try to resolve that if I could.

However, events conspired to prevent that from happening. First, during the August recess, the President determined to recess appoint several executive branch nominees over the express objection of numerous Senators. He did so notwithstanding the agreement to clear such recess appointments with the relevant Senators. We do not have much power around here in some ways against a President of the United States, but we can demand that he consult with us. These Senators are very aggrieved by the way they were treated on these appointments—I think rightly so.

Second, Democrat Senators determined to place holds on the four nominations we are debating today and threatened shutdowns of the Senate's committee work, going as far as to invoke the 2-hour rule and forcing the postponement of scheduled committee hearings, including the Wen Ho Lee hearing, which is an important hearing, a bipartisan hearing, for both sides to look at.

Helene White and Kathleen McCree Lewis have only the White House and Senate Democrats to blame for the current situation, I might add, because of some of these petty procedural games we have been going through around here with filibusters of almost everything that comes up, or a threat to bring up all kinds of extraneous amendments if we do happen to bring a bill up that needs to be passed.

It is very late in the session to be considering a circuit court nomination. Some nominations can move through the confirmation process quickly, but only where the White House has dealt with the Senate, on nominations, in good faith. The Arizona nominations we are debating today moved through the confirmation process quickly because the White House worked closely with Senator KYL and others, and myself, and negotiated in good faith over which Arizonans should get these lifetime appointments.

Everybody knows there is a tremendous need along the southern border in Arizona to have these judges. There is a tremendous court docket there that needs these judges. Yet they have been delayed for 2 solid months almost.

In contrast, the White House and Senate Democrats have not dealt in good faith, given the President's recess appointments in August of several executive branch nominees over the express objection of numerous Senators and Senate Democrats' efforts to hold up these nominees and hold up the work of the Senate.

With regard to the nomination of Bonnie J. Campbell, in March, Bonnie Campbell was nominated to the U.S. Court of Appeals for the Eighth Circuit. At the urging of Senator GRASSLEY, the Judiciary Committee held a hearing for Ms. Campbell in May. It had always been my intention for the Judiciary Committee to report Ms. Campbell's nomination. However, events conspired to prevent that from happening.

First, during the August recess, as I have explained, the President determined to recess appoint several executive branch nominees over the express objection of numerous Senators. He did so notwithstanding his agreement to clear such recess appointments with the relevant Senators. By the way, this type of an agreement arose out of Senator BYRD's objections in earlier Congresses. His objections were followed here on the part of people on our side of the aisle, and the President agreed to it and then violated that agreement.

Second, after the August recess, Democrat Senators determined to place holds on the four nominations we are debating today, even though everybody admits—I think everybody admits—that they are important nominations and this arrangement that has been worked out has been fair.

Again, they threatened to shut down the Senate's committee work, going as far as to invoke the 2-hour rule and enforce the postponement of scheduled committee hearings. And we went through that because of pique. For these reasons, Bonnie Campbell's nomination has stalled. Ms. Campbell has only the White House and Senate Democrats to blame for the current situation.

I might add, it did not help at all on our side for these petty filibusters on everything. It used to be when I got here, there might be one or two or three filibusters a year at the very most, and then they were on monumental issues that involved a wide disparity of belief. It was not every little motion to proceed, every little bill we were going to pass, like the one we just passed 96–1. To go through three filibuster cloture votes on that bill was beyond belief. But that irritated a lot of people. It made it more difficult to get these judges through.

Mr. HARKIN, the Senator from Iowa, claimed that his review of history led him to believe we are ''playing politics with the judges.'' I strongly disagree. In President Reagan's last year, the Democrat-controlled Senate confirmed 41 nominees. After the votes today, the Senate this year will have confirmed 39 nominees. And there have been some indications there might be some games played with one of the four judges here today. If that is the case, boy, Katie bar the door, after what we have been trying to do here.

The committee worked sincerely to try to get these nominations out, and they have been here for quite a while. Finally, few nominees are confirmed when the White House and Senate are controlled by different political parties. From 1987 to 1992, the Democrat-controlled Senate confirmed an average of 46 Reagan and Bush nominees per year. Things changed when President Clinton was elected. In 1994, the Democrat-controlled Senate pushed through 100 Clinton nominees. They could not have done that without cooperation from Republicans, but they did that.

In 1992, at the end of the Bush administration when Democrats controlled the Senate, the vacancy rate stood at 11.5 percent. Now at the end of the Clinton administration the vacancy rate after the votes today will stand at just 7.4 percent.

Also in 1992, Congress adjourned without having acted on 53 Bush nominations, or should I say nominees who were sitting there waiting to be confirmed. After the votes today, there will be only 38 Clinton nominations that are pending.

Under both Democrats and Republicans, the Senate historically confirms 65 to 70 percent of the President's nominees. In his last 2 years, President Bush made 176 nominations, and the Democrat-controlled Senate confirmed 122 of them, yielding a confirmation rate of 69 percent. During the last 2 years, President Clinton made 112 nominations, and after today's votes, the Senate will have confirmed 73 of them. He has a confirmation rate of almost the same, 65 percent.

In May, at a Judiciary Committee hearing, Senator BIDEN indicated he did not believe we would do even 30 judges this year. He is wrong. We will have now done, at the end of the day, 39 judicial nominees confirmed by the Senate.

There has been much debate today about everything but the four nominees we ostensibly are debating. I fully support these nominees and want to say a few words about them. They are supported by their home State Senators—Senators KYL, MCCAIN, FITZGERALD, and DURBIN.

The nominees we are supposedly debating today are as follows: Susan Ritchie Bolton from Arizona: Ms. Bolton has served as judge in the Maricopa County Superior Court since 1989. Before that, from 1977–89, she worked in private practice at a Phoenix law firm. From 1975–77, she clerked for the Hon. Laurance T. Wren of the Arizona Court of Appeals. Ms. Bolton received her law degree, with high distinction,

from the University of Iowa Law School in 1975, and her undergraduate degree, with honors, from the University of Iowa in 1973.

Mary H. Murguia: Since 1998, Ms. Murguia has served in the Executive Office of U.S. Attorneys, first as Counsel and then as Director. Before that she served as an Assistant U.S. Attorney in the District of Arizona from 1990–98. From 1985–90, she was an Assistant District Attorney in Wyandotte Country, Kansas. She received her law degree from the University of Kansas Law School in 1985, and her undergraduate degree from the University of Kansas in 1982.

Michael J. Reagan: Mr. Reagan has worked in private practice since graduating from law school in 1980; since 1995, he has been a sole practitioner at the Law Office of Michael J. Reagan. In addition, he has served as an Assistant Public Defender (part time) since 1995. He received his law degree from St. Louis University Law School in 1980, and his undergraduate degree from Bradley University in 1976.

James A. Teilborg: Mr. Teilborg has been a partner at the Phoenix law firm of Teilborg Sanders & Parks since 1972; before that he was an associate at another Phoenix firm from 1967–72. He received his law degree from the University of Arizona School of Law in 1966.

Some have complained the Arizona nominations have moved more quickly while others have not. Some nominations can move through the confirmation process quickly, there is no question about that, but only where the White House has dealt with the Senate on nominations in good faith. The Arizona nominations we are debating today moved through the confirmation process quickly because the White House worked closely with Senator KYL and negotiated in good faith over which Arizonans should get these lifetime appointments.

All four are Democrats, all four are supported by the President, all four came through the appropriate committee—the Judiciary Committee—and all four will be voted on today, and I expect all four to be confirmed unanimously. If there are no politics played, they will be confirmed unanimously.

In contrast, the White House and Senate Democrats have not dealt in good faith, given the President's recess appointments in August of several executive branch nominees over the express objection of numerous Senators and Senate Democrats' efforts to hold up these nominees and obstruct the work of the Senate—the filibusters that have occurred on almost everything that comes up here and, of course, the holds that have been placed on these four nominees who are President Clinton's nominees. It does not take long until people on our side know there are too many games being played on judicial nominees.

We have done a good job. President Reagan had the all-time highest confirmation of judges during his 8 years. That was 382 judges. By the end of the day, when we confirm these 4, President Clinton will have the all-time second highest, as far as I know, and that is 377 judges, 5 fewer than President Reagan. Had we not had all these games played, I believe I could have held a hearing in September, which I no longer can hold, and we would have confirmed probably enough to draw President Clinton equal to President Reagan.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HATCH. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I have been scarcely able to hold back the tears listening to my good friend from Utah. I am sure he did not mean to mislead the Senate, but those who might not know the numbers could be misled, not by any intent on the part of the senior Senator from Utah.

As he has said himself, we will have confirmed fewer than 40 judges in the last year of President Clinton's term in office. When the Democrats controlled the Senate, in the last year of President Bush's term in office, we confirmed 66. In fact, we were holding hearings right into September and voting on judges up to the last days of the session, confirming judges for President Bush.

The distinguished Senator from Utah feels perhaps some have suggested inappropriately that women, minorities, and others take longer going through this body. I point out that the ones who suggested that have been independent bipartisan groups outside the Senate.

I have stated over and over, I have never seen or heard a statement expressing—I wonder if the Senator from Utah can stay while I speak; I do not want to say this with him off the floor—I have never once heard him express either a racist or a sexist remark. He has been a close and dear friend of mine for over 20 years. Nor have I ever suggested that anybody on the Senate Judiciary Committee has taken a racist or sexist position, but I am troubled, as I hope he and others would be troubled, by the fact that women and minorities, if they are nominated for judgeships, have taken longer to go through this Republican-controlled Senate than others if they are allowed to go through at all.

We talk about Roger Gregory, nominated to the Fourth Circuit. It has been suggested this is a seat that is reserved to North Carolina. That is not so. As pointed out in the Wall Street Journal in a recent letter from the President's Counsel Beth Nolan, this is a vacant seat that has not been allocated to the State of North Carolina and is appropriate for an appointment from Virginia. The distinguished chairman of the committee has said that Senators should work with the White House. In this case, two of the most distinguished Members of the Senate—one a Republican, one a Democrat, JOHN WARNER and CHUCK ROBB—worked very closely with the White House on this Virginia nomination and both support the nomination of Roger Gregory.

Senator ROBB strongly urged the White House to appoint Roger Gregory, a highly distinguished African American. Senator WARNER supports him. He has the highest ratings possible from bar associations. But he cannot get confirmed by the Senate; he cannot even get a hearing.

I commend what Senator ROBB said on the floor today in support of Roger Gregory. I hope all of us will listen to him.

Likewise, I was struck by the remarks of Senator DURBIN of Illinois with respect to the Supreme Court and his support for Michael Reagan to a district court judgeship in Illinois. Senator DURBIN laid out what I have also heard from Republicans and Democrats who support Michael Reagan for that judgeship. Democrats and Republicans were at hearings for him. Democrats and Republicans, ranging across the political spectrum, have spoken to me in support of Michael Reagan. He is supported by both home state Senators, one a Republican and one a Democrat.

Senator CARL LEVIN, the distinguished senior Senator from Michigan, one of the most respected voices in this body, spoke of his support for Judge Helene White to the Sixth Circuit and Kathleen McCree Lewis to the Sixth Circuit and how he wished they would be considered. They have been held up and blocked by this Senate. Is the chairman saying that Judge Helene White and Kathleen McCree Lewis do not have the support of their two Senators from Michigan? If that is the case, we ought to know that. I understand that they both have that support. If they don't have the support of a home state Senator, then let's say that. Judge Helene White and Kathleen McCree Lewis are extraordinarily well-qualified women. I wish they would get confirmed.

Senator TOM HARKIN, was an extraordinary advocate for Bonnie Campbell. I can't add to what he has said. Senator HARKIN spoke extremely well about Bonnie Campbell and, of course, Bonnie Campbell should be confirmed. Again, going to the test: Did the President work with the Senators from that State. Are we saying that the two Senators from Iowa do not support Bonnie Campbell? My understanding is both of them support her. Why can't she get Committee consideration and a Senate vote?

The Senate will move forward on a number of nominees today: Michael Reagan, Susan Ritchie Bolton, Mary Helen Murguia, and James Teilborg. I recommend that all four be confirmed by the Senate. It is unfortunate that this Republican-controlled Senate, is not willing to do for President Bill

Clinton what a Democratic-controlled Senate did for President George Bush, and move people forward. We can talk about the numbers that various Presidents have appointed. Recent Presidents have appointed more judges than George Washington did or Thomas Jefferson or Abraham Lincoln or Teddy Roosevelt. But we are also a much bigger country, and we have a lot more cases and need more judges. In fact, if we passed the judgeship bill the distinguished senior Senator from Utah and I have introduced, the vacancy rate would be well into the teens with over 130 vacancies.

We have waited 10 years to authorize new judges, even as this country has expanded over the years and caseloads have grown. The Judicial Conference is asking us to authorize 70 judges. In fact, I strongly urge we pass the judgeship bill before the Presidential election while no one knows who is going to be elected President, and we are looking at what is best for our court system.

I am glad to see the Senate moving forward on these three nominees. I expect they will be approved overwhelmingly. They are all well qualified for appointment to the federal courts.

Three judicial nominees on the Senate calendar have been cleared by Democrats for action for some time, including two from Arizona and one from Illinois who has been pending the longest of the four.

There were Senators who wanted to be heard and have a chance to debate the lack of hearings and the refusal to give hearings to qualified nominees. They have spoken eloquently on behalf of Roger Gregory, Bonnie Campbell and Judge Helene White. They are not seeking to filibuster these nominations and each has agreed to a reasonable time for debate before a vote.

The Senator from Arizona is right that there has been a problem with the nomination of James Teilborg, who happens to be a close personal friend of the Senator since their days together back at the University of Arizona Law School. Mr. Teilborg was nominated on July 21 and was afforded a hearing and was reported by the Judiciary Committee within a week.

The frustration that many Senators feel with the lack of attention the Committee has shown long-pending judicial nominees has recently boiled over. They wish to be heard; they seek parity and similar treatment for nominees they support. I understand their frustration and have been urging action for some time. This could all have been easily avoided if we were continuing to move judicial nominations like Democrats did in 1992, when we held hearings in September and confirmed 66 judges that presidential election year.

Michael Reagan, nominated to be a District Court Judge for the Southern District of Illinois, is a distinguished private attorney in Belleville, Illinois. He graduated from Bradley University in 1976, and St. Louis University Law School in 1980. He has been in private practice for over 20 years, and has been an adjunct professor of law at Belleville Area College and St. Louis University. He also presently serves as an Assistant Public Defender in St. Clair County, Illinois. He enjoys the support of both of his home state Senators. When other nominees to the Illinois federal courts were given hearings and confirmed in June, he was held back. He had likewise been nominated in early May. He was finally included in a hearing in late July and reported unanimously by the Judiciary Committee on July 27. He could have been confirmed before the August recess or at any time in September. I am glad that time has finally come.

Judge Susan Ritchie Bolton has presided in the Arizona Superior Court for Maricopa County since 1989. She received her undergraduate degree and law degree from the University of Iowa. Following law school she clerked for the Honorable Laurence T. Wren on the Arizona Court of Appeals. She then went into private practice at Shimmel, Hill, Bishop & Bruender. She enjoys the support of both of her home state Senators and received a well-qualified rating from the American Bar Association. She was nominated on July 21, participated in a confirmation hearing on July 25 and was unanimously reported by the Judiciary committee on July 27. She could have been confirmed before the August recess or at any time in September. I am glad the Senate is turning its attention to her nomination and am confident that she will be confirmed to fill the judicial emergency vacancy for which she was nominated.

Mary Murguia currently serves as Director of the Executive Office for U.S. Attorneys. She also serves as an Assistant U.S. Attorney for the District of Arizona. Prior to that, she served as an Assistant District Attorney for the Wyandotte County District Attorney's Office. She earned her undergraduate and law degrees from the University of Kansas. She enjoys the full support of both of her home state Senators. Like Judge Bolton, she was nominated on July 21, received a hearing on July 25 and was unanimously reported by the Judiciary Committee on July 27. She could have been confirmed before the August recess or at any time in September. I know that the Senate will now do the right thing and confirm her to fill the judicial emergency vacancy for which she was nominated.

I thank the Majority Leader and commend the Democratic Leader for scheduling the consideration of these judicial nominations. I wish there were many more being considered to fill the 67 current vacancies and eight on the horizon. I wish that we were making progress on the Hatch-Leahy Federal Judgeship Act of 2000, S. 3071, and authorizing the 70 judgeships affected by that legislation as requested by the Judicial Conference.

I heard Senator HATCH argue last week that the vacancies on the federal judiciary are ''less than zero''. While I marvel at the audacity of such argument, it moves us no closing to fulfilling our constitutional responsibilities to the federal judiciary. Likewise the notion that the refusal by some to waive the Senate's 2-hour rule in late September somehow preventing the Committee from holding additional confirmation hearings in early September or now is hardly compelling. I wish the Committee and the Senate would have followed the model established in 1992 and continued holding hearings and reporting judicial nominees in August and September. That simply did not happen and despite my requests no additional hearings were held. This year we held about half as many hearings as in 1992. Despite all of our efforts we have been unable to get the Judiciary Committee to consider the nominations of Bonnie Campbell or Allen Snyder or Fred Woocher following their hearings.

The debate on judicial nominations over the last several years has included too much delay with respect to too many nominations. The most prominent current examples of that treatment are Judge Helene White, Bonnie Campbell, Roger Gregory, and Enrique Moreno. With respect to these nominations, the Senate has for too long refused to do its constitutional duty and vote. Nominees deserve to be treated with dignity and dispatch—not delayed for two or three or four years. The nomination of Judge White has now been pending for over four years, the longest pending nomination without a hearing in Senate history.

Of course it is every Senator's right to vote as he or she sees fit on all matters. But I would hope that in the cases of these long-pending nominations, those who have opposed them will show them the courtesy of using this time to discuss with us any concerns they may have and to explain the basis for their anonymous holds and the Senate's refusals to act.

It was only a couple of years ago when the Chief Justice of the United States chastised this Senate for refusing to vote up or down on judicial nominations after a reasonable period for review.

This Senate continues to reject his wisdom and, in my view, our duty.

It is my hope the Senate will confirm all four district court nominees on the Senate calendar. I know there are Senators who want a chance to debate the lack of hearings and the refusal to give hearings to qualified nominees. I understand that frustration, and it is justifiable, especially as it is not the way the Democrats acted when they controlled the Senate with a Republican President.

The nominee from Illinois should have been confirmed some time ago. The nominees from Arizona have zipped through here faster than the Republican leadership has allowed most

judges to go through. When Senators supporting nominations, received months and years before, see newer nominees zip through, they are, of course, frustrated.

The Judiciary Committee has reported only three nominees to the court of appeals all year. We have held hearings without even including a nominee to the court of appeals. We have denied a committee vote to two outstanding nominees who have succeeded in getting hearings; namely, Bonnie Campbell and Allen Snyder. You have to understand the frustration of Senators and those outside the Senate who know that Roger Gregory and Helene White and Bonnie Campbell and Kathleen McCree Lewis and others should have been considered by the Judiciary Committee and voted on by the Senate.

On September 14, Senators BARBARA MIKULSKI, BARBARA BOXER, BLANCHE LINCOLN, TOM HARKIN, and CARL LEVIN and Representative CAROLYN MALONEY from the other body, highlighted the Senate's failure to act on judicial nominations to the Federal bench. They called on the Senate leadership to consider qualified women before the Congress adjourned. They also discussed the problems of judicial emergencies, the length of time it takes women and people of color to be confirmed, and how the Federal courts do not currently reflect the diversity of our country. I do not recall them or anybody else ascribing motives to those who are holding up these people. Rather, they were saying in a diverse country such as ours, the Federal court should reflect the diversity of our country.

They focused on the following women who have been waiting more than 60 days for confirmation: Helene White, U.S. Court of Appeals for the Sixth Circuit, has been pending more than 1,360 days; Kathleen McCree Lewis, U.S. Court of Appeals for the Sixth Circuit, has been pending more than 370 days; Bonnie Campbell, U.S. Court of Appeals for the Eighth Circuit, has been pending more than 215 days; Elena Kagen, U.S. Court of Appeals for the District of Columbia, has been pending for more than 480 days; Lynette Norton, U.S. District Court for the Western District of Pennsylvania, has been pending more than 890 days; Patricia Coan, U.S. District Court for the District of Colorado, has been pending more than 500 days; Dolly Gee, U.S. District Court for the Central District of California, has been pending more than 495 days; Rhonda Fields, U.S. District Court for the District of Columbia, has been pending more than 325 days; and Linda Riegle, U.S. District Court for the District of Nevada, has been pending more than 165 days. That is why these Senators and this Member of Congress made the statement we did.

Mr. President, am I correct in understanding that under the previous order, we are to recess at 12:30?

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. Then I yield the floor and withhold the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LEAHY. Mr. President, I believe I also have an hour under another part of the unanimous consent agreement.

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. I will withhold that and yield the floor.

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RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:31 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

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EXECUTIVE SESSION—Continued

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, the Senator from Vermont has used one part of his time under the unanimous consent agreement, but I understand I have other time under the agreement. How much time is available to the Senator from Vermont?

The PRESIDING OFFICER. On the Teilborg nomination, 1 hour is available to the Senator from Vermont.

Mr. KYL. Mr. President, I suggest to my colleague that we complete the time on the three pending nominees. I could yield back the time that remains on them. Then I will be happy to allow Senator LEAHY to conclude his remarks on the time he has under the Teilborg nomination, and then I can comment with respect to that nomination.

I yield back all time remaining on the three judicial nominations.

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NOMINATION OF JAMES A. TEILBORG, OF ARIZONA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA

The assistant legislative clerk read the nomination of James A. Teilborg, of Arizona, to be U.S. District Judge for the District of Arizona.

Mr. LEAHY. Mr. President, I understand that under the prior unanimous consent agreement the distinguished Senator from Utah, Mr. HATCH; the Senator from Arizona, Mr. KYL; and I each have 1 hour for the Teilborg nomination, and the distinguished Senator from Iowa, Mr. HARKIN, has up to 3 hours, unless time is yielded back, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be able to yield 5 minutes to the distinguished Senator from North Carolina, Mr. EDWARDS, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina is recognized.

Mr. EDWARDS. Mr. President, I am pleased that today we are discussing some of the vacancies that exist in the Federal judiciary. There was a discussion this morning about an issue that is near and dear to my heart and important to the folks in North Carolina, which is the vacancies on the U.S. Court of Appeals for the Fourth Circuit.

Senator ROBB came down and discussed Judge Gregory's nomination. Chairman HATCH responded. I would like to say a few words about that discussion.

There are 15 authorized judgeships on the Fourth Circuit Court of Appeals. There are presently only 10 active judges on that court. By tradition, my State of North Carolina, which is the largest, most populous State in the Fourth Circuit, is allocated three of those judgeships. Out of those 10 judgeships —presently active judges on the Fourth Circuit—how many come from North Carolina? None.

We are the only State in the nation that is not represented on a Federal circuit court, along with Hawaii. We are the largest State in the circuit. We have the largest population in the circuit, and we don't have a judge representing our State on this court. That has been true since Judge Ervin died in 1999.

The people of North Carolina, who have cases regularly heard in the Fourth Circuit, have no one there representing them. In addition, to the extent the court is regularly interpreting matters of North Carolina law, which it is required to do in diversity cases, there is no judge in this court who is trained in North Carolina law. Now, this Congress recognized some time ago how important it was for States to be represented on their circuit courts of appeal by enacting a law—in fact, requiring that States have a judge on their Federal circuit court of appeals. We have none. As I indicated before, along with Hawaii, we are the only two States in the country that are not represented on our circuit court of appeals.

Now, Chairman HATCH had some discussion this morning about Judge Gregory and his nomination to the Fourth Circuit in the State of Virginia, and the fact that that was a slot traditionally allocated to my State of North Carolina.

My question to Chairman HATCH is: What are we doing about the nomination of Judge Wynn? Judge Wynn is a very well-respected, very moderate, centrist jurist from North Carolina, who has been nominated for over a year from my State to fill a vacancy that is traditionally allocated to North Carolina. There is no question that Judge Wynn would be approved by this

body if he ever got a hearing and a vote on the floor.

Unfortunately, that has not happened. It is easy to understand why the Clinton administration believed they needed to take some action. That action has turned out to be to nominate Judge Gregory. I have to admit it was somewhat frustrating to me, representing North Carolina, to have Judge Gregory nominated for the slot he was nominated for because it was traditionally allocated to North Carolina. But, I do support Judge Gregory's nomination.

In addition to having no judge from North Carolina being on the Fourth Circuit Court of Appeals, our court does not presently have, nor has it ever had, an African American judge. The Fourth Circuit Court of Appeals has the largest African American population in the country and does not now have, nor has it ever had, an African American judge. Obviously, there is a huge part of our population in the Fourth Circuit that has never been represented on this court. They are entitled to representation by a well-qualified judge.

In fact, Judge Wynn who was nominated over a year ago—from my State that has no judge on the Fourth Circuit—is also an African American judge. I urge Chairman HATCH to grant Judge Wynn a hearing and to push forward his vote on the floor of this Senate where he will be approved.

The bottom line is that Judge Gregory is a well-respected and well-qualified African American lawyer from the State of Virginia who also deserves a hearing, and also deserves a vote in this body this year.

The argument that is made—and Chairman HATCH made it this morning—is we only need 10 judges on the Fourth Circuit, we don't really need the 15 that Congress in fact has authorized. The reason is that the chief judge of that circuit, Judge Wilkinson, says they do not need any more judges, they are operating perfectly efficiently.

I point out several things.

No. 1, the Fourth Circuit issues more one-sentence opinions than any Federal circuit court in the country. Litigants come before it and make their case. Instead of getting a reasoned decision about why they won or lost their case, they get one sentence. What does that tell them about how much attention in fact is being paid to their case?

This same argument was made when there were 13 judges on the court. Now we are down to 10.

Since when do we let the chief judge of the circuit court decide how many judges go on the court? That is a function we in Congress have responsibility for—not him.

You can certainly make an argument that this is a partisan decision that the chief judge has made—that he likes the present composition of the court. He was a Republican-nominated judge.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EDWARDS. I ask unanimous consent for another 3 minutes.

Mr. LEAHY. Mr. President, I yield another 3 minutes without losing my right to the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. EDWARDS. Mr. President, here we have the chief judge, who is a Republican-nominated judge, and a court that now has a majority of Republican judges. You can certainly make the argument that he likes the composition of the court the way it is; he never wants that to be changed.

That is so fundamentally wrong and so fundamentally different from the way our Constitution provides. We should be nominating judges. Whether it is a Democratic or a Republican administration, it shouldn't make any difference in nominating well-qualified judges. This body should act on the qualification of those men and women to serve on the court, not based upon the Republican or Democratic composition of the court. It is just that simple. This should be totally nonpartisan.

My State has no one representing them on the Fourth Circuit. There is not, nor has there ever been, an African American judge on this court.

The simple bottom line is that we have the responsibility of deciding how many judges should be authorized for that court. We have made that decision—15. It is now down to 10. Of those 10, North Carolina has none. The people of North Carolina are entitled to be represented on this court.

In addition to that, we should deal with the issue that there has never been an African American judge on this court.

We presently have pending the nomination of two well-respected and very well qualified African American jurists.

This is what I would say to the Chairman HATCH. Let us have a hearing on Judge Wynn. Let Judge Wynn have a vote on the floor of this Senate, and let the people of North Carolina have what, by law enacted by this body, they are entitled to, which is a judge representing them on their Federal court of appeals so that when my people go to the Fourth Circuit Court of Appeals to have their case heard, they have at least one judge representing them on that court. Aren't they entitled to that?

I yield the floor.

Mr. LEAHY. Mr. President, I commend the distinguished Senator from North Carolina for his comments. Senator EDWARDS has been a friend since he came to this body. I have, at the risk of embarrassing him, stated on a number of occasions on this floor that the Senate was enhanced by his presence here. As a lawyer, I must say that having him here because of his own experience as one of the most outstanding and most recognized trial lawyers in the country, to say nothing about his own State. I think Senators on both sides of the aisle should listen to what he said.

He is not a Senator who speaks in the abstract and who simply reads a statement on this. This is a Senator who has spent time in the courts of his State and of the region. He has had active practice in both State courts and Federal courts. He understands the judicial system.

He has argued cases at all levels. He has worked with lawyers who have been on his side of an issue and opposed to him. He knows, as does any lawyer who practices law, that no matter how much you might try a case at the trial level, at some point, especially if the stakes are high, that case is going to go up on appeal. It is going to go up on appeal whether you are the plaintiff or the defendant. Whoever loses that case, if it is of significance, will take it up on appeal.

I recall the statements made in court when I was trying cases. The judge in chambers would say: OK, we will take it to the jury and let justice be done. Usually the person who had the weaker case said: If that is the case, I will appeal, if justice is done.

But the fact of matter is cases become more and more complex and more and more significant to the litigants and to the issues of law. They go up on appeal, and you ought to have a good appellate court.

I commend the Senator for what he has said. I hope we will listen to what is needed in that appellate court.

We should also note, I suggest, that there is going to be a significant debate tonight in Boston between the two candidates of our two great parties—the Republican and Democratic Parties. Both parties have nominated those we consider to be our best choices. Obviously, I strongly support my friend of over 20 years, AL GORE. But I also know that the Republican Party has nominated a very distinguished Governor, George W. Bush.

I mention this because Governor Bush and I, while we disagree on some issues, have one very significant issue on which we agree. He gave a speech awhile back and criticized what has happened in the Senate where confirmations are held up not because somebody votes down a nominee but because they cannot ever get a vote. Governor Bush said: You have the nominee. Hold the hearing. Then, within 60 days, vote them up or vote them down. Don't leave them in limbo.

Frankly, that is what we are paid to do in this body. We are paid to vote either yes or no—not vote maybe.

When we hold a nominee up by not allowing them a vote and not taking any action one way or the other, we are not only voting ''maybe'' but we are doing a terrible disservice to the man or woman to whom we do this. They have to put their life on hold. They do not know what is going to happen: Are they going to be confirmed, or not? It is not like when any one of us runs for election; we know that on a certain

day the election occurs. We either win or we lose. But we know that on that Tuesday, we are going to know our fate. We won or we lost.

These people come here and they never know what may happen. They don't know whether they will have a hearing. And if they have a hearing, they don't know if there will be a vote in committee. And if there is a vote in committee, they don't know whether they will come on the floor. And if they come on the floor, they don't know if they will have a vote because one person hiding in the Cloakroom will say: Don't allow it to come to a vote yet. So they may have 99 Senators voting for them but somebody mysteriously in the background says ''Don't vote,'' and they don't vote.

Helene White of the U.S. Court of Appeals for the Sixth Circuit has been pending for 1,360 days. Governor Bush said we ought to have a vote up or down within 60 days. Let's have a vote on Helene White. She has been waiting not 60 days, not 600 days, but 1,360 days.

Kathleen McCree Lewis, who has been nominated for the U.S. Court of Appeals for the Sixth Circuit, an outstanding African American woman, who has one of highest ratings of anybody we have ever seen come before the Senate, has been waiting for 370 days. Not the 60 days we talked about, but more than six times the 60 days. Bonnie Campbell, for the U.S. Court of Appeals for the Eighth Circuit, has been spending for more than 215 days.

We are debating bringing up the Violence Against Women Act which has been stalled. The Violence Against Women Act has expired. Distinguished Senators on both sides of the aisle are working to bring it up and we cannot bring it up for a vote.

I see the distinguished Senator from Delaware and the distinguished Senator from Kansas, both of whom support it on the floor, and we cannot get that up for a vote.

We also can't get Bonnie Campbell up, even though she is the Director of the Violence Against Women Office. She supported, worked for and administered the Violence Against Women Act, an act that has seen a dramatic decrease in violence against women.

We ought to be standing and applauding Ms. Campbell. She is somebody who shows by her own experience that she can do the things necessary to bring down this scourge of violence against women in our country. Now that she has gone through the vetting process, and found out that she is one of the most qualified people to be a judge of anyone confirmed in the last 20 years, Republican or Democrat, we ought to at least let her have a vote instead of holding her in limbo.

Elena Kagan for the U.S. Court of Appeals for the District of Columbia has been pending for more than 480 days without a vote; Lynette Norton, for the U.S. District Court for the Western District of Pennsylvania, has been pending for more than 890 days; Patricia Coan, for the U.S. District Court for the District of Colorado, has been pending for more than 500 days; Dolly Gee, for the U.S. District Court for the Central District of California has been pending for more than 495 days; Rhonda C. Fields, for the U.S. District Court for the District of Columbia, has been pending for 325 days; Linda Riegle, for the U.S. District Court of Nevada, has been pending for more than 165 days.

Let them have a vote. These women are outstanding. They have demonstrated more than most people who get confirmed in this body, Republican or Democrat, how well qualified they are. At least let them have a vote. If people want to vote against them, vote against them.

I will state for the record that I will vote for every one of them. In checking with our side of the aisle, every single Democrat Senator will vote for every one of these women.

President Clinton, in remarks before the Michigan Bar Association, recently spoke about the Senate's failure to act upon his judicial nominees, noting his nominees have received more top American Bar Association ratings than those of any President in 40 years. President Clinton, to his credit, has nominated people who have received higher ratings than any President, Democrat or Republican, in 40 years and they still get held up. He said:

> These people are highly qualified, which leads to only one conclusion, that the appointments process has been politicized in the hope of getting appointees ultimately to the bench who will be more political. That is wrong. It is a denial of justice.

President Clinton is right. We should move forward with these nominees. Let them have a vote. Don't do this in the dark of the night holding people up.

We are going to have four nominees, three from Arizona which has a desperate situation, where they need Federal judges. My friend from Arizona, Senator KYL, has pointed out, quite rightly, that cases cannot be heard, several cases cannot be heard. He has had experiences as a civil lawyer. He knows how difficult that is.

I say as a former prosecutor, when that happens, the criminal cases can't be heard because you don't have enough people on the bench. When that happens, the prosecutor has to start plea bargaining down. He or she has to either get a lighter sentence or has to start dropping charges all over the place because they know they can't get a trial because the judges aren't there.

If we are going to be tough on law and order, we have to have the judges there. We cannot just say we are against crime. I am willing to concede that all 100 of us are against crime. But if we are going to fight crime, we have to have the men and women there to do it: the prosecutors, the defense attorneys, and the judges.

If we will move those judges through, I will vote for every one of them. But I also point out that they can move through very rapidly, all the judges from the time they were nominated, to the hearings, to the floor. A lot of the other judges discussed today are judicial nominees who have waited and waited and waited and waited and cannot get a vote.

It is not too late in the session to move on these nominations. We know that we can make quick progress when we want to do so. The group of nominees being considered tonight include nominations received on a Friday, who had a hearing the next Wednesday and were reported that Thursday, all within a week. In addition, there is the example of a hearing held last month by the Government Affairs Committee on two District of Columbia Superior Court judges, one who was nominated on May 1 and the other who was nominated on June 26. Another example of the ability of the Senate to act is the September 8 confirmation of James E. Baker to the U.S. Court of Appeals for the Armed Forces. In addition, there is the examples of Timothy Lewis who was confirmed in waning days of the 1992 session, the last year of a Republican presidential term with a Democratic majority in the Senate. Judge Lewis was confirmed to the Third Circuit on October 8, having only been nominated on September 17 of that year.

Of course, the Republican candidate for the presidency has said that nominations should be acted upon within 60 days. Of the 42 judicial nominations currently pending, 37 have been pending from 60 days to 4 years without final action.

Let us compare the lack of action this year to what a Democratic majority in the Senate accomplished in 1992 during the last year of a Republican presidential term. The Senate confirmed 11 Court of Appeals nominees during that Republican President's last year in office and a total of 66 judges for that year. This year the Senate is will not reach anywhere near 66 confirmations, not 60, not 50, not even 40. In 1992, the Committee held 15 hearings—twice as many as this Committee has found time to hold this year. In the last 10 weeks of the 1992 session, the Committee held four hearings and all of the nominees who had hearings then were confirmed before adjournment. In the last 10 weeks of the 1992 session, we confirmed 32 judicial nominations. In the last 10 weeks of this year we will be holding no hearings and confirming only four District Court nominees.

We still have pending without a hearing qualified nominees like Judge Helene White of Michigan. She has been held hostage for over 45 months without a hearing. She is the record holder for a judicial nominee who has had to wait the longest for a hearing and her wait continues without explanation to this day.

We still have pending before the Committee, the nomination of Bonnie Campbell to the Eighth Circuit. Ms Campbell had her hearing last May, but

the Committee refuses to consider her nomination, vote her up or vote her down. Instead, there is the equivalent of an anonymous and unexplained secret hold. Bonnie Campbell is a distinguished lawyer, public servant and law enforcement officer. She was the Attorney General for the State of Iowa and the Director of the Violence Against Women Office at the United States Department of Justice. And she enjoys the support of both of her home State Senators, Senator HARKIN and Senator GRASSLEY. I understand and share Senator HARKIN's frustration and believe that the Senate's failure to act on this highly qualified nominee is without justification.

We still have pending without a hearing the nomination of Roger Gregory of Virginia and Judge James Wynn of North Carolina to the Fourth Circuit. Were either of these highly-qualified jurists confirmed by the Senate, we would be finally acting to allow a qualified African American to sit on that Court for the first time. Fifty years has passed since the confirmation of Judge Hastie to the Third Circuit and still there has never been an African-American on the Fourth Circuit in the history of that Circuit. The nomination of Judge James A. Beatty, Jr., was previously sent to us by President Clinton in 1995. That nomination was never considered by the Senate Judiciary Committee or the Senate and was returned to President Clinton without action at the end of 1998. It is time for the Senate to act on a qualified African-American nominee to the Fourth Circuit. It is also time for the Senate to act on the nomination of Kathleen McCree Lewis to be the first African American woman to serve on the Sixth Circuit. President Clinton spoke powerfully about these matters at the NAACP Convention. We should respond not be misunderstanding or mischaracterizing what he said but, instead, by taking action on these well-qualified nominees.

I commend Senators ROBB and WARNER, along with Representatives BOBBY SCOTT and JIM CLYBURN, for speaking out last Wednesday to draw attention to the Senate's failure to act upon the nomination of Roger Gregory to fill an emergency vacancy in the Fourth Circuit. As Senator ROBB pointed out, Mr. Gregory has been nominated to fill a vacancy that has existed on the Fourth Circuit for 10 years. While the Court is authorized to have 15 judges, it is operating with only 10 judges today. That means the Court has one-third of its positions vacant. Beth Nolan, the Counsel to the President, recently wrote in the Wall Street Journal:

[T]he seat for which Mr. Gregory was nominated has not been filed before, nor allocated to any particular state in the Fourth Circuit. Moreover, Roger Gregory has the strong support of both of his home-state senators (who were indeed consulted prior to nomination). Democratic Sen. Chuck Robb recommended Mr. Gregory to the president and has been working tirelessly on Mr. Gregory's behalf. Republican Sen. John Warner has joined Sen. Robb in requesting that Sen. Hatch give Mr. Gregory a hearing.

It is past time for the Judiciary Committee to consider Mr. Gregory's nomination.

We still have pending before the Committee the nomination of Enrique Moreno to the Fifth Circuit. He is the latest in a succession of outstanding Hispanic nominees by President Clinton to that Court, but he too is not being considered by the Committee or the Senate. Mr. Moreno succeeded to the nomination of Jorge Rangel on which the Senate refused to act last Congress. These are well-qualified nominees who will add to the capabilities and diversity of those courts. In fact, the Chief Judge of the Fifth Circuit declared that a judicial emergency exists on that court, caused by the number of judicial vacancies, the lack of Senate action on pending nominations, and the overwhelming workload.

I remain vigilant regarding the Senate's treatment of nominees who are women or minorities. I have said that I do not regard the Chairman as a biased person. I have also been outspoken in my concern about the manner in which we are failing to consider qualified minority and women nominees over the last several years. From Margaret Morrow, Margaret McKeown and Sonia Sotomayor, through Richard Paez and Marsha Berzon, and including Judge James Beatty, Jr., Judge James Wynn, Roger Gregory, Enrique Moreno and all the other qualified women and minority nominees who have been delayed and opposed over the last several years, I have spoken out.

The Senate will never remove the blot that occurred last October when the Republican Senators emerged from a Republican Caucus to vote lockstep against Justice Ronnie White to be a Federal District Court Judge in Missouri. At a Missouri Bar Association forum last week, Justice White expressed concern that the rejection of his nominations to a federal judgeship will have a ''chilling effect'' on the desire of young African American lawyers to seek to enter the judiciary. The Senate took the wrong action last October when the Republican caucus rejected Justice White's nomination.

At our last Executive Business Session in the Judiciary Committee, the Chairman used some of Senator BIDEN's remarks from a nominations hearing last November to make the point that he is neither racist nor sexist. And I agree. I do not believe that the Chairman is himself for or against a particular nominee based purely on race or gender, though I do understand that the Committee does keep track of such numbers for statistical purposes. But to paraphrase our former Chairman from later on in that Executive Business Session, it would be better for the current Chairman to explain to those of us on this side of the aisle and the public at large why he is not moving on particular nominations. I understand there may be outstanding FBI investigations that he is not at liberty to discuss, but I do not believe any such impediments exist that would prevent the Chairman from telling us why Helene White, Roger Gregory, and Enrique Moreno have not yet had a hearing.

There continue to be multiple vacancies on the Third, Fourth, Fifth, Sixth, Ninth, Tenth and District of Columbia Circuits. With 23 current vacancies, our appellate courts have nearly half of the total judicial emergency vacancies in the federal court system. I note that the vacancy rate for our Courts of Appeals is more than 11 percent nationwide. If we were to take into account the additional appellate judgeships included in the Hatch-Leahy Federal Judgeship Act of 2000, a bill that was requested by the Judicial Conference to handle their increased workloads, the vacancy rate would be 16 percent.

Also at our last executive business session, my friend from Utah, the distinguished chairman of the Judiciary Committee, said there is and has been no judicial vacancy crisis. That is a bold statement considering there are 67 current vacancies in courts and emergency situations, including the Fifth Circuit. If we pass the bill that has been requested by the nonpartisan judicial conference, we would have another 7 or more judicial vacancies, so we would have over 150 judicial vacancies.

The chairman went on to say that since 363 senior judges are now serving in the Federal judiciary the true number of vacancies is ''less than zero.'' While it is true that there are 363 senior judges now serving, it is inaccurate to say that the true number of vacancies is less than zero.

I commend the large number of senior judges for coming in to help out and fill in. Some of them are well into their eighties. But that is not the way it should be. Surely, if we didn't have these senior judges, the courts would collapse under the weight of their own caseloads and the extended and extensive vacancies.

What we have is a situation where selfless public servants have made a conscious decision to hold off on the rewards of retiring from a job well done to help administer fair and proper justice in our country. Our senior judges should be thanked for their diligent work and dedication. Still, their service does not mean we have fewer vacancies. Indeed, the Judicial Conference has recommended 70 new judgeships in addition to the already existing 67 vacancies.

Let's not say the only way that can happen is if people, no matter how old they are, say: I will never retire; I will just keep on showing up and do the best I can. It is the lifeblood of our judiciary to have new judges come in.

I regret that the last confirmation hearing for Federal judges held by the Judiciary Committee was in July. In fact, that was the last time the Judiciary Committee reported any nominees to the full Senate. Throughout August,

September, and now the first week in October, there have been no additional hearings held, or even noticed; no executive business meetings have included any judicial nominees on the agenda.

I mention that because in 1992, the last year of the Bush administration, we had a Republican President and a Democratic majority in the Senate. We held three confirmation hearings in August and September. We continued to work to confirm judges.

How late did we work, even though we have the so-called Thurmond rule which cuts off judicial nominations after about midyear? Do you know how long the Democrat-controlled Senate was confirming judges for a Republican President? Up to and including the very last day of the session; not up to and including 6 months before the session ended.

I know there is some frustration. Some Senators have objected to Senate committees continuing to meet on other matters while the Senate is in session. That is partly because the matter is so acute with regard to the numerous vacancies in our court of appeals and the qualified women and men who have been nominated and stalled.

The chairman says, and he holds the banner for his party, that Democrats have no grounds to complain. I remind the Senate of the hoops that Richard Paez and Marsha Berzon had to jump through in order to get a vote, including the extraordinary step of overcoming a motion to postpone indefinitely the vote on Marsha Berzon.

So I hope we will continue to meet our responsibility to all nominees—men, women, and minorities. As long as the Senate is in session, I am going to urge action. Highly qualified nominees should not be delayed. The Senate should join with the President to confirm well-qualified, diverse, and fair-minded nominees to fulfill the needs of the Federal courts around the country.

I see my friend from Arizona on the floor. I have spoken somewhat longer than I suggested to him that I would. I apologize for that, but I hope he will take some comfort from the fact that as I said at the beginning of my talk that I would vote for the nominees from his State, including one who has been a long-time friend of his. I am going to be urging Members on this side to do so. I can say with some certitude, all four will be confirmed.

Mr. President, I reserve the remainder of my time and yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I appreciate those remarks of the distinguished ranking member of the Judiciary Committee. It is probably a good segue for me to try to explain what has been going on here because colleagues who may be watching or people who are not in the Senate may be wondering what all of the discussion has been about when there are four specific nominees who President Clinton has nominated for Federal district judgeships and they are ostensibly being considered by the Senate and I have heard no discussion about the four. So I am going to discuss the four very briefly.

The problem, as you have heard, is that many on the other side of the aisle are unhappy with the fact that other nominees have not been considered this year. You have heard all the discussion about that. You have heard Senator HATCH on our side explain why that is so. But there has been great displeasure on the other side because, in their view, not all the nominees they would have liked to have considered were considered.

The four nominees who are before us today are the only four the Senate can consider. They are the only nominees who have gone all the way through the process from nomination, ABA clearance, FBI clearance, hearing before the Judiciary Committee, and then the Judiciary Committee having acted upon them to send them to the floor of the Senate. These are the only four on whom the Senate can act. I am pleased that, today, we will have the opportunity to do that.

All four of these nominees were pending in July. The majority leader made a request of the minority to consider the four nominees. That request was denied, however. So these four nominees had to be held over the August recess. Obviously, on our side we would have much preferred that the four confirmations could have occurred because of the need to fill these vacancies for the District in Arizona—which I will refer to in just a moment—but to which Senator LEAHY referred. He acknowledges we have a significant need in Arizona to fill these positions. But there was objection on his side to their consideration.

So when we came back in September, the majority leader again asked the minority leader for concurrence to bring these four nominees to the floor for a vote. Again, that was denied by the Democratic side.

People might ask: Why would Democrats be objecting to President Clinton's nominees? The reason has nothing to do with their merits. As Senator LEAHY pointed out, undoubtedly all four of these nominees will be confirmed because they are all four very well qualified. The reason has to do with the politics of this Chamber. Because some Democrats were concerned that not all of their people had been yet considered, they were going to hold up nominees they perceived to be important to me and to Senator FITZGERALD from Illinois, the home State of the four nominees here before us.

But the fact is, these people are needed to serve the people of the United States of America. They were nominees of President Clinton. So the bottom line is that it is now time for the nominations to be considered by the full Senate. We need to get over the politics. We need to get on with doing the people's business and confirm these four well-qualified individuals. I am pleased that both the majority and minority have now made that possible and that in a few minutes we will be able to vote for all of these candidates.

The first three candidates should have been discussed this morning. I know they were not. Instead, we had the discussion that you have heard. But those four nominees, as Senator HATCH mentioned, are Michael Reagan from Illinois, about whom you will hear a little more in a moment from Senator FITZGERALD; Mary Murguia, a very well qualified assistant U.S. attorney from Arizona who, by the way, if confirmed, will be the first Latina to serve as a Federal district court judge from Arizona; and the Honorable Susan Bolton, a very distinguished Superior Court judge in Arizona. All three of those candidates I deem to be well qualified. I chaired the hearing. I can certainly attest to the fact that the two from Arizona have the highest qualifications.

That leaves the fourth who is being considered separately here for reasons I will discuss in just a moment, but he is James Teilborg. Since I think it is appropriate when we are going to vote on somebody to actually have a little discussion about the individual, I am pleased to present a couple of minutes on his background here.

He was born and raised on a farm in southern Colorado and was State President of the Colorado Future Farmers of America. He married his wife, Connie, 37 years ago. They have two sons, Andy and Jay, and three granddaughters.

He and I attended the University of Arizona College of Law beginning in 1964. That is where I first met Jim Teilborg. I have known him ever since, and we have been close friends. So I can attest not only to his qualifications as a fine lawyer but also as a fine individual. He served in active duty U.S. Air Force to attend Navigator School. He is a retired colonel in the United States Air Force Reserve after 31 years in the National Guard and Reserve service. He was a member of the National Guard for 7 years, a navigator on the C–97 and KC–97 aircraft and, by the way, has been 23 years admissions counselor for the U.S. Air Force Academy. I would also note for the entire time I have been with the U.S. Congress, Jim Teilborg has chaired my service academy committee, a huge job of interviewing all the individuals who would like to attend one of our military service academies: interviewing them, making recommendations to me, and then for me to the academies. As a result of his exemplary service, I must say we have a much higher than average rate of acceptance by the service academies—because of Jim Teilborg's fine service.

He was a founder of the law firm of Teilborg, Sanders & Parks, the 12th largest law firm in Arizona. His practice focused on the areas of aviation, professional negligence, product liability, and complex tort litigation.

The Presiding Officer will appreciate, as a pilot himself, that, of course, Jim

Teilborg is an accomplished pilot as well.

He is a 33-year veteran trial lawyer. He was President of the Maricopa County Bar Association, and was a member of the board of directors. He was the lawyer representative to the Ninth Circuit Judicial Conference, a distinguished position for a member of the bar, and has served as chairman of the Maricopa County Bar Association Medical/Legal Liaison Committee, and also served as chairman of the Special State Bar Disciplinary Administrative Defense Counsel.

He is a Member of the International Association of Defense Counsel board of directors and was its president in 1981; and, a very prestigious honor, a fellow of the American College of Trial Lawyers. This is the pinnacle for anybody who really wants to call himself a trial lawyer. In the latest edition of ''The Best Lawyers of America,'' of course, he is included.

Jim Teilborg is one of those rare individuals who has practiced law for all of this time, made no enemies that I know of, but a lot of friends in the practice of law as a very competent litigator, a fine individual, and one who, as we found when we interviewed people in Arizona about his potential nomination, had unanimous support among judges and lawyers for service on the Federal district court.

I cannot think of anyone who would be more suited for the position because of his background, because of his judicial temperament, and because of his philosophy of always treating people fairly and his love for the law. It is personally a great honor for me and a pleasure to recommend James Teilborg to my colleagues.

That is probably the last you will hear about Jim Teilborg. Nobody is going to argue against him as an individual, I am sure. Of course, none has so far. I am hopeful that the political disagreement we have had over other nominees will not spill over into a negative vote on Jim Teilborg.

There is only one reason he has been set apart from the other nominees, and that is that he happens to be a Republican. Of course, I have supported nearly 97 percent of President Clinton's nominees during the time I have been in the Senate, and I daresay virtually all of them have been Democrats. One cannot base a vote on partisan reasons in this body.

I was very pleased to hear Senator LEAHY say he would urge the support for Jim Teilborg, as well as committing that support himself. While we on both sides of the aisle have voted against candidates for reasons having to do with the merits of that individual candidate, I do not know of any time I have seen a colleague vote against a nominee in protest of something someone else had done. That would be wrong. A protest vote having nothing to do with the individual would be wrong.

If the Senator from Vermont will still stay on the floor one more moment, I will quote him because I want him to know how much I agree with this important statement of his.

He said:

> We should be the conscience of the Nation. On some occasions, we have been, but we tarnish the conscience of this great Nation if we establish the precedents of partisanship and rancor that go against all precedents and set the Senate on a course of meanness and smallness.

The Senator from Vermont was, I think, very accurate not only in what he predicted would be the consequence of the precedent we would set if we acted in that degree of smallness, but also I think expressed the view all of us share that our decisions should be based upon the merits, however we see them—maybe differently—but never voting on an individual because of the actions of someone else, to make a protest about some other point.

I appreciate his comments, and I commend to all of his colleagues the statement he has made here with respect to Jim Teilborg.

Mr. LEAHY. Will the Senator yield?

Mr. KYL. I will be very happy to yield.

Mr. LEAHY. I appreciate what my friend from Arizona said. And he is my friend. It has been my experience on the committee, even on issues that start out appearing to be partisan, that the Senator from Arizona has worked hard to remove that sense of partisanship. He and I have joined together on a number of pieces of legislation. I do not think he would object to the description as a conservative Republican and myself as a liberal Democrat, but we have both been pragmatic Senators in getting some very good pieces of legislation through.

I mention that because he and I may well share a belief that there have been some times this year when it has become too partisan. I hope after the elections, no matter who is elected President and no matter what the numbers are in the House and the Senate, that a number of Senators who have had the experience of working together across the aisle will start off the year trying to find pieces of legislation we can do that will demonstrate to the country there are many Members of good will in both parties who do want what is best for this country. There will be issues, of course, where there are distinct party differences, but there are so many issues where there is far more unity. I hope we can do that.

I thank the Senator for his kind words. I yield the floor.

Mr. KYL. Mr. President, I thank the Senator. I will conclude. Some of the best things we have done have been in a bipartisan way—some of the things Senator LEAHY and Senator HATCH have worked on in particular, things that Senator FEINSTEIN and I have worked on in particular. I certainly look forward to getting together with Senator LEAHY after the election to see how we begin next year, assuming I am returned to this body.

I conclude with a quick comment about the need to fill this position in Arizona.

In 1999, Congress created nine new Federal district court judgeships—four for Florida, two for Nevada, and three for Arizona. The Nevada positions and three of four in Florida have been confirmed, but none has been confirmed yet for Arizona. That is why this is such an important matter as we conclude our business this year.

These nominees are needed to handle the ever-increasing caseload in Arizona, and here is an illustration of that caseload.

Our criminal felony caseload has increased 60 percent in the last 3 years. The district of Arizona ranks second in total weighted filings for a judge among the Nation's 94 districts, by the way, twice the national average—901 compared to the national average of 472. We are fourth in weighted felony filings per judgeship. Felony filings per judgeship weighted are 236 percent above the national average.

So you can see, Mr. President, why this burgeoning amount of work in Arizona requires that we fill these positions. We have 19 Indian reservations and 21 tribes which produces a steady stream of U.S. jurisdiction cases which are not found in most other States. Because we are on the border, we have a lot of illegal immigration and drug smuggling cases. And Arizona is one of the fastest growing States in terms of population. It is pretty easy to see how a State such as Arizona can get into a position where it has to fill these positions.

I am very pleased that at this point, just before the Senate concludes its business for the year, we are able to fill these three positions in Arizona, as well as the Illinois position. I am delighted my colleague from Vermont will be urging his colleagues on the Democratic side to support all four nominations. I have certainly done the same on our side of the aisle. I think it will send a very good signal of that very kind of bipartisanship Senator LEAHY was talking about if all of these nominees receive our unanimous support.

I reserve the remainder of whatever time is remaining on my side. Mr. President, it is my understanding that any quorum call time will be attributed to both sides equally; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KYL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator will have to make that request.

Mr. KYL. I ask unanimous consent that any time spent in a quorum call be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. 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. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I rise to make some brief comments.

I was listening, while I was chairing the session, to the very distinguished Senator from Vermont talking about how many appointments and how many nominees should be acted upon. He was very passionate in his appeal to just have a vote; let's just vote up or down. He named nominee after nominee and how many days they have been under consideration.

I was tempted to go back and get the history as to some of the problems we are having with this administration and the fact that, yes, I am guilty of putting holds on judicial nominees and doing the same thing that, back in 1985, Senator BYRD did when Ronald Reagan was President of the United States.

But rather than go into that, I will only say this—I don't want to take much time; I want the Senator from Iowa to have his time—we have acted upon President Clinton's nominees. In fact, it is my understanding that he is only five short of having an all-time record of having nominees being confirmed in a period of time.

Even though the Senator from Vermont was quite eloquent in talking about all of the judicial nominees who were left without final action being taken, either to confirm or not confirm, if we quit right now and didn't confirm these four we are discussing today, at the end of President Clinton's term, that would leave a total of 67 vacancies. It is my understanding that 61 is considered to be a full bench.

Let's say 67 vacancies are there. Back when President Bush was President, when he left office at the end of 1992, there were 107 vacancies.

The bottom line there is the Democrat-controlled Senate at that time was able to stop or was stopping more of the nominations than the Republican-controlled Senate is today.

Seeing that the Senator from Iowa has left the Chamber and no one else is asking for time, I will go ahead at this point and proceed to the history behind this.

Back in 1985, when Ronald Reagan was President of the United States and the Senate was controlled by the Democrats, a lot of the conservative appointments—not just judicial nominations but others—by the President were not acted upon by the Democrat-controlled Senate. Consequently, President Reagan did something he should not have done back in 1985. He started making recess appointments, and he made many recess appointments. The majority leader at that time, the very distinguished Senator from West Virginia, Mr. BYRD, wrote a letter to President Reagan.

In this letter, he reminded him as to what the senatorial prerogative was in accordance with the Constitution. At that time he said: You have violated the Constitution with these recess appointments, and you have done so to avoid our confirmation or lack of confirmation. Therefore, if you have any more recess appointments, I will put a hold on all nominees, not just judicial nominations but all nominations.

Consequently, after a short period of time, President Reagan wrote a letter back to Senator BYRD and said: You are right; it was a violation of the Constitution. And he recited that the Constitution had a provision for recess appointments only in the cases when the appointment occurs during the time we are in recess and that that was not the case when he made his recess appointments.

Fifteen months ago, when we found out that President Clinton was making excessive recess appointments, I found the old letter that BOB BYRD had sent to President Reagan, and I sent that same letter to President Clinton, saying the same thing: If you continue to do recess appointments, we are going to put holds on all your nominees, except, I said, just judicial nominees. Consequently, President Clinton, after a period of 3 or 4 weeks, wrote a letter back and said that he would agree to the same terms Ronald Reagan had agreed to back in 1985. Then when President Clinton violated his word, I put holds on nominations. This was 15 months ago.

As we all know, there was a vote to override my holds after a few months, and that was successful. However, for all judicial nominations that have not gone through the process since President Clinton did have 17 recess appointments during the August recess, I have renewed that hold on all future judicial nominations.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, for the benefit of Senators and staff, I initially had 3 hours of time on which to speak about the judicial nominees and, more specifically, the holdup that is happening on the Judiciary Committee with regard to the former attorney general of the State of Iowa, Bonnie J. Campbell, who has been nominated for a seat on the Eighth Circuit Court of Appeals.

In discussing this with several Senators, I can say that it is now my intention to speak for a few minutes and to yield back the remainder of my time. In discussions with our side, I understand there probably will be just voice votes on all of these nominees.

Just for planning purposes—I know how sometimes I get irritated when I don't really know what is happening when some people have a lot of time—I want Senators to know I am going to speak for a few minutes, yield back my time, and then move to the votes on the nominees.

Again, I want to respond a little bit to what my friend from Utah said this morning, the chairman of the Judiciary Committee, Senator HATCH. I am reading from the transcript of this morning's session. Senator HATCH said:

> It had always been my intention for the Judiciary Committee to report Ms. Campbell's nomination. However, events conspired to prevent that from happening.
>
> First, during the August recess, as I have explained, the President determined to recess appoint several executive branch nominees over the express objection of numerous Senators.
>
> He did so notwithstanding his agreement to clear such recess appointments with the relevant Senators. . . .
>
> Second, after their August recess, Democrat Senators determined to place holds on the four nominations we are debating today, even everybody admits—I think everybody admits—that they are important nominations and this arrangement that has been worked out has been fair.
>
> Again, they threatened to shut down the Senate's committee work, going as far as to invoke the 2-hour rule and forcing the postponement of scheduled committee hearings. . . . For these reasons, Bonnie Campbell's nomination has stalled. Ms. Campbell has only the White House and Senate Democrats to blame for the current situation.

I don't know what the Senator from Utah is talking about. Bonnie Campbell had nothing to do with whether the President made recess appointments or not. And the holds that were placed on the four nominations—they were saying, wait a minute, Bonnie Campbell had her hearing 2 months before some of the nominees that we are voting on today. Three of these nominees that will get their vote today were nominated, got their hearing and were reported out of Committee within one week in July of this year. Bonnie Campbell's hearing was in May.

So we are only saying: Why not take those who had their hearings first? Why take up those who had them later? Bonnie Campbell had her hearing, answered questions; they had more written questions that they sent her, and she responded to those. Yet there again, three of the four judges we are voting on here today went through the first three steps of the process within one week.

Ms. Campbell has only the White House and Senate Democrats to blame for the current situation? What is the Senator from Utah talking about? What is to blame are the pure rank politics of the Senate Judiciary Committee and the Senate Republicans for holding up Bonnie Campbell's nomination and keeping it bottled up in committee.

The Senator from Utah knows full well that this Senator from Iowa had every right to exercise his rights as a Senator on the floor, to bottle up a lot of things on this floor after the August recess. I did not do so because I was led to believe that, by acting in good faith, the Senate Judiciary Committee would act on Bonnie Campbell's nomination. Why? Because the Senator from Iowa,

Mr. GRASSLEY—and if I am not mistaken, he is the second ranking member on the Judiciary Committee—supports Bonnie Campbell and has stated so publicly. So I figured, well, he is second ranking.

Now, Mr. KYL, the Senator from Arizona, is fourth ranking on the committee, but he gets his nominee through. He was nominated, had a hearing, and was reported out that week. Mr. KYL gets his nominee through.

Well, I figured if I acted in good faith—and I did so by not doing anything and letting the Judiciary Committee go from one week to the next, one week to the next, and I thought this week they didn't report her out, maybe they'll do it next week, or maybe the next week. Well, now, the time has run out and it is clear to me I was being strung along all this time with false promises that the Judiciary Committee would, indeed, act on Bonnie Campbell's nomination.

So now to say that it is the Senate Democrats who are to blame for the current situation with Bonnie Campbell is utter fabrication, total nonsense. The Senator from Utah knows as well as I do that there is one reason it is being held up, and it is called politics—pure rank politics. Then, again, Senator HATCH says that the reason it has been held up is because President Clinton had some recess appointments, and that we had a hold on these four nominees for a while. Well, why is he singling out one nominee? Why is he targeting Bonnie Campbell? Why is Bonnie Campbell the target? What about all the other judges? Why is he singling her out?

Is it because of her work to prevent domestic violence as the director of the Office of Violence Against Women at the Justice Department? The Senate Republicans have stalled passing the reauthorization of that law just as they have blocked Bonnie Campbell's nomination from getting a vote on the Senate floor.

Bonnie Campbell has done a superb job of focusing on the issue of violence against women, especially domestic violence. The Violence Against Women Act has expired. It expired on the last day of September of this year. This Republican Congress didn't even see fit to take it up and pass it.

So it is no surprise to me that in poll after poll after poll across this country women are saying no to Republican candidates because they see what has been happening here. This Republican Senate is holding up the one person who really knows what violence against women is about, who headed that office and has done a superb job; yet Senate Republicans aren't going to let her come out. How well has she done? Take a look at the House vote on reauthorization. The vote was 415 to 3. Do you really think this bill would have been reauthorized if the person who has headed the office to implement its provisions had done a bad job?

Well, I say to Senate Republicans, you better beware. The women of this country are watching what you do up here on the issues that are important to them. They want the Senate to reauthorize VAWA. They want judges who will enforce that law. Who better to do that than Bonnie Campbell? She is qualified, and no one has come to the Senate floor and said any differently since her hearing.

I can tell you, this Republican Senate that is holding up her nomination and the reauthorization of VAWA will have only themselves to blame if the women of this country vote overwhelmingly against their party in November. It pains me to say this, but I think that is what it has come down to. If they want to play politics with Bonnie Campbell and Violence Against Women, go right ahead, but it will bite them bad. Real bad.

You may think you are only holding up one person, only one judge, saying, well, she was from Iowa, not of any consequence. I say to my Republican friends, you are seriously mistaken. Bonnie Campbell did an outstanding job as attorney general for the State of Iowa. She was well known to women all over this country as a role model and someone they have looked to for leadership, someone who has brought honor to our State, honor to the legal profession, honor to this administration, and honor to what we are about as a nation in trying to provide more equality for women in this country.

I say to my friends on the Republican side, if you think you are playing smart politics by holding up Bonnie Campbell's nomination, I say to you that you are sadly mistaken.

But I guess it has come down to this. I am told that there is no use even talking about it anymore. They are not going to let Bonnie Campbell's nomination be reported out. I don't know about that. I say it is never over until it's over. And perhaps some cooler heads will prevail on the Republican side. They will see that they are only hurting their own cause. They are only hurting themselves and their candidates who are out there running by holding up Bonnie Campbell's nomination.

It is time we have more diversity on the Federal bench. Only 20 percent of the Federal judiciary are women. Of the 148 circuit judges, only 33 are women. It is time we have more—qualified women on the federal bench.

Last year, a report by the Task Force on Judicial Selection of Citizens for Independent Courts—an independent group—verified that the time to confirm female nominees is now significantly longer than that to confirm male nominees. There is a difference that has defied logical explanation. The fact is—it is true—to confirm female nominees takes a lot longer than men.

We have some men who are being voted on today. We have one man being voted on today who was nominated in July. He was passed out the same week. Bonnie Campbell has waited 215 days since she was nominated.

The standard bearer of the Republican Party this year—Gov. Bush of Texas—said there should be a deadline of 60 days from nomination through the process.

Evidently, the Republicans in the Senate and on the Judiciary Committee are not paying much heed to their standard bearer.

I am sorry to have to disagree with Mr. HATCH. But the White House is not to blame for this, and neither are the Senate Democrats.

Mr. HATCH has an argument with the White House on recess appointments. That is another matter entirely. It has nothing to do with judicial nominees.

Maybe he doesn't like what Mr. Clinton said at a press conference. Maybe Senator HATCH doesn't like a lot of things the President does. But does that give the Senator from Utah the right to hold up a judicial nominee because he doesn't like what the President did on some other matter?

I want to point out again that three out of the four nominees voted on today were nominated, a hearing was held, and they were reported out of the committee in 1 week in July. Yet Bonnie Campbell has been waiting 215 days, and they will not report her out of the committee.

One can only ask again why the Republicans are playing this political charade. I guess they figure, well, if they just hold on, maybe their guy will win and they can move ahead.

But, as I said earlier, I think the Republicans over there ought to be aware of this one. This one is going to bite hard.

Mr. President, I yield whatever time the Senator from Minnesota desires. I yield up to 10 minutes to the Senator from New York, Mr. SCHUMER, and I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I came to the floor to support my colleague, the Senator from Iowa, and to speak for a couple of minutes about Bonnie Campbell. I believe Bonnie Campbell would be the second woman to serve on the Eighth Circuit Court of Appeals. Dianne Murphy from Minnesota is the first. Bonnie Campbell has done a lot of good work, but most important is her record at the Justice Department in the violence against women office.

I come here to speak about this woman's magnificent work. Bonnie Campbell has probably more than any single individual made the most difference when it came to reducing violence and trying to end some of the violence in families; unfortunately, most of it directed against women and children. About every 13 seconds, a woman is battered in our country. A home should be a safe place. Somewhere between 3 million and 10 million witness this in their homes.

Bonnie Campbell has visited Minnesota. I have seen her speak with very quiet eloquence. I cannot say enough about the magnificent work she has done. As attorney general in Iowa, I think she passed the first anti-stalking law in the State. She is well known in Iowa. She is well known throughout the United States of America. She is a skillful lawyer. She would be a great judge. She is extremely important when it comes to being a voice for families in this country. She has done probably some of the best work that any individual could possibly do in this incredibly important area of reducing violence in this country. There is way too much violence—especially directed at women and children.

I cannot for the life of me understand why we have been waiting almost 7 months or thereabouts for this nomination to move through the Senate.

Minnesota is covered by the Eighth Circuit Court of Appeals. Dianne Murphy is from the State of Minnesota. She was the first woman to serve on this court. She is a great judge.

Bonnie Campbell would be a great judge. We need her on this court. We need a judge who understands the concerns and circumstances of too many women's lives and too many children's lives in this country. We need a judge such as Bonnie Campbell who has such a distinguished background and such a distinguished career. We need a judge on the Eighth Circuit Court of Appeals like Bonnie Campbell with such a proven record of public service. I can't find anything in her background, I can't find anything in her record, I can't find anything about her which would make her anything other than 100 percent eminently qualified to serve on this court of appeals.

I share in the indignation that my colleague from Iowa has expressed. There is no excuse to hold this nomination for one day longer. I think it is shameful that, in the Senate, really good people who have so much to offer, who could do such good—in this particular case, at the Eighth Circuit of Appeals—find themselves blocked for no good reason.

I heard Senator HARKIN say he thought this was going to come back to ''bite.'' I hope it does. It is true; most of the people in the country are not so directly connected to this process of how we do confirmations of judicial appointments. We have had Senator LEAHY doing yeoman work, and there are other Senators who have spoken. Senator LEAHY provides the leadership. The more people learn about a person of the caliber of Bonnie Campbell—and as a man, I care a lot about how we can reduce this violence in families, how we can reduce the violence in homes—the more people hear about this, the more outraged they will be, and for good reason.

I know it is asking too much, but I want to see a little bit more fairness. I want to see an end to this blocking of good people who could do good work and could help so much. Bonnie Campbell is a perfect example. We shouldn't be delaying this nomination one day. But we are. I just want to express my support for Bonnie Campbell.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Before I get into the substance of my remarks dealing with honoraria for judges, I echo the words of my colleague from Minnesota, Senator WELLSTONE, as well as our leader on the Judiciary Committee, Senator LEAHY, about the holdup in judges. Senator LEAHY has laid it out quite carefully; that is, that we have not appointed as many judges, on a percentage basis, as when Democrats controlled the Senate during the Reagan and Bush years.

I particularly add my voice to those who are asking that Bonnie Campbell be added to the Eighth Circuit.

The reason I rise is not only as a member of the Judiciary Committee, not only as somebody who believes we ought to fill the vacancies in our courts—and I am appreciative that Senator HATCH has worked with me to fill those vacancies in New York. Neither the Second Circuit nor any of the New York district courts have vacancies, and we did manage to fill at least six judgeships this year. I thank the chairman for that. But that doesn't mean the rest of the country should have things unanswered.

I worked with Bonnie Campbell. I was the sponsor in the House of the Violence Against Women Act. It was authored originally by Senator BIDEN and Senator BOXER, when she was a House Member. She carried it between 1990 and 1992. When she was elected to the Senate, she asked me to take the reins, and we did. We passed the law. As somebody greatly interested in the Violence Against Women Act, of bringing that dirty little secret, the amount of violence in our families, out into the sunlight so we could deal with it, I believed very strongly the right person should be appointed to be in charge of the act.

Bonnie Campbell did a fabulous job on an issue of great concern to all Americans. I think it is just unfair to ''reward her'' by letting her sit there in limbo when she so deserves and could be such a great addition to the Eighth Circuit. I plead with my friend, the Senate majority leader, my friend, the chairman of the Judiciary Committee—who, as I say, has been fair and good to New York on this issue—to bring the names of all four judges before the Senate, or all the judges who are waiting in the wings—there are more than four—but particularly Bonnie Campbell.

On an issue related, as well, of debating a number of nominees to be Federal judges, I want to address an issue that affects the entire Federal judiciary: The ban on honoraria. Under current law, as we all know, Federal judges are not allowed to accept honoraria. That is how it should be. The framers of the Constitution designed article III to keep judges outside of politics and above influence. Read the Federalist Papers. One of the great debates was that Federal judges, in article III, achieve life appointment.

There was one reason for it: So they would be unfettered, so they would be uninfluenced; they could make their own decisions, knowing that no sanction could be taken against them for decisions they made, and, just as importantly, so the public would know it.

Because the judiciary has neither the power of the sword, as does the executive, nor the power of the purse, as does Congress, it is essential that the judiciary maintain its power—and it has, thank God—for these 211 years since the Constitution was written, through an untainted reputation for integrity and impartiality. The Federal judiciary has had it. It has frustrated us at times. It frustrated Franklin D. Roosevelt in the 1930s. It has frustrated some Members today on issues where we disagree with the majority. There is nothing we can do about it, thank God, because an independent judiciary is vital.

I believe the public, if the surveys I have seen are correct, believes the Federal judiciary is independent—far more, I might say, than State and local judiciaries where there are either elections or appointments of term so that judges believe they have to please either an individual or even the whole electorate to make up their minds.

Nothing could do more to undo the justified reputation so much wanted by the founders and sustained in this Republic as the provision that has been inserted into H.R. 4690 that would allow judges to accept honoraria. The repeal of the ban would create a significant loophole in the Ethics in Government Act of 1978 which bars high-ranking Federal officials of all branches of Government from receiving speaking fees for 11 years. This prohibition has limited real and perceived corruption. It has limited real corruption and, probably much more widespread, perceived corruption. The conflicts of interest among Members of Congress, Federal judges, and senior members of the executive branch have been limited, as well.

I, for one, opposed honoraria for Members of Congress. I don't believe in a standard for the judges and a different one for Members. While honoraria were allowed in the Congress for most of the years I served in the House, I refused to take them. I remember my first speech, right after I was elected. A leading financial institution in New York asked me to speak. I had just been appointed to the Banking Committee, which regulated a lot of their activities. After the speech, they handed me a check. I was sort of surprised; it sort of knocked my socks off. I looked at the check. I said: This is wrong; this is not a check for the ''Reelect Schumer Committee''—which I

would have believed would have been untoward to give me right after a speech anyway—but this is for me. They said: Yes, that is your honorarium.

I felt bad about it, returned the check, and vowed not to take any honoraria in the future.

It is even more important for judges because, as I said, they are not sanctioned to election; they are not supposed to be sanctioned to the whims of either the people or of special interest groups. It would simply lower the standard for the very officials for whom standards should be the highest.

Thousands of U.S. citizens go before Federal judges every year and expect impartial justice. That is why judges have, as I mentioned, life appointments. That is why the rules so assiduously guard against even the appearance of impropriety. And that is why we spend so much time debating the appointment of these judges. We know once they are appointed, that is it; they are in for life.

Lifting the ban will only leave litigants wondering whether the integrity of the judges has been undermined by speaking fees from groups that have a stake, or may have a stake, in the case before them.

The Federal judiciary, it is said, is underpaid. If you believe it, raise the pay; budget the money. But don't, please, allow judges to moonlight as talking heads.

That demeans our independent Federal judiciary. To simply give them leave to forage for speaking engagements is nothing less than an abdication of our responsibility. Moreover, exempting judges from the honorarium ban will give the biggest benefit to those who are in high demand for speaking engagements—likely the most famous, the most high ranking. Presumably inadequate compensation is a problem for all Federal judges, not just those who can garner the largest fees or even who are the most eloquent. We don't hire our judges, we don't appoint our judges, on the basis of eloquence.

Additionally, if judges are underpaid, then they may be more susceptible to influence from outside income—even more reason to maintain the honorarium ban.

In conclusion, the issue boils down to one simple, simple nugget: The faith of the people in their government. We have a great Republic. The more I am on Earth, the more I believe that the Founding Fathers were the greatest collection of practical geniuses history has ever known and the more I believe that our country is, as they put it, a noble experiment. It was when it started, and, God bless America, it still is today.

Honoraria for judges strike a dagger right in the heart of what the Founding Fathers wanted—a totally independent judiciary, perceived as independent as well as actually being independent. Inserting this nefarious provision into the thick of an appropriations bill in the dark of night ruins that image. Unfortunately, the sneaky addition of this provision matches the substantive effect of it. It will only enhance the public's perception that those in government should not be trusted.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. 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. LOTT. Mr. President, I understand that the Senators from Iowa and Vermont are ready to yield back their time; is that correct?

Mr. REID. Yes. On behalf of the Democrats who have been allocated time, time is yielded back.

Mr. LOTT. With that in mind, we also yield back all our time on the majority side.

I ask for the yeas and nays on the nomination of James Teilborg.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. LOTT. This vote will occur momentarily. However, for just a minute, I will suggest the absence of a quorum, and we will be ready to proceed almost immediately. I want Senators to know the vote is about to begin.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, we are ready for the recorded vote.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of James A. Teilborg, of Arizona, to be U.S. District Judge for the District of Arizona? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Hampshire (Mr. GREGG) is necessarily absent.

Mr. REID. I announce that the Senator from California (Mrs. FEINSTEIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from Arkansas (Mrs. LINCOLN) are necessarily absent.

The PRESIDING OFFICER (Mr. GRAMS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 263 Leg.]

YEAS—95

Abraham	Enzi	McConnell
Akaka	Feingold	Mikulski
Allard	Fitzgerald	Miller
Ashcroft	Frist	Moynihan
Baucus	Gorton	Murkowski
Bayh	Graham	Murray
Bennett	Gramm	Nickles
Biden	Grams	Reed
Bingaman	Grassley	Reid
Bond	Hagel	Robb
Boxer	Harkin	Roberts
Breaux	Hatch	Rockefeller
Brownback	Helms	Roth
Bryan	Hollings	Santorum
Bunning	Hutchinson	Sarbanes
Burns	Hutchison	Schumer
Byrd	Inhofe	Sessions
Campbell	Inouye	Shelby
Chafee, L.	Jeffords	Smith (NH)
Cleland	Johnson	Smith (OR)
Cochran	Kerrey	Snowe
Collins	Kerry	Specter
Conrad	Kohl	Stevens
Craig	Kyl	Thomas
Crapo	Landrieu	Thompson
Daschle	Lautenberg	Thurmond
DeWine	Leahy	Torricelli
Dodd	Levin	Voinovich
Domenici	Lott	Warner
Dorgan	Lugar	Wellstone
Durbin	Mack	Wyden
Edwards	McCain	

NOT VOTING—5

Feinstein	Kennedy	Lincoln
Gregg	Lieberman	

The nomination was confirmed.

Mr. CRAIG. Mr. President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is, Will the Senate advise and consent to the three nominations en bloc?

The nominations , were confirmed.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. BIDEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KYL. Mr. President, I rise to thank all of those responsible for helping in the steering of the confirmation of these four nominees—Senator HATCH and Senator LEAHY.

I also would like to make a quick comment about my colleague, Senator GRASSLEY, who observed earlier that even though I rank fifth on the Judiciary Committee and Senator GRASSLEY ranks second, I was able to secure these nominees; whereas, the nominee very important to Senator GRASSLEY and Senator HARKIN has not been considered.

I want to make it clear that seniority had nothing to do with it. Senator GRASSLEY has worked long and hard on behalf of the nominee that Senator HARKIN has spoken about, Bonnie Campbell, former attorney general of Iowa.

I worked very hard on behalf of these nominees. But to make it clear, the nominees from Arizona were President Clinton's nominees. I worked with my colleague in the House, ED PASTOR, a Democrat, in helping to ensure that these nominees could be considered in

this session of the Congress; that we could have the Senate Judiciary Committee approve the nominations, and send them to the floor for consideration. It was still laid over over the August recess. Notwithstanding all of that, we were able to get it done.

But in the case of Bonnie Campbell, she is a circuit court nominee. I know Senator GRASSLEY and Senator HARKIN have an agreement that they will support each other's nominees when the other party is in power. In this case, the Democratic President makes a nominee, and Senator HARKIN is supportive and Senator GRASSLEY is also supportive. He certainly has been supportive.

I want the Record to be clear—I am sure Senator HARKIN would concur in this—that Senator GRASSLEY has been a very strong advocate for Bonnie Campbell.

I think the circumstances that permitted us to confirm these other four nominees—one from Illinois and three from Arizona —didn't have anything to do with the seniority on the committee or it wouldn't have been possible for the Arizona judges to have been confirmed by the Senate.

I thank the Chair.

Mr. HARKIN. Mr. President, I respond by saying I was not trying to imply one way or the other that seniority had something to do with who gets out of the Judiciary Committee. My main point was that three of the four nominees we voted on today have been pending a very short time. They were nominated in July, their hearing was in July, and they were reported out of Committee in July—all in the same week. And they were brought to the floor today. Bonnie Campbell has been sitting there for 215 days. She had her hearing in May. Yet they won't report her out of the Judiciary Committee.

This is unfair. It is unfair to her. It is unfair to the women of this country. It is unfair to the court which needs to fill this position. We recognize in Bonnie Campbell a champion, a champion of women, someone who has done an outstanding job in administering the office of violence against women. She is the only one who has held that office since the legislation was passed. The House last week voted 415–3 to reauthorize it. Now we will try to do something in the Senate. I think the women of this country understand the Republican-controlled Judiciary Committee and the Republican-controlled Senate are stopping the Senate from having a vote on Bonnie Campbell for pure political reasons.

I think it is wrong the way they are treating Bonnie Campbell in this nomination process. I will continue to point that out every day that we remain in session. It is unfair to her. It is unfair to the women of this country to have someone so qualified, someone who has done so much to reduce and prevent violence against women, to have the Senate Judiciary Committee bottle up her name and not even permit it to come on the floor for a vote.

I am still hopeful perhaps they will see the light and permit that to happen, although time is running out. I will take every day we are here to talk about it.

I yield the floor.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from South Carolina.

Mr. THURMOND. Mr. President, we have heard much debate today about Federal judges. One would think that President Clinton has fared very poorly in the judicial confirmation process, but this is simply not true. He has done quite well with the cooperation of the Republican-controlled Senate.

During the President's first term, the Senate confirmed nearly one-quarter of the entire Federal Judiciary. After today, the Senate will have confirmed 44 percent or 377 Clinton judges.

It is no secret that while I served as Chairman of the Judiciary Committee during the first six years of the Reagan Administration, I made the confirmation of judges a top priority of the Committee. I am proud of our accomplishments during those years.

Yet, with Republican control of the Congress, President Clinton's success rate is really no different. After today, the Senate will have confirmed only five more Article III judges for President Reagan than it has thus far for President Clinton.

Today, the vacancy rate is 7.9 percent, and the Clinton Administration has recognized a 7 percent vacancy rate as virtual full employment for the Judiciary. The vacancy rate at the end of the Bush Administration was 11.5 percent, but there was no talk then about a vacancy crisis. At the end of the Bush Administraton, the Congress adjourned without acting on 53 Bush nominations. Today, there are only 38 Clinton nominees pending in Committee.

The Fourth Circuit is a good example of the healthy status of the Judiciary. The court is operating very well and does not need more judges. In fact, today, it is the most efficient circuit. The Fourth Circuit takes less time than any other to decide a case on appeal. The truth is that, due to a lack of cases needing oral argument, the Fourth Circuit has cancelled at least one term of court for each of the past four years, and two terms of court for the past two years.

The Chief Judge of the Fourth Circuit has made clear that additional judges are not needed, and he should know better than us the needs of his court. There is no good reason to add judges to the most efficient circuit in the nation. Given that a circuit judgeship costs about one million dollars per year for the life of the judge, it would be a waste of taxpayer money to do so.

We also should not be misled by the fact that some vacancies are defined as a ''judicial emergency.'' The term is defined so broadly that, with one exception, all current circuit court judgeships that have been vacant for 18 months are considered ''emergencies.''

The issue of judgeships in the Federal courts is not just about numbers and statistics. Much more is at stake. Each judgeship is a life-time appointment that yields great power but is basically accountable to no one.

The Senate has a Constitutional duty to review each nominee carefully and deliberately. We take this responsibility very seriously in the Judiciary Committee, as we must. We cannot be a rubber stamp for any Administration. The entire Nation loses when we allow judicial activists or judges who are soft on crime to be confirmed to these life-time positions.

Under Senator HATCH's leadership, the Judiciary Committee has taken a fair and reasoned approach to the confirmation process. As a result, the Clinton Administration has done quite well regarding judicial confirmations.

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LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to Legislative Session.

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MORNING BUSINESS

Mr. LOTT. Mr. President, we intended to proceed to an agreement to take up the Interior appropriations conference report, but it looks as if it will be a few minutes before we can work through an agreement that will allow that.

In the meantime, after Senator HARKIN completes his remarks, I will enter into consent for a period for morning business so Senators can speak on issues they desire, but within an hour we hope to get an agreement on how to proceed to the Interior appropriations bill conference report. We need to do that.

In view of the present situation, we will not have any more recorded votes tonight. We will try to get an agreement to kick in the Interior appropriations bill, and that would be considered tomorrow.

I ask unanimous consent the Senate be in a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Ohio.

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MICROENTERPRISE FOR SELF-RELIANCE AND INTERNATIONAL ANTI-CORRUPTION ACT OF 2000

Mr. DEWINE. Mr. President, I ask unanimous consent the Foreign Relations Committee be discharged from further consideration of H.R. 1143, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1143) to establish a program to provide assistance for programs of credit and other financial services for microenterprises

in developing countries, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 4287

Mr. DEWINE. Mr. President, Senator HELMS has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. DEWINE], for Mr. HELMS, proposes an amendment numbered 4287.

Mr. DEWINE. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. DEWINE. Mr. President, I am pleased the Senate is considering the ''Microenterprise for Self-Reliance Act''—legislation that would ensure the continuation of international microenterprise grant and loan programs that are administered worldwide by the U.S. Agency for International Development (USAID). This is legislation that I introduced last year, along with Senators BINGAMAN, CHAFEE, DURBIN, KENNEDY, SCHUMER, TORRICELLI, BOXER, COLLINS, FEINSTEIN, MIKULSKI, and SNOWE. Representatives BEN GILMAN of New York and SAM GEJDENSON of Connecticut introduced a similar measure, which the House approved last year.

I thank the chairman of the Foreign Affairs Committee, Senator HELMS, and ranking member of the committee, Senator BIDEN, and the committee staff for their cooperation and insistence on this legislation. My staff and I have been working closely with these offices since last fall as well as with the administration and the Microenterprise Coalition. I thank Chairman GILMAN and the House International Relations Committee staff for their ongoing cooperation and support of this initiative.

We believe the investment in microenterprise programs that we are now investing will reduce the need for foreign assistance in the future. By passing the Microenterprise Self-Reliance Act, the Senate has a chance to ensure the future of these very successful programs and help provide a sense of hope and a future of possibilities for the poor in developing countries.

I thank my colleagues for their support of this legislation and I look forward to the continued success of the microenterprise programs.

I ask unanimous consent that the substitute amendment be agreed to, the bill be read the third time and passed, as amended, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4287) was agreed to.

The bill (H.R. 1143), as amended, was read the third time and passed.

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEWINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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NOMINATIONS

Mr. DEWINE. Mr. President, I rise this afternoon to talk about comments that have been made, both on the floor and off the floor, with regard to the job that the distinguished Senator from Utah, the chairman of the Judiciary Committee, Mr. HATCH, has been doing in regard to judicial nominations. I rise today to commend my colleague for the outstanding work he has done in regard to these nominations.

Make no mistake about it, this is tough work. No one who has not had the opportunity to watch this from a close point of view, to see it up close and personal, really has any idea what kind of effort Senator HATCH has made to make sure nominees who come to this floor have been examined very closely and very carefully. It is proper; it is correct that this be done. No one can do a better job at this than Senator ORRIN HATCH. I have watched him, day after day, in his examination and his staff's examination and work on people who have been nominated to the judicial bench. I must say he does a tremendous job.

Senate consideration of judicial nominations is always difficult. It is always contentious. That is just the nature of the business. Yet in this Congress, under the guidance of Chairman HATCH, the Senate has confirmed 69 Federal judicial nominations—69, for those who offer criticism. Mr. President, 35 of these nominees have been confirmed earlier this year, and we have just confirmed 4 more. Yet not only has the chairman been criticized for nominees who are still pending in the Judiciary Committee, he has even been criticized for nominees who have already been confirmed; that is, nominees who are now serving, today, this very day, as Federal judges. Chairman HATCH has been criticized for not moving those nominees fast enough. I strongly disagree. I believe the chairman has done an outstanding job, a fine job. I wanted to come to the floor this afternoon to say that.

I would like to talk about the confirmation process for a moment because, again, I think many times people really don't understand what this process entails—or at least what it entails when the chairman is doing a good job. I think an explanation of the process may help those who are listening to the debate today understand why some of the delays in confirmation of judicial nominees occur.

The President has very broad discretion, as we know, to nominate whomever he chooses for Federal judicial vacancies. The Senate, in its role, has a constitutional duty to offer its ''advice and consent'' on judicial nominations. Each Senator, of course, has his or her own criteria for offering this advice and this consent on these lifetime appointments.

The Judiciary Committee, though, is where many of the initial concerns about nominees are raised and arise. Often these concerns arise before a hearing is even scheduled. Judicial nominees are required to respond to a very lengthy and a very detailed questionnaire from the Judiciary Committee. They must submit copies of every document they have ever published, any writing they have ever published, and provide copies of every speech they have ever given. If they have previously served as a judge, they must provide information regarding opinions they authored.

There are various background checks conducted on each nominee. Sometimes outside individuals or organizations provide the committee with information about a nominee. Sometimes that information from outside groups comes very early in the process. But sometimes, quite candidly, it comes later on. Each time it comes in, the committee, committee staff, and ultimately the chairman must review that information.

All of this information is, of course, available to every member of the Judiciary Committee and must be thoroughly reviewed before the nominee is granted a hearing by the committee. If questions about a nominee's background or qualifications arise, further inquiry may be necessary. The chairman will schedule a hearing for a nominee only after thorough review of a nominee's preliminary information. At the hearing, a nominee has an opportunity to respond to any remaining concerns about his or her record. But even after a hearing, sometimes followup questions are necessary to properly examine issues regarding the nominee's qualifications. Obviously, this is a long process, as it should be—as it must be. After all, these are lifetime appointments. These judges will have a tremendous impact on how our laws are interpreted and enforced.

Some nominees, of course, have clear records of achievement and superb qualifications. These nominees often move through the committee and to the Senate floor very quickly. Other nominees have records that are really not quite so clear. These nominees take more time for additional investigation and careful consideration. If a nominee is nominated late in a Congress, and that nominee has questions raised about his or her background or qualifications, it is more likely that his nomination will not be considered by the Senate.

If nominees were only considered in the order they were nominated, the process would, of course, grind to a halt. We have heard some comments about that. Some people have argued this is a queuing up process; we just queue up whoever is next in line; they should go next on the Senate floor. But we know that cannot happen. If nominees were only considered in the order they were nominated, the process would grind to a halt as more qualified nominees would back up behind questionable nominees.

I believe, if it were not for ORRIN HATCH's efforts, there would have been far fewer judges confirmed during this session of the Congress. But I am also sure that if ORRIN HATCH had not been chairman, other questionable nominations would have been made. Because of this man's integrity, because of this man's honesty, because of this man's proven track record, and because he takes his job so seriously, I am convinced that certain nominations this White House might have considered making simply were never made and were never submitted.

I commend Senator HATCH for his efforts in moving the nominees along, but also for his efforts in doing a thorough and complete job. I am very proud to have ORRIN HATCH as chairman of this committee. We are very honored to have him serve in that capacity.

I thank the Chair. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. THOMAS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BIDEN. 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. BIDEN. Mr. President, I ask unanimous consent that I be able to proceed as in morning business for up to 7 minutes to discuss digital mammography.

The PRESIDING OFFICER. Without objection, it is so ordered.

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NATIONAL MAMMOGRAPHY DAY

Mr. BIDEN. Mr. President, we are now in the midst of National Breast Cancer Awareness Month, and the air has been filled with new and sometimes confusing statistics, new treatment, new research advances, and ever-present warnings about the seriousness of this dreaded disease.

One aspect of this issue that is close to my heart is National Mammography Day—a day to increase awareness of how routine periodic mammography and early diagnosis of breast cancer are responsible for huge increases in the numbers of long-term survivors of this disease.

I note parenthetically that my wife started an organization in my State to increase awareness—it is named after her, not me—called the BIDEN Breast Health Initiative, where she and her group of advisers bring oncology nurses and oncologists into the local high schools throughout the State to make young women in high school aware of breast health examinations and self-examination because the key to survival is early detection.

Breast cancer is now an illness not to be feared as a death sentence but to be conquered commonly and routinely. This year, National Mammography Day, which I sponsored years ago, will occur on Friday, October 20. As in previous years, the Senate has adopted a resolution that I introduced affirming this designation.

This year's National Mammography Day will see the beginning of a tremendous new advance in early detection of breast cancer—digital mammography. This new technique offers many advantages over standard film-based mammography. From the patient's point of view, the usual 40-minute examination time can be cut in half, and the exposure to radiation can be reduced in almost all instances.

For many women, the mammogram images with digital technology are considerably more precise. The digital technology makes it possible for the radiologist to manipulate the images and to zoom in on questionable areas, thus providing more accurate diagnosis in reducing the need for repeat examinations.

The digital technology does away with the cost and the disposal problems as well of x-ray film.

In addition, the retrieval of prior film for comparison with current images no longer require the time-consuming manual search through an x-ray room.

Finally, by switching to the digital approach, this new technique allows all future advances in digital computer technology to be applied directly to saving women from breast cancer.

It is impossible, in my view, to overstate the importance of this digital technique's adaptability to new technological advances. Those of us old enough to remember how the first personal computers were a huge advance over the slide rule are also aware of how the incredible subsequent advances in computer technology meant that those first PCs were now useful only as doorstops. I look forward to a similarly rapid advance in the new digital technology as it moves into the field of breast cancer diagnosis.

Digital mammography is a revolutionary technology that must be offered to seniors and disabled who obtain their medical care through Medicare. And it should be done as soon as possible. I strongly encourage the Health Care Financing Administration to evaluate this product expeditiously and to set appropriate payment rates under the Medicare program.

What I don't want to see happen—I realize this may seem somewhat premature—is that digital mammography is only available for those who are able to pay, while all those on Medicare or Medicaid, because the reimbursement cost is not sufficient to cover a digital mammography, will have to settle for what will prove to be an inferior test. The lives of many women who have yet to discover they have breast cancer may hang in the balance.

Therefore, I look forward to HCFA establishing a reasonable price at which reimbursement can be made under Medicare for those women on Medicare or Medicaid who seek a breast examination by use of digital mammography, the new emerging science, rather than one that is film based.

I thank the Chair. I yield the floor.

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. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—CONFERENCE REPORT

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to the conference report to accompany the Interior appropriations bill, and the conference report be considered as having been read.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes, having met, have agreed that the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment and the Senate agree to the same, signed by all of the conferees on the part of both Houses.

There being no objection, the Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the RECORD of September 29, 2000.)

Mr. LOTT. Mr. President, I say to those who are interested, we are going to the report, but there is no time agreement to run off. Nobody has given up their rights in that regard, but we are now going to be able to proceed to the conference report, and we will continue to work on the issues that are of interest to Senators.

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MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now be in a period for morning business, with Senators permitted to speak for up to 10 minutes each.

In addition, I ask unanimous consent that the next 2 hours be under the control of Senators ROBERTS and CLELAND. I will be anxious to hear that presentation.

Mr. REID. Mr. President, I say to the leader, we are at a point now where people have spent literally months on the bill. It is good we are here. Senator LANDRIEU still has concerns. She wants to make sure everyone understands she may want to speak at least 2 hours and do some things with the legislation generally because of her unhappiness.

Mr. GORTON. Reserving the right to object, I ask the leader, does this mean we will start the actual debate on the Interior bill later today or will it be tomorrow?

Mr. LOTT. Mr. President, there is no time agreement, so we will not be running off agreed-to time. If Senators want to speak on the bill itself, he or she can. Since we do have 2 hours set aside now for Senator ROBERTS and Senator CLELAND, which will take us to 8 o'clock, I presume the decision will be that we will begin on the Interior bill first thing in the morning.

Mr. REID. Mr. President, I also say to the leader, we will all want to be getting our slippers on and pajamas ready for the big debate tonight.

Mr. LOTT. That is what I had in mind.

Mr. REID. By 8 o'clock.

Mr. LOTT. Did we get a clearance? Are the reservations withdrawn?

The PRESIDING OFFICER. Yes. Without objection, it is so ordered.

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UNITED STATES PARK POLICE

Mr. THURMOND. Mr. President, I rise today to draw attention to a group of federal officers who carry out a vital mission and provide critical services, but are largely unknown to people not in the law enforcement community. I am referring to the men and women of the United States Park Police.

An agency within the Department of Interior, the United States Park Police traces its lineage back to 1791 when then President George Washington established a force of ''Park Watchmen''. In subsequent years, the authority of what has become the Park Police has been expanded so that today, that department is responsible for providing comprehensive police services in the National Capital Region. Furthermore, they have jurisdiction in all National Park Service Areas, as well as other designated Federal/State lands.

While you will find their officers in New York City and the Golden Gate National Recreation Area in San Francisco, the bulk of the officers and duties of the United States Park Police are right here in the National Capital Region. Park Police officers provide a multitude of services ranging from patrol to criminal investigation and from counter-terrorism to helping to protect the President. They are responsible for patrolling and providing police services in 22% of the geographic area of the District of Columbia, which includes all the national monuments; as well as, Rock Creek Park, National Parklands in the Capital Region, and 300 miles of parkways in the District of Columbia, Maryland, and Virginia.

The United States Park Police is a tremendous asset, but I am deeply concerned that due to a lack of adequate funding, it is an asset that is losing its edge. Make no mistake, I question not the leadership of the Park Police nor the brave men and women who serve selflessly as officers and support personnel in that agency. Chief Langston and his officers will do yeoman's work no matter how well or how poorly funded their agency is, they are professionals and committed to protecting the public. I am worried that the Department of Interior lacks a commitment to providing sufficient funds to the law enforcement operations that fall under the authority of the Secretary of the Interior. The Park Police is now 179 officers below its authorized strength of 806 officers. Furthermore, it is an agency that loses approximately 50 officers a year either through retirement or lateral transfers. It is understandable that it is difficult for some Park Police Officers to resist the higher pay of other agencies, especially when you consider that over a 30-year period, a United States Park Police Officer makes approximately $135,429 less than what the average salary is for officers at other agencies in this area. In addition to being shorthanded, equipment, from the officers' sidearms to the agency's radio equipment is antiquated and in need of replacement. The Park Police needs our help.

It is truly a shame that the Park Police is facing the challenges it is today and we are in a position to do something about it. The men and women who serve as Park Police Officers have not had a raise since 1990, and we should support legislation that will give them a much needed pay boost. In an era when it is harder and harder to attract qualified individuals into public service, let alone a life threatening profession such as law enforcement, it is vital we do something to reward those who already serve, as well as, to attract new officers to an agency that provides services that keep the Capital Region safe.

It might sound cliche, but the United States Park Police is there when they are needed. They are there when someone suffers an emergency in the waters around Great Falls, they are on the parkways when someone is in need of assistance, and they are on the Mall keeping visitors to Washington safe. They were there when the tragic shooting took place in this building, and they landed their helicopter on the plaza outside the Capitol in a valiant attempt to get a wounded United States Capitol Police Officer transported to a local trauma center as quickly as possible. Giving the officers of the United States Park Police a raise is not going to solve all of that agency's needs, but it will help recruit and retain personnel. More importantly, it is the right thing to do.

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INTELLIGENCE AUTHORIZATION BILL

SECTION 303

Mr. BIDEN. Mr. President, section 303 of S. 2507, the Intelligence Authorization bill, as amended by the managers' amendment, establishes a new criminal offense for the unauthorized disclosure of properly classified information. Existing criminal statues generally require an intent to benefit a foreign power or are limited to disclosures of only some types of classified information. Administrative sanctions have constituted the penalty for most other leaks.

While I support the basic objective of this provision, we must ensure that it will not be used in a capricious manner or in a manner that harms our democratic institutions.

I see two respects in which some caution is merited. First, it could be applied to trivial cases. I believe that former Secretary of Defense Caspar Weinberger once said that he told everything to his wife. If his discussions with his wife included classified information, he surely would have violated the letter of this bill. But so-called ''pillow talk'' to one's spouse is common, and I don't think we mean to throw people in jail for incidental talk to a person who has no intent either to use the classified information, to pass it on to others, or to publish it.

Mr. SHELBY. The Senator from Delaware is correct. The Committee expects that the Justice Department will use its prosecutorial discretion wisely. In some cases, administrative remedies are clearly more appropriate. In each case however—as under all criminal laws—prosecutors will need to judge whether criminal charges are warranted.

Mr. BIDEN. My second concern is that section 303 not be used as a justification for investigations of journalists. Our republic depends upon a free press to inform the American people of significant issues, including issues relating to foreign policy and the national security. If a leak statute were to become a back door for bringing the investigate apparatus of the federal government to bear on the press, we would be sacrificing our democratic institutions for the sake of protecting a few secrets. Much as we are dedicated to the protection of classified information, that would be a terribly bad bargain.

Mr. SHELBY. I agree with the Senator from Delaware 100 percent, and I can assure this body that in passing section 303, no member of the Select Committee on Intelligence intended that it be used as an excuse for investigating the press. That is why the scope of this provision is limited to persons who disclose, or attempt to disclose, classified information acquired

as a result of authorized access to such information. Such persons have a duty to protect classified information has no right to disclose that particular information to persons not authorized to receive it, persons, even if he or she should later become a journalist. By the same token, however, the statute is not intended to lead to investigation or prosecution of journalists who previously had authorized access to classified information and later, in their capacity as journalist, receive leaked information.

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THE COUNTERINTELLIGENCE REFORM ACT OF 2000

Mr. SPECTER. Mr. President, I have sought recognition to discuss legislation arising from the investigation by the Senate Judiciary Subcommittee on Administrative Oversight and the Courts, which has been conducting oversight on the way the Department of Justice and the Federal Bureau of Investigation have responded to allegations of espionage in the Department of Defense and the Department of Energy. This bipartisan proposal will improve the counterintelligence procedures used to detect and defeat efforts by foreign governments to gain unlawful access to our top national security information by improving the way that allegations of espionage are investigated and, where appropriate, prosecuted.

Together with Senators TORRICELLI, GRASSLEY, THURMOND, SESSIONS, SCHUMER, FEINGOLD, BIDEN, HELMS and LEAHY, I introduced the Counterintelligence Reform Act on February 24 of this year. The Judiciary Committee unanimously reported the bill on May 18, and it was referred to the Senate Select Committee on Intelligence which also deals with espionage matters.

The Senate Intelligence Committee unanimously reported the bill on July 20, and has included the measure as an amendment to the Intelligence Authorization bill which passed the Senate today.

Few tasks are more important than protecting our national security, so building and maintaining bipartisan support for this legislation to correct the problems we identified during the course of our oversight was my top priority. The reforms contained in this legislation will ensure that the problems we found are fixed, and that the national security is better protected in the future.

To understand why this legislation is necessary, I would like to review two of the cases that the subcommittee looked at—the Wen Ho Lee case and the Peter Lee case. Former Los Alamos scientist Dr. Wen Ho Lee was arrested on December 10, 1999, and charged with 59 counts of violating the Atomic Energy Act of 1954 and unlawful gathering and retention of national defense information. In a stunning reversal on September 13, the government accepted a deal in which Dr. Lee would plead guilty to one count of unlawfully retaining national defense information and would be sentenced to time served, in exchange for telling what he had done with the tapes. There remains a question as to whether Department of Justice officials tried to make up for their blunders in this case by throwing the book at Dr. Lee. The Judiciary Subcommittee on Department of Justice Oversight will continue to hold hearings on this matter, but it has been clear from the beginning that the Department of Justice bungled the investigation of Dr. Lee.

The critical turning point in this case came on August 12, 1997, when the Department of Justice's Office of Intelligence Policy and Review (OIPR) turned down an FBI application for an electronic surveillance warrant under the Foreign Intelligence Surveillance Act, or FISA. OIPR believed that the application was deficient because it did not show sufficient probable cause, and therefore decided not to let the application go forward to the special FISA court.

In making this determination, the DoJ made several key errors. The Department of Justice used an unreasonably high standard for determining probable cause, a standard that is inconsistent with Supreme Court rulings on this issue. For example, one of the concerns raised by OIPR attorney Allan Kornblum was that the FBI had not shown that the Lees were the ones who passed the W–88 information to the PRC, to the exclusion of all the other possible suspects identified by the DoE Administrative Inquiry. That is the standard for establishing guilt at a trial, not for establishing probable cause to issue a search warrant.

DoJ was also wrong when Mr. Kornblum concluded that there was not enough to show that the Lees were ''presently engaged in clandestine intelligence activities.'' The information provided by the FBI made it clear that Dr. Lee's relevant activities continued from the 1980s to 1992, 1994 and 1997, yet that was deemed to be too stale, and the DoJ refused to send the FBI's surveillance request to the FISA court.

When FBI Assistant Director John Lewis raised the FISA problem with the Attorney General on August 20, 1997, she delegated a review of the matter to Mr. Dan Seikaly, who had virtually no experience in FISA issues. It is not surprising then, that Mr. Seikaly again applied the wrong standard for probable cause. He used the criminal standard, which requires that the facility in question be used in the commission of an offense, and with which he was more familiar, rather than the relevant FISA standard which simply requires that the facility ''is being used, or is about to be used, by a foreign power or an agent of a foreign power.''

The importance of DoJ's erroneous interpretation of the law as it applied to probable cause in this case should not be underestimated. Had the warrant been issued, and had the FBI been permitted to conduct electronic surveillance on Dr. Lee, the Government would probably not be in the position—as it is now—of trying to ascertain what really happened to the information that Dr. Lee downloaded. There should be no doubt that transferring classified information to an unclassified computer system and making unauthorized tape copies of that information—seven of which contain highly classified information and remain unaccounted for—created a substantial opportunity for foreign intelligence services to access our most important nuclear secrets.

The FISA warrant could have and should have been issued at several points, some before and some after it was rejected in 1997. Each key event where the FISA warrant was not requested and issued represents another lost opportunity to protect the national security. For example, Dr. Lee was identified by the Department of Energy's Network Anomaly Detection and Intrusion Recording system (NADIR) in 1993 for having downloaded a huge volume of files.

As the name of the system implies, it is designed to detect unusual computer activity and look out for possible intruders into the computer. Individuals who monitored the lab's computers knew that Dr. Lee's activities had generated a report from the NADIR system, but didn't do anything about it. They didn't even talk to him. An opportunity to correct a problem, to protect national security, just slipped away.

In 1994, Lee's massive downloading would have again showed up on NADIR, but DoE security people never took action. Now, we're told, they can't even find records of what happened. Yet another missed opportunity to protect the national security by looking into what was going on.

When Wen Ho Lee took a polygraph in December 1998, DoE misrepresented the results of this test to the FBI. DoE told the FBI that Dr. Lee passed this polygraph when, in fact, he had failed. This error sent the FBI off the trail for two months.

When Wen Ho Lee failed a polygraph on February 10, 1999, the FISA warrant should have been immediately requested and granted. It wasn't.

The need for legislation to address these problems is obvious. The unclassified information on this case shows clearly that it was mishandled. The classified files make that point even more clear. Last year the Attorney General asked an Assistant U.S. Attorney with substantial experience in prosecuting espionage cases to review the Wen Ho Lee matter. That prosecutor, Mr. Randy Bellows, conducted a thorough review of the case and confirmed all of our major findings: the case was badly mishandled, the FISA request should have gone forward to the court. The list goes on. Our counter-intelligence system failed in this case, and the information at risk

is too important to let this dismal state of affairs continue.

The Counterintelligence Reform Act of 2000 will help to ensure that future investigations are conducted in a more thorough and effective manner. Among the key provisions in this legislation is one that amends the Foreign Intelligence Surveillance Act, FISA, by requiring that, upon the request of the Director of the FBI, the Secretary of State, the Secretary of Defense or the Director of Central Intelligence, the Attorney General shall personally review a FISA application. If the Attorney General decides not to forward the application to the FISA court, that decision must be communicated in writing to the requesting official, with recommendations for improving the showing of probable cause, or whatever defect OIPR is concerned with.

Under this legislation, when a senior official who is authorized to make FISA requests goes to the Attorney General for a personal review, that senior official must personally supervise the implementation of the recommendations. This provision will ensure that when the national security is at stake, and where there is a serious disagreement over how to proceed, the Attorney General and other senior officials are the ones who work together to resolve disputes, and that the matter is not delegated to attorneys who have never worked with FISA before.

The Counterintelligence Reform Act also addresses the matter of whether an individual is ''presently engaged'' in a particular activity to ensure that genuine acts of espionage which are belatedly discovered are not improperly eliminated from consideration. As FISA is currently worded, it is possible for someone like Mr. Kornblum to conclude that actions as recent as a couple of years ago or even a few months are too stale to contribute to a finding of probable cause. Although I do not agree with Mr. Kornblum's interpretation of the law, I am confident that the changes contained in the Counterintelligence Reform Act will make it clear that activities within a reasonable period of time can be considered in determining probable cause.

The investigation of Dr. Lee was also mishandled in the field, where the FBI and the Department of Energy often failed to communicate. For example, after OIPR rejected the FBI's 1997 FISA application, the FBI told the Department of Energy that there was no longer an investigative reason to leave Dr. Lee in place, and that the DoE should do whatever was necessary to protect the national security. Unfortunately, no action was taken by DoE until December 1998, some 14 months after the FBI had said it was no longer necessary to have him in place for investigative reasons.

To address this problem, and to ensure that there is no misunderstanding about when the subject of an espionage investigation should be removed from classified access, the Counterintelligence Reform Act requires that decisions of this nature be communicated in writing. The bill requires the Director of the FBI to submit to the head of the department or agency concerned a written assessment of the potential impact of the actions of the department or agency on a counterintelligence investigation. The head of the affected agency will be required to respond in writing to the recommendation of the FBI. This requirement with ensure that what happened in the Wen Ho Lee case—where the FBI said he could be removed from access but the Energy Department didn't pull his clearance for another 14 months—won't happen again.

To avoid the kind of problems that happened when the DoE ordered a Wackenhut polygraph in December 1998, this legislation prohibits agencies from interfering in FBI espionage investigations.

The provisions of this bill will make an important contribution to improving the way counter-intelligence investigations are conducted. The subcommittee's investigation of the Wen Ho Lee case has made it abundantly clear that improvements in these procedures are necessary, and the reforms outlined in this legislation are specifically tailored to provide real solutions to real problems.

The subcommittee also looked at the espionage case of Dr. Peter Lee, who pleaded guilty in 1997 to passing classified nuclear secrets to the Chinese in 1985. According to a 17 February 1998 ''Impact Statement'' prepared by experts from the Department of Energy,

> The ICF data provided by Dr. [Peter] Lee was of significant material assistance to the PRC in their nuclear weapons development program. . . . For that reason, this analysis indicates that Dr. Lee's activities have directly enhanced the PRC nuclear weapons program to the detriment of U.S. national security.

Dr. Peter Lee also confessed to giving the Chinese classified anti-submarine warfare information on two occasions in 1997. Under the terms of the plea agreement the Department of Justice offered to Peter Lee, however, he got no jail time. He served one year in a half-way house, did 3,000 hours of community service and paid a $20,000 fine. Considering the magnitude of his offenses and his failure to comply with the terms of the plea agreement—which required his complete cooperation—the interests of the United States were not served by this outcome.

The subcommittee's review of the Peter Lee case led to the inevitable conclusion that better coordination between the Department of Justice, the investigating agency—which is normally the FBI—and the victim agency is necessary to ensure that the process works to protect the national security. One of the problems we saw in this case was the reluctance of the Department of the Navy to support the prosecution of Dr. Peter Lee. A Navy official, Mr. John Schuster, produced a memo that seriously undermined the Department of Justice's efforts to prosecute the case. This memorandum was based on incomplete information and did not reflect the full scope of what Dr. Peter Lee confessed to having revealed. As a consequence of the breakdown of communications between the Navy and the prosecution team, the 1997 revelations were not included as part of the plea agreement.

This legislation contains a provision that will ensure better coordination in espionage cases by requiring the Department of Justice to conduct briefings so that the affected agency will understand what is happening with the case, and will understand how the Classified Information Procedures Act, or CIPA, can be used to protect classified information even while carrying out a prosecution. In these briefings Department of Justice lawyers will be required to explain the right of the government to make in camera presentations to the judge and to make interlocutory appeals of the judge's rulings. These procedures are unique to CIPA, and the affected agency needs to understand that taking the case to trial won't necessarily mean revealing classified information. The Navy's position, as stated in the Schuster memo, that ''bringing attention to our sensitivity concerning this subject in a public forum could cause more damage to the national security that the original disclosure,'' was simply wrong. It was based on incomplete information and a misunderstanding of how the case could have been taken to trial without endangering national security. The provisions of this legislation which require the Department of Justice to keep the victim agency fully and currently informed of the status of the prosecution, and to explain how CIPA can be used to take espionage cases to trial without damaging the national security, will ensure that the mistakes of the Peter Lee case are not repeated.

I appreciate the efforts of my colleagues on the Judiciary Committee and the Senate Select Committee on Intelligence who have worked with me and the cosponsors of this bill. I am confident that the reforms we are about to pass will significantly improve the way espionage cases are investigated and, if necessary, prosecuted.

I yield the floor.

SECTION 305

Mr. BIDEN. Section 305 of S. 32507, the Intelligence Authorization bill, provides, in brief, that no future ''Federal law . . . that implements a treaty or other international agreement shall be construed as making unlawful an otherwise lawful and authorized intelligence activity of the United States Government . . . unless such Federal law specifically addresses such intelligence activity.'' This provision is necessary, the Committee report explains, because ''[t]here has been a concern that future legislation implementing international agreements

could be interpreted, absent the enactment of section 305, as restricting intelligence activities that are otherwise entirely consistent with U.S. law and policy.'' The concern arises from an opinion issued in 1994 by the Office of Legal Council (OLC) of the Department of Justice. In that opinion, the Office interpreted the Aircraft Sabotage Act of 1984—a law implementing an international treaty on civil aviation safety—as applying to government personnel. Although the OLC opinion emphasized that its conclusions should ''not be exaggerated'' and also warned that its opinion ''should not be understood to mean that other domestic criminal statutes apply to U[nited S[tates] G[overnment] personnel acting officially,'' the Central Intelligence Agency, out of an abundance of caution, wants to avoid cases in which legislation implementing a treaty might criminalize an authorized intelligence activity even though Congress did not so expressly provide. I understand the Agency's concern that clarity for its agents is important. At the same time, however, we should take care to specify how section 305 is intended to work.

One question is this: how do we tell when a Federal law actually ''implements a treaty or other international agreement?'' My working assumption, in supporting section 305, is that we will be able to tell whether a future law ''implements a treaty or other international agreement'' by reading the law and the committee reports that accompany its passage. If the text of that future law or of the committee reports accompanying that bill states that the statute is intended to implement a treaty or other international agreement, then section 305 is pertinent to that statute. If there is no mention of such intent in that future law or in its accompanying reports, however, then we may safely infer that section 305 does not apply. Is that the understanding of the Select Committee on Intelligence, as well?

Mr. SHELBY. That is certainly our intent. If a future law is to qualify under section 305 of this bill, we would expect its status as implementing legislation to be stated in the law, or some other contemporaneous legislative history.

Mr. BIDEN. another question is how to tell that a U.S. intelligence activity ''is authorized by an appropriate official of the United States Government, acting within the scope of the official duties of that official and in compliance with Federal law and any applicable Presidential directive.'' I am concerned that this could be misinterpreted to mean that some intelligence bureaucrat could authorize some otherwise illegal activity with a wink and a nod. It is not the intent of the Select Committee on Intelligence that there be written authorization for a U.S. intelligence activity?

Mr. SHELBY. I understand the concerns of the Senator from Delaware. We expect that in almost all cases intelligence operations exempted from future treaty-implementing legislation will have been authorized in writing. I would note however, that many individual actions might be authorized through general written policies, rather than case-specific authorizations.

Neither would I rule oral authorization in exigent circumstances. The Committee believes that intelligence agencies would be well advised to make written records of such authorizations, so as to guard against lax management or later assertions that unrecorded authorization was given for a person's otherwise unlawful actions. Such written records will also protect the government employees from allegations that their actions were not authorized.

Mr. BIDEN. My final question to the chairman of the Select Committee on Intelligence relates to how other countries may view section 305. I interpret section 305 as governing only the interpretation of a certain set of U.S. criminal laws enacted in the future and whether those laws apply to government officials. Is that also the understanding of the chairman of the Select Committee on Intelligence?

Mr. SHELBY. Yes, it is. Section 305 deals solely with the application of U.S. law to U.S. Intelligence activities. It does not address the question of the lawfulness of such activities under the laws of foreign countries, and it is in no respect meant to suggest that a person violating the laws of the United States may claim the purported authorization of a foreign government to carry out those activities as justification or as a defense in a prosecution for violation of U.S. laws.

Mr. BIDEN. I thank the distinguished chairman.

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SUBMITTING CHANGES TO THE BUDGETARY AGGREGATES AND APPROPRIATIONS COMMITTEE ALLOCATION

Mr. DOMENICI. Mr. President, section 314 of the Congressional Budget Act, as amended, requires the Chairman of the Senate Budget Committee to adjust the appropriate budgetary aggregates and the allocation for the Appropriations Committee to reflect amounts provided for emergency requirements.

I hereby submit revisions to the 2001 Senate Appropriations Committee allocations, pursuant to section 302 of the Congressional Budget Act, in the following amounts:

	Budget authority	Outlays
Current Allocation:		
General purpose discretionary	$600,351,000,000	$592,809,000,000
Highways		26,920,000,000
Mass transit		4,639,000,000
Mandatory	327,787,000,000	310,215,000,000
Total	928,138,000,000	934,583,000,000
Adjustments:		
General purpose discretionary	+1,956,000,000	+905,000,000
Highways		
Mass transit		
Mandatory		
Total	+1,956,000,000	+905,000,000
Revised Allocation:		
General purpose discretionary	602,307,000,000	593,714,000,000
Highways		26,920,000,000
Mass transit		4,639,000,000
Mandatory	327,787,000,000	310,215,000,000
Total	930,094,000,000	935,488,000,000

I hereby submit revisions to the 2001 budget aggregates, pursuant to section 311 of the Congressional Budget Act, in the following amounts:

	Budget authority	Outlays	Surplus
Current Allocation: Budget Resolution	$1,526,456,000,000	$1,491,530,000,000	$11,670,000,000
Adjustments: Emergencies	+1,956,000,000	+905,000,000	−905,000,000
Revised Allocation: Budget Resolution	1,528,412,000,000	1,492,435,000,000	10,765,000,000

THE ELECTION OF VINCENTE FOX

Mr. LEAHY. Mr. President, on July 2, 2000, the people of Mexico elected Vincente Fox, candidate of the National Action Party, to be their President. This election represents a dramatic change and a historic affirmation of democracy in Mexico. The inauguration of Mr. Fox later this year will end 71 years of PRI control of the Mexican Presidency.

I want to join other Members of congress in expressing my congratulations to Mr. Fox and the people of Mexico. I also want to commend President Zedillo, whose leadership helped to ensure the freest and fairest election in Mexico's history.

Mr. Fox's election has significance far beyond Mexico's borders. It represents an historic opportunity for our two countries to redefine, broaden and strengthen our relationship.

It is a relationship that has been burdened by history, and plagued by distrust, arrogance, and misunderstanding. There have been times when it seemed that on issues of hemispheric or international importance Mexico embraced whatever position was the opposite of the United States position, simply because we are the United States. At other times, our country has treated Mexico like a second-class cousin once or twice removed.

Problems that can only be solved through cooperation have too often been addressed with fences and sanctions, and self-serving assertions of sovereignty. It is time for a new approach. There is far too much at stake for us to continue down the road of missed opportunities.

Mexico is our neighbor, our friend, and our strategic partner. We share a 2,000-mile border. We have strong economic ties, with a two-way annual trade of $174 billion. We have a common interest in combating transnational problems, and we have strong cultural bonds, as more than 20 million people of Mexico descent now live in the United States.

At present, there are several issues between the two countries that deserve immediate attention:

After more than 6 years, the situation in Chipas remains unresolved. Many innocent lives have been lost and thousands of people are displaced and living in squalor. Tens of thousands of Mexican troops have surrounded the area, which could explode in renewed violence at any time. There is an urgent need to demilitarize the area and embark on an enlightened, sustained, good faith process to address the underlying social, economic, and political issues and resolve this conflict peacefully.

Since the implementation of NAFTA, trade between our countries has doubled. While NAFTA has been beneficial for both nations, reports of violations of labor and environmental laws must be more effectively addressed and outstanding trade disputes must be resolved.

The Mexican Government has made progress in combating illegal narcotics trafficking by undertaking a number of measures, including firing more than 1400 federal police officers for corruption, cooperating with the FBI last year on an investigation that occurred on Mexican soil, and increasing seizures of illegal narcotics. However, major problems remain and far more needs to be done to reduce narco-trafficking and official corruption in Mexico.

Illegal immigration continues to be a major concern for both countries. Although we must be sure that our immigration laws are effectively and fairly enforced, a long-term solution can only be achieved by improving the quality of life in Mexico where half the population—some 50 million people—struggles to survive on $2 per day.

With thousands of United States and Mexican citizens traveling back and forth across the border every day, the spread of HIV/AIDS, TB and other infectious diseases is inevitable. These health problems, and shared environmental problems, can only be effectively addressed if we work together.

Human rights is another issue of importance to the Mexican people, and to Americans. These are universal rights, and it is very disturbing to read reports by the State Department and respected human rights organizations of widespread torture by Mexican police. It is also unacceptable that American citizens, including priests, some of whom have lived and worked in Mexico for decades, have been summarily deported for as little as being present at a demonstration against excessive force by the Mexican Army. Even when the Inter-American Human Rights Commission rejected the Mexican Government's arguments in these cases, the Mexican Government has refused to change its policy.

On August 24, 2000, President-elect Fox came to the United States, where he met with President Clinton and Vice President GORE. During those meetings, Mr. Fox expressed a strong commitment to democracy, economic development, and human rights, and to cooperate with the United States to combat corruption, illicit drug trafficking, and other transnational threats.

This bodes well for our future relationship. I hope that we would soon invite President-elect Fox to address a joint session of Congress. This should happen as soon as possible after the 107th convenes in January. Congress has had a major role in shaping United States policy toward Mexico, and we would all benefit from hearing directly from Mr. Fox. It would also give him an opportunity to outline in more detail his proposals to address key issues that affect our relations.

Like many Americans I was very encouraged by Vincente Fox's election, and am confident that he will be a strong partner of the United States. I look forward to making the most of this opportunity to strengthen the United States-Mexico relationship.

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AIR FORCE MEMORIAL

Mr. DOMENICI. Mr. President, I rise today in support of extending enabling legislation for the proposed Air Force Memorial. Much has already been accomplished by the Air Force Memorial Foundation in its effort to make the Memorial a reality. More time is necessary, however, to complete the work that is left to ensure that our Air Force heroes are properly recognized.

Despite decades of unflagging commitment to America's national security, the U.S. Air Force is the only branch of the armed services without a memorial in the Nation's Capitol The time has come to establish a site where the American people can honor their aviation heroes. Building the memorial will accomplish this by recognizing yesterday's aviation pioneers, serving as a tribute to those serving their country today, inspiring future generations to proudly serve in the Air Force in the future, and by preserving the airpower lessons of the 20th century.

American policymakers have long understood the importance of establishing air superiority during military crises. Time and again, the United States Air Force has answered the call of duty and performed with distinction. Mr. President, we owe these brave men and women the honor of their own memorial, and I urge my colleagues to support extension of this enabling legislation.

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VICTIMS OF GUN VIOLENCE

Mr. DURBIN. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read the names of some of those who have lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

October 3, 1999:

Jonos Baptiste, 21, Miami-Dade County, FL; Stephen Barnett, 39, Baltimore, MD; Brandon Brewer, 26, Nashville, TN; Frederick Darrington, 30, Kansas City, MO; Ernesto Galvan, 33, Dallas, TX; Charles Hart, 45, Detroit, MI; Lloyd Hilton, 24, Gary, IN; Herman M. Logan, 26, Chicago, IL; Pablo A. Martinez, 20, Oklahoma City, OK; Melvin B. McPhail, 51, Madison, WI; Arthur Michael, 50, San Antonio, TX; Joe Moore, 29, Fort Wayne, IN; Ryan Pearson, 22, Kansas City, MO; Michael J. Plancia, 18, Salt Lake City, UT; Miquel Rivas, 21, Houston, TX; William M. Smith, 52, Memphis, TN; Brandon A. Wakefield, 20, Longview, WA; Porsche Williams, 15, Miami-Dade County, FL; and unidentified male, 62, San Jose, CA.

One of the victims of gun violence I mentioned, 15-year-old Porsche Williams of Miami-Dade County, Florida, was a young mother. In addition to caring for her own three-year-old child, Porsche cared for her younger brothers

and sisters after her mother died of cancer. Porsche's life ended tragically when her ex-boyfriend shot and killed her one year ago today. The 21-year-old gunman later shot and killed himself

We cannot sit back and allow such senseless gun violence to continue. The deaths of these people are a reminder to all of us that we need to enact sensible gun legislation now.

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NETWORKS FAILURE TO CARRY PRESIDENTIAL DEBATES

Mr. HOLLINGS. Mr. President, I rise today to express my displeasure and disappointment that two of the four major broadcast networks—NBC and Fox, have decided not to broadcast nationally, the presidential debate scheduled tonight between the Democratic and Republican candidates for President.

This election is likely to be among the closest national races in the last twenty years. In exchange for the use of spectrum without the imposition of a fee, broadcasters have to fulfill their public interest obligation. I do not believe it is too much to presume that showing vital news information such as a presidential debate is encompassed in a broadcaster's public interest obligation.

Instead of showing the debate, NBC is showing a divisional wildcard playoff baseball game, although they are apparently permitting their affiliates to broadcast the debate, if they so choose. Even more appalling, Fox is showing its new science fiction series produced by its own studio—Dark Angel—which I understand is particularly violent.

On Sunday, the Washington Post ran a story entitled—''Even Hits can Miss in TV's New Economy.'' That article outlined the enormous incentives the Networks have to air programs in which they possess a vested financial interest. I quote—

> Just as a supermarket might reserve its best shelf space for its house brands, the networks have begun to favor their in house programs over shows created by others, which are often less profitable in the long term.

There it is Mr. President. Money trumps the political process once again. Fox has likely spent millions of dollars to develop and promote its new series, and NBC likely spent a significant amount of money to acquire the rights to broadcast a baseball playoff game. But Mr. President, when networks choose their own programming or sports programming over an event as significant as tonight's debate, they fail to meet their public interest obligation. Having to reschedule a baseball game or the debut of a new series created by their studios does not justify NBC or Fox precluding the public from having access to the presidential debates. I understand that one network, ABC, decided to postpone the debut of one of its new shows ''Gideon's Crossing'' by one night so as to air tonight's debate. That is called honoring your public interest obligation. By choosing not to air the debates, these other networks have undermined the integrity of the political process and our democracy, and engaged in a disrespect of the American electorate.

The political process should be covered. The American people deserve such coverage. The grant of free spectrum worth billions of dollars to broadcasters comes with a public interest obligation that requires them to inform the public of issues of vital importance—not simply to do what is financially expedient.

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OLDER AMERICANS ACT AMENDMENTS

Mr. BIDEN. Mr. President, I am pleased to be a cosponsor for the Older Americans Act Amendments of 1999, which would authorize and expand the programs first set up under the Older Americans Act of 1965.

The Older Americans Act authorizes a series of absolutely essential services for our country's seniors. Among others, the Act provides nutrition services, legal assistance, disease promotion, elder abuse prevention, employment assistance, and numerous informational programs, including the long-term care ombudsmen. There is hardly a senior in this country that is not touched, directly or indirectly, by one or more of the provisions of the Older Americans Act. These programs have become an integral part of the infrastructure that helps keep our most experienced citizens vital and constructive members of society.

I am particularly pleased that this bill includes a much-needed new service, the National Family Caregivers Program. The major medical advances of the past 50 years have led not only to an overall aging of the population but also to an increasing proportion of the elderly who are living with chronic diseases and disabilities. Many of these infirm elderly are cared for at home, putting a severe financial and emotional strain on family caregivers. This new program will provide such caregivers with a panoply of assistive services, including provision of information, assistance with access, counseling and training, respite care, and other supplemental services (home care, personal care, adult day care).

It is absolutely essential to assist caregivers as much as possible in order to allow our infirm seniors to maintain their autonomy and sense of self-worth, to permit them to live in the company of their loved ones and in the least restrictive environment compatible with their needs. This is what our seniors fervently desire and it is the right thing to do; the likelihood that such programs will save the government money in the long run is an added bonus.

There is little time left in this session of Congress, and there are many things that must be finished before adjournment. Yet as we struggle with our workload, I hope we can take a few minutes to find a way to pass the Older Americans Act Amendments this year, on behalf of all of our older loved ones.

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MEMPHIS POLICE DEPARTMENT AND AMERICA'S LAW ENFORCEMENT OFFICIALS

Mr. FRIST. Mr. President, two years ago this revered but relatively insulated complex we affectionately call Capitol Hill was rocked by a lone gunman who shot his way through two security checkpoints and, in a rampage, not only terrorized tourists and staff but took the lives of two dedicated U.S. Capitol Police officers who died defending them and the institution in which we all serve.

As a trauma surgeon, I am used to blood and death, but it is one thing to treat the result of violence in a hospital; quite another to walk straight into its midst in a place you'd never expect. That day brought home not only at what great risk these dedicated police officers serve, but also how much we take their service—and their courage—for granted.

But the U.S. Capitol Police are not the only ones who deserve our respect and support. Every officer, in every city and town across America, who walks a beat, patrols a street, intercepts a drug push, responds to the call of an angry neighbor or spouse, or even pulls over a speeding motorist, runs the same risk of death or serious injury from spontaneous violence that Officers Chestnut and Gibson faced that day. Each of those officers deserve our thanks and admiration, but most of all, they deserve our support.

That is why I have consistently fought for more Federal block grant funds for local police departments, as well as the flexibility to use those funds wherever they're needed most—not just to hire more police officers, but to purchase the equipment or training they need to protect not only the lives of our citizens—which they are more than willing to do—but their own lives as well.

Three weeks ago, I had the honor of meeting with the Board of the Memphis Police Association in Memphis, Tennessee—a hard-working group of law enforcement officials who represent the 1,800 police men and women who respond to over 800,000 calls annually, protecting lives and property in Tennessee's largest city.

As always, they offered many constructive suggestions about how Congress might address a variety of law enforcement issues, including the issues of recruitment and quality of life. As the people who man the front lines in the war against crime and see first-hand the challenge that faces all of us, their perspective is invaluable, and I hope to translate some of their ideas into legislation for the Senate's consideration next year.

One of the advantages of being a U.S. Senator is the opportunity to undergo

extraordinary experiences one would otherwise never have. Getting to spend time with the men and women who have made law enforcement their life's work—the officers, the sheriffs, and others—is one such extraordinary experience, and it always humbles me to witness their courage and dedication up close. They work long hours away from their families, often at great personal risk, and endure low salaries and years of stress at work and at home to make our lives safer and easier. And I, for one, wish to acknowledge the men and women of the Memphis Police Department, and all law enforcement personnel in Tennessee and across America, for the selfless work they do.

We who work every day in this symbol of democracy are fortunate, because we get to know the men and women of the U.S. Capitol Police on a personal basis. We greet them every day, we witness their dedication to duty, they inquire after us and our families, they become our friends. Long after Officers Gibson and Chestnut were laid to rest, we remember still their warmth and their many kindnesses, their lives and their heroic sacrifice. Unfortunately, other officers with just as much courage and dedication to duty are not known by the people they protect. But that does not mean they should be appreciated any less.

And it is not just the people of their communities who should appreciate them. As the representatives of those people in Washington, we also must recognize America's police men and women for what they are—American heros—and do whatever we can to support their efforts on our behalf.

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GLOBAL DISASTER INFORMATION NETWORK

Mr. AKAKA. Mr. President, I rise to commend employees of the many Federal departments and agencies responsible for the impressive preliminary work on establishing a Global Disaster Information Network, GDIN.

As a member of the Governmental Affairs Committee, which authorizes the Federal Emergency Management Agency, FEMA, I take a keen interest in the way in which institutions in the federal government respond to disasters. I am struck by the tremendous potential advanced technologies, including satellite imaging, the Worldwide Web, and computer data systems can play in improving our responsiveness to natural disasters.

Much of the credit is due to the visionary leadership of Vice President GORE for directing GDIN's development and for recognizing the potential for harnessing current day technologies in an unprecedented and innovative way.

GDIN represents a coordinated effort among the Nation's federal disaster agencies, intelligence agencies, the National Aeronautics and Space Administration, academia, and industry, and their international counterparts, to utilize existing and emerging information technology more effectively to provide key decision makers with information critical for reducing loss from natural disasters. As a result of GDIN, the availability of critical disaster response, recovery, mitigation and preparedness information is now greater than ever before.

Domestic disasters are estimated to cost an average of $54.3 billion, causing 510 deaths per year. International disasters kill more than 133,000 people and cost more than $440 billion in property damage. The added costs of widespread human suffering and political instability are incalculable.

The current capabilities of GDIN are impressive, but future capabilities and possibilities hold even greater promise. GDIN's development exemplifies the best international collaborative efforts between government and industry and illustrates the innovation possible only in this great technological age. Surprisingly, GDIN has received scant attention by the American public or the media.

Prior to GDIN, there was no common approach to accessing a single source for the broad range of information needed for natural disaster reduction or aids to help integrate information from many diverse sources. Relevant information was difficult to locate or use effectively. Disaster managers worldwide were consistently frustrated by poor telecommunications and inadequate infrastructure.

In February 1997, Vice President GORE wrote to key Federal departments and agencies requesting a feasibility study for establishing a global disaster information network, through the integration of the Internet and other emerging technologies, to improve preparedness and responsiveness to natural or environmental disasters. A Federal task force was formed to explore public/private partnerships to make the concept a reality. In April 2000, President Clinton issued Executive Order 13151, formally creating GDIN and setting operational objectives.

A key objective of GDIN is to promote the United States as an example and leader in the development and dissemination of disaster information, both domestically and abroad, and to seek cooperation with foreign governments and international organizations. Continued Federal leadership is essential to its continued success. The creation of a highly sophisticated and widely distributed knowledge base, encompassing common systems of measurements, methods of data visualization and exploitation, information analysis, event forecasting, knowledge modeling, and data and information management, remains key to successful future development.

For example, in 1997, the region of Grand Forks, North Dakota suffered losses greater than $400 million when the Red River rose. In order to predict flood areas accurately, we need a system that can overlay information not only on water levels and rates but also the surrounding infrastructure of levies and roads, which affect the flow of water.

A positive example of data integration was in the 1996 fire in Mendocino, California, in which data from the Landsat Thematic Mapper, Digital Elevation Models, infrared scanners, information from National Technical Means, and field reports were used to assess fire damage, as well as the potential for erosion and new growth. Additional information on rangeland, wildlife habitats, and recreational needs were included to build a comprehensive plan for re-vegetation resulting in a plan by the U.S. Forest Service, which is estimated to have saved $250 million by more efficient planting.

These are isolated examples. The program, both nationally and internationally, is still in its infancy. The information is there but the way to access it is still a work in progress. Unfortunately, on the domestic front there has been a lack of support in some circles for this program. Such lack of support is deplorable. The need to find more effective ways to respond to disasters in the United States must be above partisan politics.

We live in truly amazing times. Rapid improvements in communications, the Internet, space imagery, remote sensing, global positioning technologies, and early warning forecasting hold promise to continue to revolutionize disaster management and therefore save lives and reduce human suffering in very significant ways.

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ORGANIZED LABOR AND PNTR—NOT A MONOLITHIC APPROACH

Mr. ABRAHAM. Mr. President, a week ago I met with a national workforce coalition of unions that came out in support of establishing Permanent Normal Trading Relations with China. I had encountered some of the labor leaders who belong to this coalition on several other occasions, including at the Republican National Convention in Philadelphia in August. I simply rise today to note for my colleagues that organized labor in this country is not monolithic in their views on such matters as trade and protectionism.

The members of the coalition I met with last week came primarily from the aerospace industry in the Pacific Northwest, building the jet airplanes, engines, and other aerospace subsystems that are competing globally with the likes of Europe's Airbus. However, I have previously met members of this coalition that extend beyond the aerospace industry and the Pacific Northwest. They represent such traditional manufacturing industries as steel, aluminum, diesel engines, farm equipment, and rail locomotives. They

repesent a diverse array of the American workforce—everything from production workers on the line to engineers and scientists. And they are from across this great nation.

The message these union officials had was that they understood that China was a burgeoning market for U.S. exports. They understood that if the U.S. did not approve PNTR for China that we would not only lose the trade concessions they have made to us under this agreement, but we would also lose our ability to gain greater market access and share. And they understood that the largest beneficiary of such an outcome would be our trade competitors in the European Community, in the rest of Asia, and in South America. They understood that one of the best ways to guarantee that American firms remain in the United States—employing American workers and bolstering our economic growth—was to eliminate the existing trade barriers that have served to up until now to freeze out our products or force U.S. companies to move facilities over to China.

Without removing these barriers and liberalizing trade between the U.S. and China, American firms seeking to compete with their foreign competitors would have every incentive to move their factories and operations over to China. With PNTR and China's entry into the World Trading Organization we increase the likelihood that American companies will continue to remain located in the United States. And that is good news for the union workers and households in the state of Michigan which will continue to produce a wide array of goods that will be exported to China.

As I pointed out in a statement I made on the floor supporting PNTR, exports from Michigan to China increased 25 percent between 1993 and 1998, and they have undoubtedly grown significantly greater since 1998. Exports to China from businesses located in the Flint and Lansing areas grew by 84 percent during that period. Meanwhile, exports to China from Kalamazoo and Battle Creek grew by an extraordinary 353 percent! Not all of that business is going to union shops, but certainly a significant portion of it is, and that sort of expansion in trade with China is going to benefit all workers and businesses in Michigan—union and non-union.

Clearly the majority of unions and union members in this country opposed PNTR for China. I heard from and spoke with many, many such workers from Michigan—both back in Michigan and when the unions have come out to Washington, DC, to meet with their representatives in Congress. I come from a union background and grew up in a union household. I took their concerns very seriously in weighing the many issues that went into my ultimate decision to vote for PNTR. And I have pledged to hold China accountable for their future behavior and to fulfill their trade obligations under the WTO's rules and the agreement we have negotiated with them.

But there are indeed unions—rank-and-file members and leadership alike—who see the opportunity presented by PNTR and allowing China into the WTO as a tremendous opportunity for the United States to continue to lead the world in productivity and in our economic strength. They are prepared to answer the challenge posed by the global economy and the opening of China's markets, and they recognize the benefits which will result if we are leading the way into opening China to greater trade instead of sitting on the sidelines allowing our trade competitors to reap all the benefits.

We should not forget that the U.S. is a very diverse country and that no institution—including organized labor—is a monolithic force. There are folks on both sides of the issue, each feeling very strongly and very sincerely that they are doing what is best for them and their brethren.

Mr. EDWARDS. Mr. President, I rise today in support of Senator HATCH's resolution commemorating our Olympic athletes for the spirit, enthusiasm and patriotism they displayed in Sydney at the XXVII Summer Games. I am proud to represent a state that sent to Sydney two of the nation's most recognizable athletes, Marion Jones and Mia Hamm, as well as numerous other athletes who valiantly competed in these Olympic games.

The nation's eyes were on Marion Jones as she set out to win an unprecedented five gold medals in Sydney. While Marion didn't win five golds, she made us all proud with her commanding performance. She set a track and field record by winning more medals in a single Olympics than any other woman in history. Her three gold and two bronze medals have put Marion atop the track and field world. More important than winning her events, Marion accepted each of her medals with grace and style, epitomizing what Olympic competition is all about.

Mia Hamm has captivated children and adults alike with her charisma and passion for the game of soccer. Thousands of girls across North Carolina take to the soccer fields in hopes of being the next Mia Hamm. Watching Mia play in Sydney, I understand why. In the women's soccer semifinals against Brazil, Mia was pushed, shoved and thrown to the ground time and time again. She did not once complain, letting her actions speak louder than words by scoring the only goal of the match. The United States Women's Soccer team went on to claim the silver medal, led by other Tar Heels such as goal keeper Siri Mullinix of Greensboro and Carla Overbeck of Chapel Hill.

I am also extremely proud of other North Carolinians who competed in Sydney. While these athletes haven't received the attention Mia Hamm and Marion Jones have, they are equally important and should be commended for their accomplishments. Robert Costello of Southern Pines competed in equestrian events. Tim Montgomery and Jerome Young, both of Raleigh, Lynda Blutreich of Chapel Hill and Melissa Morrison of Kannapolis competed in track and field. Charlie Ogletree of Columbia competed in sailing. Rich DeSelm of Charlotte swam in Sydney. Calvin Brock of Charlotte represented the United States in boxing. George Hincapie and Fred Rodriguez both of Charlotte competed in cycling. Hunter Kemper of Charlotte competed in the triathlon and Henry Nuzum of Chapel Hill competed in rowing.

The United States should be proud of every athlete who competed in the Olympics. I am especially proud of the North Carolinians who represented the United States in Sydney, and I am pleased to support this resolution with them in mind.

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NATIONAL CRIME PREVENTION MONTH

Mr. GRAMS. Mr. President, I rise today to express my support for the strong partnership between localities and the federal government in preventing crime across the United States. As my colleagues may know, October is recognized as ''National Crime Prevention Month.''

Earlier this year, the Federal Bureau of Investigation announced that serious crime had declined nationally for the eighth consecutive year. Although many reasons for this promising news can be cited, I believe the efforts of state and local governments have caused a reduction in crime rates. To ensure continued success, the federal government should not impose additional mandates upon local communities that will only prevent the development of effective crime prevention programs.

During this session of the 106th Congress, I am pleased to have worked with Minnesota's public safety officials on a number of crime and drug abuse prevention initiatives. Most importantly, I am pleased that the Fiscal Year 2001 Commerce, Justice, State Appropriations bill includes $4 million for the State of Minnesota to develop a statewide computer network that will provide judicial and law enforcement agencies with universal access to critical information about criminal offenders at the time of their arrest, prosecution, sentencing, and during other important proceedings. Information is the key to an effective and accountable criminal justice system. The Minnesota Legislature recently enacted legislation, known as ''Katie's Law,'' that provides state funding for the development of this initiative.

I also believe it is essential that Congress do more to ensure that anti-drug resources reach the areas of our country where drug abuse and crime is on the rise and the anti-drug resources of state and local law enforcement have been seriously strained. That is the situation facing law enforcement agencies

in my home state that have worked to combat methamphetamine production and trafficking throughout our communities—particularly in rural areas.

For more than a year, I have been working to address the rising methamphetamine drug epidemic in Minnesota by having Minnesota designated as a High Intensity Drug Trafficking Area, HIDTA. This designation will provide additional anti-meth resources to Minnesota and ensure better coordination of federal-state-local efforts at defeating this threat to public safety. I am pleased that the Fiscal Year 2001 Treasury-Legislative Branch Appropriations bill includes funding for new HIDTA designations, and a directive to the Office of National Drug Control Policy that Minnesota must be among the first states considered for HIDTA designation in the upcoming fiscal year.

My rural crime prevention agenda has included strong support for S. 3009, the ''Rural Law Enforcement Assistance Act of 2000.'' The value of this legislation was brought to my attention by St. Cloud State University Professor John Campbell and several Minnesota police chiefs and sheriffs. I greatly appreciate having the benefit of their expertise. The Rural Law Enforcement Assistance Act would provide funding to the National Center for Rural Law Enforcement to expand the technical assistance and training available to rural law enforcement personnel. As a cosponsor of this bill, I am hopeful that rural Minnesota will soon establish a regional center that will bring the benefits of these programs to our state.

During National Crime Prevention Month, it is also important to note the impact the Violence Against Women Act, VAWA, has had upon the rate of domestic abuse, stalking, and sexual assault across the nation. Since its enactment, the VAWA has provided thousands of communities with assistance to develop innovative and effective programs that have contributed toward protecting individuals from sexual offenses and domestic abuse.

In Minnesota, domestic violence shelters and centers have improved their services to victims of sexual, emotional, and physical abuse through such important programs as the Rural Domestic Violence and Child Abuse Enforcement Grant program and funding to combat violence against women on university campuses. Additionally, many domestic abuse victims have benefited from the counseling and guidance provided through the National Domestic Violence Hotline established under the Violence Against Women Act. I am proud to be a cosponsor of legislation to reauthorize the Violence Against Women Act and expect that this legislation will be passed before the 106th Congress adjourns.

Finally, I commend the dozens of Minnesota cities that are active participants in the ''National Night Out'' program. These neighborhood residents have sent a strong message to criminals that our neighborhoods are organized and fighting back against the threat of crime. Similar to the TRIAD seniors crime prevention program, National Night Out encourages increased citizen interaction with law enforcement officers to prevent crime. I will continue to be a strong advocate in Congress for the National Night Out and TRIAD programs.

I am proud of the active involvement of our citizens in developing innovative crime prevention initiatives. Their commitment to ensuring safer streets and safer communities throughout our state has made Minnesota a better place to work and a better place to call home.

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CONFERENCE REPORT ON THE FY 2001 ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL

Mr. L. CHAFEE. Mr. President, I would like to share with my colleagues my views on several items contained within the energy and water conference report.

The FY 2001 Energy and Water Appropriations conference report includes $24 billion in funding for the Department of Energy, civil projects of the Army Corps of Engineers, the Department of Interior's Bureau of Reclamation, and a number of independent agencies. I understand the difficulty of reaching a consensus on such a comprehensive bill. I would like to thank the Managers of the legislation for all their hard work in reaching this consensus.

I am particularly pleased with the nearly $4 million in funding included in the bill for a number of important Rhode Island coastal restoration and water development projects. The bill contains $1.95 million in funding for authorized repairs to the Fox Point Hurricane Barrier. Since its construction in 1966, the barrier has provided critical flood protection to the City of Providence. The bill contains $191,000 for Rhode Island Ecosystem Restoration to assist the Army Corps of Engineers and the Rhode Island Department of Environmental Management to restore degraded salt marshes and freshwater wetlands, improve overall fish and wildlife habitats, and restore anadramous fisheries. The bill also contains $54,000 for South Coast Erosion to complete feasibility study work on potential coastal protection projects along the southern coastline of Rhode Island.

Additionally, the bill contains $584,000 in funding for the final Environmental Impact Statement and design work associated with maintenance dredging of the Providence River and Harbor federal navigation channel. The proposed maintenance dredging project involves the removal of approximately four million cubic yards of material from the Providence River and Harbor. The Environmental Impact Statement process will allow for full and open debate on the placement of dredge spoils from the project. We certainly cannot overlook the importance of protecting and minimizing the impact on our environment, especially the impact on our fisheries.

As we move into the heating season, funding Environmental Impact Statements for Providence Harbor dredging projects cannot be overstated. Specifically, until dredging Providence Harbor is completed, deep draft vessels carrying precious heating oil to Rhode Island and other points in the Northeast will have to continue the dangerous and inefficient practice of offloading their cargoes into small barges, in the middle of Narragansett Bay, for delivery to the pierside terminals in Providence Harbor. Anyone who has experienced the fury of winter wind, ice, and rough waters on the Narragansett recognizes this practice is an accident waiting to happen—one with disastrous consequences.

While I voted in support of the conference report last night, I was disappointed to find that the Missouri River provision I objected to during Senate consideration of the bill was not removed during conference. I firmly object to this provision which would block funding for consideration of one of the alternatives to the Missouri River Master Water Control Manual. The targeted alternative would require seasonal river flow changes along the Missouri River in order to recover three endangered species including the pallid sturgeon, interior least tern, and piping plover. During my past year in the Senate, I have voted to remove environmental riders such as this one from appropriations bills. In my view, the Missouri River provision inappropriately transfers the decision regarding endangered species protection along the Missouri River from the Army Corps of Engineers and the authorizing committees to the Senate and House Appropriations Committees.

I was one of two Republican Senators that voted in favor of an amendment offered by Senator DASCHLE and Senator BAUCUS to strike this provision during Senate consideration of the FY 2001 Energy and Water Development Appropriations bill. When the vote failed, however, I voted in favor of the legislation because of its important funding for Rhode Island. The FY 2001 Energy and Water Development Appropriations bill, and the Missouri River provision contained within, passed overwhelmingly in the Senate by a vote of 93 to 1.

The legislation still has a probable Presidential veto. I am hopeful we will be able to revisit the Missouri River provision before the end of this session, and ensure its elimination from the legislation.

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THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday,

October 2, 2000, the Federal debt stood at $5,661,548,045,674.53, five trillion, six hundred sixty-one billion, five hundred forty-eight million, forty-five thousand, six hundred seventy-four dollars and fifty-three cents.

Five years ago, October 2, 1995, the Federal debt stood at $4,987,587,000,000, four trillion, nine hundred eighty-seven billion, five hundred eighty-seven million.

Ten years ago, October 2, 1990, the Federal debt stood at $3,261,514,000,000, three trillion, two hundred sixty-one billion, five hundred fourteen million.

Fifteen years ago, October 2, 1985, the Federal debt stood at $1,823,105,000,000, one trillion, eight hundred twenty-three billion, one hundred five million.

Twenty-five years ago, October 2, 1975, the Federal debt stood at $553,269,000,000, five hundred fifty-three billion, two hundred sixty-nine million, which reflects a debt increase of more than $5 trillion—$5,108,279,045,674.53, five trillion, one hundred eight billion, two hundred seventy-nine million, forty-five thousand, six hundred seventy-four dollars and fifty-three cents during the past 25 years.

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ADDITIONAL STATEMENTS

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TRIBUTE TO NATHANIEL COBB

● Ms. SNOWE. Mr. President, I rise today to recognize the extraordinary contributions of Nathaniel T. Cobb of Waterville, Maine, to this great Nation.

Nate Cobb is a veteran of World War II, where he served as a combat engineer in the South Pacific and participated in the planning of six invasions during his tenure in the Army. Like so many brave Americans, he came home after the war and continued to contribute to his country and community.

Over the years, Nate has generously and selflessly reached out to fellow veterans and their families in need, working to ensure that veterans receive the benefits they have earned and so richly deserve. To this end, Nate often devoted his weekends and evenings to helping veterans, even as he worked full time for the Waterville Morning Sentinel newspaper in Waterville, Maine for almost 40 years.

In the 1960's Nathaniel Cobb demonstrated impressive foresight in proposing the idea of a veterans cemetery to former Senator Margaret Chase Smith, who worked with him to establish—in Maine—the first state veterans cemetery in the entire country.

As State Adjutant of the American legion at the time, he presented the resolution calling for a veterans cemetery to the State legislature, which approved it unanimously. Not only that, but he worked tirelessly to secure funding for the cemetery, which was dedicated in 1970, and later helped establish a chapel there as well.

Nate's achievements also extend into the realm of the written word, having written two books about the Maine Veterans Memorial Cemetery in order to raise funds to preserve the ground for generations to come. To this day, the proceeds from the sale of this book are still generating support for the cemetery association. I am proud that a letter I wrote in support of his efforts appears in the second edition of his book.

Nathaniel Cobb also initiated the ''Garden of Remembrance'' at the cemetery to honor those Mainers whose remains were never found. He was Sate Adjutant for the American Legion twice, State Treasurer for 12 years, and State Chaplain for 6 years. He has served on the Maine Veterans Home Board and on the Veterans Loan Authority Board. It was an honor to work with him on the fight to preserve Maine's only veterans hospital—the Togus Veterans Administration Medical and Regional Office Center—as well as other fundamental needs of Maine's veterans.

I congratulate Nate today as well as express my profound appreciation as an American for the lifetime of service and sacrifice he has rendered. He is truly an effective and doggedly determined advocate for veterans.

I have nothing but the utmost respect for those, like Nathaniel Cobb, who have served with courage, honor and distinction when their country—and the world, no less—needed them so desperately. From World War II through Korea, Vietnam, the Persian Gulf, Bosnia, Kosovo, and numerous other conflicts, freedom and democracy have survived because when the call to duty came, our veterans were there to answer.

It is because of them that we enjoy lives unfettered by oppression, in a democracy that stands as a blueprint—and a beacon—for people the world over. It is because of them that we stand at the vanguard of human rights, human dignity, and personal opportunity.

And as long as America remains a beacon of hope, we must never forget it is a beacon that shines with the bright light of all those, like Nathaniel Cobb, who sacrificed for the principles for which America stands. We may hardly know where to begin in reconciling a debt to them that can never be fully repaid. but we know we can do no less than to try our very best.

In that light, it is truly an honor to congratulate Nate Cobb on a life of accomplishments and contributions to this country of which he should be rightfully proud. He is a credit to Maine and the Nation and a true American hero in every possible sense of the world. Thank you, Mr. President.●

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WATERBURY CENTER'S VILLA TRAGARA

● Mr. LEAHY. Mr. President, one of the joys in living in a State as small as Vermont is that you get to know where all the treasures are. One such treasure is Villa Tragara in Waterbury Center. My family and I have gone there for so many years and have become friends of Tish and Tony DiRuocco. When my mother was alive, she knew that she could call Tony when the Italians won soccer matches and have someone she could speak with in her native tongue, while they both toasted Italy's victory.

Recently Debbie Salomon, Vermont's foremost chronicler of epicurean delights, wrote about the DiRuocco's Restaurant and I ask that the article from the Free Press be printed in the RECORD at this point.●

The article follows:

[From the Burlington Free Press, Sept. 12, 2000]

STRONG MARRIAGE IS SECRET INGREDIENT TO VILLA TRAGARA'S SUCCESS

(By Debbie Salomon)

Behind every great restaurant chef/owner stands a spouse. If the spouse is a woman, chances are she'll put on a nice outfit, slap on some makeup and stand in front taking reservations, dispatching servers, running credit cards, remembering names, smoothing ruffled feathers and smiling, smiling, smiling through aching feet, a throbbing head and sore back.

That's if the baby sitter shows up.

That's Tish DiRuocco. Tish and Tony DiRuoccco, owners of Villa Tragara in Waterbury Center, are old-timers in an industry where almost 75 percent of newcomers fail the first year. Villa Tragara recently celebrated its 20th anniversary; in June, Tony was named Restaurateur of the Year by Vermont Lodging & Restaurant Association.

Should have been ''Restaurateurs . . .''

''Did you see (the Stanley Tucci film) 'Big Night?' Tish asks. ''Tony's like the chef and the brother is me.''

''They are a very strong family, a wonderful team,'' says Joan Simmons of Craftsbury, a 20-year devotee, who celebrates most family occasions at Villa Tragara, including her mother's 90th birthday.

Simmons describes their entrance: ''You would have though Queen Victoria was arriving.''

I thought of Tish as I watched Hadassah Lieberman's rave at the Democratic National Convention. The motto of these strong-willed spouse-partners seems to be Stand By Your Man and Help!

Perhaps Tish and Tony cling so tenaciously to each other and their business because getting there wasn't half the fun.

They met when 19-year-old Tish, a Montrealer, lived with a family in Switzerland to improve her French. The small Swiss town had only one nightspot. Tony—born and educated in Capri, Italy—was the showy bartender.

''He threw bottles into the air and caught them.'' Tish recalls, still misty-eyed at 48. ''I had no money but he made me the perfect drink at the perfect price.

They fell in love. Tony followed her back to Montreal. They married in 1976.

Tish's family had a ski house in Vermont. Her dream was to live here, despite Tony's growing success in cosmopolitan Montreal. They scoped out the Italian restaurant scene in the Stowe vicinity and decided a market existed for Tony's painstakingly elegant (pasta, bread, desserts made in-house) Northern Italian preparations. They found a charming 1820 farmhouse on Vermont 100 in Waterbury Center, which became the restaurant. Tish's parents helped financially, but the complications of non-citizens opening a business in the United States would fill the phone book.

''We were young and naive,'' Tish admits.

Add ''fanatically hard-working'' The charming location proved less than ideal, since vacationers driving north to Stowe didn't want to drive back for dinner.

''We had to be creative the first 10 years, until word-of-mouth got around, ''Tony says.

Finally, the Stowe Montrealers who had adored Tony's cuisine at home rediscovered him and oh, did he cater to their tastes. ''They want it special, not off the menu,'' he says.

''Tony's so intent on pleasing that he's flexible to a fault,'' Tish adds.

But bumps along the way, including an exhausting foray into retail refrigerated pasta that Tish delivered to gourmet shops between caring for two children and running Villa Tragara, might have derailed a less-committed couple. The Stowe restaurant scene was exploding with competition. Attitudes toward food were changing. ''We were a sinking ship but we were going down fighting,'' Tish admits. Once, things got so bad they closed the door and fled to Martha's Vineyard for a week.

Tony was forced to make changes, to lighten sauces with vegetable purees, to initiate cabarets, dinner theater, jazz, a moderately priced tapas menu and early-bird discounts. Redecoration turned the farmhouse—particularly the mountain-view solarium—into a lively, informal trattoria. Herbs grow along the path to the front door; zucchini clog the compost-enriched garden plot out back.

And, somehow, their marriage has not only survived, but flourished. How? ''We drop the restaurant when we go home,'' Tish says. ''If we have an argument, it keeps until the next day.''

Watching them you fee the connection. ''She is my partner, 120 percent,'' Tony affirms, touching Tish's shoulder. They have led student tours to Italy. They provide food for Odysesy of the Mind and March of Dimes events. On Christmas, Tony contributes lasagna (of all things) to a Christmas dinner at a Waterbury church and donates food to a retirement home.

No wonder, in March of 1999, Tony was one of 59 restaurateurs worldwide (nine in the U.S.) to receive the Insegna Del Ristornate Italiano, which honors chiefs who leave Italy but ''keep the good name alive.''

The award was presented by Italian president Oscar Scalfaro. The Pope recognized the honorees during a public audience.

Simmons was happy but not surprised at the recognition. ''When you walk in that door you feel special. Tony and Tish are genuinely glad to have your business,'' she says. The Simmonses drive almost an hour once a month to eat at Villa Tragara. ''I'm a schoolteacher, not a rich woman, but we would rather eat at a place we know is good.''

Because, Simmons concludes, ''Anything else is going out to get some food. This is going out to dinner.''

What a nice story.●

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WOLFE MIDDLE SCHOOL NAMED 1999–2000 BLUE RIBBON SCHOOL

● Mr. ABRAHAM. Mr. President, in 1982, the United States Department of Education initiated its Blue Ribbon Schools Program. In each year since, the Department has recognized schools throughout the country which excel in all areas of academic leadership, teaching and teacher development, and school curriculum. In other words, Blue Ribbon Schools are the finest public and private secondary schools our Nation has to offer. They are the schools that set the standard for which others strive. I am very proud to report that nine of the 198 Blue Ribbon Schools named by Secretary Richard W. Riley for 1999–2000 are located in the State of Michigan, and I rise today to recognize Wolfe Middle School, in Center Line, Michigan, one of these nine schools.

The hope of the Center Line Public School system is that their schools will become places where ''every person will be a teacher, every teacher will be a leader and every student will be a success.'' To this end, Wolfe Middle School is a shining example. Its mission statement lays out the following goals: first, to teach students the knowledge and understanding embedded in the Michigan core curriculum; second, to help students explore their elective areas of interest; and, third, to help students as they make the transition from childhood to adolescence. Wolfe Middle School has been successful in these areas because of the teamwork that has developed, not only among faculty and administrators, but also between parents and community members.

This teamwork is best represented in planning teams, groups which involve staff, parents and community members. These teams meet regularly in a constant effort to evaluate, improve and enact goals and objectives which will continue to move Wolfe Middle School and its students in a positive direction. In addition to planning teams, daily teacher team meetings take place in which plans are devised for classroom instruction, grade level activities and professional development. There is an unwavering rule that guides both planning teams and teacher teams: all programs must be dedicated to helping Wolfe students develop academically, socially and emotionally.

In recent years, school improvement has focused largely around the premise that every student should leave Wolfe computer literate. The school has two computer labs, as well as a computer in every classroom. Laptop computers are available to take home from the new Media Center which allow students to do computer homework. In 1999, a Technology Education Laboratory was completed which boasts a robotics area, audio and video production studios, and a computer animation station, making it among the most advanced laboratories in the Midwest. It is important to note that providing students with the opportunity to work with computers is part of an overall plan to encourage their participation in other areas of education and social interaction—it is not an end in itself.

I applaud the students, parents, faculty and administration of Wolfe Middle School, for I believe this is an award which speaks more to the effort of a united community than it does to the work of a few individuals. With that having been said, I would like to recognize Ms. Sue Gripton, Principal of Wolfe Middle School, whose dedication to making her school one of the finest in our Nation has been instrumental in creating this community. On behalf of the entire United States Senate, I congratulate Wolfe Middle School on being named a Blue Ribbon School for 1999–2000, and wish the school continued success in the future.●

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THE END OF AN ERA

● Mr. FEINGOLD. Mr. President, I was born in 1953, the same year that major league baseball made its way back to Milwaukee. I grew up with County Stadium and the countless memories it produced.

When the stadium and I were just six years old, Milwaukee County bore witness to one of the most dramatic games in baseball history. Pittsburgh's Harvey Haddix, pitched 12 perfect innings and lost both the no-hitter and the game to Milwaukee in the 13th.

When the stadium and I were eight years old, the legendary Warren Spahn had a spectacular year. He became the second oldest pitcher to throw a no-hitter and became only the 13th pitcher in history to win 300 games.

When the stadium and I reached 20, the Green Bay Packers won their very first Monday Night Football game. Wisconsinites never forget the last game the Packers played at county stadium nearly six years ago today.

On the year of our nation's bicentennial, when the stadium and I were 23, Hank Aaron hit his 775th and last career home run there. His home-run hitting presence and uncanny style added so much to County Stadium and the aura that surrounded him will never be forgotten.

When the stadium and I reached the age of 45, it was at County Stadium that Mark McGwire and Sammy Sosa both hit their 65th home runs.

And finally, at our ripe age of 47, we must say farewell. Fortunately, its great and storied past will always be in our memories. I look forward to sharing with my family and Brewer fans across the state, the many new thrilling baseball moments that await us at Miller Park.●

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MONTANA OLYMPIANS

● Mr. BURNS. Mr. President, I would like to take this opportunity to recognize the achievements of two native Montanans, Mrs. Monica Joan Tranel-Michini, and Mrs. Jean Foster.

Mrs. Tranel-Michini is a Billings native who competed recently in the Sydney Olympics. She not only qualified for the finals of the women's single sculls, a rowing event, but she also placed sixth in the event. Six is a magic number for Monica, because she is the sixth of ten brothers and sisters. She and her family grew up on a cattle ranch just outside of the city limits of Billings, Montana. Before the age of twenty, this now established U.S. champion and Olympic finalist had not

seen a body of water larger than her family's irrigation pond. It was not until this accomplished woman attended law school in Philadelphia that she gained the passion for rowing. I salute this young woman, for her proud representation of the sport of rowing, the country, and the state of Montana.

Mrs. Jean Foster is another young woman from Bozeman, Montana whom I want to recognize. Joan's career in shooting was paved a little better than Monica's. Jean is from a family with world championships in shooting under their belt, her mother being a world champion in rifle shooting, and her father a two-time Olympian and a USA hall of famer in shooting. Jean represented our state and our country with distinction in the 3-position rifle event. I congratulate Jean on the effort she put forth and on her and her family's commitment to the sport of shooting.●

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S.C. AWARDED PAN AM GAMES FOR THE BLIND

● Mr. HOLLINGS. Mr. President, it is with great pleasure that I recognize Spartanburg, South Carolina and the South Carolina School for the Deaf and Blind as hosts of the 2001 Pan American Games for the Blind. This is not only a distinguished honor for Spartanburg and for the school, but also for our state and our nation. Three hundred blind and visually-impaired elite athletes from 22 countries will compete in the third Pan Am Games for the Blind May 29–June 3, 2001 in Spartanburg. It marks the first time that these Games have been held in the United States. Previous competitions took place in Buenos Aires and Mexico City.

Athletes will compete in track and field events, swimming and goal ball, a team sport developed specifically for the blind. Two students at the S.C. School for the Deaf and Blind, Royal Mitchell and Sonya Bell, will represent the United States in track and field events.

The International Blind Sports Association selected the S.C. School for the Deaf and Blind as the site for the 2001 Games because of its excellent facilities and the strong credentials of the athletic staff. Since its founding in 1849, the school has served South Carolina well and proven itself worthy of this latest distinction. I wish all the participants in the 2001 Pan American Games for the Blind much success.●

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10TH ANNUAL CONVENTION OF THE AMERICAN FEDERATION OF MUSLIMS OF INDIAN ORIGIN

● Mr. ABRAHAM. Mr. President, I rise today to recognize the American Federation of Muslims of Indian Origin (AFMIO), which will hold its 10th Annual Convention on October 7–8, 2000 in Southfield, Michigan. The theme of the convention is ''Information and Technology: The Digital Divide,'' providing members of the AFMIO with an opportunity to explore new ways to expand upon the many beneficial things the organization is already doing in this realm.

The AFMIO is an umbrella organization which represents various Indian Muslim Associations. It has chapters throughout the world, and a membership which includes academicians, professionals, entrepreneurs and social activists. The mission of the organization is the educational and economic upliftment of Indian Muslims by seeking cooperation among the American and Indian relief and educational organizations.

The AFMIO stands for a stable democratic, secular and progressive India, where the human rights of all citizens, regardless of caste, religion, language or region, are preserved. The organization works in close cooperation with others that believe in these same principles, and thus serves as a bridge between Indian intellectuals, public officials and business people, and Indian Americans, particularly Muslims.

The highest priority of the AFMIO continues to be the eradication of illiteracy among Indian Muslim children, a goal which goes hand in hand with bridging the digital divide. Access to a computer can upon up new worlds for children, and ensure that they are not only literate in the traditional sense, but culturally literate as well, which I think is equally important. In this regard, AFMIO has already done a great deal. Its grassroots mobilization and motivation program is termed as one of the most successful education programs in India.

AFMIO has also done much to aid Indian Muslims on other fronts. The organization has financed several projects which draw on the resources of local communities and aim for the economic upliftment of these communities by teaching citizens how to employ these resources. Through programs of political education and awareness, the organization has united forces that have similar beliefs of social justice and the upliftment of all people. Furthermore, it has been responsible for establishing several hospitals and orphanages, and has organized relief work at times of natural disasters.

I applaud the AFMIO for all of the wonderful work it has done to improve the living conditions of Indian Muslims. A large part of this success stems from educational programs which have been incredibly successful, and I am sure the discussion this weekend will focus upon how these programs can be even further adapted and improved in this Digital Age. On behalf of the entire United States Senate, I extend a much deserved thank you to the American Federation of Muslims of Indian Origin, and wish the organization continued success in the future.●

EULOGY FOR ELLEN GLESBY COHEN

● Mrs. BOXER. Mr. President, I come before you today to pay tribute to a staunch patient advocate whose dedication and commitment to biomedical research has changed the lives of all around her.

Ellen Glesby Cohen was the President and Founder of the Lymphoma Research Foundation of America (LRFA). Ellen founded this organization almost ten years ago after she was diagnosed with a slow growing form of non-Hodgkin's lymphoma (NHL).

Ellen, being the courageous person she was, decided to turn her experience into something positive by establishing the Lymphoma Research Foundation that is the nation's first and foremost organization dedicated to promoting and funding lymphoma-specific research.

Ms. Cohen's efforts on behalf of lymphoma-specific research has led to the Lymphoma Research Foundation awarding close to $3 million to support 92 lymphoma research projects at top universities and cancer centers throughout the nation.

The foundation Ms. Cohen founded has been active not only in funding research, but has helped educate the public about the high incidence rates of non-Hodgkin's lymphoma by spearheading such initiatives as the National Lymphoma Awareness Week during the second seek of October and an annual Lymphoma Advocacy Day on Capitol Hill.

I have been particularly impressed by Ms. Cohen's passion on behalf of lymphoma patients and, consequently, have supported increasing the funding for lymphoma research at the National Institutes of Health and the Centers for Disease Control and Prevention.

Ellen is survived by her husband Dr. Mitchell Cohen and her two children Hailey and Josh. While the last decade of Ellen Cohen's life was dedicated to lymphoma research, Ellen's accomplishments as a mother and a wife will forever be remembered even after the day comes that non-Hodgkin's lymphoma has been eliminated.

Although Ellen's work has already benefitted thousands across the country diagnosed with non-Hodgkin's lymphoma and other cancers, I know that she would like us all to continue her fight against this devastating disease by supporting such worthy organizations like the Lymphoma Research Foundation of America.

Despite the fact that Ellen is not here physically, her spirit will continue to live on through her family and friends. Thank you Ellen for what you gave to persons everywhere. You will truly be missed.●

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NOVI HIGH SCHOOL NAMED BLUE RIBBON SCHOOL FOR 1999–2000

● Mr. ABRAHAM. Mr. President, in 1982, the United States Department of

Education initiated its Blue Ribbon Schools Program. In each year since, the Department has recognized schools throughout the country which excel in all areas of academic leadership, teaching and teacher development, and school curriculum. In other words, Blue Ribbon Schools are the finest public and private secondary schools our Nation has to offer. They are the schools that set the standard for which others strive. I am very proud to report that 9 of the 198 Blue Ribbon Schools named by Secretary Richard W. Riley for 1999–2000 are located in the State of Michigan, and I rise today to recognize Novi High School in Novi, Michigan, one of these nine schools.

In the past 30 years, enrollment at Novi High School has grown from approximately 360 students to 1,577 students. This is representative of the changing shape of the City of Novi during this time period, as it has evolved from a rural crossroads to a thriving Detroit suburb. To deal with the influx of students, in 1996 Novi High School concluded a renovation which had lasted for 30 months and added over 40 percent to the original facility. The school now covers 382,000 feet on three levels, and includes state of the art instructional areas, science labs, a media center, physical education and fine art complexes, and telecommunications systems. All classrooms have e-mail and Internet access as well as voice communications and two-way interactive video within and between district buildings.

The administrators and faculty of Novi High School are committed to providing their students with a well-rounded educational program, including a rigorous academic schedule, a variety of extra-curricular and athletic programs, and an active student leadership program. This commitment led to a two-year, teacher-led initiative of research and review of outstanding international high schools. Following this process, Novi High School restructured into a four-block class schedule so that students would be allowed access to a broader range of curriculum and would also be able to take advantage of the new technology available for their use. Perhaps more importantly, the review and realignment of the curriculum led to a transformation of instructional strategies, from traditional lecture to interactive, higher-order thinking and application-assessment which have redefined the entire education program of Novi High School.

Novi High School has received many awards, including the ''What Parents Want'' award from SchoolMatch for seven consecutive years (1993–99), a Gold Medal District Rating by Expansion Management Magazine for three years (1996–98), and in 1999 U.S. News and World Report selected it as one of the top 96 ''Outstanding American High Schools.'' Being named a Blue Ribbon School for 1999–2000 is reflective of a desire on the part of administration and faculty to continue to provide a better education to the students of Novi High School. The staff firmly believes that a quality education program is never static; rather, it continually needs to be adapted and improved as new resources and different methods of teaching become available. This willingness to adapt has been instrumental in the success of Novi High School, and I am sure will continue to be instrumental as the school leads other high schools, not only in the State of Michigan but throughout the country, into the future.

I applaud the students, parents, faculty and administration of Novi High School, for I believe this is an award which speaks more to the effort of a united community than it does to the work of a few individuals. With that having been said, I would like to recognize Dr. Jennifer Putnam Cheal, Principal of Novi High School, whose dedication to making her school one of the finest in our Nation has been instrumental in creating this community. On behalf of the entire United States Senate, I congratulate Novi High School on being named a Blue Ribbon School for 1999–2000, and wish the school continued success in the future.●

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IN PRAISE OF FRED WILBER, BUCH SPIELER AND CYBERSELLING IN VERMONT

● Mr. LEAHY. Mr. President, I want to congratulate Fred Wilber from my hometown of Montpelier, Vermont on his cyberselling success.

For the last twenty-seven years, Fred Wilber has owned Buch Spieler, a music store in downtown Montpelier. Recently the New York Times reported on Buch Spieler's growing sales from its Internet site at http://www.bsmusic.com. Mr. President, I ask that the full text of the New York Times article of September 22, 2000, titled ''The Opposite of Amazon.com,'' be printed in the RECORD at the end of my remarks.

The success of Fred Wilber is a shining example for all Vermont small business owners to follow. By taking advantage of the new markets offered by the Internet for its goods and services, Buch Spieler has increased overall sales by 10 percent and expanded its customer base by 20 percent in the last year and a half. For years we Vermonters have complained about not having access to a major market to sell our goods. Now through the Internet, we can sell our goods in the blink of an eye to anyone in the world as Fred Wilber and Buch Spieler have shown.

I commend Fred Wilber for being a cyberselling leader and tapping into the Internet's world markets.

The article follows:

[From the New York Times; Sept. 22, 2000]

THE OPPOSITE OF AMAZON.COM

(By Leslie Kaufman)

For 27 years, Fred Wilber has run a quirky music store called Buch Spieler in downtown Montpelier, Vt., population of roughly 8,000. The store, which sells out-of-print movie soundtracks, among other goodies, has had its ups and downs, but in 1998, as Internet music distributors like CDNow and MP3.com exploded in popularity, Mr. Wilber began to worry that the Web would be his Waterloo.

His answer was to build his own Web site (www.bsmusic.com). Designed by his brother and lacking time-saving features like one-click shopping, it is hardly slick. But it has been successful.

In the year and a half since the site went into service, Mr. Wilber says overall sales have jumped 10 percent. Just as important, he estimates, the Internet has expanded his customer base by some 20 percent. It turns out that Mr. Wilber's peculiar tastes have been strengths on the Web. When the site was recently sent an e-mail message requesting the score from ''Gordy! The Little Pig That Hit It Big!'' a 1995 movie, he simply took it off the shelf and shipped it.

''It is not easy e-commerce,'' Mr. Wilber said of his Web site. ''But we are not trying to compete with Amazon. We focus on our own niche.''

To many experts, the advent of the Internet seemed to signal a grim future for mom-and-pop retailers. Increased competition and the availability of a diverse array of merchandise to populations that had been essentially captive audiences threatened to erode their customer base.

But a survey of more than 1,500 businesses in 16 downtown commercial districts nationwide, released earlier this month by the National Trust for Historic Preservation, indicates that the Internet can spur sales in storefront retail businesses. Just as they compete in the brick-and-mortar world against big-box enemies like Wal-Mart Stores and Home Depot, small retailers seem to do best in the virtual world by focusing on unusual products or aiming to give excellent, personalized customer service.

The National Trust is a nonprofit organization that develops programs to support and maintain historic downtown areas. And because the survey canvassed only merchants in towns where some revitalization of historic downtown areas in under way, the National Trust said its results probably overstate the positive impact of the Web on all small businesses. Even so, the news was surprisingly upbeat.

The trust's survey, one of the first in the nation to examine the impact of e-commerce on small retailers, found that some 16.4 percent of Main Street businesses it polled were already using the Internet to sell things. Further, the survey found, merchants that sell online—with most of them starting their Web sites only within the last 18 months—have experienced a 12.8 percent increase in overall sales. On average, 14.3 percent of their total sales are now attributable to the Internet.

Small, specialized businesses ''are really starting to gravitate toward the Web,'' said Kennedy Smith, director of the National Trust's Main Street Center. ''The thing that was a surprise was the extent to which it was helping them.'' For a struggling storefront operation, a 5 percent increase in sales can make the difference between shutting its doors or staying open, Ms. Smith said.

The news about small storefront retailers presents a stark contrast to larger, purely e-commerce retailers. Many experts once suggested that even individual entrepreneurs working out of homes and garages—selling everything from books to bow ties—would prosper on the Internet as barriers to entry were eliminated. But as it has turned out, while several of these pure e-retailers had jumps in sales initially, they are now struggling to make money as the challenges of

marrying cyberspace and the real world have become clear. Hundreds of these operations are now cutting back or going out of business entirely.

Established name-brand retailers, so-called clicks-and-mortars, have also had their share of tribulations on the Internet. While many have recorded strong sales through their online arms, it has often come at enormous cost. To sustain the level of service associated with their stores, most big-name retailers have had to do everything from hire new workers to set up a separate warehouse operation to handle the orders.

There is no way to know exactly how many small storefront merchants do business over the Web, but their ranks are already in the tens of thousands and growing. As of May, some 29 percent of all American small businesses—from retailers to public relations firms—had Web sites, according to the Kelsey Group, a consulting firm specializing in local advertising and e-commerce. That is up from 23 percent in May of last year.

Of this Web-connected minority, almost half are selling goods over the Interent, according to the Kelsey Group, which gets its information from a survey of a national panel of 600 businesses with fewer than 100 employees.

The use of the Web by small retailers is likely to accelerate because many larger companies, hoping that small businesses could be revenue generators, have been intensifying efforts to bring mom-and-pop stores online over the course of the last year.

Last September, for example, Amazon.com started zShops, a service that allows small businesses to have a link to their products pop up when a visitor to Amazon clicks on a relevant book or compact disc. A seller of spice grinders, say, could arrange for a link to appear every time a person clicked on a book about Indian cooking.

Web developers of all sizes—from Microsoft to tiny outfits run by a couple of a guys in a college dorm—are offering small businesses access to a range of Web services, from Web site design to purchasing banner advertising. In fact, the business of providing Web services to small operators has already become competitive enough that many of the mom-and-pop retailers said their entry costs had been very reasonable.

James and Mary DeFore, for example, own a women and children's store called Unique Boutique in downtown Thomasville, Ga., a small city of about 20,000 people. They were doing a healthy side business in prom dresses, and decided that if they offered them on the Web they might attract rural customers who could not get into town. So last January, they hired a local service provider, who for a few hundred dollars designed a simple but colorful Web site with the catchy name Time for Prom (timeforprom.com).

The site went live in February, and by march the DeFores were getting up to 40,000 visitors to their Web site each month. By June, they had nearly 500 orders for dresses that cost $150 to $200. And requests came not just from rural areas in Georgia but also from Missouri and West Virginia and even Hawaii and Japan. ''The biggest problem,'' Mr. DeFore said, ''was fulfilling all the orders.''

Despite not having a powerful brand name or being linked to a powerful portal like Yahoo or America Online, Time for Prom shows that small retailers need not get lost in the vast clutter on the Internet if they develop a clear, arrow identity.

In fact, another Thomasville retailer, Hi-Fi Sales and Service, which specializes in equipment for home theaters and live field recording, did $1.9 million in business over the Web last year, which represented a significant portion of its total sales, and now gets some 30 percent of its new customers online with no advertising.

The key to the success of Hi-Fi Sales is making sure it is visible. ''We spend a lot of energy making sure we come up high in the search engines,'' said Jim Oade, one of the three brothers who co-own the business. Each search engine has different rules for deciding in what order to list businesses related to key words, he said. So one of the brothers, Doug Oade, devotes himself, among other things, to keeping current with the rules and making sure the company's Web site (www.oade.com) has enough of the right key words to pop up swiftly when a consumer wants audio products.

The Oade brothers' national customer base is still fairly unusual among mom-and-pop ventures. Most storefront retailers use the Internet mainly for defending and cementing the relationship with customers they already have—a relationship that is very much under siege by giant retailers.

Osborn Drugs in Miami (pronounced Mi-AM-a), Okal., has been a family drugstore for 29 years. Since it started its Web site in 1996, sales through the Interent have increased only about 5 percent a year, according to Bill Osborn, who runs the store with his father. But more than 90 percent of the traffic on the Web site comes from regular long-term Osborn customers who just like to e-mail their prescriptions in. ''We view it as a way to service customers we already have,'' Bill Osborn said. ''We are not trying to go public as osborndrug.com.''●

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TRIBUTE TO EDWIN L. COX

● Mrs. HUTCHISON. Mr. President, I would like to recognize a great Texan and great American, Mr. Edwin L. Cox and to call out his outstanding service to the nation through his support of the Library of Congress. On Thursday, October 5th, The Library of Congress will be celebrating its bicentennial and the 10th Anniversary of the James Madison Council. The Madison Council is the Library's private philanthropic organization and, along with Council Chairman John W. Kluge, Ed Cox helped found and build the Council from a handful of members in 1990 to more than one hundred committed supporters today.

Madison Council members have supported more than 200 Library projects since 1990. These gifts account for almost half of all private gifts to the Library. Ed served as the first Vice-Chairman of the Madison Council when it was founded in 1990, and became the first Chairman of the Council's Steering Committee in 1992. To support the Library in acquiring new and rare items, Ed and fellow Madison Council member Caroline Ahmanson formed the Acquisitions Committee, which has been instrumental in acquiring rare and historically significant items for the Library. Ed also established the Edwin L. Cox American Legacy Endowment, which makes possible the purchase of rare and important materials highlighting our history.

Ed Cox's long record of service to his country includes his duty in the United States Navy, where he earned the rank of lieutenant. He left to begin building one of America's great independent energy companies, Cox Oil and Gas. He has translated his success into a strong record of public activism, joining the boards of the Salvation Army, the American Red Cross, the Texas Cancer Society, and the Dallas Society for Crippled Children.

In 1978, recognizing his business acumen and boundless contributions to a better society, Southern Methodist University renamed its business school in his honor, and The Edwin L. Cox School of Business is recognized as one of America's best.

In this Bicentennial year of the Library, Ed continues to give of himself and to lead others in support of the Library. He chaired the Council's Bicentennial Committee and mobilized Council members to participate in the Library's Bicentennial programs. He has also been a key member of the Library's Trust Fund Board for the past 10 years.

James H. Billington, the Librarian of Congress, has called Ed ''one of the Library's most valued friends.'' His dedication and service have made the Library's collections richer and its services to the Congress and the Nation more comprehensive than ever. All Americans are the beneficiaries of Edwin L. Cox's generosity in enriching one of our nation's greatest institutions.●

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THE ASSOCIATION OF CHINESE AMERICANS CELEBRATES 28TH ANNIVERSARY

● Mr. ABRAHAM. Mr. President, I rise today to recognize the Association of Chinese Americans, Detroit Chapter of the National Organization of Chinese Americans, which will celebrate its 28th Anniversary with an Awards Ceremony on October 7, 2000. The theme of the evening is Unity, Collaboration and Strength, three things the ACA has provided Michigan's Chinese American community since its inception in 1972.

The mission of the ACA is ''to serve the Chinese American community in the Greater Detroit area, and to promote the overall presence of Chinese Americans.'' In order to do this effectively, members laid out six goals for their organization: provide community services to people of Chinese heritage; promote the Chinese presence locally and nationally through the political system; make sure the voice of the Chinese American is heard locally and nationally; promote academic excellence in Chinese American youth; promote Chinese heritage through the arts; and collaborate with other Chinese/Asian organizations.

In its effort to achieve above and beyond these goals, the ACA has become an active force within the Metropolitan Detroit community. It operates service and outreach centers in Detroit, Warren and Plymouth which provide assistance to Chinese Americans in immigration matters, language classes, citizenship preparation, and registering to vote. It sponsors a free health clinic

and activities in Detroit Chinatown for the language and economically disadvantaged. In addition, the ACA sponsors many programs for the entire community, including the Feed the Homeless program, flood and emergency disaster relief, and a bone marrow drive.

The ACA provides young Chinese Americans with the opportunity to meet people of their own heritage, but also teaches them the benefits of a well-balanced routine. Each year the organization sponsors camping trips, dancing parties, and basketball games. At the same time, the organization has sponsored annual High School Achievement Awards since 1984. These awards recognize seniors who have achieved academic excellence as well as involvement and leadership in extracurricular activities. Scholarships funded by the ACA and private donors are also provided annually to Chinese Americans seeking higher education.

Promoting Chinese heritage has always been a fundamental goal of the ACA, as members strive not to let their proud ancestry be overlooked or forgotten. Events include celebrating Asian American Heritage Month, promoting the Chinese New Year Commemorative stamps, and sponsoring or cosponsoring a plethora of cultural events. Recently, the ACA held a reception for Chinese American author Helen Zia, and on September 9, 2000, the organization hosted the Michigan premiere of the documentary film, ''We Served With Pride,'' which chronicles the effort of Chinese American soldiers during World War II.

I applaud the ACA on the wonderful work it has done in the Metropolitan Detroit region. Since its founding in 1972, the organization has encouraged Michigan's Chinese Americans to celebrate both their Chinese heritage and the lives they have found in the United States. It has fought vehemently for the rights of Chinese Americans yet remains an inclusive group, offering assistance not only to Chinese Americans, but to all Americans. On behalf of the entire United States Senate, I congratulate the Association of Chinese Americans on 28 glorious years, and wish the organization continued success in the future.●

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TRIBUTE TO ADMIRAL LEON A. EDNEY, U.S. NAVY, RETIRED

● Mr. WARNER. Mr. President, I rise today to pay tribute to an exceptional leader in recognition of a remarkable career of service to his country—Admiral Leon A. Edney, United States Navy, Retired.

Admiral ''Bud'' Edney has amassed a truly distinguished record, including 35 years of commissioned service in the U.S. Navy uniform, that merits special recognition on the occasion of his retirement as Chairman of the Board of Directors of the Retired Officers Association (TROA).

Born in Dedham, Massachusetts, he entered the Navy as an ensign in 1957, following his graduation from the United States Naval Academy, and culminated his distinguished naval service with tours of duty as Vice Chief of Naval Operations and as NATO's Supreme Allied Commander and Commander-in-Chief of the U.S. Atlantic Command. He retired from active duty in August 1992.

Admiral Edney has shown valor and leadership throughout his 35 years of dedicated military service to his country, and has been a positive role model for countless sailors in the process.

His dedication to service and excellence has not diminished since leaving active duty, serving as a trustee of the Naval Academy Foundation and the Association of Naval Aviation. For two years, he also held the distinguished Professor of Leadership chair at the U.S. Naval Academy.

Admiral Edney was elected to the board of directors of The Retired Officers Association in 1994. For the last two years, he served as TROA's chairman of the board, the position from which he is now retiring.

Through his stewardship, The Retired Officers Association continues to play a vital role as a staunch advocate of legislative initiatives to maintain readiness and improve the quality of life for all members of the uniformed service community—active, reserve, and retired, plus their families and survivors.

His tenure as chairman of TROA began simultaneously with my chairmanship of the Senate Armed Services Committee, and I am pleased to state that these two years have witnessed very substantial quality-of-life enhancements for active, reserve, and retired service members and their families.

Admiral Edney has been a strong supporter of the Senate Armed Services Committee's efforts toward improving long-term retention and readiness through a competitive compensation package for active and reserve forces, restoration of lifetime health care for retired personnel and their families, and enhancing protections for the survivors of deceased service members. Under his leadership, TROA has been an invaluable source of information that has proven of considerable utility in the committee's deliberations on a long list of compensation and benefits issues during this extraordinarily productive period.

Admiral Bud Edney has been, in every sense of the word, a leader in the military, TROA, and the entire retired community. Our very best wishes go with him for long life, well-earned happiness, and continued success in service to his nation and the uniformed service members whom he has so admirably led and served.

As a former Sailor and Marine, I offer Admiral Edney a grateful and heartfelt salute, and wish him ''fair winds and following seas.''●

FRANK ''BUD'' DANIELS

● Mr. BURNS. Mr. President, the agricultural community across Montana was saddened this month by the passing of Frank Daniels. He was known to all of us as ''Bud''.

He was born and raised on the northern high plains in eastern Montana. He gave up to cancer and was 72. His daughter wrote that he left us as quietly and gently as he walked across that newly cut stubble field to be with His Lord.

A life long devotion to improving the lives of rural Americans and keeping farmers on the land he loved, which he valued so highly, led him to countless areas of involvement and gained him the admiration of his peers. No man or woman ever gave so much to the Montana Farmers Union than did Bud Daniels.

He participated in the three-year Kellogg Extension Program at Montana State University which enabled him to visit far corners of the world and taking him to China in 1976. He believed in the fraternity of agriculture.

His interest in farming issues and programs was generated and groomed through the Montana Farmers Union. He was president of Montana Farmers Union and vice president of National Farmers Union. He also served on the Farmers Union Mutual Insurance Companies.

During his years of farming and serving, he founded the Rural Policy Institute, established a cooperative curriculum at Montana State University, and developed strong ties with farm groups in foreign countries. He had a passion for travel as it was his education and his way to reach out to the rest of the world that was crying for the technology and ways to feed a hungry world.

We in Montana will miss him as he was the inspiration of leadership. Did we always agree? No. That was not important but the dialog and communications that enabled us to help those in need that farm and ranch was important. He would say that we are the providers and there is no higher calling on God's Earth.

Bud is survived by 4 daughters, Amy, Becky, Rachel, and Karen. Also by their mother, Laura Daniels of Billings, Montana.●

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COUSINO HIGH SCHOOL NAMED BLUE RIBBON SCHOOL FOR 1999–2000

● Mr. ABRAHAM. Mr. President, in 1982, the United States Department of Education initiated its Blue Ribbon Schools Program. In each year since, the Department has recognized schools throughout the country which excel in all areas of academic leadership, teaching and teacher development, and school curriculum. In other words, Blue Ribbon Schools are the finest public and private secondary schools our Nation has to offer. They are the

schools that set the standard for which others strive. I am very proud to report that nine of the 198 Blue Ribbon Schools named by Secretary Richard W. Riley for 1999–2000 are located in the State of Michigan, and I rise today to recognize Cousino High School in Warren, Michigan, one of these nine schools.

Cousino High School is a contemporary American high school set amongst the ''Big Three'' members of the auto industry—General Motors, Ford Motor Company and DaimlerChrysler. Much of the instructional program at Cousino relies upon the same forces that drive these international automotive giants, a fact which can be attributed to the large participation of the Warren community in the affairs of Cousino High School. Teachers, administrators, and parents, along with nearly 300 leaders from local business and industry, are directly involved in shaping the educational program. This involvement has been instrumental in creating the high student achievement level that has become a trademark of Cousino High School.

A large part of this program is devoted to ensuring that students who graduate Cousino High School leave tecnologically competent. All Cousino classes use technology as a tool to facilitate learning. Multiple computer labs spread throughout the building and additional computers in the media center and classrooms allow students to easily access the Internet. In addition, Cousino's proximity to the General Motors Technical Center, the world's largest auto research institute, and the satellite automotive and technical businesses nearby, have provided students with an opportunity to see first-hand the many doors that their education will open for them. This focus on technology has complemented the core subjects of literature, humanitites, philosophy and the arts to provide students with a well-balanced educational foundation.

Of course, no school could be successful without students and parents who are willing to devote time and energy to see that their school is indeed successful. This dedication has occurred time and again at Cousino High School. Parents have consistently served on the Principal's Advisory Committee and School Improvement Plan committees, have volunteered in Booster Clubs and for other school activities, and helped to promote school spirit by promoting school events. This parental enthusiasm has rubbed off onto students of Cousino High. Over 80 percent of students participate in extracurricular activities, and students have led the way in aiding the community as a whole, working tirelessly for numerous charities.

I applaud the students, parents, faculty and administration of Cousino High School, for I believe this is an award which speaks more to the effort of a united community than it does to the work of a few individuals. With that having been said, I would like to recognize Mr. Joseph Sayers, Principal of Cousino High School, whose dedication to making his school one of the finest in our Nation has been instrumental in creating this community. On behalf of the entire United States Senate, I congratulate Cousino High School on being named a Blue Ribbon School for 1999–2000, and wish the school continued success in the future.●

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MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

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MESSAGE FROM THE HOUSE

At 12:10 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 302. An act for the relief of Kerantha Poole-Christian

S. 1794. An act to designate the Federal courthouse at 145 East Simpson Avenue in Jackson, Wyoming, as the ''Clifford P. Hansen Federal Courthouse.''

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3088. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide additional protections to victims of rape.

H.R. 3235. An act to improve academic and social outcomes for youth and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive conducted by law enforcement personnel during non-school hours.

H.R. 4147. An act to amend title 18, United States Code, to increase the age of persons considered to be minors for the purposes of the prohibition on transporting obscene materials to minors.

H.R. 4315. An act to designate the facility of the United States Postal Service located at 3695 Green Road in Beachwood, Ohio, as the ''Larry Small Post Office Building.''

H.R. 4640. An act to make grants to States for carrying out DNA analyses for use in the Combined DNA Index System of the Federal Bureau of Investigation, to provide for the collection and analysis of DNA samples from certain violent and sexual offenders for use in such system, and for other purposes.

H.R. 4827. An act to amend title 18, United States Code, to prevent the entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport, to prevent the misuse of genuine and counterfeit police badges by those seeking to commit a crime, and for other purposes.

H.R. 5267. An act to designate the United States courthouse located at 100 Federal Plaza in Central Islip, New York, as the ''Theodore Roosevelt United States Courthouse.''

H.R. 5284. An act to designate the United States customhouse located at 101 East Main Street in Norfolk, Virginia, as the ''Owen B. Pickett United States Customhouse.''

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 396. Concurrent resolution celebrating the birth of James Madison and his contributions to the Nation.

H. Con. Res. 400. Concurrent resolution congratulating the Republic of Hungary on the millennium of its foundation as a state.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 704. An act to amend title 18, United States Code, to combat the overutilization of prison health care services and control rising prisoner health care costs.

H.R. 3363. An act for the relief of Akal Security, Incorporated.

H.R. 4115. An act to authorize appropriations for the United States Holocaust Memorial Museum, and for other purposes.

H.R. 4931. An act to provide for the training or orientation of individuals, during a Presidential transition, who the President intends to appoint to certain key positions, to provide for a study and report on improving the financial disclosure process for certain Presidential nominees, and for other purposes.

H.R. 5193 An act to amend the National Housing Act to temporarily extend the applicability of the down payment simplification provisions for the FHA single family housing mortgage insurance program.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

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At 3:07 p.m., a message from the House of Representatives, delivered by Mr. Hayes, one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

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At 4:04 p.m., a message from the House of Representatives, delivered by Mr. Hayes, one of its reading clerks, announced that the House had passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 110. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 4733. An act making appropriations for energy and water development for the fiscal year ending September 30, 2001, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

ENROLLED BILL SIGNED

At 6:15 p.m., a message from the House of Representatives, delivered by Mr. Hayes, one of its reading clerks, announced that the Speaker has signed the following bill:

S. 1794. An act to designate the Federal courthouse at 145 East Simpson Avenue in Jackson, Wyoming, as the ''Clifford P. Hansen Federal Courthouse.''

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MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 5239. An act to provide for increased penalties for violations of the Export Administration Act of 1979, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

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MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar on October 2, 2000:

H.R. 4904 A bill to express the policy of the United States regarding the United States relationship with Native Hawaiians, and for other purposes.

The following resolution was read and ordered placed on the calendar on today:

S.Res. 364. A resolution commending Sydney, New South Wales, Australia for its successful conduct of the 2000 Summer Olympic Games and congratulating the United States Olympic Team for its outstanding accomplishments at those Olympic Games.

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ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, October 3, 2000, he had presented to the President of the United States the following enrolled bill:

S. 704. An act to amend title 18, United States Code, to combat the overutilization of prison health care services and control rising prisoner health care costs.

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EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–10965. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Final Compatibility Regulations Pursuant to the National Wildlife Refuge System Improvement Act of 1997'' (RIN1018–AE98) received on September 29, 2000; to the Committee on Environment and Public Works.

EC–10966. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Cooperative Agreement: Seven Principles of Environmental Stewardship for U.S./Mexico Business and Trade Community'' received on September 28, 2000; to the Committee on Environment and Public Works.

EC–10967. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''South Carolina: Final Authorization of State Hazardous Waste Management Program'' (FRL #6879–3) received on September 28, 2000; to the Committee on Environment and Public Works.

EC–10968. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes: Washington'' (FRL #6879–6) received on September 29, 2000; to the Committee on Environment and Public Works.

EC–10969. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report relative to the fiscal year 2000–2005 strategic plan; to the Committee on Environment and Public Works.

EC–10970. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report relative to the fiscal year 2000–2005 strategic plan; to the Committee on Environment and Public Works.

EC–10971. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of the transmittal of the certification of the proposed issuance of an export license relative to Australia, Germany, the Government of Israel, Israel, Italy, Japan, South Korea, South Korea, Taiwan, and the United Kingdom; to the Committee on Foreign Relations.

EC–10972. A communication from the Deputy Director of the Office of Equal Employment, Opportunity and Civil Rights, Department of State, transmitting, pursuant to law, the report of a rule entitled ''Nondiscrimination on the Basis of Sex in Education Programs and Activities Receiving Federal Financial Assistance'' received on September 29, 2000; to the Committee on Foreign Relations.

EC–10973. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, a draft of proposed legislation entitled ''Passport Procedures—Amendment to requirements for executing a passport application on behalf of a minor''; to the Committee on Foreign Relations.

EC–10974. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report relative to ''countries of particular concern''; to the Committee on Foreign Relations.

EC–10975. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the notice of proposed issuance of letter of offer relative to Egypt; to the Committee on Foreign Relations.

EC–10976. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts of international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–10977. A communication from the Assistant Attorney General of the Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, the ''Office of Justice Programs Annual Report for Fiscal Year 1999''; to the Committee on the Judiciary.

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REPORTS OF COMMITTEES RECEIVED DURING RECESS

Under the authority of the order of the Senate of September 28, 2000, the following reports of committees were submitted on September 29, 2000.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 1848: A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project (Rept. No. 106–437).

S. 2195: A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Truckee watershed reclamation project for the reclamation and reuse of water (Rept. No. 106–438).

S. 2301: A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Lakehaven water reclamation project for the reclamation and reuse of water (Rept. No. 106–439).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2345: A bill to direct the Secretary of the Interior to conduct a special resource study concerning the preservation and public use of sites associated with Harriet Tubman located in Auburn, New York, and for other purposes (Rept. No. 106–440).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2749: A bill to establish the California Trail Interpretive Center in Elko, Nevada, to facilitate the interpretation of the history of development and use of trails in the setting of the western portion of the United States (Rept. No. 106–441).

S. 2865: A bill to designate certain land of the National Forest System located in the State of Virginia as wilderness (Rept. No. 106–442).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

S. 2959: A bill to amend the Dayton Aviation Heritage Preservation Act of 1992, and for other purposes (Rept. No. 106–443).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 1680: A bill to provide for the conveyance of Forest Service property in Kern County, California, in exchange for county lands suitable for inclusion in Sequoia National Forest (Rept. No. 106–444).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 2919: A bill to promote preservation and public awareness of the history of the Underground Railroad by providing financial assistance, to the Freedom Center in Cincinnati, Ohio (Rept. No. 106–445).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments.

H.R. 4063: A bill to establish the Rosie the Riveter-World War II Home Front National Historical Park in the State of California, and for other purposes (Rept. No. 106–446).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 4285: A bill to authorize the Secretary of Agriculture to convey certain administrative sites for National Forest System lands in the State of Texas, to convey certain National Forest System land to the New Waverly Gulf Coast Trades Center, and for other purposes (Rept. No. 106–447).

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

H.R. 2302: A bill to designate the building of the United States Postal Service located at 307 Main Street in Johnson City, New York, as the ''James W. McCabe, Sr. Post Office Building''.

H.R. 3030: A bill to designate the facility of the United States Postal Service located at 757 Warren Road in Ithaca, New York, as the ''Matthew F. McHugh Post Office''.

H.R. 3454: A bill to designate the United States post office located at 451 College Street in Macon, Georgia, as the ''Henry McNeal Turner Post Office''.

H.R. 3909:

H.R. 3985: A bill to designate the facility of the United States Postal Service located at 14900 Southwest 30th Street in Miramar City, Florida, as the ''Vicki Coceano Post Office Building''.

H.R. 4157: A bill to designate the facility of the United States Postal Service located at 600 Lincoln Avenue in Pasadena, California, as the ''Matthew 'Mack' Robinson Post Office Building''.

H.R. 4169: A bill to designate the facility of the United States Postal Service located at 2000 Vassar Street in Reno, Nevada, as the ''Barbara F. Vucanovich Post Office Building''.

H.R. 4447: A bill to designate the facility of the United States Postal Service located at 919 West 34th Street in Baltimore, Maryland, as the ''Samuel H. Lacy, Sr. Post Office Building''.

H.R. 4448: A bill to designate the facility of the United States Postal Service located at 3500 Dolfield Avenue in Baltimore, Maryland, as the ''Judge Robert Bernard Watts, Sr. Post Office Building''.

H.R. 4449: A bill to designate the facility of the United States Postal Service located at 1908 North Ellamont Street in Baltimore, Maryland, as the ''Dr. Flossie McClain Dedmond Post Office Building''.

H.R. 4484: A bill to designate the facility of the United States Postal Service located at 500 North Washington Street in Rockville, Maryland, as the ''Everett Alvarez, Jr. Post Office Building''.

H.R. 4517: A bill to designate the facility of the United States Postal Service located at 24 Tsienneto Road in Derry, New Hampshire, as the ''Alan B. Shepard, Jr. Post Office Building''.

H.R. 4534: A bill to designate the facility of the United States Postal Service located at 114 Ridge Street in Lenoir, North Carolina, as the ''James T. Broyhill Post Office Building''.

H.R. 4554: A bill to redesignate the facility of the United States Postal Service located at 1602 Frankford Avenue in Philadelphia, Pennsylvania, as the ''Joseph F. Smith Post Office Building''.

H.R. 4615: A bill redesignate the facility of the United States Postal Service located at 3030 Meredith Avenue in Omaha, Nebraska, as the ''Reverend J.C. Wade Post Office''.

H.R. 4658: A bill to designate the facility of the United States Postal Service located at 301 Green Street in Fayetteville, North Carolina, as the ''J.L. Dawkins Post Office Building''.

H.R. 4884: A bill redesignate the facility of the United States Postal Service located at 200 West 2nd Street in Royal Oak, Michigan, as the ''William S. Broomfield Post Office Building''.

S. 2804: A bill to designate the facility of the United States Postal Service located at 424 South Michigan Street in South Bend, Indiana, as the ''John Brademas Post Office''.

The following reports of committees were submitted on today:

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

H.R. 4110: A bill to amend title 44, United States Code, to authorize appropriations for the National Historical Publications and Records Commission for fiscal years 2002 through 2005 (Rept. No. 106-466).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 2688: A bill to amend the Native American Languages Act to provide for the support of Native American Language Survival Schools, and for other purposes (Rept. No. 106-467).

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 2686: A bill to amend chapter 36 of title 39, United States Code, to modify rates relating to reduced rate mail matter, and for other purposes (Rept. No. 106-468).

S. 3062: A bill to modify the date on which the Mayor of the District of Columbia submits a performance accountability plan to Congress, and for other purposes. (Rept. No. 106-469).

By Mr. THOMPSON, from the Committee on Governmental Affairs:

Report to accompany S. 3144, An original bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to establish police powers for certain Inspector General agents engaged in official duties and provide an oversight mechanism for the exercise of those powers (Rept. No. 106-470).

By Mr. SMITH, of New Hampshire, from the Committee on Environment and Public Works, with amendments:

H.R. 34: A bill to direct the Secretary of the Interior to make technical corrections to a map relating to the Coastal Barrier Resources System (Rept. No. 106-471).

By Mr. SMITH, of New Hampshire, from the Committee on Environment and Public Works, without amendment:

H.R. 4320: A bill to assist in the conservation of great apes by supporting and providing financial resources for the conservation programs of countries within the range of great apes and projects of persons with demonstrated expertise in the conservation of great apes (Rept. No. 106-472).

H.R. 4435: A bill to clarify certain boundaries on the map relating to Unit NC01 of the Coastal Barrier Resources System (Rept. No. 106-473).

By Mr. CAMPBELL, from the Committee on Indian Affairs, without amendment:

H.R. 4643: A bill to provide for the settlement of issues and claims related to the trust lands of the Torres-Martinez Desert Cahuilla Indians, and for other purposes (Rept. No. 106-474).

By Mr. ROTH, from the Committee on Finance, with an amendment in the nature of a substitute:

H.R. 4844: A bill to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries (Rept. No. 106-475).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2111: A bill to direct the Secretary of Agriculture to convey for fair market value 1.06 acres of land in the San Bernardino National Forest, California, to KATY 101.3 FM, a California corporation (Rept. No. 106-476).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 2331: A bill to direct the Secretary of the Interior to recalculate the franchise fee owed by Fort Sumter Tours, Inc., a concessioner providing service to Fort Sumter National Monument, South Carolina (Rept. No. 106-477).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2350: A bill to direct the Secretary of the Interior to convey certain water rights to Duchesne City, Utah (Rept. No. 106-478).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 2547: A bill to provide for the establishment of the Great Sand Dunes National Park and the Great Sand Dunes National Preserve in the State of Colorado, and for other purposes (Rept. No. 106-479).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 3022: A bill to direct the Secretary of the Interior to convey certain irrigation facilities to the Nampa and Meridian Irrigation District (Rept. No. 106-480).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

H.R. 3023: A bill to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry (Rept. No. 106-481).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment and with a preamble:

H. Con. Res. 89: A concurrent resolution recognizing the Hermann Monument and Hermann Heights Park in New Ulm, Minnesota, as a national symbol of the contributions of Americans of German heritage (Rept. No. 106-482).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 870: A bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspector General within Federal departments, and for other purposes.

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INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 3149. A bill to provide for the collection of information relating to nonimmigrant foreign students and other exchange program participants; to the Committee on the Judiciary.

By Mr. MURKOWSKI:

S. 3150. A bill to convey certain real property located in Tongass National Forest to Daniel J. Gross, Sr., and Douglas K. Gross, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. TORRICELLI:

S. 3151. A bill to provide for the abatement of noise and other adverse effects of idling train engines, and for other purposes; to the Committee on Finance.

By Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. GRASSLEY, Mr. BAUCUS, Mr. HATCH, Mr. ROCKEFELLER, Mr. MURKOWSKI, Mr. BREAUX, Mr. JEFFORDS, Mr. CONRAD, Mr. MACK, Mr.

GRAHAM, Mr. THOMPSON, Mr. KERREY, Mr. ROBB, and Mr. BRYAN):

S. 3152. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for distressed areas, and for other purposes; read the first time.

By Mr. DOMENICI:

S. 3153. A bill to authorize the Secretary of the Air Force to convey certain excess personal property of the Air Force to Roosevelt General Hospital, Portales, New Mexico; to the Committee on Armed Services.

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

S. 3154. A bill to establish the Erie Canalway National Heritage Corridor in the State of New York, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LAUTENBERG:

S. 3155. A bill to authorize the President to award a gold medal on behalf of the Congress to Oskar Schindler and Varian Fry in recognition of their contributions to the Nation and humanity; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LAUTENBERG (for himself, Mrs. BOXER, Mr. KENNEDY, Mr. WELLSTONE, Mr. DODD, Mr. MOYNIHAN, Mr. SCHUMER, Mr. KERRY, Mr. TORRICELLI, Mr. LEAHY, and Mr. REID):

S. 3156. A bill to amend the Endangered Species Act of 1973 to ensure the recovery of the declining biological diversity of the United States, to reaffirm and strengthen the commitment of the United States to protect wildlife, to safeguard the economic and ecological future of children of the United States, and to provide certainty to local governments, communities, and individuals in their planning and economic development efforts; to the Committee on Environment and Public Works.

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SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. HATCH (for himself, Mr. BENNETT, Mr. STEVENS, Ms. LANDRIEU, Mr. BROWNBACK, Mr. KERRY, Mr. HELMS, Mr. BINGAMAN, Mr. CRAIG, Mr. DURBIN, Mr. L. CHAFEE, Mr. BRYAN, Mr. KERREY, Mr. LOTT, Mrs. HUTCHISON, Mr. KENNEDY, Mr. LEVIN, Mrs. BOXER, Mr. WARNER, Mr. ABRAHAM, Ms. COLLINS, Mr. EDWARDS, Mr. GRASSLEY, Mr. DOMENICI, Mr. SESSIONS, Mr. LUGAR, Mr. COCHRAN, Ms. SNOWE, and Mr. THOMAS):

S. Res. 364. A resolution commending Sydney, New South Wales, Australia for its successful conduct of the 2000 Summer Olympic Games and congratulating the United States Olympic Team for its outstanding accomplishments at those Olympic Games; placed on the calendar.

By Mr. VOINOVICH (for himself, Mr. BIDEN, Mr. LUGAR, Mr. HAGEL, Mr. SMITH of Oregon, Mr. LAUTENBERG, and Ms. LANDRIEU):

S. Res. 365. A resolution expressing the sense of the Senate regarding recent elections in the Federal Republic of Yugoslavia, and for other purposes; to the Committee on Foreign Relations.

By Mr. MCCONNELL:

S. Con. Res. 141. A concurrent resolution to authorize the printing of copies of the publication entitled ''The United States Capitol'' as a Senate document; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI:

S. 3150. A bill to convey certain real property located in Tongass National Forest to Daniel J. Gross, Sr., and Douglas K. Gross, and for other purposes; to the Committee on Energy and Natural Resources.

THE HERITAGE LAND TRANSFER ACT OF 2000

Mr. MURKOWSKI. Mr. President, I rise today to introduce the Heritage Land Transfer Act of 2000. This legislation, while inconsequential when compared to many of the issues we deal with in the U.S. Congress, is extremely important to two of my oldest constituents, Douglas and Daniel Gross. These two brothers along with the other members of the Gross family are amongst Alaska's earliest pioneers. These two brothers have spent over 80 years drawing their existence out of the harsh Southeastern Alaskan environment. Through all these years, they managed to raise their families and contributed to building the great State that I have the privilege of representing. I would also point out that Douglas and Daniel Gross served our Nation during World War II at its time of greatest need—now these two veterans need our help to right a wrong that has been vested upon them through no fault of their own.

''The Heritage Land Transfer Act of 2000'' directs the Forest Service to convey 160 acres to Daniel and Douglas Gross. This granting of clear title would fix a problem that has plagued the family for the past 20 years. The need for this action arises from the fact that no records remain to substantial the family's claim that they homesteaded on Greens Point in the 1930's. Family homesteading records were destroyed when the Gross home burned to the ground in 1935–1936 and to make matters worse, the Forest Service is unable to locate any documentation to substantiate the Gross family claim. With neither title nor documentation, Doug and Dan Gross are unable to produce any legal record of ownership to the land their parents homesteaded. The paper records, however, are the only things missing. The Forest Service willingly acknowledges that a large body of evidence exists that clearly establishes the fact that the family built a home on Greens Point in the 1930's, that they grew and sold vegetables from this farmstead, and that they were good neighbors to many people caught out in our famous Alaskan storms. While the family and the Forest Service have searched in vain for written records, there is one piece of physical evidence to substantiate the family claim. On September 11, 1989, Alaska State Senator Robin Taylor traveled to the Gross property on the Stikine River for the purpose of locating a witness tree which would provide objective proof to the Gross family claim of homestead. In a letter Senator Taylor sent to Richard Kohrt, Wrangell District Ranger, Tongass National Forest he wrote ''I was present when Mr. Bungy, United States Forest Service specialist, sawed and chopped open the large spruce tree which the Gross Brothers had identified from memory as being a witness tree. Mr. Bungy verified that the large blaze uncovered was of the exact age that coincided with the Gross claim. By counting the annual growth rings it coincided with the many affidavits and statements of witness about the Gross claim of homestead.''

There is no question that the family settled on the Green Point property on the Stikine River in the 1930's. They raised all of their children on their property and were good friends to all who lived and worked throughout the region. I have in my possession many affidavits, each one testifying to the settlement of the Gross family along the Stikine River. I offer the following quotations typical of these testaments: ''In the early 1930's I spent a lot of time up the Stikine River at the Gross Ranch. They had a large two story home and a huge garden . . .'' ''I stayed with Mr. and Mrs. Bill Gross in the middle thirties. Bessie Gross took care of my brother Gilbert and I while my mother and father were out fishing, they had a house and garden on the river which everyone knows as the Gross place even to this day . . .'' ''I stayed with Bessie Gross and Family during the late 1930's in their place up the river . . .'' And another from Mr. Harry Sundberg, a gillnet fisherman, used to fish in ''what was known locally as the Gross homestead.'' Mr. Sundberg goes on to say ''While most people during that period did not file on the land they occupied, I distinctly recall that our conversations included the fact that they had applied for their application to own property similar to Captain Lee, who owned the property directly south of them on the mainland.''

The Homestead Act requires residency for a minimum of 3 years. These affidavits, and many others, verify the Gross families life on this property since the early 1930's. In a letter from the Department of Agriculture to Senator STEVENS they write ''Even though it's clear the Gross family homesteaded on the property, there is no evidence or record that they completed the process to obtain title.'' Another letter from the Department of Agriculture states ''the Forest Service does not and has not refuted your claim that you and/or your family resided at Greens Point in the 1930's.'' An Alaska Magazine article written in 1984 references the ''Gross place'' along the Stikine River.

The Homestead Act authorized the transfer of 160 acre parcels of federal land to private owners. The Gross Homestead is 160.8 acres. A tree, both Daniel and Douglas Gross remember being used as a survey marker when they were boys, was examined in 1989 and found to have a flat face blazed into the wood approximately 50 years

prior. This is not a coincidence. It is proof this land was surveyed when the family claims it was surveyed.

This family has lived on, and made use of this land for 70 years. It is time for them to be named the legal title holders, and to complete the already started process of shuffling paper.

By Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. GRASSLEY, Mr. BAUCUS, Mr. HATCH, Mr. ROCKEFELLER, Mr. MURKOWSKI, Mr. BREAUX, Mr. JEFFORDS, Mr. CONRAD, Mr. MACK, Mr. GRAHAM, Mr. THOMPSON, Mr. KERREY, Mr. ROBB, and Mr. BRYAN):

S. 3152. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for distressed areas, and for other purposes; read the first time.

COMMUNITY RENEWAL AND NEW MARKETS ACT OF 2000

Mr. ROTH. Mr. President, today I am, along with 14 cosponsors from the Finance Committee, introducing a Community Renewal tax reduction bill that will help all America benefit from today's economic boom.

As you know, the House bill embodies an agreement between the House and the Administration. Personally, I think that it would be wrong for the Senate to be silent in this process. It is important for this body to at least have a voice in crafting this legislation.

While I would have preferred that this legislation to have been reported from the Finance Committee, I believe my bill represents the Committee's will. It is largely composed of the Chairman's mark and amendments submitted by the Committee's members. Every Member of the Finance Committee had input into this bill. In the regular course of Finance Committee business, we would have reported this bill out of the Committee with an overwhelming vote in support. And the fact that 15 members on both sides of the aisle have joined me as original cosponsors, I believe, attests to the Finance Committee's approval of this legislation.

It goes without saying that America's communities are important. I believe that there are many ways in which we can extend help to them. I also feel that any time we can work together with the Administration to cut taxes we must try and see it to fruition.

While I listened to the concerns of every senator—both on and off the Finance committee—who approached me with a provision in which they were interested, I did not incorporate them all. I did not because I could not without the cost of the bill growing out of control. It is important that we not forget communities that may not have received as much as others from America's economic boom. However, it is also important that we consider the size of this bill in the context of other tax relief priorities that remain. These other priorities are marriage tax relief, retirement security, education, estate tax relief, small business tax relief, and other items. Community renewal tax relief must fit within the overall framework of the tax relief agenda.

This Finance Committee bill is fair and it is in line with the revenue loss of the package, proposed by Senators SANTORUM, ABRAHAM, and LIEBERMAN, which was considered earlier this year in the Senate. In designing this bill, members of the Finance Committee decided not to turn this bill into a grab bag of special interest provisions.

This Finance Committee bill includes a variety of proposals that will further the bill's goals of community renewal—rationalizing and simplifying what was and, was proposed to be, a hodge-podge of often conflicting provisions. It includes an immediate—let me emphasize immediate—increase in the volume caps for low-income housing tax credits and private activity bonds. It also addresses many, many important problems left out of the House and Administration proposal. Among other things, this package contains an energy and conservation component, a farm relief component, an Individual Development Account proposal, an extension of the adoption credit and the enhanced deduction for computer donations, a program to develop high speed rail around the country, and a broadband Internet incentive that will make sure that no one gets left on the wrong side of the digital divide.

One provision that I particularly want to talk about is the tax credit for renovating historic homes. This was one of Senator John Chafee's signature items and I am pleased to include it in the Finance Committee bill, not only because I support it, but as a tribute to our good friend. We all know that if he were here, he would have fought hard for this tax incentive.

In fact, Senator LINCOLN CHAFEE came to see me earlier this year. LINCOLN told that in his dad's last speech, John talked about the importance of the tax credit and said that it was something he wanted to get done before he left the Senate. Unfortunately, he is not with us today, but hopefully we can complete this unfinished business for him.

This is a fair package and a generous package. I believe it is one that this Senate should feel comfortable embracing. I hope each of you who has not done so, will do so.

Mr. MOYNIHAN. Mr. President, last week the Finance Committee was scheduled to mark up the ''Community Renewal and New Markets Act of 2000,'' but the legislation became burdened by extraneous matters, and the Committee was unable to complete the mark-up. I rise today to join my good friend and Chairman of the Finance Committee, Senator ROTH, in introducing the ''Community Renewal and New Markets Act of 2000'' as an original bill with 15 cosponsors from the Finance Committee.

Sir, we all should be grateful for Senator ROTH's leadership in this matter. Community renewal is an effort to rebuild American communities, which is based on an agreement reached between the President and the Speaker of the House that this is legislation we ought to have. The signals are clear: the legislation will be enacted this year with or without us. Today, Senator ROTH and I give a voice in this process to the Finance Committee and the Senate.

Mr. President, this bill represents the will of the Finance Committee. It incorporates the worthwhile ideas of its members, including the work of my good friend, Senator ROBB, who, along with Senator ROCKEFELLER, has worked tirelessly to provide meaningful incentives for investment in distressed communities.

I also take a moment of the Senate's time to echo Senator ROTH's tribute to Senator John Chafee. It is fitting that we should enact, in a bipartisan bill, the tax credit for renovating historic homes in honor of a great Senator.

Substantively, the Community Renewal legislation is significant in several respects. First, it provides a notable measure of tax simplification, even as it accomplishes a worthwhile goal—tax benefits for investment in poor communities. While the bill designates 30 new ''Renewal Zones,'' it also conforms the tax incentives available to individuals and businesses investing in any of the zone designations, current or future. Our legislation smartly unifies these Empowerment and Renewal Zones and creates a common set of incentives. This is the right kind of legislation.

I also note, Mr. President, with some appreciation, two provisions that will make transportation and data transmission very quick indeed. The bill includes provisions to accelerate and expand access to high-technology infrastructure for all communities. First, it authorizes $10 billion of tax credit bonds for Amtrak to develop high-speed railways. High-speed railways have the potential to connect the very communities targeted by this legislation and provide them with greater access to information.

Second, the bill includes a proposal that I first introduced on June 8, 2000. That proposal, which now has 52 Senate supporters, provides graduated tax credits for deployment of high-speed communications—called ''broadband''—to residential and rural communities. Current market forces are driving deployment of broadband technology almost exclusively to urban businesses and wealthy households. The proposal in the bill will encourage broadband providers to act quickly to deploy broadband to Americans in all communities.

Mr. President, if you will allow me one further observation, as I am compelled to compliment the bill in one other respect. Consistent with the purpose of this legislation, it includes a

tax incentive for investment in labor in Puerto Rico. The provision does not accomplish all that I had hoped it would, but I believe it represents a positive step forward. It extends to Puerto Rico tax incentives for job creation similar to the ones in other areas of the bill, and it does so, quite simply, through an existing tax-code provision, the Puerto Rico economic activity credit.

Mr. President, I again applaud the leadership of our revered Chairman and proudly join him in introducing the Community Renewal and New Markets Act of 2000.

Mr. MACK. Mr. President, as a cosponsor of the Community Renewal and New Markets Act of 2000, I want to commend Chairman ROTH for his usual fine work in assembling a bill that garners the support of such a large number of our Finance Committee colleagues. I am pleased that a number of items in this bill are provisions that are extremely important to me, and I would like to speak briefly concerning them.

But I also want to draw attention to some provisions in this bill that I do not favor. As this bill stands in the place of what would have been a bill reported out of the Committee on Finance, it reflects the compromises that are inherent in the committee process. Unlike typical bills, of which it is reasonable to assume that every provision is supported by every co-sponsor, probably every co-sponsor of this bill can find provisions contained in it that he does not support. Of many, there are two that I find most troubling: the ''new markets tax credit,'' and the ''individual development accounts.''

These two provisions are appropriations masquerading as tax cuts. Under the new markets tax credit, the Secretary of the Treasury would annually pay dividends to investors in ''community development entities,'' which must be certified by the Treasury Department and which must have as their primary mission investing in low-income people or communities. This proposal is premised on the belief that an entity that lacks a profit-motive, under federal bureaucratic supervision, will be an attractive investment for people if dividends are guaranteed. It is the sort of scheme that could only be dreamed up by people who have spent their entire careers in government. A simpler way to direct capital to investment-starved pockets is by eliminating the tax on capital gains—this is the decentralized, market-oriented approach.

The ''individual development accounts'' would launder government-matching funds for low income savers through financial institutions. This new entitlement cannot be justified. It is true that, by some measures, the savings rate in the United States appears low. Simple logic dictates that the savings rate have been lowered due to federal tax policies, which impose several layers of taxation upon income that is saved. It is one thing to address this problem at the source, by removing the extra taxation on savings—a we do to the extent that people can make deductible contributions to traditional IRAs and contributions to Roth IRAs. But to give people money to reward them for saving is pure income redistribution, a misuse of the taxpayers' money.

Despite my disagreement with some of the provisions of this bill, I am pleased that the bill contains several initiatives that I have proposed over the past few Congresses. The Low Income Housing Tax Credit is boosted to make up for over a decade's worth of inflation, and is indexed to prevent this problem from reoccurring. The First-Time Homebuyer Tax Credit for the District of Columbia is extended and the marriage penalty in the credit is eliminated. Section 1706 of the Tax Reform Act of 1986, which discriminates against high technology workers and the companies that hire them, is repealed. Not-for-hire disaster insurance funds, in my state of Florida and several others, are made tax-exempt entities.

I am most encouraged by the extension of my zero percent capital gains tax rate proposal to businesses in the entire District of Columbia, and to businesses in all empowerment and renewal zones. Although I am concerned that the lengthy, five-year holding period is unwise and undermines the power of the proposal, I am nevertheless pleased that the idea is spreading and people are coming to see capitalism as the only true cure for poverty.

Mr. ROTH. Mr. President, along with Senator MOYNIHAN and the other members of the committee I ask unanimous consent that S. 3152, the Community Renewal and New Markets Act of 2000 be printed in the RECORD. I also ask unanimous consent that a technical explanation of S. 3152, which has been prepared by the Joint Committee on Taxation, be printed in the RECORD, at a cost of $4,290.00, immediately following the text of the bill.

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

S. 3152

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

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Community Renewal and New Markets Act of 2000''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.
TITLE I—INCENTIVES FOR DISTRESSED COMMUNITIES
Subtitle A—Designation and Treatment of Renewal Zones
Sec. 101. Designation and treatment of renewal zones.
Subtitle B—Modification of Incentives for Empowerment Zones
Sec. 111. Extension of empowerment zone treatment through 2009.
Sec. 112. 15 percent employment credit for all empowerment zones
Sec. 113. Increased expensing under section 179.
Sec. 114. Higher limits on tax-exempt empowerment zone facility bonds.
Sec. 115. Empowerment zone capital gain.
Sec. 116. Funding for Round II empowerment zones.
Subtitle C—Modification of Tax Incentives for DC Zone
Sec. 121. Extension of DC zone through 2006.
Sec. 122. Extension of DC zero percent capital gains rate.
Sec. 123. Gross income test for DC zone businesses.
Sec. 124. Expansion of DC homebuyer tax credit.
Subtitle D—New Markets Tax Credit
Sec. 131. New markets tax credit.
Subtitle E—Modification of Tax Incentives for Puerto Rico
Sec. 141. Modification of Puerto Rico economic activity tax credit.
Subtitle F—Individual Development Accounts
Sec. 151. Definitions.
Sec. 152. Structure and administration of qualified individual development account programs.
Sec. 153. Procedures for opening an individual development account and qualifying for matching funds.
Sec. 154. Contributions to individual development accounts.
Sec. 155. Deposits by qualified individual development account programs.
Sec. 156. Withdrawal procedures.
Sec. 157. Certification and termination of qualified individual development account programs.
Sec. 158. Reporting, monitoring, and evaluation.
Sec. 159. Account funds of program participants disregarded for purposes of certain means-tested Federal programs.
Sec. 160. Matching funds for individual development accounts provided through a tax credit for qualified financial institutions.
Sec. 161. Designation of earned income tax credit payments for deposit to individual development accounts.
Subtitle G—Additional Incentives
Sec. 171. Exclusion of certain amounts received under the National Health Service Corps Scholarship Program and the F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program.
Sec. 172. Extension of enhanced deduction for corporate donations of computer technology.
Sec. 173. Extension of adoption tax credit.
Sec. 174. Tax treatment of Alaska Native Settlement Trusts.
Sec. 175. Treatment of Indian tribal governments under Federal Unemployment Tax Act.
Sec. 176. Increase in social services block grant for FY 2001.
TITLE II—TAX INCENTIVES FOR AFFORDABLE HOUSING
Subtitle A—Low-Income Housing Credit
Sec. 201. Modification of State ceiling on low-income housing credit.

Sec. 202. Modification to rules relating to basis of building which is eligible for credit.

Subtitle B—Historic Homes

Sec. 211. Tax credit for renovating historic homes.

Subtitle C—Forgiven Mortgage Obligations

Sec. 221. Exclusion from gross income for certain forgiven mortgage obligations.

Subtitle D—Mortgage Revenue Bonds

Sec. 231. Increase in purchase price limitation under mortgage subsidy bond rules based on median family income.

Sec. 232. Mortgage financing for residences located in presidentially declared disaster areas.

Subtitle E—Property and Casualty Insurance

Sec. 241. Exemption from income tax for State-created organizations providing property and casualty insurance for property for which such coverage is otherwise unavailable.

TITLE III—TAX INCENTIVES FOR URBAN AND RURAL INFRASTRUCTURE

Sec. 301. Increase in State ceiling on private activity bonds.

Sec. 302. Modifications to expensing of environmental remediation costs.

Sec. 303. Broadband internet access tax credit.

Sec. 304. Credit to holders of qualified Amtrak bonds.

Sec. 305. Clarification of contribution in aid of construction.

Sec. 306. Recovery period for depreciation of certain leasehold improvements.

TITLE IV—TAX RELIEF FOR FARMERS

Sec. 401. Farm, fishing, and ranch risk management accounts.

Sec. 402. Written agreement relating to exclusion of certain farm rental income from net earnings from self-employment.

Sec. 403. Treatment of conservation reserve program payments as rentals from real estate.

Sec. 404. Exemption of agricultural bonds from State volume cap.

Sec. 405. Modifications to section 512(b)(13).

Sec. 406. Charitable deduction for contributions of food inventory.

Sec. 407. Income averaging for farmers and fishermen not to increase alternative minimum tax liability.

Sec. 408. Cooperative marketing includes value-added processing through animals.

Sec. 409. Declaratory judgment relief for section 521 cooperatives.

Sec. 410. Small ethanol producer credit.

Sec. 411. Payment of dividends on stock of cooperatives without reducing patronage dividends.

TITLE V—TAX INCENTIVES FOR THE PRODUCTION OF ENERGY

Sec. 501. Election to expense geological and geophysical expenditures.

Sec. 502. Election to expense delay rental payments

Sec. 503. 5-year net operating loss carryback for losses attributable to operating mineral interests of independent oil and gas producers.

Sec. 504. Temporary suspension of percentage of depletion deduction limitation based on 65 percent of taxable income.

Sec. 505. Tax credit for marginal domestic oil and natural gas well production.

Sec. 506. Natural gas gathering lines treated as 7-year property.

Sec. 507. Clarification of treatment of pipeline transportation income.

TITLE VI—TAX INCENTIVES FOR CONSERVATION

Sec. 601. Exclusion of 50 percent of gain on sales of land or interests in land or water to eligible entities for conservation purposes.

Sec. 602. Expansion of estate tax exclusion for real property subject to qualified conservation easement.

Sec. 603. Tax exclusion for cost-sharing payments under partners for wildlife program.

Sec. 604. Incentive for certain energy efficient property used in business.

Sec. 605. Extension and modification of tax credit for electricity produced from biomass.

Sec. 606. Tax credit for certain energy efficient motor vehicles.

TITLE VII—ADDITIONAL TAX PROVISIONS

Sec. 701. Limitation on use of nonaccrual experience method of accounting.

Sec. 702. Repeal of section 530(d) of the Revenue Act of 1978.

Sec. 703. Expansion of exemption from personal holding company tax for lending or finance companies.

Sec. 704. Charitable contribution deduction for certain expenses incurred in support of Native Alaskan subsistence whaling.

Sec. 705. Imposition of excise tax on persons who acquire structured settlement payments in factoring transactions.

TITLE I—INCENTIVES FOR DISTRESSED COMMUNITIES

Subtitle A—Designation and Treatment of Renewal Zones

SEC. 101. DESIGNATION AND TREATMENT OF RENEWAL ZONES.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

"Subchapter X—Designation and Treatment of Renewal Zones

''Sec. 1400E. Designation and treatment of renewal zones.

"SEC. 1400E. DESIGNATION AND TREATMENT OF RENEWAL ZONES.

''(a) TREATMENT OF DESIGNATION.—For purposes of this title, any area designated as a renewal zone under this section shall be treated as an empowerment zone.

''(b) DESIGNATION.—

''(1) RENEWAL ZONE DEFINED.—For purposes of this title, the term 'renewal zone' means any area—

''(A) which is nominated by one or more local governments and the State or States in which it is located for designation as a renewal zone (hereafter in this section referred to as a 'nominated area'), and

''(B) which the appropriate Secretary designates as a renewal zone.

''(2) NUMBER OF DESIGNATIONS.—

''(A) IN GENERAL.—The appropriate Secretaries may designate not more than 30 nominated areas as renewal zones.

''(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under subparagraph (A), at least 6 must be areas—

''(i) which are within a local government jurisdiction or jurisdictions with a population of less than 50,000, or

''(ii) which satisfy the requirements of section 1393(a)(2).

''(3) AREAS DESIGNATED BASED ON DEGREE OF POVERTY, ETC.—

''(A) IN GENERAL.—Except as otherwise provided in this section, the nominated areas designated as renewal zones under this subsection shall be those nominated areas with the highest average ranking with respect to the criteria described in subparagraphs (B), (C), and (D) of subsection (d)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area which exceeds such criterion by the greatest amount given the highest ranking.

''(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the appropriate Secretary determines that the course of action described in subsection (e)(2) with respect to such area is inadequate.

''(C) PRIORITY FOR 1 NOMINATED AREA IN EACH STATE.—For purposes of this subchapter, 1 nominated area within each State without any area designated as an empowerment zone under section 1391 or 1400 shall be treated for purposes of this paragraph as having the highest average with respect to the criteria described in subparagraphs (B), (C), and (D) of subsection (d)(3).

''(4) LIMITATION ON DESIGNATIONS.—

''(A) PUBLICATION OF REGULATIONS.—The Secretary of Housing and Urban Development shall prescribe by regulation not later than 4 months after the date of the enactment of this section, after consultation with the Secretary of Agriculture—

''(i) the procedures for nominating an area under paragraph (1)(A),

''(ii) the parameters relating to the size and population characteristics of a renewal zone, and

''(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (e).

''(B) TIME LIMITATIONS.—The appropriate Secretaries may designate nominated areas as renewal zones only during the period beginning on the first day of the first month following the month in which the regulations described in subparagraph (A) are prescribed and ending on December 31, 2001.

''(C) PROCEDURAL RULES.—The appropriate Secretary shall not make any designation of a nominated area as a renewal zone under paragraph (2) unless—

''(i) the local governments and the States in which the nominated area is located have the authority—

''(I) to nominate such area for designation as a renewal zone,

''(II) to make the State and local commitments described in subsection (e), and

''(III) to provide assurances satisfactory to the appropriate Secretary that such commitments will be fulfilled,

''(ii) a nomination regarding such area is submitted in such a manner and in such form, and contains such information, as the appropriate Secretary shall by regulation prescribe, and

''(iii) the appropriate Secretary determines that any information furnished is reasonably accurate.

''(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—For purposes of this subchapter, in the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be treated as being both the State and local governments with respect to such area.

''(c) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

''(1) IN GENERAL.—Any designation of an area as a renewal zone shall remain in effect during the period beginning on January 1, 2002, and ending on the earliest of—

''(A) December 31, 2009,

''(B) the termination date designated by the State and local governments in their nomination, or

''(C) the date the appropriate Secretary revokes such designation.

''(2) REVOCATION OF DESIGNATION.—The appropriate Secretary may revoke the designation under this section of an area if such Secretary determines that the local government or the State in which the area is located—

''(A) has modified the boundaries of the area, or

''(B) is not complying substantially with, or fails to make progress in achieving, the State or local commitments, respectively, described in subsection (e).

''(d) AREA AND ELIGIBILITY REQUIREMENTS.—

''(1) IN GENERAL.—The appropriate Secretary may designate a nominated area as a renewal zone under subsection (b) only if the area meets the requirements of paragraphs (2) and (3) of this subsection.

''(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

''(A) the area is within the jurisdiction of one or more local governments,

''(B) the boundary of the area is continuous, and

''(C) the area—

''(i) has a population of not more than 200,000 and at least—

''(I) 4,000 if any portion of such area (other than a rural area described in subsection (b)(2)(B)(i)) is located within a metropolitan statistical area (within the meaning of section 143(k)(2)(B)) which has a population of 50,000 or greater, or

''(II) 1,000 in any other case, or

''(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

''(3) ELIGIBILITY REQUIREMENTS.—A nominated area meets the requirements of this paragraph if the State and the local governments in which it is located certify in writing (and the appropriate Secretary, after such review of supporting data as such Secretary deems appropriate, accepts such certification) that—

''(A) the area is one of pervasive poverty, unemployment, and general distress,

''(B) the unemployment rate in the area, as determined by the most recent available data, was at least 1½ times the national unemployment rate for the period to which such data relate,

''(C) the poverty rate for each population census tract within the nominated area is at least 20 percent, and

''(D) in the case of an urban area, at least 70 percent of the households living in the area have incomes below 80 percent of the median income of households within the jurisdiction of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

''(4) CONSIDERATION OF OTHER FACTORS.—The appropriate Secretary, in selecting any nominated area for designation as a renewal zone under this section—

''(A) shall take into account—

''(i) the extent to which such area has a high incidence of crime,

''(ii) if such area has census tracts identified in the May 12, 1998, report of the General Accounting Office regarding the identification of economically distressed areas, or

''(iii) if such area (or portion thereof) has previously been designated as an enterprise community under section 1391, and

''(B) with respect to 1 of the areas to be designated under subsection (b)(2)(B), may, in lieu of any criteria described in paragraph (3), take into account the existence of outmigration from the area.

''(e) REQUIRED STATE AND LOCAL COMMITMENTS.—

''(1) IN GENERAL.—The appropriate Secretary may designate any nominated area as a renewal zone under subsection (b) only if the local government and the State in which the area is located agree in writing that, during any period during which the area is a renewal zone, such governments will follow a specified course of action which meets the requirements of paragraph (2) and is designed to reduce the various burdens borne by employers or employees in such area.

''(2) COURSE OF ACTION.—

''(A) IN GENERAL.—A course of action meets the requirements of this paragraph if such course of action is a written document, signed by a State (or local government) and neighborhood organizations, which evidences a partnership between such State or government and community-based organizations and which commits each signatory to specific and measurable goals, actions, and timetables. Such course of action shall include at least 4 of the following:

''(i) A reduction of tax rates or fees applying within the renewal zone.

''(ii) An increase in the level of efficiency of local services within the renewal zone.

''(iii) Crime reduction strategies, such as crime prevention (including the provision of crime prevention services by nongovernmental entities).

''(iv) Actions to reduce, remove, simplify, or streamline governmental requirements applying within the renewal zone.

''(v) Involvement in the program by private entities, organizations, neighborhood organizations, and community groups, particularly those in the renewal zone, including a commitment from such private entities to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents from the renewal zone.

''(vi) The gift (or sale at below fair market value) of surplus real property (such as land, homes, and commercial or industrial structures) in the renewal zone to neighborhood organizations, community development corporations, or private companies.

''(B) RECOGNITION OF PAST EFFORTS.—For purposes of this section, in evaluating the course of action agreed to by any State or local government, the appropriate Secretary shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

''(f) COORDINATION WITH TREATMENT OF ENTERPRISE COMMUNITIES.—For purposes of this title, the designation under section 1391 of any area as an enterprise community shall cease to be in effect as of the date that the designation of any portion of such area as a renewal zone takes effect.

''(g) DEFINITIONS AND SPECIAL RULES.—For purposes of this subchapter—

''(1) APPROPRIATE SECRETARY.—The term 'appropriate Secretary' has the meaning given such term by section 1393(a)(1).

''(2) GOVERNMENTS.—If more than one government seeks to nominate an area as a renewal zone, any reference to, or requirement of, this section shall apply to all such governments.

''(3) LOCAL GOVERNMENT.—The term 'local government' means—

''(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State, and

''(B) any combination of political subdivisions described in subparagraph (A) recognized by the appropriate Secretary.

''(4) APPLICATION OF RULES RELATING TO CENSUS TRACTS.—The rules of section 1392(b)(4) shall apply.

''(5) CENSUS DATA.—Population and poverty rate shall be determined by using 1990 census data.''.

(b) AUDIT AND REPORT.—Not later than January 31 of 2004, 2007, and 2010, the Comptroller General of the United States shall, pursuant to an audit of the renewal zone program established under section 1400E of the Internal Revenue Code of 1986 (as added by subsection (a)), report to Congress on such program and its effect on poverty, unemployment, and economic growth within the designated renewal zones.

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

''Subchapter X. Designation and Treatment of Renewal Zones.''.

Subtitle B—Modification of Incentives for Empowerment Zones

SEC. 111. EXTENSION OF EMPOWERMENT ZONE TREATMENT THROUGH 2009.

Subparagraph (A) of section 1391(d)(1) (relating to period for which designation is in effect) is amended to read as follows:

''(A)(i) in the case of an empowerment zone, December 31, 2009, or

''(ii) in the case of an enterprise community, the close of the 10th calendar year beginning on or after such date of designation,''.

SEC. 112. 15 PERCENT EMPLOYMENT CREDIT FOR ALL EMPOWERMENT ZONES

(a) 15 PERCENT CREDIT.—Subsection (b) of section 1396 (relating to empowerment zone employment credit) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

''(1) IN GENERAL.—Except as provided in paragraph (2), the applicable percentage is 15 percent.'',

(2) by inserting ''and thereafter'' after ''2005'' in the table contained in paragraph (2), and

(3) by striking the items relating to calendar years 2006 and 2007 in such table.

(b) ALL EMPOWERMENT ZONES ELIGIBLE FOR CREDIT.—Section 1396 is amended by striking subsection (e).

(c) CONFORMING AMENDMENT.—Subsection (d) of section 1400 is amended to read as follows:

''(d) SPECIAL RULE FOR APPLICATION OF EMPLOYMENT CREDIT.—With respect to the DC Zone, section 1396(d)(1)(B) (relating to empowerment zone employment credit) shall be applied by substituting 'the District of Columbia' for 'such empowerment zone'.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to wages paid or incurred after December 31, 2001.

SEC. 113. INCREASED EXPENSING UNDER SECTION 179.

(a) IN GENERAL.—Subparagraph (A) of section 1397A(a)(1) is amended by striking ''$20,000'' and inserting ''$35,000''.

(b) EXPENSING FOR PROPERTY USED IN DEVELOPABLE SITES.—Section 1397A is amended by striking subsection (c).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 114. HIGHER LIMITS ON TAX-EXEMPT EMPOWERMENT ZONE FACILITY BONDS.

(a) IN GENERAL.—Paragraph (3) of section 1394(f) (relating to bonds for empowerment zones designated under section 1391(g)) is amended to read as follows:

''(3) EMPOWERMENT ZONE FACILITY BOND.—For purposes of this subsection, the term 'empowerment zone facility bond' means any bond which would be described in subsection (a) if—

''(A) in the case of obligations issued before January 1, 2002, only empowerment zones designated under section 1391(g) were taken into account under sections 1397C and 1397D, and

''(B) in the case of obligations issued after December 31, 2001, all empowerment zones (other than the District of Columbia) were taken into account under sections 1397C and 1397D.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2001.

SEC. 115. EMPOWERMENT ZONE CAPITAL GAIN.

(a) IN GENERAL.—Part III of subchapter U of chapter 1 is amended—

(1) by redesignating subpart C as subpart D;

(2) by redesignating sections 1397B and 1397C as sections 1397C and 1397D, respectively; and

(3) by inserting after subpart B the following new subpart:

''Subpart C—Empowerment Zone Capital Gain

''Sec. 1397B. Empowerment zone capital gain.

''SEC. 1397B. EMPOWERMENT ZONE CAPITAL GAIN.

''(a) GENERAL RULE.—Gross income shall not include qualified capital gain from the sale or exchange of any qualified empowerment zone asset held for more than 5 years.

''(b) PER TAXPAYER LIMITATION.—

''(1) IN GENERAL.—The amount of eligible gain which may be taken into account under subsection (a) for the taxable year with respect to any taxpayer shall not exceed $25,000,000, reduced by the aggregate amount of eligible gain taken into account under subsection (a) for prior taxable years with respect to such taxpayer.

''(2) ELIGIBLE GAIN.—For purposes of this subsection, 'eligible gain'' means any gain from the sale or exchange of a qualified empowerment zone asset held for more than 5 years.

''(3) TREATMENT OF MARRIED INDIVIDUALS.—

''(A) SEPARATE RETURNS.—In the case of a separate return by a married individual, paragraph (1) shall be applied by substituting '$12,500,000' for '$25,000,000'.

''(B) ALLOCATION OF EXCLUSION.—In the case of a joint return, the amount of gain taken into account under subsection (a) shall be allocated equally between the spouses for purposes of applying this subsection to subsequent taxable years.

''(C) MARITAL STATUS.—For purposes of this subsection, marital status shall be determined under section 7703.

''(4) TREATMENT OF CORPORATE TAXPAYERS.—For purposes of this subsection—

''(A) all corporations which are members of the same controlled group of corporations (within the meaning of section 52(a)) shall be treated as 1 taxpayer, and

''(B) any gain excluded under subsection (a) by a predecessor of any C corporation shall be treated as having been excluded by such C corporation.

''(c) QUALIFIED EMPOWERMENT ZONE ASSET.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified empowerment zone asset' means—

''(A) any qualified empowerment zone stock,

''(B) any qualified empowerment zone partnership interest, and

''(C) any qualified empowerment zone business property.

''(2) QUALIFIED EMPOWERMENT ZONE STOCK.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'qualified empowerment zone stock' means any stock in a domestic corporation if—

''(i) such stock is acquired by the taxpayer after the date of the enactment of this section (December 31, 2001, in the case of a renewal zone) and before January 1, 2010, at its original issue (directly or through an underwriter) from the corporation solely in exchange for cash,

''(ii) as of the time such stock was issued, such corporation was an enterprise zone business (or, in the case of a new corporation, such corporation was being organized for purposes of being an enterprise zone business), and

''(iii) during substantially all of the taxpayer's holding period for such stock, such corporation qualified as an enterprise zone business.

''(B) REDEMPTIONS.—A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this paragraph.

''(3) QUALIFIED EMPOWERMENT ZONE PARTNERSHIP INTEREST.—The term 'qualified empowerment zone partnership interest' means any capital or profits interest in a domestic partnership if—

''(A) such interest is acquired by the taxpayer after the date of the enactment of this section (December 31, 2001, in the case of a renewal zone) and before January 1, 2010, from the partnership solely in exchange for cash,

''(B) as of the time such interest was acquired, such partnership was an enterprise zone business (or, in the case of a new partnership, such partnership was being organized for purposes of being an enterprise zone business), and

''(C) during substantially all of the taxpayer's holding period for such interest, such partnership qualified as an enterprise zone business.

A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this paragraph.

''(4) QUALIFIED EMPOWERMENT ZONE BUSINESS PROPERTY.—

''(A) IN GENERAL.—The term 'qualified empowerment zone business property' means tangible property if—

''(i) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after the date of the enactment of this section (December 31, 2001, in the case of a renewal zone) and before January 1, 2010,

''(ii) the original use of such property in the empowerment zone commences with the taxpayer, and

''(iii) during substantially all of the taxpayer's holding period for such property, substantially all of the use of such property was in an enterprise zone business of the taxpayer.

''(B) SPECIAL RULE FOR SUBSTANTIAL IMPROVEMENTS.—The requirements of clauses (i) and (ii) of subparagraph (A) shall be treated as satisfied with respect to—

''(i) property which is substantially improved by the taxpayer before January 1, 2010, and

''(ii) any land on which such property is located.

The determination of whether a property is substantially improved shall be made under clause (ii) of section 1400B(b)(4)(B), except that 'the date of the enactment of this section' shall be substituted for 'December 31, 1997' in such clause.

''(c) QUALIFIED CAPITAL GAIN.—For purposes of this section—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'qualified capital gain' means any gain recognized on the sale or exchange of—

''(A) a capital asset, or

''(B) property used in the trade or business (as defined in section 1231(b)).

''(2) GAIN BEFORE EFFECTIVE DATE OR AFTER 2014 NOT QUALIFIED.—The term 'qualified capital gain' shall not include any gain attributable to periods before the date of the enactment of this section (January 1, 2002, in the case of a renewal zone) or after December 31, 2014.

''(3) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (3), (4), and (5) of section 1400B(e) shall apply for purposes of this subsection.

''(d) CERTAIN RULES TO APPLY.—For purposes of this section, rules similar to the rules of paragraphs (5), (6), and (7) of subsection (b), and subsections (f) and (g), of section 1400B shall apply; except that for such purposes section 1400B(g)(2) shall be applied by substituting—

''(1) 'the day after the date of the enactment of section 1397B' for 'January 1, 1998', and

''(2) 'December 31, 2014' for 'December 31, 2011'.

''(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out the purposes of this section, including regulations to prevent the avoidance of the purposes of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1394(b) is amended—

(A) by striking ''section 1397C'' and inserting ''section 1397D''; and

(B) by striking ''section 1397C(a)(2)'' and inserting ''section 1397D(a)(2)''.

(2) Paragraph (3) of section 1394(b) is amended—

(A) by striking ''section 1397B'' each place it appears and inserting ''section 1397C''; and

(B) by striking ''section 1397B(d)'' and inserting ''section 1397C(d)''.

(3) Sections 1400(e) and 1400B(c) are each amended by striking ''section 1397B'' each place it appears and inserting ''section 1397C''.

(4) The table of subparts for part III of subchapter U of chapter 1 is amended by striking the last item and inserting the following new items:

''Subpart C. Empowerment zone capital gain.
''Subpart D. General provisions.''.

(5) The table of sections for subpart D of such part III is amended to read as follows:

''Sec. 1397C. Enterprise zone business defined.
''Sec. 1397D. Qualified zone property defined.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified empowerment zone assets acquired after the date of the enactment of this Act.

SEC. 116. FUNDING FOR ROUND II EMPOWERMENT ZONES.

(a) ENTITLEMENT.—Section 2007(a)(1) of the Social Security Act (42 U.S.C. 1397f(a)(1)) is amended—

(1) in subparagraph (A), by striking ''in the State; and'' and inserting ''that is in the State and is designated pursuant to section 1391(b) of the Internal Revenue Code of 1986;''; and

(2) by adding after subparagraph (B) the following new subparagraphs:

''(C)(i) 1 grant under this section for each qualified empowerment zone that is in an urban area in the State and is designated pursuant to section 1391(g) of such Code; and

''(ii) 1 grant under this section for each qualified empowerment zone that is in a rural area in the State and is designated pursuant to section 1391(g) of such Code; and

''(D) 1 grant under this section for each qualified enterprise community that is in the State, is designated pursuant to section 1391(b)(1) of such Code, and is in existence on the date of enactment of this subparagraph.''.

(b) AMOUNT OF GRANTS.—Section 2007(a)(2) of the Social Security Act (42 U.S.C. 1397f(a)(2)) is amended—

(1) in the heading of subparagraph (A), by inserting ''ORIGINAL'' before ''EMPOWERMENT'';

(2) in subparagraph (A), in the matter preceding clause (i), by inserting ''referred to in paragraph (1)(A)'' after ''empowerment zone'';

(3) by redesignating subparagraph (C) as subparagraph (F); and

(4) by inserting after subparagraph (B) the following new subparagraphs:

''(C) ADDITIONAL EMPOWERMENT GRANTS.—The amount of the grant to a State under this section for a qualified empowerment zone referred to in paragraph (1)(C) shall be—

''(i) if the zone is in an urban area, $5,000,000 for fiscal year 2001; or

''(ii) if the zone is in a rural area, $2,000,000 for fiscal year 2001.

''(D) ADDITIONAL ENTERPRISE COMMUNITY GRANTS.—The amount of the grant to a State under this section for a qualified enterprise community referred to in paragraph (1)(D) shall be $250,000.''.

(c) TIMING OF GRANTS.—Section 2007(a)(3) of the Social Security Act (42 U.S.C. 1397f(a)(3)) is amended—

(1) in the heading of subparagraph (A), by inserting ''ORIGINAL'' before ''QUALIFIED'';

(2) in subparagraph (A), in the matter preceding clause (i), by inserting ''referred to in paragraph (1)(A)'' after ''empowerment zone''; and

(3) by adding after subparagraph (B) the following new subparagraphs:

''(C) ADDITIONAL QUALIFIED EMPOWERMENT ZONES.—With respect to each qualified empowerment zone referred to in paragraph (1)(C), the Secretary shall make 1 grant under this section to the State in which the zone lies, on January 1, 2002.

''(D) ADDITIONAL QUALIFIED ENTERPRISE COMMUNITIES.—With respect to each qualified enterprise community referred to in paragraph (1)(D), the Secretary shall make 1 grant under this section to the State in which the community lies on January 1, 2002.''.

(d) FUNDING.—Section 2007(a)(4) of the Social Security Act (42 U.S.C. 1397f(a)(4)) is amended—

(1) by striking ''(4) FUNDING.—$1,000,000,000'' and inserting the following:

''(4) FUNDING.—

''(A) ORIGINAL GRANTS.—$1,000,000,000'';

(2) by inserting ''for empowerment zones and enterprise communities described in subparagraphs (A) and (B) of paragraph (1)'' before the period; and

(3) by adding after and below the end the following new subparagraphs:

''(B) ADDITIONAL EMPOWERMENT ZONE GRANTS.—$85,000,000 shall be made available to the Secretary for grants under this section for empowerment zones referred to in paragraph (1)(C).

''(C) ADDITIONAL ENTERPRISE COMMUNITY GRANTS.—$22,000,000 shall be made available to the Secretary for grants under this section for enterprise communities referred to in paragraph (1)(D).''.

(e) DIRECT FUNDING FOR INDIAN TRIBES.—

(1) IN GENERAL.—Section 2007(a) of the Social Security Act (42 U.S.C. 1397f(a)) is amended by adding at the end the following new paragraph:

''(5) DIRECT FUNDING FOR INDIAN TRIBES.—

''(A) IN GENERAL.—The Secretary may make a grant under this section directly to the governing body of an Indian tribe if—

''(i) the tribe is identified in the strategic plan of a qualified empowerment zone or qualified enterprise community as the entity that assumes sole or primary responsibility for carrying out activities and projects under the grant; and

''(ii) the grant is to be used for activities and projects that are—

''(I) included in the strategic plan of the qualified empowerment zone or qualified enterprise community, consistent with this section; and

''(II) approved by the Secretary of Agriculture, in the case of a qualified empowerment zone or qualified enterprise community in a rural area, or the Secretary of Housing and Urban Development, in the case of a qualified empowerment zone or qualified enterprise community in an urban area.

''(B) RULES OF INTERPRETATION.—

''(i) If grant under this section is made directly to the governing body of an Indian tribe under subparagraph (A), the tribe shall be considered a State for purposes of this section.

''(ii) This subparagraph shall not be construed as making applicable to this section the provisions of the Indian Self-Determination and Education Assistance Act.''.

(2) DEFINITIONS.—Section 2007(f) of such Act (42 U.S.C. 1397f(f)) is amended by adding at the end the following new paragraph:

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

Subtitle C—Modification of Tax Incentives for DC Zone

SEC. 121. EXTENSION OF DC ZONE THROUGH 2006.

(a) IN GENERAL.—The following provisions are amended by striking ''2002'' each place it appears and inserting ''2006'':

(1) Section 1400(f).

(2) Section 1400A(b).

(b) ZERO CAPITAL GAINS RATE.—Section 1400B (relating to zero percent capital gains rate) is amended—

(1) by striking ''2003'' each place it appears and inserting ''2007'', and

(2) by striking ''2007'' each place it appears and inserting ''2011''.

SEC. 122. EXTENSION OF DC ZERO PERCENT CAPITAL GAINS RATE.

(a) IN GENERAL.—Section 1400B (relating to zero percent capital gains rate) is amended by adding at the end the following new subsection:

''(h) EXTENSION TO ENTIRE DISTRICT OF COLUMBIA.—In applying this section to any stock or partnership interest which is originally issued after December 31, 2000, or any tangible property acquired by the taxpayer by purchase after December 31, 2000—

''(1) subsection (d) shall be applied without regard to paragraph (2) thereof, and

''(2) subsections (e)(2) and (g)(2) shall be applied by substituting 'January 1, 2001' for 'January 1, 1998'.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on January 1, 2001.

SEC. 123. GROSS INCOME TEST FOR DC ZONE BUSINESSES.

(a) IN GENERAL.—Section 1400B(c) (defining DC Zone business) is amended by adding ''and'' at the end of paragraph (1), by striking paragraph (2), and by redesignating paragraph (3) as paragraph (2).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to stock and partnership interests originally issued after, and property originally acquired by the taxpayer after, December 31, 2000.

SEC. 124. EXPANSION OF DC HOMEBUYER TAX CREDIT.

(a) EXTENSION.—Section 1400C(i) (relating to application of section) is amended by striking ''2002'' and inserting ''2004''.

(b) EXPANSION OF INCOME LIMITATION.—Section 1400C(b)(1) (relating to limitation based on modified adjusted gross income) is amended—

(1) by striking ''$110,000'' in subparagraph (A)(i) and inserting ''$140,000'', and

(2) by inserting ''($40,000 in the case of a joint return)'' after ''$20,000'' in subparagraph (B).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

Subtitle D—New Markets Tax Credit

SEC. 131. NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits) is amended by adding at the end the following new section:

''SEC. 45D. NEW MARKETS TAX CREDIT.

''(a) ALLOWANCE OF CREDIT.—

''(1) IN GENERAL.—For purposes of section 38, in the case of a taxpayer who holds a qualified equity investment on a credit allowance date of such investment which occurs during the taxable year, the new markets tax credit determined under this section for such taxable year is an amount equal to the applicable percentage of the amount paid to the qualified community development entity for such investment at its original issue.

''(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is—

''(A) 5 percent with respect to the first three credit allowance dates, and

''(B) 6 percent with respect to the remainder of the credit allowance dates.

''(3) CREDIT ALLOWANCE DATE.—For purposes of paragraph (1), the term 'credit allowance date' means, with respect to any qualified equity investment—

''(A) the date on which such investment is initially made, and

''(B) each of the six anniversary dates of such date thereafter.

''(b) QUALIFIED EQUITY INVESTMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified equity investment' means any equity investment in a qualified community development entity if—

''(A) such investment is acquired by the taxpayer at its original issue (directly or through an underwriter) solely in exchange for cash,

''(B) substantially all of such cash is used by the qualified community development entity to make qualified low-income community investments, and

''(C) such investment is designated for purposes of this section by the qualified community development entity.

Such term shall not include any equity investment issued by a qualified community development entity more than 5 years after the date that such entity receives an allocation under subsection (f). Any allocation not used within such 5-year period may be reallocated by the Secretary under subsection (f).

''(2) LIMITATION.—The maximum amount of equity investments issued by a qualified community development entity which may be designated under paragraph (1)(C) by such entity shall not exceed the portion of the limitation amount allocated under subsection (f) to such entity.

''(3) SAFE HARBOR FOR DETERMINING USE OF CASH.—The requirement of paragraph (1)(B) shall be treated as met if at least 85 percent of the aggregate gross assets of the qualified community development entity are invested in qualified low-income community investments.

''(4) TREATMENT OF SUBSEQUENT PURCHASERS.—The term 'qualified equity investment' includes any equity investment which would (but for paragraph (1)(A)) be a qualified equity investment in the hands of the taxpayer if such investment was a qualified

equity investment in the hands of a prior holder.

''(5) REDEMPTIONS.—A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this subsection.

''(6) EQUITY INVESTMENT.—The term 'equity investment' means—

''(A) any stock (other than nonqualified preferred stock as defined in section 351(g)(2)) in an entity which is a corporation, and

''(B) any capital interest in an entity which is a partnership.

''(c) QUALIFIED COMMUNITY DEVELOPMENT ENTITY.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified community development entity' means any domestic corporation or partnership if—

''(A) the primary mission of the entity is serving, or providing investment capital for, low-income communities or low-income persons,

''(B) the entity maintains accountability to residents of low-income communities through their representation on any governing board of the entity or on any advisory boards to the entity, and

''(C) the entity is certified by the Secretary for purposes of this section as being a qualified community development entity.

''(2) SPECIAL RULES FOR CERTAIN ORGANIZATIONS.—The requirements of paragraph (1) shall be treated as met by—

''(A) any specialized small business investment company (as defined in section 1044(c)(3)), and

''(B) any community development financial institution (as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702)).

''(d) QUALIFIED LOW-INCOME COMMUNITY INVESTMENTS.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified low-income community investment' means—

''(A) any capital or equity investment in, or loan to, any qualified active low-income community business,

''(B) the purchase from another community development entity of any loan made by such entity which is a qualified low-income community investment,

''(C) financial counseling and other services specified in regulations prescribed by the Secretary to businesses located in, and residents of, low-income communities, and

''(D) any equity investment in, or loan to, any qualified community development entity.

''(2) QUALIFIED ACTIVE LOW-INCOME COMMUNITY BUSINESS.—

''(A) IN GENERAL.—For purposes of paragraph (1), the term 'qualified active low-income community business' means, with respect to any taxable year, any corporation (including a nonprofit corporation) or partnership if for such year—

''(i) at least 50 percent of the total gross income of such entity is derived from the active conduct of a qualified business within any low-income community,

''(ii) a substantial portion of the use of the tangible property of such entity (whether owned or leased) is within any low-income community,

''(iii) a substantial portion of the services performed for such entity by its employees are performed in any low-income community,

''(iv) less than 5 percent of the average of the aggregate unadjusted bases of the property of such entity is attributable to collectibles (as defined in section 408(m)(2)) other than collectibles that are held primarily for sale to customers in the ordinary course of such business, and

''(v) less than 5 percent of the average of the aggregate unadjusted bases of the property of such entity is attributable to nonqualified financial property (as defined in section 1397C(e)).

''(B) PROPRIETORSHIP.—Such term shall include any business carried on by an individual as a proprietor if such business would meet the requirements of subparagraph (A) were it incorporated.

''(C) PORTIONS OF BUSINESS MAY BE QUALIFIED ACTIVE LOW-INCOME COMMUNITY BUSINESS.—The term 'qualified active low-income community business' includes any trades or businesses which would qualify as a qualified active low-income community business if such trades or businesses were separately incorporated.

''(3) QUALIFIED BUSINESS.—For purposes of this subsection, the term 'qualified business' has the meaning given to such term by section 1397C(d); except that—

''(A) in lieu of applying paragraph (2)(B) thereof, the rental to others of real property located in any low-income community shall be treated as a qualified business if there are substantial improvements located on such property, and

''(B) paragraph (3) thereof shall not apply.

''(e) LOW-INCOME COMMUNITY.—For purposes of this section—

''(1) IN GENERAL.—The term 'low-income community' means any population census tract if—

''(A) the poverty rate for such tract is at least 20 percent, or

''(B)(i) in the case of a tract not located within a metropolitan area, the median family income for such tract does not exceed 80 percent of statewide median family income, or

''(ii) in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80 percent of the greater of statewide median family income or the metropolitan area median family income.

''(2) TARGETED AREAS.—The Secretary may designate any area within any census tract as a low-income community if—

''(A) the boundary of such area is continuous,

''(B) the area would satisfy the requirements of paragraph (1) if it were a census tract, and

''(C) an inadequate access to investment capital exists in such area.

''(3) AREAS NOT WITHIN CENSUS TRACTS.—In the case of an area which is not tracted for population census tracts, the equivalent county divisions (as defined by the Bureau of the Census for purposes of defining poverty areas) shall be used for purposes of determining poverty rates and median family income.

''(f) NATIONAL LIMITATION ON AMOUNT OF INVESTMENTS DESIGNATED.—

''(1) IN GENERAL.—There is a new markets tax credit limitation for each calendar year. Such limitation is—

''(A) $1,000,000,000 for 2002, and

''(B) $1,500,000,000 for 2003, 2004, 2005, and 2006.

''(2) ALLOCATION OF LIMITATION.—The limitation under paragraph (1) shall be allocated by the Secretary among qualified community development entities selected by the Secretary. In making allocations under the preceding sentence, the Secretary shall give priority to any entity—

''(A) with a record of having successfully provided capital or technical assistance to disadvantaged businesses or communities, or

''(B) which intends to satisfy the requirement under subsection (b)(1)(B) by making qualified low-income community investments in 1 or more businesses in which persons unrelated to such entity (within the meaning of section 267(b) or 707(b)(1)) hold the majority equity interest.

''(3) CARRYOVER OF UNUSED LIMITATION.—If the new markets tax credit limitation for any calendar year exceeds the aggregate amount allocated under paragraph (2) for such year, such limitation for the succeeding calendar year shall be increased by the amount of such excess. No amount may be carried under the preceding sentence to any calendar year after 2013.

''(g) RECAPTURE OF CREDIT IN CERTAIN CASES.—

''(1) IN GENERAL.—If, at any time during the 7-year period beginning on the date of the original issue of a qualified equity investment in a qualified community development entity, there is a recapture event with respect to such investment, then the tax imposed by this chapter for the taxable year in which such event occurs shall be increased by the credit recapture amount.

''(2) CREDIT RECAPTURE AMOUNT.—For purposes of paragraph (1), the credit recapture amount is an amount equal to the sum of—

''(A) the aggregate decrease in the credits allowed to the taxpayer under section 38 for all prior taxable years which would have resulted if no credit had been determined under this section with respect to such investment, plus

''(B) interest at the underpayment rate established under section 6621 on the amount determined under subparagraph (A) for each prior taxable year for the period beginning on the due date for filing the return for the prior taxable year involved.

No deduction shall be allowed under this chapter for interest described in subparagraph (B).

''(3) RECAPTURE EVENT.—For purposes of paragraph (1), there is a recapture event with respect to an equity investment in a qualified community development entity if—

''(A) such entity ceases to be a qualified community development entity,

''(B) the proceeds of the investment cease to be used as required of subsection (b)(1)(B), or

''(C) such investment is redeemed by such entity.

''(4) SPECIAL RULES.—

''(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

''(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under this chapter or for purposes of section 55.

''(h) BASIS REDUCTION.—The basis of any qualified equity investment shall be reduced by the amount of any credit determined under this section with respect to such investment. This subsection shall not apply for purposes of sections 1202, 1397B, and 1400B.

''(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out this section, including regulations—

''(1) which limit the credit for investments which are directly or indirectly subsidized by other Federal tax benefits (including the credit under section 42 and the exclusion from gross income under section 103),

''(2) which prevent the abuse of the purposes of this section,

''(3) which provide rules for determining whether the requirement of subsection (b)(1)(B) is treated as met,

''(4) which impose appropriate reporting requirements, and

''(5) which apply the provisions of this section to newly formed entities.''.

(b) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—

(1) IN GENERAL.—Subsection (b) of section 38 is amended by striking ''plus'' at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting '', plus'', and by adding at the end the following new paragraph:

''(13) the new markets tax credit determined under section 45D(a).''.

(2) LIMITATION ON CARRYBACK.—Subsection (d) of section 39 is amended by adding at the end the following new paragraph:

''(9) NO CARRYBACK OF NEW MARKETS TAX CREDIT BEFORE JANUARY 1, 2002.—No portion of the unused business credit for any taxable year which is attributable to the credit under section 45D may be carried back to a taxable year ending before January 1, 2002.''.

(c) DEDUCTION FOR UNUSED CREDIT.—Subsection (c) of section 196 is amended by striking ''and'' at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting '', and'', and by adding at the end the following new paragraph:

''(9) the new markets tax credit determined under section 45D(a).''.

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45D. New markets tax credit.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to investments made after December 31, 2001.

(f) REGULATIONS ON ALLOCATION OF NATIONAL LIMITATION.—Not later than 120 days after the date of the enactment of this Act, the Secretary of the Treasury or the Secretary's delegate shall prescribe regulations which specify—

(1) how entities shall apply for an allocation under section 45D(f)(2) of the Internal Revenue Code of 1986, as added by this section;

(2) the competitive procedure through which such allocations are made; and

(3) the actions that such Secretary or delegate shall take to ensure that such allocations are properly made to appropriate entities.

(g) AUDIT AND REPORT.—Not later than January 31 of 2004 and 2007, the Comptroller General of the United States shall, pursuant to an audit of the new markets tax credit program established under section 45D of the Internal Revenue Code of 1986 (as added by subsection (a)), report to Congress on such program, including all qualified community development entities that receive an allocation under the new markets credit under such section.

Subtitle E—Modification of Tax Incentives for Puerto Rico

SEC. 141. MODIFICATION OF PUERTO RICO ECONOMIC ACTIVITY TAX CREDIT.

(a) CORPORATIONS ELIGIBLE TO CLAIM CREDIT.—Section 30A(a)(2) (defining qualified domestic corporation) is amended to read as follows:

''(2) QUALIFIED DOMESTIC CORPORATION.—For purposes of paragraph (1)—

''(A) IN GENERAL.—A domestic corporation shall be treated as a qualified domestic corporation for a taxable year if it is actively conducting within Puerto Rico during the taxable year—

''(i) a line of business with respect to which the domestic corporation is an existing credit claimant under section 936(j)(9), or

''(ii) with respect to taxable years ending after December 31, 2000, an eligible line of business not described in clause (i) with respect to which the domestic corporation is an existing credit claimant under section 936(j)(9) (determined without regard to subparagraph (B) thereof).

''(B) LIMITATION TO LINES OF BUSINESS.—A domestic corporation shall be treated as a qualified domestic corporation under subparagraph (A) only with respect to the lines of business described in subparagraph (A) which it is actively conducting in Puerto Rico during the taxable year.

''(C) EXCEPTION FOR CORPORATIONS ELECTING REDUCED CREDIT.—A domestic corporation shall not be treated as a qualified domestic corporation if such corporation (or any predecessor) had an election in effect under section 936(a)(4)(B)(iii) for any taxable year beginning after December 31, 1996.''.

(b) APPLICATION ON SEPARATE LINE OF BUSINESS BASIS; ELIGIBLE LINE OF BUSINESS.—Section 30A is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) APPLICATION ON LINE OF BUSINESS BASIS; ELIGIBLE LINES OF BUSINESS.—For purposes of this section—

''(1) APPLICATION TO SEPARATE LINE OF BUSINESS.—

''(A) IN GENERAL.—In determining the amount of the credit under subsection (a), this section shall be applied separately with respect to each substantial line of business of the qualified domestic corporation described in subsection (a)(2)(A)(ii).

''(B) ALLOCATION.—The Secretary shall prescribe rules necessary to carry out the purposes of this paragraph, including rules—

''(i) for the allocation of items of income, gain, deduction, and loss for purposes of determining taxable income under subsection (a), and

''(ii) for the allocation of wages, fringe benefit expenses, and depreciation allowances for purposes of applying the limitations under subsection (d).

''(2) ELIGIBLE LINE OF BUSINESS.—The term 'eligible line of business' means a substantial line of business established by a qualified domestic corporation described in subsection (a)(2)(A)(ii) after December 31, 2000.''.

(c) MODIFICATION OF BASE PERIOD CAP FOR EXISTING CLAIMANTS.—The last sentence of section 30A(a)(1) (relating to allowance of credit) is amended—

(1) by striking ''In'' and inserting ''With respect to any qualified domestic corporation described in paragraph (2)(A)(i), in'',

(2) by inserting ''the greater of'' after ''exceed'', and

(3) by inserting '', or such income multiplied by the ratio of the average number of full-time employees of such taxpayers during the taxable year to the average number of such full-time employees in 1995 and 1996'' after ''section 936(j)''.

(d) CREDIT TAKEN OVER 5-YEAR PERIOD.—Section 30A, as amended by subsection (b), is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

''(h) CREDIT TAKEN OVER 5-YEAR PERIOD.—In the case of any qualified domestic corporation described in paragraph (2)(A)(ii), the aggregate amount of the credit otherwise determined under subsection (a) for any taxable year shall be allowed ratably over the 5-taxable year period beginning with such taxable year.''.

(e) CONFORMING AMENDMENTS.—

(1) Section 30A(a)(3) is amended by striking ''an existing credit claimant'' and inserting ''a qualified domestic corporation''.

(2) Section 30A(b) is amended by striking ''within a possession'' each place it appears and inserting ''within Puerto Rico''.

(3) Section 30A(d) is amended by striking ''possession'' each place it appears.

(4) Section 30A(f) is amended to read as follows:

''(f) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED INCOME TAXES.—The qualified income taxes for any taxable year allocable to nonsheltered income shall be determined in the same manner as under section 936(i)(3).

''(2) QUALIFIED WAGES.—The qualified wages for any taxable year shall be determined in the same manner as under section 936(i)(1).

''(3) OTHER TERMS.—Any term used in this section which is also used in section 936 shall have the same meaning given such term by section 936.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 2000.

Subtitle F—Individual Development Accounts

SEC. 151. DEFINITIONS.

As used in this subtitle:

(1) ELIGIBLE INDIVIDUAL.—

(A) IN GENERAL.—The term ''eligible individual'' means an individual who—

(i) has attained the age of 18 years;

(ii) is a citizen or legal resident of the United States; and

(iii) is a member of a household—

(I) the gross income of which does not exceed 60 percent of the national median family income (as published by the Bureau of the Census), as adjusted for family size; and

(II) the net worth of which does not exceed $10,000.

(B) HOUSEHOLD.—The term ''household'' means all individuals who share use of a dwelling unit as primary quarters for living and eating separate from other individuals.

(C) DETERMINATION OF NET WORTH.—

(i) IN GENERAL.—For purposes of subparagraph (A)(iii)(II), the net worth of a household is the amount equal to—

(I) the aggregate fair market value of all assets that are owned in whole or in part by any member of a household, minus

(II) the obligations or debts of any member of the household.

(ii) CERTAIN ASSETS DISREGARDED.—For purposes of determining the net worth of a household, a household's assets shall not be considered to include—

(I) the primary dwelling unit;

(II) 1 motor vehicle owned by the household; and

(III) the sum of all contributions by an eligible individual (including earnings thereon) to any Individual Development Account, plus the matching deposits made on behalf of such individual (including earnings thereon) in any parallel account.

(2) INDIVIDUAL DEVELOPMENT ACCOUNT.—The term ''Individual Development Account'' means an account established for an eligible individual as part of a qualified individual development account program, but only if the written governing instrument creating the account meets the following requirements:

(A) The sole owner of the account is the eligible individual.

(B) No contribution will be accepted unless it is in cash, by check, by electronic fund transfer, or by electronic money order.

(C) The holder of the account is a qualified financial institution, a qualified nonprofit organization, or an Indian tribe.

(D) The assets of the account will not be commingled with other property except in a common trust fund or common investment fund.

(E) Except as provided in section 156(b), any amount in the account may be paid out only for the purpose of paying the qualified expenses of the eligible individual.

(3) PARALLEL ACCOUNT.—The term ''parallel account'' means a separate, parallel individual or pooled account for all matching funds and earnings dedicated to an eligible individual as part of a qualified individual

development account program, the sole owner of which is a qualified financial institution, a qualified nonprofit organization, or an Indian tribe.

(4) QUALIFIED FINANCIAL INSTITUTION.—

(A) IN GENERAL.—The term ''qualified financial institution'' means any person authorized to be a trustee of any individual retirement account under section 408(a)(2).

(B) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed as preventing a person described in subparagraph (A) from collaborating with 1 or more contractual affiliates, qualified nonprofit organizations, or Indian tribes to carry out an individual development account program established under section 152.

(5) QUALIFIED NONPROFIT ORGANIZATION.—The term ''qualified nonprofit organization'' means—

(A) any organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code;

(B) any community development financial institution certified by the Community Development Financial Institution Fund; or

(C) any credit union chartered under Federal or State law and certified by the National Credit Union Administration,

that meets standards for financial management and fiduciary responsibility as defined by the Secretary or an organization designated by the Secretary.

(6) INDIAN TRIBE.—The term ''Indian tribe'' means any Indian tribe as defined in section 4(12) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(12), and includes any tribal subsidiary, subdivision, or other wholly owned tribal entity.

(7) QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM.—The term ''qualified individual development account program'' means a program established under section 152 under which—

(A) Individual Development Accounts and parallel accounts are held by a qualified financial institution, a qualified nonprofit organization, or an Indian tribe; and

(B) additional activities determined by the Secretary, or an organization designated by the Secretary, as necessary to responsibly develop and administer accounts, including recruiting, providing financial education and other training to account holders, and regular program monitoring, are carried out by such qualified financial institution, qualified nonprofit organization, or Indian tribe.

(8) QUALIFIED EXPENSE DISTRIBUTION.—

(A) IN GENERAL.—The term ''qualified expense distribution'' means any amount paid (including through electronic payments) or distributed out of an Individual Development Account and a parallel account established for an eligible individual if such amount—

(i) is used exclusively to pay the qualified expenses of such individual or such individual's spouse or dependents;

(ii) is paid by the qualified financial institution, qualified nonprofit organization, or Indian tribe directly to the person to whom the amount is due or to another Individual Development Account; and

(iii) is paid after the holder of the Individual Development Account has completed a financial education course as required under section 153(b).

(B) QUALIFIED EXPENSES.—

(i) IN GENERAL.—The term ''qualified expenses'' means any of the following:

(I) Qualified higher education expenses.

(II) Qualified first-time homebuyer costs.

(III) Qualified business capitalization or expansion costs.

(IV) Qualified rollovers.

(ii) QUALIFIED HIGHER EDUCATION EXPENSES.—

(I) IN GENERAL.—The term ''qualified higher education expenses'' has the meaning given such term by section 72(t)(7) of the Internal Revenue Code of 1986, determined by treating postsecondary vocational educational schools as eligible educational institutions.

(II) POSTSECONDARY VOCATIONAL EDUCATION SCHOOL.—The term ''postsecondary vocational educational school'' means an area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4))) which is in any State (as defined in section 521(33) of such Act), as such sections are in effect on the date of the enactment of this Act.

(III) COORDINATION WITH OTHER BENEFITS.—The amount of qualified higher education expenses for any taxable year shall be reduced as provided in section 25A(g)(2) of such Code and by the amount of such expenses for which a credit or exclusion is allowed under chapter 1 of such Code for such taxable year.

(iii) QUALIFIED FIRST-TIME HOMEBUYER COSTS.—The term ''qualified first-time homebuyer costs'' means qualified acquisition costs (as defined in section 72(t)(8) of such Code without regard to subparagraph (B) thereof) with respect to a principal residence (within the meaning of section 121 of such Code) for a qualified first-time homebuyer (as defined in section 72(t)(8) of such Code).

(iv) QUALIFIED BUSINESS CAPITALIZATION OR EXPANSION COSTS.—

(I) IN GENERAL.—The term ''qualified business capitalization or expansion costs'' means qualified expenditures for the capitalization or expansion of a qualified business pursuant to a qualified business plan.

(II) QUALIFIED EXPENDITURES.—The term ''qualified expenditures'' means expenditures included in a qualified business plan, including capital, plant, equipment, working capital, inventory expenses, attorney and accounting fees, and other costs normally associated with starting or expanding a business.

(III) QUALIFIED BUSINESS.—The term ''qualified business'' means any business that does not contravene any law.

(IV) QUALIFIED BUSINESS PLAN.—The term ''qualified business plan'' means a business plan which meets such requirements as the Secretary or an organization designated by the Secretary may specify.

(v) QUALIFIED ROLLOVERS.—The term ''qualified rollover'' means, with respect to any distribution from an Individual Development Account, the payment, within 120 days of such distribution, of all or a portion of such distribution to such account or to another Individual Development Account established in another qualified financial institution, qualified nonprofit organization, or Indian tribe for the benefit of the eligible individual, or, if such individual is deceased, the spouse, any dependent, or other named beneficiary of the deceased. Rules similar to the rules of section 408(d)(3) of such Code (other than subparagraph (C) thereof) shall apply for purposes of this clause.

(9) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

SEC. 152. STRUCTURE AND ADMINISTRATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) ESTABLISHMENT OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.—Any qualified financial institution, qualified nonprofit organization, or Indian tribe may establish 1 or more qualified individual development account programs which meet the requirements of this subtitle.

(b) BASIC PROGRAM STRUCTURE.—

(1) IN GENERAL.—All qualified individual development account programs shall consist of the following 2 components:

(A) An Individual Development Account to which an eligible individual may contribute money in accordance with section 154.

(B) A parallel account to which all matching funds shall be deposited in accordance with section 155.

(2) TAILORED IDA PROGRAMS.—A qualified financial institution, qualified nonprofit organization, or Indian tribe may tailor its qualified individual development account program to allow matching funds to be spent on 1 or more of the categories of qualified expenses.

(c) TAX TREATMENT OF ACCOUNTS.—Any account described in subparagraph (B) of subsection (b)(1) is exempt from taxation under the Internal Revenue Code of 1986 unless such account has ceased to be such an account by reason of section 156(c) or the termination of the qualified individual development account program under section 157(b).

SEC. 153. PROCEDURES FOR OPENING AN INDIVIDUAL DEVELOPMENT ACCOUNT AND QUALIFYING FOR MATCHING FUNDS.

(a) OPENING AN ACCOUNT.—An eligible individual must open an Individual Development Account with a qualified financial institution, qualified nonprofit organization, or Indian tribe and contribute money in accordance with section 154 to qualify for matching funds in a parallel account.

(b) REQUIRED COMPLETION OF FINANCIAL EDUCATION COURSE.—

(1) IN GENERAL.—Before becoming eligible to withdraw matching funds to pay for qualified expenses, holders of Individual Development Accounts must complete a financial education course offered by a qualified financial institution, a qualified nonprofit organization, an Indian tribe, or a government entity.

(2) STANDARD AND APPLICABILITY OF COURSE.—The Secretary or an organization designated by the Secretary, in consultation with representatives of qualified individual development account programs and financial educators, shall establish minimum performance standards for financial education courses offered under paragraph (1) and a protocol to exempt eligible individuals from the requirement under paragraph (1) because of hardship or lack of need.

SEC. 154. CONTRIBUTIONS TO INDIVIDUAL DEVELOPMENT ACCOUNTS.

(a) IN GENERAL.—Except in the case of a qualified rollover, individual contributions to an Individual Development Account will not be accepted for the taxable year in excess of the lesser of—

(1) $2,000; or

(2) an amount equal to the sum of—

(A) the compensation (as defined in section 219(f)(1) of the Internal Revenue Code of 1986) includible in the individual's gross income for such taxable year; and

(B) in the case of an eligible individual who has retired on disability (within the meaning of section 22 of the Internal Revenue Code of 1986) before the close of the taxable year, any amount received as a disability benefit and excluded from the individual's gross income for such taxable year.

(b) PROOF OF COMPENSATION AND STATUS AS AN ELIGIBLE INDIVIDUAL.—Federal W–2 forms and other forms specified by the Secretary proving the eligible individual's wages and other compensation (including amounts described in subsection (a)(2)(B)) and the status of the individual as an eligible individual shall be presented at the time of the establishment of the Individual Development Account and at least once annually thereafter.

(c) DEEMED WITHDRAWALS OF EXCESS CONTRIBUTIONS.—If the individual for whose benefit an Individual Development Account is established contributes an amount in excess of the amount allowed under subsection (a)

and fails to withdraw the excess contribution plus the amount of net income attributable to such excess contribution on or before the day prescribed by law (including extensions of time) for filing such individual's return of tax for the taxable year, such excess contribution and net income shall be deemed to have been withdrawn on such day by such individual for purposes other than to pay qualified expenses.

(d) CROSS REFERENCE.—

For designation of earned income tax credit payments for deposit to an Individual Development Account, see section 32(o) of the Internal Revenue Code of 1986.

SEC. 155. DEPOSITS BY QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) PARALLEL ACCOUNTS.—The qualified financial institution, qualified nonprofit organization, or Indian tribe shall deposit all matching funds for each Individual Development Account into a parallel account at a qualified financial institution, qualified nonprofit organization, or Indian tribe.

(b) REGULAR DEPOSITS OF MATCHING FUNDS.—

(1) IN GENERAL.—Subject to paragraph (2), the qualified financial institution, qualified nonprofit organization, or Indian tribe shall not less than annually (or upon a proper withdrawal request under section 156, if necessary) deposit into the parallel account with respect to each eligible individual the following:

(A) A dollar-for-dollar match for the first $300 contributed by the eligible individual into an Individual Development Account with respect to any taxable year.

(B) Any matching funds provided by State, local, or private sources in accordance to the matching ratio set by those sources.

(2) CROSS REFERENCE.—

For allowance of tax credit for Individual Development Account subsidies, including matching funds, see section 30B of the Internal Revenue Code of 1986.

(c) FORFEITURE OF MATCHING FUNDS.—Matching funds that are forfeited under section 156(b) shall be used by the qualified financial institution, qualified nonprofit organization, or Indian tribe to pay matches for other Individual Development Account contributions by eligible individuals.

(d) UNIFORM ACCOUNTING REGULATIONS.—To ensure proper recordkeeping and determination of the tax credit under section 30C of the Internal Revenue Code of 1986, the Secretary shall prescribe regulations with respect to accounting for matching funds from all possible sources in the parallel accounts.

(e) REGULAR REPORTING OF ACCOUNTS.—Any qualified financial institution, qualified nonprofit organization, or Indian tribe shall report the balances in any Individual Development Account and parallel account of an eligible individual on not less than an annual basis.

SEC. 156. WITHDRAWAL PROCEDURES.

(a) WITHDRAWALS FOR QUALIFIED EXPENSES.—To withdraw money from an eligible individual's Individual Development Account to pay qualified expenses of such individual or such individual's spouse or dependents, the qualified financial institution, qualified nonprofit organization, or Indian tribe shall directly transfer such funds from the Individual Development Account, and, if applicable, from the parallel account electronically to the vendor or other Individual Development Account. If the vendor is not equipped to receive funds electronically, the qualified financial institution, qualified nonprofit organization, or Indian tribe may issue such funds by paper check to the vendor.

(b) WITHDRAWALS FOR NONQUALIFIED EXPENSES.—An Individual Development Account holder may unilaterally withdraw funds from the Individual Development Account for purposes other than to pay qualified expenses, but shall forfeit the corresponding matching funds and interest earned on the matching funds by doing so, unless such withdrawn funds are recontributed to such Account by September 30 following the withdrawal.

(c) DEEMED WITHDRAWALS FROM ACCOUNTS OF NONELIGIBLE INDIVIDUALS.—If the individual for whose benefit an Individual Development Account is established ceases to be an eligible individual, such account shall cease to be an Individual Development Account as of the first day of the taxable year of such individual and any balance in such account shall be deemed to have been withdrawn on such first day by such individual for purposes other than to pay qualified expenses.

(d) TAX TREATMENT OF MATCHING FUNDS.—Any amount withdrawn from a parallel account shall not be includible in an eligible individual's gross income.

SEC. 157. CERTIFICATION AND TERMINATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) CERTIFICATION PROCEDURES.—Upon establishing a qualified individual development account program under section 152, a qualified financial institution, qualified nonprofit organization, or Indian tribe shall certify to the Secretary, or an organization designated by the Secretary, on forms prescribed by the Secretary or such organization and accompanied by any documentation required by the Secretary or such organization, that—

(1) the accounts described in subparagraphs (A) and (B) of section 152(b)(1) are operating pursuant to all the provisions of this subtitle; and

(2) the qualified financial institution, qualified nonprofit organization, or Indian tribe agrees to implement an information system necessary to monitor the cost and outcomes of the qualified individual development account program.

(b) AUTHORITY TO TERMINATE QUALIFIED IDA PROGRAM.—If the Secretary, or an organization designated by the Secretary, determines that a qualified financial institution, qualified nonprofit organization, or Indian tribe under this subtitle is not operating a qualified individual development account program in accordance with the requirements of this subtitle (and has not implemented any corrective recommendations directed by the Secretary or such organization), the Secretary or such organization shall terminate such institution's, nonprofit organization's, or Indian tribe's authority to conduct the program. If the Secretary, or an organization designated by the Secretary, is unable to identify a qualified financial institution, qualified nonprofit organization, or Indian tribe to assume the authority to conduct such program, then any account established for the benefit of any eligible individual under such program shall cease to be an Individual Development Account as of the first day of such termination and any balance in such account shall be deemed to have been withdrawn on such first day by such individual for purposes other than to pay qualified expenses.

SEC. 158. REPORTING, MONITORING, AND EVALUATION.

(a) RESPONSIBILITIES OF QUALIFIED FINANCIAL INSTITUTIONS, QUALIFIED NONPROFIT ORGANIZATIONS, AND INDIAN TRIBES.—Each qualified financial institution, qualified nonprofit organization, or Indian tribe that establishes a qualified individual development account program under section 152 shall report annually to the Secretary, directly or through an organization designated by the Secretary, within 90 days after the end of each calendar year on—

(1) the number of eligible individuals making contributions into Individual Development Accounts;

(2) the amounts contributed into Individual Development Accounts and deposited into parallel accounts for matching funds;

(3) the amounts withdrawn from Individual Development Accounts and parallel accounts, and the purposes for which such amounts were withdrawn;

(4) the balances remaining in Individual Development Accounts and parallel accounts; and

(5) such other information needed to help the Secretary, or an organization designated by the Secretary, monitor the cost and outcomes of the qualified individual development account program.

(b) RESPONSIBILITIES OF THE SECRETARY OR DESIGNATED ORGANIZATION.—

(1) MONITORING PROTOCOL.—Not later than 12 months after the date of the enactment of this Act, the Secretary, or an organization designated by the Secretary, shall develop and implement a protocol and process to monitor the cost and outcomes of the qualified individual development account programs established under section 152.

(2) ANNUAL REPORTS.—In each year after the date of the enactment of this Act, the Secretary, or an organization designated by the Secretary, shall submit a progress report to Congress on the status of such qualified individual development account programs. Such report shall include from a representative sample of qualified financial institutions, qualified nonprofit organizations, and Indian tribes a report on—

(A) the characteristics of participants, including age, gender, race or ethnicity, marital status, number of children, employment status, and monthly income;

(B) individual level data on deposits, withdrawals, balances, uses of Individual Development Accounts, and participant characteristics;

(C) the characteristics of qualified individual development account programs, including match rate, economic education requirements, permissible uses of accounts, staffing of programs in full time employees, and the total costs of programs; and

(D) process information on program implementation and administration, especially on problems encountered and how problems were solved.

SEC. 159. ACCOUNT FUNDS OF PROGRAM PARTICIPANTS DISREGARDED FOR PURPOSES OF CERTAIN MEANS-TESTED FEDERAL PROGRAMS.

Notwithstanding any other provision of Federal law that requires consideration of 1 or more financial circumstances of an individual, for the purposes of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such provision to be provided to or for the benefit of such individual, an amount equal to the sum of—

(1) all contributions by an eligible individual (including earnings thereon) to any Individual Development Account; plus

(2) the matching deposits made on behalf of such individual (including earnings thereon) in any parallel account,

shall be disregarded for such purpose with respect to any period during which the individual participates in a qualified individual development account program established under section 152.

SEC. 160. MATCHING FUNDS FOR INDIVIDUAL DEVELOPMENT ACCOUNTS PROVIDED THROUGH A TAX CREDIT FOR QUALIFIED FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to other

credits) is amended by inserting after section 30A the following new section:

"SEC. 30B. INDIVIDUAL DEVELOPMENT ACCOUNT INVESTMENT CREDIT FOR QUALIFIED FINANCIAL INSTITUTIONS.

''(a) DETERMINATION OF AMOUNT.—There shall be allowed as a credit against the applicable tax for the taxable year an amount equal to the individual development account investment provided by a qualified financial institution during the taxable year under an individual development account program established under section 152 of the Community Renewal and New Markets Act of 2000.

''(b) APPLICABLE TAX.—For the purposes of this section, the term 'applicable tax' means the excess (if any) of—

''(1) the tax imposed under this chapter (other than the taxes imposed under the provisions described in subparagraphs (C) through (Q) of section 26(b)(2)), over

''(2) the credits allowable under subpart B (other than this section) and subpart D of this part.

''(c) INDIVIDUAL DEVELOPMENT ACCOUNT INVESTMENT.—For purposes of this section, the term 'individual development account investment' means, with respect to an individual development account program of a qualified financial institution in any taxable year, an amount equal to the sum of—

''(1) 90 percent of the aggregate amount of dollar-for-dollar matches under such program by such institution under section 155(b)(1)(A) of the Community Renewal and New Markets Act of 2000 for such taxable year, plus

''(2) an amount equal to the sum of the costs incurred, directly or indirectly, with respect to each Individual Development Account opened after the date of the enactment of this section, not to exceed $100 per Account.

''(d) OTHER DEFINITIONS.—For purposes of this section, the terms 'Individual Development Account' and 'qualified financial institution' have the meanings given such terms by section 151 of the Community Renewal and New Markets Act of 2000.

''(e) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this section, including regulations providing for a recapture of the credit allowed under this section in cases where there is a forfeiture under section 156(b) of the Community Renewal and New Markets Act of 2000 in a subsequent taxable year of any amount which was taken into account in determining the amount of such credit.

''(f) TERMINATION.—This section shall not apply to any taxable year beginning after December 31, 2005.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 30A the following new item:

''Sec. 30B. Individual development account investment credit for qualified financial institutions.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 161. DESIGNATION OF EARNED INCOME TAX CREDIT PAYMENTS FOR DEPOSIT TO INDIVIDUAL DEVELOPMENT ACCOUNTS.

(a) IN GENERAL.—Section 32 (relating to earned income credit) is amended by adding at the end the following new subsection:

''(o) DESIGNATION OF CREDIT FOR DEPOSIT TO INDIVIDUAL DEVELOPMENT ACCOUNT.—

''(1) IN GENERAL.—With respect to the return of any eligible individual (as defined in section 151(1) of the Community Renewal and New Markets Act of 2000) for the taxable year of the tax imposed by this chapter, such individual may designate that a specified portion (not less than $1) of any overpayment of tax for such taxable year which is attributable to the credit allowed under this section shall be deposited by the Secretary into an Individual Development Account (as defined in section 151(2) of such Act) of such individual. The Secretary shall so deposit such portion designated under this paragraph.

''(2) MANNER AND TIME OF DESIGNATION.—A designation under paragraph (1) may be made with respect to any taxable year—

''(A) at the time of filing the return of the tax imposed by this chapter for such taxable year, or

''(B) at any other time (after the time of filing the return of the tax imposed by this chapter for such taxable year) specified in regulations prescribed by the Secretary.

Such designation shall be made in such manner as the Secretary prescribes by regulations.

''(3) PORTION ATTRIBUTABLE TO EARNED INCOME TAX CREDIT.—For purposes of paragraph (1), an overpayment for any taxable year shall be treated as attributable to the credit allowed under this section for such taxable year to the extent that such overpayment does not exceed the credit so allowed.

''(4) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any portion of an overpayment of tax designated under paragraph (1) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by this chapter (determined without regard to extensions) or, if later, the date the return is filed.

''(5) TERMINATION.—This subsection shall not apply to any taxable year beginning after December 31, 2005.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

Subtitle G—Additional Incentives

SEC. 171. EXCLUSION OF CERTAIN AMOUNTS RECEIVED UNDER THE NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM AND THE F. EDWARD HEBERT ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) IN GENERAL.—Section 117(c) (relating to the exclusion from gross income amounts received as a qualified scholarship) is amended—

(1) by striking ''Subsections (a)'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), subsections (a)'', and

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

''(2) EXCEPTIONS.—Paragraph (1) shall not apply to any amount received by an individual under—

''(A) the National Health Service Corps Scholarship Program under section 338A(g)(1)(A) of the Public Health Service Act, or

''(B) the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of title 10, United States Code.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to amounts received in taxable years beginning after December 31, 1993.

SEC. 172. EXTENSION OF ENHANCED DEDUCTION FOR CORPORATE DONATIONS OF COMPUTER TECHNOLOGY.

(a) EXPANSION OF COMPUTER TECHNOLOGY DONATIONS TO PUBLIC LIBRARIES.—

(1) IN GENERAL.—Paragraph (6) of section 170(e) (relating to special rule for contributions of computer technology and equipment for elementary or secondary school purposes) is amended by striking ''qualified elementary or secondary educational contribution'' each place it occurs in the headings and text and inserting ''qualified computer contribution''.

(2) EXPANSION OF ELIGIBLE DONEES.—Clause (i) of section 170(e)(6)(B) (relating to qualified elementary or secondary educational contribution) is amended by striking ''or'' at the end of subclause (I), by adding ''or'' at the end of subclause (II), and by inserting after subclause (II) the following new subclause:

''(III) a public library (within the meaning of section 213(2)(A) of the Library Services and Technology Act (20 U.S.C. 9122(2)(A)), as in effect on the date of the enactment of the Community Renewal and New Markets Act of 2000, established and maintained by an entity described in subsection (c)(1),''.

(b) CONFORMING AMENDMENTS.—

(1) Section 170(e)(6)(B)(iv) is amended by striking ''in any grades of the K–12''.

(2) The heading of paragraph (6) of section 170(e) is amended by striking ''ELEMENTARY OR SECONDARY SCHOOL PURPOSES'' and inserting ''EDUCATIONAL PURPOSES''.

(c) EXTENSION OF DEDUCTION.—Section 170(e)(6)(F) (relating to termination) is amended by striking ''December 31, 2000'' and inserting ''December 31, 2003''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made on and after the date of the enactment of this Act.

SEC. 173. EXTENSION OF ADOPTION TAX CREDIT.

Section 23(d)(2)(B) (defining eligible child) is amended by striking ''2001'' and inserting ''2003''.

SEC. 174. TAX TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.

(a) TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.—Subpart A of part I of subchapter J of chapter 1 (relating to general rules for taxation of trusts and estates) is amended by adding at the end the following new section:

"SEC. 646. TAX TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.

''(a) IN GENERAL.—Except as otherwise provided in this section, the provisions of this subchapter and section 1(e) shall apply to all Settlement Trusts.

''(b) TAXATION OF INCOME OF TRUST.—Except as provided in subsection (f)(1)(B)(ii)—

''(1) IN GENERAL.—The amount of tax imposed on an electing Settlement Trust under section 1(e) shall be determined using the rate of 15 percent.

''(2) CAPITAL GAIN.—In the case of an electing Settlement Trust with a net capital gain for the taxable year, a tax is imposed on such gain at the rate of tax which would apply to such gain if the taxpayer were subject to a tax on ordinary income at a rate of 15 percent.

''(c) ONE TIME ELECTION.—

''(1) IN GENERAL.—A Settlement Trust may elect to have the provisions of this section apply to the trust and its beneficiaries.

''(2) TIME AND METHOD OF ELECTION.—An election under paragraph (1) shall be made by the trustee of such trust—

''(A) on or before the due date (including extensions) for filing the Settlement Trust's return of tax for the first taxable year of such trust ending after the date of the enactment of this section, and

''(B) by attaching to such return of tax a statement specifically providing for such election.

''(3) PERIOD ELECTION IN EFFECT.—Except as provided in subsection (f), an election under this subsection—

''(A) shall apply to the first taxable year described in paragraph (2)(A) and all subsequent taxable years, and

''(B) may not be revoked once it is made.

''(d) CONTRIBUTIONS TO TRUST.—

''(1) BENEFICIARIES OF ELECTING TRUST NOT TAXED ON CONTRIBUTIONS.—In the case of an electing Settlement Trust, no amount shall be includible in gross income of a beneficiary of such trust by reason of a contribution to such trust made during the taxable year.

''(2) EARNINGS AND PROFITS.—The earnings and profits of the sponsoring Native Corporation of a Settlement Trust shall not be reduced on account of any contribution to such Settlement Trust.

''(e) TAX TREATMENT OF DISTRIBUTIONS TO BENEFICIARIES.—Amounts distributed by an electing Settlement Trust during any taxable year shall be considered as having the following characteristics in the hands of the recipient beneficiary:

''(1) First, as amounts excludable from gross income for the taxable year to the extent of the taxable income of such trust for such taxable year (decreased by any income tax paid by the trust with respect to the income) plus any amount excluded from gross income of the trust under section 103.

''(2) Second, as amounts excludable from gross income to the extent of the amount described in paragraph (1) for all taxable years for which an election was in effect under subsection (c) with respect to the trust, and not previously taken into account under paragraph (1).

''(3) Third, for purposes of this title other than subsections (b) and (d) of section 301 and section 311(b), as amounts distributed by the sponsoring Native Corporation with respect to its stock (within the meaning of section 301(a)) during such taxable year and taxable to the recipient beneficiary as amounts described in section 301(c)(1), to the extent of current and accumulated earnings and profits of the sponsoring Native Corporation as of the close of such taxable year after proper adjustment is made for all distributions made by the sponsoring Native Corporation during such taxable year.

''(4) Fourth, as amounts distributed by the trust in excess of the distributable net income of such trust for such taxable year.

''(f) SPECIAL RULES WHERE TRANSFER RESTRICTIONS MODIFIED.—

''(1) TRANSFER OF BENEFICIAL INTERESTS.—If, at any time, a beneficial interest in an electing Settlement Trust may be disposed of to a person in a manner which would not be permitted by section 7(h) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(h)) if the interest were Settlement Common Stock—

''(A) no election may be made under subsection (c) with respect to such trust, and

''(B) if such an election is in effect as of such time—

''(i) such election shall cease to apply as of the first day of the taxable year in which such disposition is first permitted,

''(ii) the provisions of this section shall not apply to such trust for such taxable year and all taxable years thereafter, and

''(iii) the distributable net income of such trust shall be increased by the current and accumulated earnings and profits of the sponsoring Native Corporation as of the close of such taxable year after proper adjustment is made for all distributions made by the sponsoring Native Corporation during such taxable year.

In no event shall the increase under clause (iii) exceed the fair market value of the trust's assets as of the date the beneficial interest of the trust first becomes disposable. The earnings and profits of the sponsoring Native Corporation shall be adjusted as of the last day of such taxable year by the amount of earnings and profits so included in the distributable net income of the trust.

''(2) STOCK IN CORPORATION.—If—

''(A) the Settlement Common Stock in the sponsoring Native Corporation may be disposed of to a person in any manner not permitted by section 7(h) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(h)), and

''(B) at any time after such disposition of stock is first permitted, such corporation transfers assets to a Settlement Trust,

paragraph (1)(B) shall be applied to such trust on and after the date of the transfer in the same manner as if the trust permitted dispositions of beneficial interests in the trust in a manner not permitted by such section 7(h).

''(3) CERTAIN DISTRIBUTIONS.—For purposes of this section, the surrender of an interest in a Native Corporation or an electing Settlement Trust in order to accomplish the whole or partial redemption of the interest of a shareholder or beneficiary in such corporation or trust, or to accomplish the whole or partial liquidation of such corporation or trust, shall be deemed to be a disposition permitted by section 7(h) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(h)).

''(g) TAXABLE INCOME.— For purposes of this title, the taxable income of an electing Settlement Trust shall be determined under section 641(b) without regard to any deduction under section 651 or 661.

''(h) DEFINITIONS.—For purposes of this section—

''(1) ELECTING SETTLEMENT TRUST.—The term 'electing Settlement Trust' means a Settlement Trust which has made the election, effective for the taxable year, described in subsection (c).

''(2) NATIVE CORPORATION.—The term 'Native Corporation' has the meaning given such term by section 3(m) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m)).

''(3) SETTLEMENT COMMON STOCK.—The term 'Settlement Common Stock' has the meaning given such term by section 3(p) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(p)).

''(4) SETTLEMENT TRUST.—The term 'Settlement Trust' has the meaning given such term by section 3(t) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(t)).

''(5) SPONSORING NATIVE CORPORATION.—The term 'sponsoring Native Corporation' means the Native Corporation which transfers assets to an electing Settlement Trust.

''(i) CROSS REFERENCE.—

''For information required with respect to electing Settlement Trusts and sponsoring Native Corporations, see section 6039H.''

(b) REPORTING.—Subpart A of part III of subchapter A of chapter 61 of subtitle F (relating to information concerning persons subject to special provisions) is amended by inserting after section 6039G the following new section:

''SEC. 6039H. INFORMATION WITH RESPECT TO ALASKA NATIVE SETTLEMENT TRUSTS AND SPONSORING NATIVE CORPORATIONS.

''(a) REQUIREMENT.—The fiduciary of an electing Settlement Trust (as defined in section 646(h)(1)) shall include with the return of income of the trust a statement containing the information required under subsection (c).

''(b) APPLICATION WITH OTHER REQUIREMENTS.—The filing of any statement under this section shall be in lieu of the reporting requirement under section 6034A to furnish any statement to a beneficiary regarding amounts distributed to such beneficiary (and such other reporting requirements as the Secretary deems appropriate).

''(c) REQUIRED INFORMATION.—The information required under this subsection shall include—

''(1) the amount of distributions made during the taxable year to each beneficiary,

''(2) the treatment of such distribution under the applicable provision of section 646, including the amount that is excludable from the recipient beneficiary's gross income under section 646, and

''(3) the amount (if any) of any distribution during such year that is deemed to have been made by the sponsoring Native Corporation (as defined in section 646(h)(5)).

''(d) SPONSORING NATIVE CORPORATION.—

''(1) IN GENERAL.—The electing Settlement Trust shall, on or before the date on which the statement under subsection (a) is required to be filed, furnish such statement to the sponsoring Native Corporation (as so defined).

''(2) DISTRIBUTEES.—The sponsoring Native Corporation shall furnish each recipient of a distribution described in section 646(e)(3) a statement containing the amount deemed to have been distributed to such recipient by such corporation for the taxable year.''.

(c) CLERICAL AMENDMENT.—

(1) The table of sections for subpart A of part I of subchapter J of chapter 1 is amended by adding at the end the following new item:

''Sec. 646. Electing Alaska Native Settlement Trusts.''.

(2) The table of sections for subpart A of part III of subchapter A of chapter 61 of subtitle F is amended by inserting after the item relating to section 6039G the following new item:

''Sec. 6039H. Information with respect to Alaska Native Settlement Trusts and sponsoring Native Corporations.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act and to contributions made to electing Settlement Trusts for such year or any subsequent year.

SEC. 175. TREATMENT OF INDIAN TRIBAL GOVERNMENTS UNDER FEDERAL UNEMPLOYMENT TAX ACT.

(a) IN GENERAL.—Section 3306(c)(7) (defining employment) is amended—

(1) by inserting ''or in the employ of an Indian tribe,'' after ''service performed in the employ of a State, or any political subdivision thereof,''; and

(2) by inserting ''or Indian tribes'' after ''wholly owned by one or more States or political subdivisions''.

(b) PAYMENTS IN LIEU OF CONTRIBUTIONS.—Section 3309 (relating to State law coverage of services performed for nonprofit organizations or governmental entities) is amended—

(1) in subsection (a)(2) by inserting '', including an Indian tribe,'' after ''the State law shall provide that a governmental entity'';

(2) in subsection (b)(3)(B) by inserting '', or of an Indian tribe'' after ''of a State or political subdivision thereof'';

(3) in subsection (b)(3)(E) by inserting ''or tribal'' after ''the State''; and

(4) in subsection (b)(5) by inserting ''or of an Indian tribe'' after ''an agency of a State or political subdivision thereof''.

(c) STATE LAW COVERAGE.—Section 3309 (relating to State law coverage of services performed for nonprofit organizations or governmental entities) is amended by adding at the end the following new subsection:

''(d) ELECTION BY INDIAN TRIBE.—The State law shall provide that an Indian tribe may make contributions for employment as if the employment is within the meaning of section

3306 or make payments in lieu of contributions under this section, and shall provide that an Indian tribe may make separate elections for itself and each subdivision, subsidiary, or business enterprise wholly owned by such Indian tribe. State law may require a tribe to post a payment bond or take other reasonable measures to assure the making of payments in lieu of contributions under this section. Notwithstanding the requirements of section 3306(a)(6), if, within 90 days of having received a notice of delinquency, a tribe fails to made contributions, payments in lieu of contributions, or payment of penalties or interest (at amounts or rates comparable to those applied to all other employers covered under the State law) assessed with respect to such failure, or if the tribe fails to post a required payment bond, then service for the tribe shall not be excepted from employment under section 3306(c)(7) until any such failure is corrected. This subsection shall apply to an Indian tribe within the meaning of section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).''.

(d) DEFINITIONS.—Section 3306 (relating to definitions) is amended by adding at the end the following new subsection:

''(u) INDIAN TRIBE.—For purposes of this chapter, the term 'Indian tribe' has the meaning given to such term by section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), and includes any subdivision, subsidiary, or business enterprise wholly owned by such an Indian tribe.''.

(e) EFFECTIVE DATE; TRANSITION RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to service performed on or after the date of the enactment of this Act.

(2) TRANSITION RULE.—For purposes of the Federal Unemployment Tax Act, service performed in the employ of an Indian tribe (as defined in section 3306(u) of the Internal Revenue Code of 1986 (as added by this section)) shall not be treated as employment (within the meaning of section 3306 of such Code) if—

(A) it is service which is performed before the date of the enactment of this Act and with respect to which the tax imposed under the Federal Unemployment Tax Act has not been paid, and

(B) such Indian tribe reimburses a State unemployment fund for unemployment benefits paid for service attributable to such tribe for such period.

SEC. 176. INCREASE IN SOCIAL SERVICES BLOCK GRANT FOR FY 2001.

(a) IN GENERAL.—Section 2003(c) of the Social Security Act (42 U.S.C. 1397b(c)) is amended—

(1) in paragraph (10), by striking ''and'' at the end;

(2) in paragraph (11), by striking ''2001'' and inserting ''2002'';

(3) by redesignating paragraph (11) (as so amended) as paragraph (12); and

(4) by inserting after paragraph (10), the following new paragraph:

''(11) $2,400,000,000 for the fiscal year 2001; and''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect October 1, 2000.

TITLE II—TAX INCENTIVES FOR AFFORDABLE HOUSING

Subtitle A—Low-Income Housing Credit

SEC. 201. MODIFICATION OF STATE CEILING ON LOW-INCOME HOUSING CREDIT.

(a) IN GENERAL.—Clauses (i) and (ii) of section 42(h)(3)(C) (relating to State housing credit ceiling) are amended to read as follows:

''(i) the unused State housing credit ceiling (if any) of such State for the preceding calendar year,

''(ii) the greater of—

''(I) $1.75 multiplied by the State population, or

''(II) $2,000,000,''.

(b) ADJUSTMENT OF STATE CEILING FOR INCREASES IN COST-OF-LIVING.—Paragraph (3) of section 42(h) (relating to housing credit dollar amount for agencies) is amended by adding at the end the following new subparagraph:

''(H) COST-OF-LIVING ADJUSTMENT.—In the case of a calendar year after 2001, each of the dollar amounts contained in subparagraph (C)(ii) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of 5 cents ($5,000 in the case of the dollar amount in subparagraph (C)(ii)(II)), such increase shall be rounded to the nearest multiple thereof.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 42(h)(3)(C), as amended by subsection (a), is amended—

(A) by striking ''clause (ii)'' in the matter following clause (iv) and inserting ''clause (i)'', and

(B) by striking ''clauses (i)'' in the matter following clause (iv) and inserting ''clauses (ii)''.

(2) Section 42(h)(3)(D)(ii) is amended—

(A) by striking ''subparagraph (C)(ii)'' and inserting ''subparagraph (C)(i)'', and

(B) by striking ''clauses (i)'' in subclause (II) and inserting ''clauses (ii)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years after 2000.

SEC. 202. MODIFICATION TO RULES RELATING TO BASIS OF BUILDING WHICH IS ELIGIBLE FOR CREDIT.

(a) CERTAIN NATIVE AMERICAN HOUSING ASSISTANCE DISREGARDED IN DETERMINING WHETHER BUILDING IS FEDERALLY SUBSIDIZED FOR PURPOSES OF THE LOW-INCOME HOUSING CREDIT.—Subparagraph (E) of section 42(i)(2) (relating to determination of whether building is federally subsidized) is amended—

(1) in clause (i), by inserting ''or the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.) (as in effect on October 1, 1997)'' after ''this subparagraph)'', and

(2) in the subparagraph heading, by inserting ''OR NATIVE AMERICAN HOUSING ASSISTANCE'' after ''HOME ASSISTANCE''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) housing credit dollar amounts allocated after December 31, 2000, and

(2) buildings placed in service after such date to the extent paragraph (1) of section 42(h) of the Internal Revenue Code of 1986 does not apply to any building by reason of paragraph (4) thereof, but only with respect to bonds issued after such date.

Subtitle B—Historic Homes

SEC. 211. TAX CREDIT FOR RENOVATING HISTORIC HOMES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

''SEC. 25B. HISTORIC HOMEOWNERSHIP REHABILITATION CREDIT.

''(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the qualified rehabilitation expenditures made by the taxpayer with respect to a qualified historic home.

''(b) DOLLAR LIMITATION.—The credit allowed by subsection (a) with respect to any residence of a taxpayer shall not exceed $20,000 ($10,000 in the case of a married individual filing a separate return).

''(c) CARRYFORWARD OF CREDIT UNUSED BY REASON OF LIMITATION BASED ON TAX LIABILITY.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year (but not for more than 10 taxable years succeeding the first taxable year in which the credit under this section is allowed to the taxpayer) and added to the credit allowable under subsection (a) for such succeeding taxable year.

''(d) QUALIFIED REHABILITATION EXPENDITURE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified rehabilitation expenditure' means any amount properly chargeable to capital account—

''(A) in connection with the certified rehabilitation of a qualified historic home, and

''(B) for property for which depreciation would be allowable under section 168 if the qualified historic home were used in a trade or business.

''(2) CERTAIN EXPENDITURES NOT INCLUDED.—

''(A) EXTERIOR.—Such term shall not include any expenditure in connection with the rehabilitation of a building unless at least 5 percent of the total expenditures made in the rehabilitation process are allocable to the rehabilitation of the exterior of such building.

''(B) OTHER RULES TO APPLY.—Rules similar to the rules of clauses (ii) and (iii) of section 47(c)(2)(B) shall apply.

''(3) MIXED USE OR MULTIFAMILY BUILDING.—If only a portion of a building is used as the principal residence of the taxpayer, only qualified rehabilitation expenditures which are properly allocable to such portion shall be taken into account under this section.

''(e) CERTIFIED REHABILITATION.—For purposes of this section—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'certified rehabilitation' has the meaning given such term by section 47(c)(2)(C).

''(2) FACTORS TO BE CONSIDERED IN THE CASE OF TARGETED AREA RESIDENCES, ETC.—

''(A) IN GENERAL.—For purposes of applying section 47(c)(2)(C) under this section with respect to the rehabilitation of a building to which this paragraph applies, consideration shall be given to—

''(i) the feasibility of preserving existing architectural and design elements of the interior of such building,

''(ii) the risk of further deterioration or demolition of such building in the event that certification is denied because of the failure to preserve such interior elements, and

''(iii) the effects of such deterioration or demolition on neighboring historic properties.

''(B) BUILDINGS TO WHICH THIS PARAGRAPH APPLIES.—This paragraph shall apply with respect to any building—

''(i) any part of which is a targeted area residence within the meaning of section 143(j)(1), or

''(ii) which is located within an enterprise community or empowerment zone as designated under section 1391,

but shall not apply with respect to any building which is listed in the National Register.

''(3) APPROVED STATE PROGRAM.—The term 'certified rehabilitation' includes a certification made by—

''(A) a State Historic Preservation Officer who administers a State Historic Preservation Program approved by the Secretary of the Interior pursuant to section 101(b)(1) of the National Historic Preservation Act, as in effect on July 21, 1999, or

''(B) a local government, certified pursuant to section 101(c)(1) of the National Historic Preservation Act, as in effect on July 21, 1999, and authorized by a State Historic Preservation Officer, or the Secretary of the Interior where there is no approved State program),

subject to such terms and conditions as may be specified by the Secretary of the Interior for the rehabilitation of buildings within the jurisdiction of such officer (or local government) for purposes of this section.

''(f) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) QUALIFIED HISTORIC HOME.—The term 'qualified historic home' means a certified historic structure—

''(A) which has been substantially rehabilitated, and

''(B) which (or any portion of which)—

''(i) is owned by the taxpayer, and

''(ii) is used (or will, within a reasonable period, be used) by such taxpayer as his principal residence.

''(2) SUBSTANTIALLY REHABILITATED.—The term 'substantially rehabilitated' has the meaning given such term by section 47(c)(1)(C); except that, in the case of any building described in subsection (e)(2), clause (i)(I) thereof shall not apply.

''(3) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 121.

''(4) CERTIFIED HISTORIC STRUCTURE.—

''(A) IN GENERAL.—The term 'certified historic structure' means any building (and its structural components) which—

''(i) is listed in the National Register, or

''(ii) is located in a registered historic district (as defined in section 47(c)(3)(B)) within which only qualified census tracts (or portions thereof) are located, and is certified by the Secretary of the Interior to the Secretary as being of historic significance to the district.

''(B) CERTAIN STRUCTURES INCLUDED.—Such term includes any building (and its structural components) which is designated as being of historic significance under a statute of a State or local government, if such statute is certified by the Secretary of the Interior to the Secretary as containing criteria which will substantially achieve the purpose of preserving and rehabilitating buildings of historic significance.

''(C) QUALIFIED CENSUS TRACTS.—For purposes of subparagraph (A)(ii)—

''(i) IN GENERAL.—The term 'qualified census tract' means a census tract in which the median family income is less than twice the statewide median family income.

''(ii) DATA USED.—The determination under clause (i) shall be made on the basis of the most recent decennial census for which data are available.

''(5) REHABILITATION NOT COMPLETE BEFORE CERTIFICATION.—A rehabilitation shall not be treated as complete before the date of the certification referred to in subsection (e).

''(6) LESSEES.—A taxpayer who leases his principal residence shall, for purposes of this section, be treated as the owner thereof if the remaining term of the lease (as of the date determined under regulations prescribed by the Secretary) is not less than such minimum period as the regulations require.

''(7) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—If the taxpayer holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such stockholder shall be treated as owning the house or apartment which the taxpayer is entitled to occupy as such stockholder.

''(8) ALLOCATION OF EXPENDITURES RELATING TO EXTERIOR OF BUILDING CONTAINING COOPERATIVE OR CONDOMINIUM UNITS.—The percentage of the total expenditures made in the rehabilitation of a building containing cooperative or condominium residential units allocated to the rehabilitation of the exterior of the building shall be attributed proportionately to each cooperative or condominium residential unit in such building for which a credit under this section is claimed.

''(g) WHEN EXPENDITURES TAKEN INTO ACCOUNT.—In the case of a building other than a building to which subsection (h) applies, qualified rehabilitation expenditures shall be treated for purposes of this section as made on the date the rehabilitation is completed.

''(h) ALLOWANCE OF CREDIT FOR PURCHASE OF REHABILITATED HISTORIC HOME.—

''(1) IN GENERAL.—In the case of a qualified purchased historic home, the taxpayer shall be treated as having made (on the date of purchase) the qualified rehabilitation expenditures made by the seller of such home. For purposes of the preceding sentence, expenditures made by the seller shall be deemed to be qualified rehabilitation expenditures if such expenditures, if made by the purchaser, would be qualified rehabilitation expenditures.

''(2) QUALIFIED PURCHASED HISTORIC HOME.—For purposes of this subsection, the term 'qualified purchased historic home' means any substantially rehabilitated certified historic structure purchased by the taxpayer if—

''(A) the taxpayer is the first purchaser of such structure after the date rehabilitation is completed, and the purchase occurs within 5 years after such date,

''(B) the structure (or a portion thereof) will, within a reasonable period, be the principal residence of the taxpayer,

''(C) no credit was allowed to the seller under this section or section 47 with respect to such rehabilitation, and

''(D) the taxpayer is furnished with such information as the Secretary determines is necessary to determine the credit under this subsection.

''(i) HISTORIC REHABILITATION MORTGAGE CREDIT CERTIFICATE.—

''(1) IN GENERAL.—The taxpayer may elect, in lieu of the credit otherwise allowable under this section, to receive a historic rehabilitation mortgage credit certificate. An election under this paragraph shall be made—

''(A) in the case of a building to which subsection (h) applies, at the time of purchase, or

''(B) in any other case, at the time rehabilitation is completed.

''(2) HISTORIC REHABILITATION MORTGAGE CREDIT CERTIFICATE.—For purposes of this subsection, the term 'historic rehabilitation mortgage credit certificate' means a certificate—

''(A) issued to the taxpayer, in accordance with procedures prescribed by the Secretary, with respect to a certified rehabilitation,

''(B) the face amount of which shall be equal to the credit which would (but for this subsection) be allowable under subsection (a) to the taxpayer with respect to such rehabilitation,

''(C) which may only be transferred by the taxpayer to a lending institution (including a non-depository institution) in connection with a loan—

''(i) that is secured by the building with respect to which the credit relates, and

''(ii) the proceeds of which may not be used for any purpose other than the acquisition or rehabilitation of such building, and

''(D) in exchange for which such lending institution provides the taxpayer—

''(i) a reduction in the rate of interest on the loan which results in interest payment reductions which are substantially equivalent on a present value basis to the face amount of such certificate, or

''(ii) if the taxpayer so elects with respect to a specified amount of the face amount of such a certificate relating to a building—

''(I) which is a targeted area residence within the meaning of section 143(j)(1), or

''(II) which is located in an enterprise community or empowerment zone as designated under section 1391,

a payment which is substantially equivalent to such specified amount to be used to reduce the taxpayer's cost of purchasing the building (and only the remainder of such face amount shall be taken into account under clause (i)).

''(3) METHOD OF DISCOUNTING.—The present value under paragraph (2)(D)(i) shall be determined—

''(A) for a period equal to the term of the loan referred to in subparagraph (D)(i),

''(B) by using the convention that any payment on such loan in any taxable year within such period is deemed to have been made on the last day of such taxable year,

''(C) by using a discount rate equal to 65 percent of the average of the annual Federal mid-term rate and the annual Federal long-term rate applicable under section 1274(d)(1) to the month in which the taxpayer makes an election under paragraph (1) and compounded annually, and

''(D) by assuming that the credit allowable under this section for any year is received on the last day of such year.

''(4) USE OF CERTIFICATE BY LENDER.—The amount of the credit specified in the certificate shall be allowed to the lender only to offset the regular tax (as defined in section 55(c)) of such lender. The lender may carry forward all unused amounts under this subsection until exhausted.

''(5) HISTORIC REHABILITATION MORTGAGE CREDIT CERTIFICATE NOT TREATED AS TAXABLE INCOME.—Notwithstanding any other provision of law, no benefit accruing to the taxpayer through the use of an historic rehabilitation mortgage credit certificate shall be treated as taxable income for purposes of this title.

''(j) RECAPTURE.—

''(1) IN GENERAL.—If, before the end of the 5-year period beginning on the date on which the rehabilitation of the building is completed (or, if subsection (h) applies, the date of purchase of such building by the taxpayer, or, if subsection (i) applies, the date of the loan)—

''(A) the taxpayer disposes of such taxpayer's interest in such building, or

''(B) such building ceases to be used as the principal residence of the taxpayer,

the taxpayer's tax imposed by this chapter for the taxable year in which such disposition or cessation occurs shall be increased by the recapture percentage of the credit allowed under this section for all prior taxable years with respect to such rehabilitation.

''(2) RECAPTURE PERCENTAGE.—For purposes of paragraph (1), the recapture percentage shall be determined in accordance with the following table:

''If the disposition or cessation occurs within—	**The recapture percentage is—**
(i) One full year after the taxpayer becomes entitled to the credit.	100
(ii) One full year after the close of the period described in clause (i).	80

"If the disposition or cessation occurs within—	The recapture percentage is—
(iii) One full year after the close of the period described in clause (ii).	60
(iv) One full year after the close of the period described in clause (iii).	40
(v) One full year after the close of the period described in clause (iv).	20.

''(k) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property (including any purchase under subsection (h) and any transfer under subsection (i)), the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

''(l) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section for any amount for which credit is allowed under section 47.

''(m) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out the purposes of this section, including regulations where less than all of a building is used as a principal residence and where more than 1 taxpayer use the same dwelling unit as their principal residence.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 23(c) is amended by striking ''section 1400C'' and inserting ''sections 25B and 1400C''.

(2) Section 25(e)(1)(C) is amended by striking ''23'' and inserting ''23, 25B,''.

(3) Section 1016(a) is amended by striking ''and'' at the end of paragraph (26), by striking the period at the end of paragraph (27) and inserting '', and'', and by adding at the end the following new item:

''(28) to the extent provided in section 25B(k).''.

(4) Section 1400C(d) is amended by inserting ''and section 25B'' after ''this section''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25A the following new item:

''Sec. 25B. Historic homeownership rehabilitation credit.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to expenses paid or incurred in taxable years beginning after December 31, 2001.

Subtitle C—Forgiven Mortgage Obligations

SEC. 221. EXCLUSION FROM GROSS INCOME FOR CERTAIN FORGIVEN MORTGAGE OBLIGATIONS.

(a) IN GENERAL.—Paragraph (1) of section 108(a) (relating to exclusion from gross income) is amended by striking ''or'' at the end of both subparagraphs (A) and (C), by striking the period at the end of subparagraph (D) and inserting '', or'', and by inserting after subparagraph (D) the following new subparagraph:

''(E) in the case of an individual, the indebtedness discharged is qualified residential indebtedness.''.

(b) QUALIFIED RESIDENTIAL INDEBTEDNESS SHORTFALL.—Section 108 (relating to discharge of indebtedness) is amended by adding at the end the following new subsection:

''(h) QUALIFIED RESIDENTIAL INDEBTEDNESS.—

''(1) LIMITATIONS.—The amount excluded under subparagraph (E) of subsection (a)(1) with respect to any qualified residential indebtedness shall not exceed the excess (if any) of—

''(A) the outstanding principal amount of such indebtedness (immediately before the discharge), over

''(B) the sum of—

''(i) the amount realized from the sale of the real property securing such indebtedness reduced by the cost of such sale, and

''(ii) the outstanding principal amount of any other indebtedness secured by such property.

''(2) QUALIFIED RESIDENTIAL INDEBTEDNESS.—

''(A) IN GENERAL.—The term 'qualified residential indebtedness' means indebtedness which—

''(i) was incurred or assumed by the taxpayer in connection with real property used as the principal residence of the taxpayer (within the meaning of section 121) and is secured by such real property,

''(ii) is incurred or assumed to acquire, construct, reconstruct, or substantially improve such real property, and

''(iii) with respect to which such taxpayer makes an election to have this paragraph apply.

''(B) REFINANCED INDEBTEDNESS.—Such term shall include indebtedness resulting from the refinancing of indebtedness under subparagraph (A)(ii), but only to the extent the refinanced indebtedness does not exceed the amount of the indebtedness being refinanced.

''(C) EXCEPTIONS.—Such term shall not include qualified farm indebtedness or qualified real property business indebtedness.''.

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 108(a) is amended—

(A) by striking ''and (D)'' in subparagraph (A) and inserting ''(D), and (E)'', and

(B) by amending subparagraph (B) to read as follows:

''(B) INSOLVENCY EXCLUSION TAKES PRECEDENCE OVER QUALIFIED FARM EXCLUSION; QUALIFIED REAL PROPERTY BUSINESS EXCLUSION; AND QUALIFIED RESIDENTIAL SHORTFALL EXCLUSION.—Subparagraphs (C), (D), and (E) of paragraph (1) shall not apply to a discharge to the extent the taxpayer is insolvent.''.

(2) Paragraph (1) of section 108(b) is amended by striking ''or (C)'' and inserting ''(C), or (E)''.

(3) Subsection (c) of section 121 is amended by adding at the end the following new paragraph:

''(3) SPECIAL RULE RELATING TO DISCHARGE OF INDEBTEDNESS.—The amount of gain which (but for this paragraph) would be excluded from gross income under subsection (a) with respect to a principal residence shall be reduced by the amount excluded from gross income under section 108(a)(1)(E) with respect to such residence.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to discharges after the date of the enactment of this Act.

Subtitle D—Mortgage Revenue Bonds

SEC. 231. INCREASE IN PURCHASE PRICE LIMITATION UNDER MORTGAGE SUBSIDY BOND RULES BASED ON MEDIAN FAMILY INCOME.

(a) IN GENERAL.—Paragraph (1) of section 143(e) (relating to purchase price requirement) is amended to read as follows:

''(1) IN GENERAL.—An issue meets the requirements of this subsection only if the acquisition cost of each residence the owner-financing of which is provided under the issue does not exceed the greater of—

''(A) 90 percent of the average area purchase price applicable to the residence, or

''(B) 3.5 times the applicable median family income (as defined in subsection (f)(4)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 232. MORTGAGE FINANCING FOR RESIDENCES LOCATED IN PRESIDENTIALLY DECLARED DISASTER AREAS.

(a) IN GENERAL.—Paragraph (11) of section 143(k) of the Internal Revenue Code of 1986 is amended to read as follows:

''(11) SPECIAL RULES FOR RESIDENCES LOCATED IN DISASTER AREAS.—

''(A) HOME IMPROVEMENT LOANS FOR REPAIRS.—In the case of financing provided by a qualified home improvement loan for the repair of damage to a residence located in a disaster area which was sustained as a result of the disaster—

''(i) the limitation under paragraph (4) shall be increased (but not above $100,000) to the extent such loan is for the repair of such damage, and

''(ii) subsection (f) (relating to income requirement) shall be applied as if such residence were a targeted area residence.

''(B) PURCHASE OF REPLACEMENT HOME.—In the case of financing provided to acquire a residence located in a disaster area by mortgagors whose prior residence was in such area and was destroyed or otherwise rendered uninhabitable as a result of the disaster—

''(i) subsection (d) (relating to 3-year requirement) shall not apply, and

''(ii) subsections (e) and (f) (relating to purchase price requirement and income requirement) shall be applied as if such residence were a targeted area residence.

''(C) FINANCING MUST BE PROVIDED WITHIN 2 YEARS AFTER DISASTER DECLARATION.—This paragraph shall apply only to financing provided within 2 years after the date of the disaster declaration.

''(D) DISASTER AREA.—For purposes of this paragraph, the term 'disaster area' means an area determined by the President to warrant assistance from the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as in effect on the date of the enactment of the Taxpayer Relief Act of 1997) and with respect to which the Federal share of disaster payments exceeds 75 percent.

''(E) APPLICATION OF PARAGRAPH.—This paragraph shall apply only with respect to bonds issued after December 31, 2000.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2000.

Subtitle E—Property and Casualty Insurance

SEC. 241. EXEMPTION FROM INCOME TAX FOR STATE-CREATED ORGANIZATIONS PROVIDING PROPERTY AND CASUALTY INSURANCE FOR PROPERTY FOR WHICH SUCH COVERAGE IS OTHERWISE UNAVAILABLE.

(a) IN GENERAL.—Subsection (c) of section 501 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by adding at the end the following new paragraph:

''(28)(A) Any association created before January 1, 1999, by State law and organized and operated exclusively to provide property and casualty insurance coverage for property located within the State for which the State has determined that coverage in the authorized insurance market is limited or unavailable at reasonable rates, if—

''(i) no part of the net earnings of which inures to the benefit of any private shareholder or individual,

''(ii) except as provided in clause (v), no part of the assets of which may be used for, or diverted to, any purpose other than—

''(I) to satisfy, in whole or in part, the liability of the association for, or with respect to, claims made on policies written by the association,

''(II) to invest in investments authorized by applicable law,

''(III) to pay reasonable and necessary administration expenses in connection with the establishment and operation of the association and the processing of claims against the association, or

''(IV) to make remittances pursuant to State law to be used by the State to provide for the payment of claims on policies written by the association, purchase reinsurance covering losses under such policies, or to support governmental programs to prepare for or mitigate the effects of natural catastrophic events,

''(iii) the State law governing the association permits the association to levy assessments on insurance companies authorized to sell property and casualty insurance in the State, or on property and casualty insurance policyholders with insurable interests in property located in the State to fund deficits of the association, including the creation of reserves,

''(iv) the plan of operation of the association is subject to approval by the chief executive officer or other official of the State, by the State legislature, or both, and

''(v) the assets of the association revert upon dissolution to the State, the State's designee, or an entity designated by the State law governing the association, or State law does not permit the dissolution of the association.

''(B)(i) An entity described in clause (ii) shall be disregarded as a separate entity and treated as part of the association described in subparagraph (A) from which it receives remittances described in clause (ii) if an election is made within 30 days after the date that such association is determined to be exempt from tax.

''(ii) An entity is described in this clause if it is an entity or fund created before January 1, 1999, pursuant to State law and organized and operated exclusively to receive, hold, and invest remittances from an association described in subparagraph (A) and exempt from tax under subsection (a), to make disbursements to pay claims on insurance contracts issued by such association, and to make disbursements to support governmental programs to prepare for or mitigate the effects of natural catastrophic events.''.

(b) UNRELATED BUSINESS TAXABLE INCOME.—Subsection (a) of section 512 (relating to unrelated business taxable income) is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULE APPLICABLE TO ORGANIZATIONS DESCRIBED IN SECTION 501(C)(28).—In the case of an organization described in section 501(c)(28), the term 'unrelated business taxable income' means taxable income for a taxable year computed without the application of section 501(c)(28) if at the end of the immediately preceding taxable year the organization's net equity exceeded 15 percent of the total coverage in force under insurance contracts issued by the organization and outstanding at the end of such preceding year.''.

(c) TRANSITIONAL RULE.—No income or gain shall be recognized by an association as a result of a change in status to that of an association described by section 501(c)(28) of the Internal Revenue Code of 1986, as amended by subsection (a).

(d) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

TITLE III—TAX INCENTIVES FOR URBAN AND RURAL INFRASTRUCTURE

SEC. 301. INCREASE IN STATE CEILING ON PRIVATE ACTIVITY BONDS.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 146(d) (relating to State ceiling) are amended to read as follows:

''(1) IN GENERAL.—The State ceiling applicable to any State for any calendar year shall be the greater of—

''(A) an amount equal to $75 multiplied by the State population, or

''(B) $225,000.000.

''(2) COST-OF-LIVING ADJUSTMENT.—In the case of a calendar year after 2001, each of the dollar amounts contained in paragraph (1) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of $5 ($5,000 in the case of the dollar amount in paragraph (1)(B)), such increase shall be rounded to the nearest multiple thereof.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to calendar years after 2000.

SEC. 302. MODIFICATIONS TO EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) EXPENSING NOT LIMITED TO SITES IN TARGETED AREAS.—Subsection (c) of section 198 is amended to read as follows:

''(c) QUALIFIED CONTAMINATED SITE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified contaminated site' means any area—

''(A) which is held by the taxpayer for use in a trade or business or for the production of income, or which is property described in section 1221(a)(1) in the hands of the taxpayer, and

''(B) at or on which there has been a release (or threat of release) or disposal of any hazardous substance.

''(2) NATIONAL PRIORITIES LISTED SITES NOT INCLUDED.—Such term shall not include any site which is on, or proposed for, the national priorities list under section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as in effect on the date of the enactment of this section).

''(3) TAXPAYER MUST RECEIVE STATEMENT FROM STATE ENVIRONMENTAL AGENCY.—An area shall be treated as a qualified contaminated site with respect to expenditures paid or incurred during any taxable year only if the taxpayer receives a statement from the appropriate agency of the State in which such area is located that such area meets the requirement of paragraph (1)(B).

''(4) APPROPRIATE STATE AGENCY.—For purposes of paragraph (3), the chief executive officer of each State may, in consultation with the Administrator of the Environmental Protection Agency, designate the appropriate State environmental agency within 60 days of the date of the enactment of this section. If the chief executive officer of a State has not designated an appropriate environmental agency within such 60-day period, the appropriate environmental agency for such State shall be designated by the Administrator of the Environmental Protection Agency.''.

(b) EXTENSION OF TERMINATION DATE.—Subsection (h) of section 198 is amended by striking ''2001'' and inserting ''2003''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures paid or incurred after the date of the enactment of this Act.

SEC. 303. BROADBAND INTERNET ACCESS TAX CREDIT.

(a) IN GENERAL.—Subpart E of part IV of chapter 1 (relating to rules for computing investment credit) is amended by inserting after section 48 the following new section:

''SEC. 48A. BROADBAND CREDIT.

''(a) GENERAL RULE.—For purposes of section 46, the broadband credit for any taxable year is the sum of—

''(1) the current generation broadband credit, plus

''(2) the next generation broadband credit.

''(b) CURRENT GENERATION BROADBAND CREDIT; NEXT GENERATION BROADBAND CREDIT.—For purposes of this section—

''(1) CURRENT GENERATION BROADBAND CREDIT.—The current generation broadband credit for any taxable year is equal to 10 percent of the qualified expenditures incurred with respect to qualified equipment offering current generation broadband services to rural subscribers or underserved subscribers and taken into account with respect to such taxable year.

''(2) NEXT GENERATION BROADBAND CREDIT.—The next generation broadband credit for any taxable year is equal to 20 percent of the qualified expenditures incurred with respect to qualified equipment offering next generation broadband services to all rural subscribers, all underserved subscribers, or any other residential subscribers and taken into account with respect to such taxable year.

''(c) WHEN EXPENDITURES TAKEN INTO ACCOUNT.—For purposes of this section—

''(1) IN GENERAL.—Qualified expenditures with respect to qualified equipment shall be taken into account with respect to the first taxable year in which current generation broadband services or next generation broadband services are offered by the taxpayer through such equipment to subscribers.

''(2) OFFER OF SERVICES.—For purposes of paragraph (1), the offer of current generation broadband services or next generation broadband services through qualified equipment occurs when such class of service is purchased by and provided to at least 10 percent of the subscribers described in subsection (b) which such equipment is capable of serving through the legal or contractual area access rights or obligations of the taxpayer.

''(d) SPECIAL ALLOCATION RULES.—

''(1) CURRENT GENERATION BROADBAND SERVICES.—For purposes of determining the current generation broadband credit under subsection (a)(1), if the qualified equipment is capable of serving both the subscribers described under subsection (b)(1) and other subscribers, the qualified expenditures shall be multiplied by a fraction—

''(A) the numerator of which is the sum of the total potential subscriber populations within the rural areas and the underserved areas which the equipment is capable of serving, and

''(B) the denominator of which is the total potential subscriber population of the area which the equipment is capable of serving.

''(2) NEXT GENERATION BROADBAND SERVICES.—For purposes of determining the next generation broadband credit under subsection (a)(2), if the qualified equipment is capable of serving both the subscribers described under subsection (b)(2) and other subscribers, the qualified expenditures shall be multiplied by a fraction—

''(A) the numerator of which is the sum of—

''(i) the total potential subscriber populations within the rural areas and underserved areas, plus

''(ii) the total potential subscriber population of the area consisting only of residential subscribers not described in clause (i), which the equipment is capable of serving, and

''(B) the denominator of which is the total potential subscriber population of the area which the equipment is capable of serving.

''(e) DEFINITIONS.—For purposes of this section—

''(1) ANTENNA.—The term 'antenna' means any device used to transmit or receive signals through the electromagnetic spectrum, including satellite equipment.

''(2) CABLE OPERATOR.—The term 'cable operator' has the meaning given such term by section 602(5) of the Communications Act of 1934 (47 U.S.C. 522(5)).

''(3) COMMERCIAL MOBILE SERVICE CARRIER.—The term 'commercial mobile service carrier' means any person authorized to provide commercial mobile radio service as defined in section 20.3 of title 47, Code of Federal Regulations.

''(4) CURRENT GENERATION BROADBAND SERVICE.—The term 'current generation broadband service' means the transmission of signals at a rate of at least 1,500,000 bits per second to the subscriber and at least 200,000 bits per second from the subscriber.

''(5) NEXT GENERATION BROADBAND SERVICE.—The term 'next generation broadband service' means the transmission of signals at a rate of at least 22,000,000 bits per second to the subscriber and at least 10,000,000 bits per second from the subscriber.

''(6) NONRESIDENTIAL SUBSCRIBER.—The term 'nonresidential subscriber' means a person or entity who purchases broadband services which are delivered to the permanent place of business of such person or entity.

''(7) OPEN VIDEO SYSTEM OPERATOR.—The term 'open video system operator' means any person authorized to provide service under section 653 of the Communications Act of 1934 (47 U.S.C. 573).

''(8) OTHER WIRELESS CARRIER.—The term 'other wireless carrier' means any person (other than a telecommunications carrier, commercial mobile service carrier, cable operator, open video system operator, or satellite carrier) providing current generation broadband services or next generation broadband service to subscribers through the radio transmission of energy.

''(9) PACKET SWITCHING.—The term 'packet switching' means controlling or routing the path of a digitized transmission signal which is assembled into packets or cells.

''(10) QUALIFIED EQUIPMENT.—

''(A) IN GENERAL.—The term 'qualified equipment' means equipment capable of providing current generation broadband services or next generation broadband services at any time to each subscriber who is utilizing such services.

''(B) ONLY CERTAIN INVESTMENT TAKEN INTO ACCOUNT.—Except as provided in subparagraph (C), equipment shall be taken into account under subparagraph (A) only to the extent it—

''(i) extends from the last point of switching to the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a telecommunications carrier,

''(ii) extends from the customer side of the mobile telephone switching office to a transmission/receive antenna (including such antenna) owned or leased by a subscriber in the case of a commercial mobile service carrier,

''(iii) extends from the customer side of the headend to the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a cable operator or open video system operator, or

''(iv) extends from a transmission/receive antenna (including such antenna) which transmits and receives signals to or from multiple subscribers to a transmission/receive antenna (including such antenna) on the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a satellite carrier or other wireless carrier, unless such other wireless carrier is also a telecommunications carrier.

''(C) PACKET SWITCHING EQUIPMENT.—Packet switching equipment, regardless of location, shall be taken into account under subparagraph (A) only if it is deployed in connection with equipment described in subparagraph (B) and it is uniquely designed to perform the function of packet switching for current generation broadband services or next generation broadband services, but only if such packet switching is the last in a series of such functions performed in the transmission of a signal to a subscriber or the first in a series of such functions performed in the transmission of a signal from a subscriber.

''(11) QUALIFIED EXPENDITURE.—

''(A) IN GENERAL.—The term 'qualified expenditure' means any amount—

''(i) chargeable to capital account with respect to the purchase and installation of qualified equipment (including any upgrades thereto) for which depreciation is allowable under section 168, and

''(ii) incurred—

''(I) with respect to the provision of current generation broadband service, after December 31, 2000, and before January 1, 2004, and

''(II) with respect to the provision of next generation broadband service, after December 31, 2001, and before January 1, 2005.

''(B) CERTAIN SATELLITE EXPENDITURES EXCLUDED.—Such term shall not include any expenditure with respect to the launching of any satellite equipment.

''(12) RESIDENTIAL SUBSCRIBER.—The term 'residential subscriber' means an individual who purchases broadband services which are delivered to such individual's dwelling.

''(13) RURAL SUBSCRIBER.—

''(A) IN GENERAL.—The term 'rural subscriber' means a residential subscriber residing in a dwelling located in a rural area or nonresidential subscriber maintaining a permanent place of business located in a rural area.

''(B) RURAL AREA.—The term 'rural area' means any census tract which—

''(i) is not within 10 miles of any incorporated or census designated place containing more than 25,000 people, and

''(ii) is not within a county or county equivalent which has an overall population density of more than 500 people per square mile of land.

''(14) SATELLITE CARRIER.—The term 'satellite carrier' means any person using the facilities of a satellite or satellite service licensed by the Federal Communications Commission and operating in the Fixed-Satellite Service under part 25 of title 47 of the Code of Federal Regulations or the Direct Broadcast Satellite Service under part 100 of title 47 of such Code to establish and operate a channel of communications for point-to-multipoint distribution of signals, and owning or leasing a capacity or service on a satellite in order to provide such point-to-multipoint distribution.

''(15) SUBSCRIBER.—The term 'subscriber' means a person who purchases current generation broadband services or next generation broadband services.

''(16) TELECOMMUNICATIONS CARRIER.—The term 'telecommunications carrier' has the meaning given such term by section 3(44) of the Communications Act of 1934 (47 U.S.C. 153 (44)), but—

''(A) includes all members of an affiliated group of which a telecommunications carrier is a member, and

''(B) does not include a commercial mobile service carrier.

''(17) TOTAL POTENTIAL SUBSCRIBER POPULATION.—The term 'total potential subscriber population' means, with respect to any area and based on the most recent census data, the total number of potential residential subscribers residing in dwellings located in such area and potential nonresidential subscribers maintaining permanent places of business located in such area.

''(18) UNDERSERVED SUBSCRIBER.—

''(A) IN GENERAL.—The term 'underserved subscriber' means a residential subscriber residing in a dwelling located in an underserved area or nonresidential subscriber maintaining a permanent place of business located in an underserved area.

''(B) UNDERSERVED AREA.—The term 'underserved area' means any census tract—

''(i) the poverty level of which is at least 30 percent (based on the most recent census data),

''(ii) the median family income of which does not exceed—

''(I) in the case of a census tract located in a metropolitan statistical area, 70 percent of the greater of the metropolitan area median family income or the statewide median family income, and

''(II) in the case of a census tract located in a nonmetropolitan statistical area, 70 percent of the nonmetropolitan statewide median family income, or

''(iii) which is located in an empowerment zone or enterprise community designated under section 1391.

''(f) DESIGNATION OF CENSUS TRACTS.—The Secretary shall, not later than 90 days after the date of the enactment of this section, designate and publish those census tracts meeting the criteria described in paragraphs (13)(B) and (18)(B) of subsection (e), and such tracts shall remain so designated for the period ending with the applicable termination date described in subsection (e)(11)(A)(ii).''.

(b) CREDIT TO BE PART OF INVESTMENT CREDIT.—Section 46 (relating to the amount of investment credit) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding at the end the following new paragraph:

''(4) the broadband credit.''.

(c) SPECIAL RULE FOR MUTUAL OR COOPERATIVE TELEPHONE COMPANIES.—Section 501(c)(12)(B) (relating to list of exempt organizations) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'', and by adding at the end the following new clause:

''(v) from sources not described in subparagraph (A), but only to the extent such income does not in any year exceed an amount equal to the credit for qualified expenditures which would be determined under section 48A for such year if the mutual or cooperative telephone company was not exempt from taxation.''.

(d) CONFORMING AMENDMENT.—The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 48 the following new item:

''Sec. 48A. Broadband credit.''.

(e) REGULATORY MATTERS.—No Federal or State agency or instrumentality shall adopt regulations or ratemaking procedures that would have the effect of confiscating any credit or portion thereof allowed under section 48A of the Internal Revenue Code of 1986 (as added by this section) or otherwise subverting the purpose of this section.

(f) STUDY AND REPORT.—

(1) SENSE OF CONGRESS.—It is the sense of Congress that in order to maintain competitive neutrality, the credit allowed under section 48A of the Internal Revenue Code of 1986 (as added by this section) should be administered in such a manner so as to ensure that each class of provider receives the same level of financial incentive to deploy current generation broadband services and next generation broadband services.

(2) STUDY AND REPORT.—The Secretary of the Treasury shall, within 180 days after the

effective date of this section, study the impact of the credit allowed under section 48A of the Internal Revenue Code of 1986 (as added by this section) on the relative competitiveness of potential classes of providers of current generation broadband services and next generation broadband services, and shall report to Congress the findings of such study, together with any legislative or regulatory proposals determined to be necessary to ensure that the purposes of such credit can be furthered without impacting competitive neutrality among such classes of providers.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to expenditures incurred after December 31, 2000.

(2) SPECIAL RULE.—The amendments made by subsection (c) shall apply to amounts received after December 31, 2000.

SEC. 304. CREDIT TO HOLDERS OF QUALIFIED AMTRAK BONDS.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by adding at the end the following new subpart:

"Subpart H—Nonrefundable Credit for Holders of Qualified Amtrak Bonds

''Sec. 54. Credit to holders of qualified Amtrak bonds.

"SEC. 54. CREDIT TO HOLDERS OF QUALIFIED AMTRAK BONDS.

''(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a qualified Amtrak bond on a credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified Amtrak bond is 25 percent of the annual credit determined with respect to such bond.

''(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified Amtrak bond is the product of—

''(A) the applicable credit rate, multiplied by

''(B) the outstanding face amount of the bond.

''(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate with respect to an issue is the rate equal to an average market yield (as of the day before the date of issuance of the issue) on outstanding long-term corporate debt obligations (determined under regulations prescribed by the Secretary).

''(4) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed.

''(c) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under this part (other than this subpart and subpart C).

''(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

''(d) QUALIFIED AMTRAK BOND.—For purposes of this part—

''(1) IN GENERAL.—The term 'qualified Amtrak bond' means any bond issued as part of an issue if—

''(A) 95 percent or more of the proceeds of such issue are—

''(i) to be used for any qualified project, or

''(ii) to be pledged to secure payments and other obligations incurred by the National Railroad Passenger Corporation in connection with any qualified project,

''(B) the bond is issued by the National Railroad Passenger Corporation,

''(C) the issuer—

''(i) designates such bond for purposes of this section,

''(ii) certifies that it meets the State contribution requirement of paragraph (2) with respect to such project, and

''(iii) certifies that it has obtained the written approval of the Secretary of Transportation for such project,

''(D) the term of each bond which is part of such issue does not exceed 20 years, and

''(E) the payment of principal with respect to such bond is guaranteed by the National Railroad Passenger Corporation.

''(2) STATE CONTRIBUTION REQUIREMENT.—

''(A) IN GENERAL.—For purposes of paragraph (1)(C)(ii), the State contribution requirement of this paragraph is met with respect to any qualified project if the National Railroad Passenger Corporation has a written binding commitment from 1 or more States to make matching contributions not later than the date of issuance of the issue of not less than 20 percent of the cost of the qualified project.

''(B) USE OF STATE MATCHING CONTRIBUTIONS.—The matching contributions described in subparagraph (A) with respect to each qualified project shall be used—

''(i) in the case of an amount not to exceed 20 percent of the cost of such project, to redeem bonds which are a part of the issue with respect to such project, and

''(ii) in the case of any remaining amount, at the election of the National Railroad Passenger Corporation and the contributing State—

''(I) to fund the qualified project,

''(II) to redeem such bonds, or

''(III) for the purposes of subclauses (I) and (II).

''(C) STATE MATCHING CONTRIBUTIONS MAY NOT INCLUDE FEDERAL FUNDS.—For purposes of this paragraph, State matching contributions shall not be derived, directly or indirectly, from Federal funds, including any transfers from the Highway Trust Fund under section 9503.

''(D) NO STATE CONTRIBUTION REQUIREMENT FOR CERTAIN QUALIFIED PROJECT.—With respect to the qualified project described in subsection (e)(2)(B), the State contribution requirement of this paragraph is zero.

''(3) QUALIFIED PROJECT.—The term 'qualified project' means—

''(A) the acquisition, financing, or refinancing (as described in paragraph (1)(A)(ii)) of equipment, rolling stock, and other capital improvements for the northeast rail corridor between Washington, D.C. and Boston, Massachusetts (including the project described in subsection (e)(2)(B)),

''(B) the acquisition, financing, or refinancing (as so described) of equipment, rolling stock, and other capital improvements for the improvement of train speeds or safety (or both) on the high-speed rail corridors designated under section 104(d)(2) of title 23, United States Code, and

''(C) the acquisition, financing, or refinancing (as so described) of equipment, rolling stock, and other capital improvements for other intercity passenger rail corridors, including station rehabilitation or construction, track or signal improvements, or the elimination of grade crossings.

''(e) LIMITATIONS ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—There is a qualified Amtrak bond limitation for each fiscal year. Such limitation is—

''(A) $1,000,000,000 for each of the fiscal years 2001 through 2010, and

''(B) except as provided in paragraph (5), zero after fiscal year 2010.

''(2) BONDS FOR RAIL CORRIDORS.—

''(A) IN GENERAL.—Not more than $3,000,000,000 of the limitation under paragraph (1) may be designated for any 1 rail corridor described in subparagraph (A) or (B) of subsection (d)(3).

''(B) SPECIFIC QUALIFIED PROJECT ALLOCATION.—Of the amount described in subparagraph (A), the Secretary of Transportation shall allocate $92,000,000 for the acquisition and installation of platform facilities, performance of railroad force account work necessary to complete improvements below street grade, and any other necessary improvements related to construction at the railroad station at the James A. Farley Post Office Building in New York City, New York.

''(3) BONDS FOR OTHER PROJECTS.—Not more than 10 percent of the limitation under paragraph (1) for any fiscal year may be allocated to qualified projects described in subsection (d)(3)(C).

''(4) BONDS FOR ALASKA RAILROAD.—The Secretary of Transportation may allocate to the Alaska Railroad a portion of the qualified Amtrak limitation for any fiscal year in order to allow the Alaska Railroad to issue bonds which meet the requirements of this section for use in financing any project described in subsection (d)(3)(C). For purposes of this section, the Alaska Railroad shall be treated in the same manner as the National Passenger Railroad Corporation.

''(5) CARRYOVER OF UNUSED LIMITATION.—If for any fiscal year—

''(A) the limitation amount under paragraph (1), exceeds

''(B) the amount of bonds issued during such year which are designated under subsection (d)(1)(C)(i),

the limitation amount under paragraph (1) for the following fiscal year (through fiscal year 2014) shall be increased by the amount of such excess.

''(6) PREFERENCE FOR GREATER STATE PARTICIPATION.—In selecting qualified projects for allocation of the qualified Amtrak bond limitation under this subsection, the Secretary of Transportation shall give preference to any project with a State matching contribution rate exceeding 20 percent.

''(f) OTHER DEFINITIONS.—For purposes of this subpart—

''(1) BOND.—The term 'bond' includes any obligation.

''(2) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means—

''(A) March 15,

''(B) June 15,

''(C) September 15, and

''(D) December 15.

Such term includes the last day on which the bond is outstanding.

''(3) STATE.—The term 'State' includes the District of Columbia.

''(g) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this

section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

''(h) SPECIAL RULES RELATING TO ARBITRAGE.—

''(1) IN GENERAL.—A bond shall not be treated as failing to meet the requirements of subsection (d)(1) solely by reason of the fact that proceeds of the issue of which such bond is a part are invested for a temporary period (but not more than 36 months) until such proceeds are needed for the purpose for which such issue was issued.

''(2) REASONABLE EXPECTATION AND BINDING COMMITMENT REQUIREMENTS.—Paragraph (1) shall apply to an issue only if, as of the date of issuance, the issuer reasonably expects—

''(A) that at least 95 percent of the proceeds of the issue will be spent for 1 or more qualified projects within the 3-year period beginning on such date,

''(B) to incur a binding commitment with a third party to spend at least 10 percent of the proceeds of the issue, or to commence preliminary engineering or construction, with respect to such projects within the 6-month period beginning on such date, and

''(C) that the remaining proceeds of the issue will be spent with due diligence with respect to such projects.

''(3) EARNINGS ON PROCEEDS.—Any earnings on proceeds during the temporary period shall be treated as proceeds of the issue for purposes of applying subsection (d)(1) and paragraph (1) of this subsection.

''(i) USE OF TRUST ACCOUNT.—

''(1) IN GENERAL.—The amount of any matching contribution with respect to a qualified project described in subsection (d)(2)(B)(i) or (d)(2)(B)(ii)(II) and the temporary period investment earnings on proceeds of the issue with respect to such project described in subsection (h)(1), and any earnings thereon, shall be held in a trust account by a trustee independent of the National Railroad Passenger Corporation to be used to redeem bonds which are part of such issue.

''(2) USE OF REMAINING FUNDS IN TRUST ACCOUNT.—Upon the repayment of the principal of all qualified Amtrak bonds issued under this section, any remaining funds in the trust account described in paragraph (1) shall be available to the trustee described in paragraph (1) to meet any remaining obligations under any guaranteed investment contract used to secure earnings sufficient to repay the principal of such bonds.

''(j) OTHER SPECIAL RULES.—

''(1) PARTNERSHIP; S CORPORATION; AND OTHER PASS-THRU ENTITIES.—Under regulations prescribed by the Secretary, in the case of a partnership, trust, S corporation, or other pass-thru entity, rules similar to the rules of section 41(g) shall apply with respect to the credit allowable under subsection (a).

''(2) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any qualified Amtrak bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

''(3) CREDITS MAY BE STRIPPED.—Under regulations prescribed by the Secretary—

''(A) IN GENERAL.—There may be a separation (including at issuance) of the ownership of a qualified Amtrak bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

''(B) CERTAIN RULES TO APPLY.—In the case of a separation described in subparagraph (A), the rules of section 1286 shall apply to the qualified Amtrak bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

''(4) TREATMENT FOR ESTIMATED TAX PURPOSES.—Solely for purposes of sections 6654 and 6655, the credit allowed by this section to a taxpayer by reason of holding a qualified Amtrak bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.

''(5) CREDIT MAY BE TRANSFERRED.—Nothing in any law or rule of law shall be construed to limit the transferability of the credit allowed by this section through sale and repurchase agreements.

''(6) REPORTING.—Issuers of qualified Amtrak bonds shall submit reports similar to the reports required under section 149(e).''.

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(8) REPORTING OF CREDIT ON QUALIFIED AMTRAK BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54(g) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54(f)(2)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''.

(c) CLERICAL AMENDMENTS.—

(1) The table of subparts for part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Subpart H. Nonrefundable Credit for Holders of Qualified Amtrak Bonds.''.

(2) Section 6401(b)(1) is amended by striking ''and G'' and inserting ''G, and H''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after September 30, 2000.

(e) MULTI-YEAR CAPITAL SPENDING PLAN AND OVERSIGHT.—

(1) AMTRAK CAPITAL SPENDING PLAN.—

(A) IN GENERAL.—The National Railroad Passenger Corporation shall annually submit to the President and Congress a multi-year capital spending plan, as approved by the Board of Directors of the Corporation.

(B) CONTENTS OF PLAN.—Such plan shall identify the capital investment needs of the Corporation over a period of not less than 5 years and the funding sources available to finance such needs and shall prioritize such needs according to corporate goals and strategies.

(C) INITIAL SUBMISSION DATE.—The first plan shall be submitted before the issuance of any qualified Amtrak bonds pursuant to section 54 of the Internal Revenue Code of 1986 (as added by this section).

(2) OVERSIGHT OF AMTRAK TRUST ACCOUNT AND QUALIFIED PROJECTS.—

(A) TRUST ACCOUNT OVERSIGHT.—The Secretary of the Treasury shall annually report to Congress as to whether the amount deposited in the trust account established by the National Passenger Railroad Corporation under section 54(i) of such Code (as so added) is sufficient to fully repay at maturity the principal of any outstanding qualified Amtrak bonds issued pursuant to section 54 of such Code (as so added).

(B) PROJECT OVERSIGHT.—The National Railroad Passenger Corporation shall contract for an annual independent assessment of the costs and benefits of the qualified projects financed by such qualified Amtrak bonds, including an assessment of the investment evaluation process of the Corporation. The annual assessment shall be included in the plan submitted under paragraph (1).

(f) PROTECTION OF HIGHWAY TRUST FUND.—

(1) CERTIFICATION BY THE SECRETARY OF THE TREASURY.—The issuance of any qualified Amtrak bonds by the National Passenger Railroad Corporation pursuant to section 54 of the Internal Revenue Code of 1986 (as added by this section) is conditioned on certification by the Secretary of the Treasury, after consultation with the Secretary of Transportation, within 30 days of a request by the issuer, that with respect to funds of the Highway Trust Fund described under paragraph (2), the issuer either—

(A) has not received such funds during fiscal years commencing with fiscal year 2001 and ending before the fiscal year the bonds are issued, or

(B) has repaid to the Highway Trust Fund any such funds which were received during such fiscal years.

(2) APPLICABILITY.—This subsection shall apply to funds received directly or indirectly from the Highway Trust Fund established under section 9503 of the Internal Revenue Code of 1986, except for funds authorized to be expended under section 9503(c) of such Code, as in effect on the date of the enactment of this Act.

(3) NO RETROACTIVE EFFECT.—Nothing in this subsection shall adversely affect the entitlement of the holders of qualified Amtrak bonds to the tax credit allowed pursuant to section 54 of the Internal Revenue Code of 1986 (as so added) or to repayment of principal upon maturity.

SEC. 305. CLARIFICATION OF CONTRIBUTION IN AID OF CONSTRUCTION.

(a) IN GENERAL.—Subparagraph (A) of section 118(c)(3) (relating to definitions) is amended to read as follows:

''(A) CONTRIBUTION IN AID OF CONSTRUCTION.—The term 'contribution in aid of construction' shall be defined by regulations prescribed by the Secretary, except that such term—

''(i) shall include amounts paid as customer connection fees (including amounts paid to connect the customer's line to or extend a main water or sewer line), and

''(ii) shall not include amounts paid as service charges for starting or stopping services.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to amounts received after the date of the enactment of this Act.

SEC. 306. RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS.

(a) 15-YEAR RECOVERY PERIOD.—Subparagraph (E) of section 168(e)(3) (relating to 15-year property) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) any qualified leasehold improvement property.''.

(b) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—Subsection (e) of section 168 is amended by adding at the end the following new paragraph:

''(6) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—

''(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a

building which is nonresidential real property if—

''(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

''(I) by the lessee (or any sublessee) of such portion, or

''(II) by the lessor of such portion,

''(ii) the original use of such improvement begins with the lessee and after December 31, 2006,

''(iii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

''(iv) such improvement is placed in service more than 3 years after the date the building was first placed in service.

''(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

''(i) the enlargement of the building,

''(ii) any elevator or escalator,

''(iii) any structural component benefiting a common area, and

''(iv) the internal structural framework of the building.

''(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

''(i) COMMITMENT TO LEASE TREATED AS LEASE.—A commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively, if the lease is in effect at the time the property is placed in service.

''(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

''(I) members of an affiliated group (as defined in section 1504), and

''(II) persons having a relationship described in subsection (b) of section 267(b) or 707(b)(1); except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsections.''.

(c) REQUIREMENT TO USE STRAIGHT LINE METHOD.—Paragraph (3) of section 168(b) is amended by adding at the end the following new subparagraph:

''(G) Qualified leasehold improvement property described in subsection (e)(6).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified leasehold improvement property placed in service after December 31, 2006.

TITLE IV—TAX RELIEF FOR FARMERS

SEC. 401. FARM, FISHING, AND RANCH RISK MANAGEMENT ACCOUNTS.

(a) IN GENERAL.—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by inserting after section 468B the following new section:

''SEC. 468C. FARM, FISHING, AND RANCH RISK MANAGEMENT ACCOUNTS.

''(a) DEDUCTION ALLOWED.—In the case of an individual engaged in an eligible farming business or commercial fishing, there shall be allowed as a deduction for any taxable year the amount paid in cash by the taxpayer during the taxable year to a Farm, Fishing, and Ranch Risk Management Account (hereinafter referred to as the 'FFARRM Account').

''(b) LIMITATION.—

''(1) CONTRIBUTIONS.—The amount which a taxpayer may pay into the FFARRM Account for any taxable year shall not exceed 20 percent of so much of the taxable income of the taxpayer (determined without regard to this section) which is attributable (determined in the manner applicable under section 1301) to any eligible farming business or commercial fishing.

''(2) DISTRIBUTIONS.—Distributions from a FFARRM Account may not be used to purchase, lease, or finance any new fishing vessel, add capacity to any fishery, or otherwise contribute to the overcapitalization of any fishery. The Secretary of Commerce shall implement regulations to enforce this paragraph.

''(c) ELIGIBLE BUSINESSES.—For purposes of this section—

''(1) ELIGIBLE FARMING BUSINESS.—The term 'eligible farming business' means any farming business (as defined in section 263A(e)(4)) which is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

''(2) COMMERCIAL FISHING.—The term 'commercial fishing' has the meaning given such term by section (3) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802) but only if such fishing is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

''(d) FFARRM ACCOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'FFARRM Account' means a trust created or organized in the United States for the exclusive benefit of the taxpayer, but only if the written governing instrument creating the trust meets the following requirements:

''(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deduction under subsection (a) for such year.

''(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

''(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

''(D) All income of the trust is distributed currently to the grantor.

''(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

''(2) ACCOUNT TAXED AS GRANTOR TRUST.—The grantor of a FFARRM Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

''(e) INCLUSION OF AMOUNTS DISTRIBUTED.—

''(1) IN GENERAL.—Except as provided in paragraph (2), there shall be includible in the gross income of the taxpayer for any taxable year—

''(A) any amount distributed from a FFARRM Account of the taxpayer during such taxable year, and

''(B) any deemed distribution under—

''(i) subsection (f)(1) (relating to deposits not distributed within 5 years),

''(ii) subsection (f)(2) (relating to cessation in eligible farming business), and

''(iii) subparagraph (B) or (C) of subsection (f)(3) (relating to prohibited transactions and pledging account as security).

''(2) EXCEPTIONS.—Paragraph (1)(A) shall not apply to—

''(A) any distribution to the extent attributable to income of the Account, and

''(B) the distribution of any contribution paid during a taxable year to a FFARRM Account to the extent that such contribution exceeds the limitation applicable under subsection (b) if requirements similar to the requirements of section 408(d)(4) are met.

For purposes of subparagraph (A), distributions shall be treated as first attributable to income and then to other amounts.

''(f) SPECIAL RULES.—

''(1) TAX ON DEPOSITS IN ACCOUNT WHICH ARE NOT DISTRIBUTED WITHIN 5 YEARS.—

''(A) IN GENERAL.—If, at the close of any taxable year, there is a nonqualified balance in any FFARRM Account—

''(i) there shall be deemed distributed from such Account during such taxable year an amount equal to such balance, and

''(ii) the taxpayer's tax imposed by this chapter for such taxable year shall be increased by 10 percent of such deemed distribution.

The preceding sentence shall not apply if an amount equal to such nonqualified balance is distributed from such Account to the taxpayer before the due date (including extensions) for filing the return of tax imposed by this chapter for such year (or, if earlier, the date the taxpayer files such return for such year).

''(B) NONQUALIFIED BALANCE.—For purposes of subparagraph (A), the term 'nonqualified balance' means any balance in the Account on the last day of the taxable year which is attributable to amounts deposited in such Account before the 4th preceding taxable year.

''(C) ORDERING RULE.—For purposes of this paragraph, distributions from a FFARRM Account (other than distributions of current income) shall be treated as made from deposits in the order in which such deposits were made, beginning with the earliest deposits.

''(2) CESSATION IN ELIGIBLE BUSINESS.—At the close of the first disqualification period after a period for which the taxpayer was engaged in an eligible farming business or commercial fishing, there shall be deemed distributed from the FFARRM Account of the taxpayer an amount equal to the balance in such Account (if any) at the close of such disqualification period. For purposes of the preceding sentence, the term 'disqualification period' means any period of 2 consecutive taxable years for which the taxpayer is not engaged in an eligible farming business or commercial fishing.

''(3) CERTAIN RULES TO APPLY.—Rules similar to the following rules shall apply for purposes of this section:

''(A) Section 220(f)(8) (relating to treatment on death).

''(B) Section 408(e)(2) (relating to loss of exemption of account where individual engages in prohibited transaction).

''(C) Section 408(e)(4) (relating to effect of pledging account as security).

''(D) Section 408(g) (relating to community property laws).

''(E) Section 408(h) (relating to custodial accounts).

''(4) TIME WHEN PAYMENTS DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a FFARRM Account on the last day of a taxable year if such payment is made on account of such taxable year and is made on or before the due date (without regard to extensions) for filing the return of tax for such taxable year.

''(5) INDIVIDUAL.—For purposes of this section, the term 'individual' shall not include an estate or trust.

''(6) DEDUCTION NOT ALLOWED FOR SELF-EMPLOYMENT TAX.—The deduction allowable by reason of subsection (a) shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2.

''(g) REPORTS.—The trustee of a FFARRM Account shall make such reports regarding such Account to the Secretary and to the person for whose benefit the Account is maintained with respect to contributions, distributions, and such other matters as the

Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such persons at such time and in such manner as may be required by such regulations.''.

(b) TAX ON EXCESS CONTRIBUTIONS.—

(1) Subsection (a) of section 4973 (relating to tax on excess contributions to certain tax-favored accounts and annuities) is amended by striking ''or'' at the end of paragraph (3), by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following new paragraph:

''(4) a FFARRM Account (within the meaning of section 468C(d)), or''.

(2) Section 4973 is amended by adding at the end the following new subsection:

''(g) EXCESS CONTRIBUTIONS TO FFARRM ACCOUNTS.—For purposes of this section, in the case of a FFARRM Account (within the meaning of section 468C(d)), the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the Account exceeds the amount which may be contributed to the Account under section 468C(b) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the FFARRM Account in a distribution to which section 468C(e)(2)(B) applies shall be treated as an amount not contributed.''.

(3) The section heading for section 4973 is amended to read as follows:

''SEC. 4973. EXCESS CONTRIBUTIONS TO CERTAIN ACCOUNTS, ANNUITIES, ETC.''.

(4) The table of sections for chapter 43 is amended by striking the item relating to section 4973 and inserting the following new item:

''Sec. 4973. Excess contributions to certain accounts, annuities, etc.''.

(c) TAX ON PROHIBITED TRANSACTIONS.—

(1) Subsection (c) of section 4975 (relating to tax on prohibited transactions) is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR FFARRM ACCOUNTS.—A person for whose benefit a FFARRM Account (within the meaning of section 468C(d)) is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a FFARRM Account by reason of the application of section 468C(f)(3)(A) to such account.''.

(2) Paragraph (1) of section 4975(e) is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and by inserting after subparagraph (D) the following new subparagraph:

''(E) a FFARRM Account described in section 468C(d),''.

(d) FAILURE TO PROVIDE REPORTS ON FFARRM ACCOUNTS.—Paragraph (2) of section 6693(a) (relating to failure to provide reports on certain tax-favored accounts or annuities) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following new subparagraph:

''(C) section 468C(g) (relating to FFARRM Accounts),''.

(e) CLERICAL AMENDMENT.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by inserting after the item relating to section 468B the following new item:

''Sec. 468C. Farm, Fishing and Ranch Risk Management Accounts.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 402. WRITTEN AGREEMENT RELATING TO EXCLUSION OF CERTAIN FARM RENTAL INCOME FROM NET EARNINGS FROM SELF-EMPLOYMENT.

(a) INTERNAL REVENUE CODE.—Section 1402(a)(1)(A) (relating to net earnings from self-employment) is amended by striking ''an arrangement'' and inserting ''a lease agreement''.

(b) SOCIAL SECURITY ACT.—Section 211(a)(1)(A) of the Social Security Act is amended by striking ''an arrangement'' and inserting ''a lease agreement''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 403. TREATMENT OF CONSERVATION RESERVE PROGRAM PAYMENTS AS RENTALS FROM REAL ESTATE.

(a) IN GENERAL.—Section 1402(a)(1) (defining net earnings from self-employment) is amended by inserting ''and including payments under section 1233(2) of the Food Security Act of 1985 (16 U.S.C. 3833(2))'' after ''crop shares''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2000.

SEC. 404. EXEMPTION OF AGRICULTURAL BONDS FROM STATE VOLUME CAP.

(a) IN GENERAL.—Section 146(g) (relating to exception for certain bonds) is amended by striking ''and'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting '', and'', and by inserting after paragraph (4) the following new paragraph:

''(5) any qualified small issue bond described in section 144(a)(12)(B)(ii).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after December 31, 2000.

SEC. 405. MODIFICATIONS TO SECTION 512(b)(13).

(a) IN GENERAL.—Paragraph (13) of section 512(b) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting after subparagraph (D) the following new paragraph:

''(E) PARAGRAPH TO APPLY ONLY TO EXCESS PAYMENTS.—

''(i) IN GENERAL.—Subparagraph (A) shall apply only to the portion of a specified payment received by the controlling organization that exceeds the amount which would have been paid if such payment met the requirements prescribed under section 482.

''(ii) ADDITION TO TAX FOR VALUATION MISSTATEMENTS.—The tax imposed by this chapter on the controlling organization shall be increased by an amount equal to 20 percent of such excess.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall apply to payments received or accrued after December 31, 2000.

(2) PAYMENTS SUBJECT TO BINDING CONTRACT TRANSITION RULE.—If the amendments made by section 1041 of the Taxpayer Relief Act of 1997 did not apply to any amount received or accrued in the first 2 taxable years beginning on or after the date of the enactment of this Act under any contract described in subsection (b)(2) of such section, such amendments also shall not apply to amounts received or accrued under such contract before January 1, 2001.

SEC. 406. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Subsection (e) of section 170 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

''(7) SPECIAL RULE FOR CONTRIBUTIONS OF FOOD INVENTORY.—For purposes of this section—

''(A) CONTRIBUTIONS BY NON-CORPORATE TAXPAYERS.—In the case of a charitable contribution of food by a taxpayer in a farming business (as defined in section 263A(e)(4)), paragraph (3)(A) shall be applied without regard to whether or not the contribution is made by a corporation.

''(B) LIMIT ON REDUCTION.—In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3)(A), as modified by subparagraph (A) of this paragraph)—

''(i) paragraph (3)(B) shall not apply, and

''(ii) the reduction under paragraph (1)(A) for such contribution shall be no greater than the amount (if any) by which the amount of such contribution exceeds twice the basis of such food.

''(C) DETERMINATION OF BASIS.—For purposes of this paragraph, if a taxpayer uses the cash method of accounting, the basis of any qualified contribution of such taxpayer shall be deemed to be 50 percent of the fair market value of such contribution.

''(D) DETERMINATION OF FAIR MARKET VALUE.—In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraphs (A) and (B) of this paragraph) and which, solely by reason of internal standards of the taxpayer, lack of market, or similar circumstances, or which is produced by the taxpayer exclusively for the purposes of transferring the food to an organization described in paragraph (3)(A), cannot or will not be sold, the fair market value of such contribution shall be determined—

''(i) without regard to such internal standards, such lack of market, such circumstances, or such exclusive purpose, and

''(ii) if applicable, by taking into account the price at which the same or similar food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).

''(E) TERMINATION.—This paragraph shall not apply to any contribution made during any taxable year beginning after December 31, 2003.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. 407. INCOME AVERAGING FOR FARMERS AND FISHERMEN NOT TO INCREASE ALTERNATIVE MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Section 55(c) (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

''(2) COORDINATION WITH INCOME AVERAGING FOR FARMERS AND FISHERMEN.—Solely for purposes of this section, section 1301 (relating to averaging of farm and fishing income) shall not apply in computing the regular tax.''.

(b) ALLOWING INCOME AVERAGING FOR FISHERMEN.—

(1) IN GENERAL.—Section 1301(a) is amended by striking ''farming business'' and inserting ''farming business or fishing business''.

(2) DEFINITION OF ELECTED FARM INCOME.—

(A) IN GENERAL.—Clause (i) of section 1301(b)(1)(A) is amended by inserting ''or fishing business'' before the semicolon.

(B) CONFORMING AMENDMENT.—Subparagraph (B) of section 1301(b)(1) is amended by inserting ''or fishing business'' after ''farming business'' both places it occurs.

(3) DEFINITION OF FISHING BUSINESS.—Section 1301(b) is amended by adding at the end the following new paragraph:

''(4) FISHING BUSINESS.—The term 'fishing business' means the conduct of commercial fishing as defined in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 408. COOPERATIVE MARKETING INCLUDES VALUE-ADDED PROCESSING THROUGH ANIMALS.

(a) IN GENERAL.—Section 1388 (relating to definitions and special rules) is amended by adding at the end the following new subsection:

''(k) COOPERATIVE MARKETING INCLUDES VALUE-ADDED PROCESSING THROUGH ANIMALS.—For purposes of section 521 and this subchapter, the term 'marketing the products of members or other producers' includes feeding the products of members or other producers to cattle, hogs, fish, chickens, or other animals and selling the resulting animals or animal products.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 409. DECLARATORY JUDGMENT RELIEF FOR SECTION 521 COOPERATIVES.

(a) IN GENERAL.—Section 7428(a)(1) (relating to declaratory judgments of tax exempt organizations) is amended by striking ''or'' at the end of subparagraph (B) and by adding at the end the following new subparagraph:

''(D) with respect to the initial qualification or continuing qualification of a cooperative as described in section 521(b) which is exempt from tax under section 521(a), or''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to pleadings filed after the date of the enactment of this Act but only with respect to determinations (or requests for determinations) made after January 1, 2000.

SEC. 410. SMALL ETHANOL PRODUCER CREDIT.

(a) ALLOCATION OF ALCOHOL FUELS CREDIT TO PATRONS OF A COOPERATIVE.—Section 40(g) (relating to alcohol used as fuel) is amended by adding at the end the following new paragraph:

''(6) ALLOCATION OF SMALL ETHANOL PRODUCER CREDIT TO PATRONS OF COOPERATIVE.—

''(A) ELECTION TO ALLOCATE.—

''(i) IN GENERAL.—In the case of a cooperative organization described in section 1381(a), any portion of the credit determined under subsection (a)(3) for the taxable year may, at the election of the organization, be apportioned pro rata among patrons of the organization on the basis of the quantity or value of business done with or for such patrons for the taxable year.

''(ii) FORM AND EFFECT OF ELECTION.—An election under clause (i) for any taxable year shall be made on a timely filed return for such year. Such election, once made, shall be irrevocable for such taxable year.

''(B) TREATMENT OF ORGANIZATIONS AND PATRONS.—The amount of the credit apportioned to patrons under subparagraph (A)—

''(i) shall not be included in the amount determined under subsection (a) with respect to the organization for the taxable year,

''(ii) shall be included in the amount determined under subsection (a) for the taxable year of each patron for which the patronage dividends for the taxable year described in subparagraph (A) are included in gross income, and

''(iii) shall be included in gross income of such patrons for the taxable year in the manner and to the extent provided in section 87.

''(C) SPECIAL RULES FOR DECREASE IN CREDITS FOR TAXABLE YEAR.—If the amount of the credit of a cooperative organization determined under subsection (a)(3) for a taxable year is less than the amount of such credit shown on the return of the cooperative organization for such year, an amount equal to the excess of—

''(i) such reduction, over

''(ii) the amount not apportioned to such patrons under subparagraph (A) for the taxable year,

shall be treated as an increase in tax imposed by this chapter on the organization. Such increase shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this subpart or subpart A, B, E, or G.''.

(b) IMPROVEMENTS TO SMALL ETHANOL PRODUCER CREDIT.—

(1) SMALL ETHANOL PRODUCER CREDIT NOT A PASSIVE ACTIVITY CREDIT.—Clause (i) of section 469(d)(2)(A) is amended by striking ''subpart D'' and inserting ''subpart D, other than section 40(a)(3),''.

(2) ALLOWING CREDIT AGAINST MINIMUM TAX.—

(A) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) SPECIAL RULES FOR SMALL ETHANOL PRODUCER CREDIT.—

''(A) IN GENERAL.—In the case of the small ethanol producer credit—

''(i) this section and section 39 shall be applied separately with respect to the credit, and

''(ii) in applying paragraph (1) to the credit—

''(I) subparagraphs (A) and (B) thereof shall not apply, and

''(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the small ethanol producer credit).

''(B) SMALL ETHANOL PRODUCER CREDIT.—For purposes of this subsection, the term 'small ethanol producer credit' means the credit allowable under subsection (a) by reason of section 40(a)(3).''.

(B) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by striking ''(other'' and all that follows through ''credit)'' and inserting ''(other than the empowerment zone employment credit or the small ethanol producer credit)''.

(3) SMALL ETHANOL PRODUCER CREDIT NOT ADDED BACK TO INCOME UNDER SECTION 87.—Section 87 (relating to income inclusion of alcohol fuel credit) is amended to read as follows:

''SEC. 87. ALCOHOL FUEL CREDIT.

''Gross income includes an amount equal to the sum of—

''(1) the amount of the alcohol mixture credit determined with respect to the taxpayer for the taxable year under section 40(a)(1), and

''(2) the alcohol credit determined with respect to the taxpayer for the taxable year under section 40(a)(2).''.

(c) CONFORMING AMENDMENT.—Section 1388 (relating to definitions and special rules for cooperative organizations), as amended by section 408, is amended by adding at the end the following new subsection:

''(l) CROSS REFERENCE.—For provisions relating to the apportionment of the alcohol fuels credit between cooperative organizations and their patrons, see section 40(g)(6).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 411. PAYMENT OF DIVIDENDS ON STOCK OF COOPERATIVES WITHOUT REDUCING PATRONAGE DIVIDENDS.

(a) IN GENERAL.—Subsection (a) of section 1388 (relating to patronage dividend defined) is amended by adding at the end the following new sentence: ''For purposes of paragraph (3), net earnings shall not be reduced by amounts paid during the year as dividends on capital stock or other proprietary capital interests of the organization to the extent that the articles of incorporation or bylaws of such organization or other contract with patrons provide that such dividends are in addition to amounts otherwise payable to patrons which are derived from business done with or for patrons during the taxable year.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions in taxable years beginning after the date of the enactment of this Act.

TITLE V—ENERGY PROVISIONS

SEC. 501. ELECTION TO EXPENSE GEOLOGICAL AND GEOPHYSICAL EXPENDITURES.

(a) IN GENERAL.—Section 263 (relating to capital expenditures) is amended by adding at the end the following new subsection:

''(j) GEOLOGICAL AND GEOPHYSICAL EXPENDITURES FOR DOMESTIC OIL AND GAS WELLS.—Notwithstanding subsection (a), a taxpayer may elect to treat geological and geophysical expenses incurred in connection with the exploration for, or development of, oil or gas within the United States (as defined in section 638) as expenses which are not chargeable to capital account. Any expenses so treated shall be allowed as a deduction in the taxable year in which paid or incurred.''.

(b) CONFORMING AMENDMENT.—Section 263A(c)(3) is amended by inserting ''263(j),'' after ''263(i),''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenses paid or incurred in taxable years beginning after December 31, 2001.

SEC. 502. ELECTION TO EXPENSE DELAY RENTAL PAYMENTS

(a) IN GENERAL.—Section 263 (relating to capital expenditures), as amended by section 501(a), is amended by adding at the end the following new subsection:

''(k) DELAY RENTAL PAYMENTS FOR DOMESTIC OIL AND GAS WELLS.—

''(1) IN GENERAL.—Notwithstanding subsection (a), a taxpayer may elect to treat delay rental payments incurred in connection with the development of oil or gas within the United States (as defined in section 638) as payments which are not chargeable to capital account. Any payments so treated shall be allowed as a deduction in the taxable year in which paid or incurred.

''(2) DELAY RENTAL PAYMENTS.—For purposes of paragraph (1), the term 'delay rental payment' means an amount paid for the privilege of deferring development of an oil or gas well.''.

(b) CONFORMING AMENDMENT.—Section 263A(c)(3), as amended by section 501(b), is amended by inserting ''263(k),'' after ''263(j),''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made or incurred in taxable years beginning after December 31, 2001.

SEC. 503. 5-YEAR NET OPERATING LOSS CARRYBACK FOR LOSSES ATTRIBUTABLE TO OPERATING MINERAL INTERESTS OF INDEPENDENT OIL AND GAS PRODUCERS.

(a) IN GENERAL.—Paragraph (1) of section 172(b) (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

''(H) LOSSES ON OPERATING MINERAL INTERESTS OF INDEPENDENT OIL AND GAS PRODUCERS.—In the case of a taxpayer—

''(i) which has an eligible oil and gas loss (as defined in subsection (j)) for a taxable year, and

''(ii) which is not an integrated oil company (as defined in section 291(b)(4)),

such eligible oil and gas loss shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.''.

(b) ELIGIBLE OIL AND GAS LOSS.—Section 172 is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) ELIGIBLE OIL AND GAS LOSS.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible oil and gas loss' means the lesser of—

''(A) the amount which would be the net operating loss for the taxable year if only income and deductions attributable to operating mineral interests (as defined in section 614(d)) in oil and gas wells are taken into account, or

''(B) the amount of the net operating loss for such taxable year.

''(2) COORDINATION WITH SUBSECTION (b)(2).—For purposes of applying subsection (b)(2), an eligible oil and gas loss for any taxable year shall be treated in a manner similar to the manner in which a specified liability loss is treated.

''(3) ELECTION.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to net operating losses for taxable years beginning after December 31, 2001.

SEC. 504. TEMPORARY SUSPENSION OF PERCENTAGE OF DEPLETION DEDUCTION LIMITATION BASED ON 65 PERCENT OF TAXABLE INCOME.

(a) IN GENERAL.—Section 613A(d)(1) (relating to limitation based on taxable income) is amended by adding at the end the following new sentence: ''This paragraph shall not apply for taxable years beginning after December 31, 2000, and before January 1, 2004.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 505. TAX CREDIT FOR MARGINAL DOMESTIC OIL AND NATURAL GAS WELL PRODUCTION.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business credits), as amended by section 131(a), is amended by adding at the end the following new section:

''SEC. 45E. CREDIT FOR PRODUCING OIL AND GAS FROM MARGINAL WELLS.

''(a) GENERAL RULE.—For purposes of section 38, the marginal well production credit for any taxable year is an amount equal to the product of—

''(1) the credit amount, and

''(2) the qualified crude oil production and the qualified natural gas production which is attributable to the taxpayer.

''(b) CREDIT AMOUNT.—For purposes of this section—

''(1) IN GENERAL.—The credit amount is—

''(A) $3 per barrel of qualified crude oil production, and

''(B) 50 cents per 1,000 cubic feet of qualified natural gas production.

''(2) REDUCTION AS OIL AND GAS PRICES INCREASE.—

''(A) IN GENERAL.—The $3 and 50 cents amounts under paragraph (1) shall each be reduced (but not below zero) by an amount which bears the same ratio to such amount (determined without regard to this paragraph) as—

''(i) the excess (if any) of the applicable reference price over $14 ($1.56 for qualified natural gas production), bears to

''(ii) $3 ($0.33 for qualified natural gas production).

The applicable reference price for a taxable year is the reference price for the calendar year preceding the calendar year in which the taxable year begins.

''(B) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2001, each of the dollar amounts contained in subparagraph (A) shall be increased to an amount equal to such dollar amount multiplied by the inflation adjustment factor for such calendar year (determined under section 43(b)(3)(B) by substituting '2000' for '1990').

''(C) REFERENCE PRICE.—For purposes of this paragraph, the term 'reference price' means, with respect to any calendar year—

''(i) in the case of qualified crude oil production, the reference price determined under section 29(d)(2)(C), and

''(ii) in the case of qualified natural gas production, the Secretary's estimate of the annual average wellhead price per 1,000 cubic feet for all domestic natural gas.

''(c) QUALIFIED CRUDE OIL AND NATURAL GAS PRODUCTION.—For purposes of this section—

''(1) IN GENERAL.—The terms 'qualified crude oil production' and 'qualified natural gas production' mean domestic crude oil or natural gas which is produced from a marginal well.

''(2) LIMITATION ON AMOUNT OF PRODUCTION WHICH MAY QUALIFY.—

''(A) IN GENERAL.—Crude oil or natural gas produced during any taxable year from any well shall not be treated as qualified crude oil production or qualified natural gas production to the extent production from the well during the taxable year exceeds 1,095 barrels or barrel equivalents.

''(B) PROPORTIONATE REDUCTIONS.—

''(i) SHORT TAXABLE YEARS.—In the case of a short taxable year, the limitations under this paragraph shall be proportionately reduced to reflect the ratio which the number of days in such taxable year bears to 365.

''(ii) WELLS NOT IN PRODUCTION ENTIRE YEAR.—In the case of a well which is not capable of production during each day of a taxable year, the limitations under this paragraph applicable to the well shall be proportionately reduced to reflect the ratio which the number of days of production bears to the total number of days in the taxable year.

''(3) DEFINITIONS.—

''(A) MARGINAL WELL.—The term 'marginal well' means a domestic well—

''(i) the production from which during the taxable year is treated as marginal production under section 613A(c)(6), or

''(ii) which, during the taxable year—

''(I) has average daily production of not more than 25 barrel equivalents, and

''(II) produces water at a rate not less than 95 percent of total well effluent.

''(B) CRUDE OIL, ETC.—The terms 'crude oil', 'natural gas', 'domestic', and 'barrel' have the meanings given such terms by section 613A(e).

''(C) BARREL EQUIVALENT.—The term 'barrel equivalent' means, with respect to natural gas, a conversion ratio of 6,000 cubic feet of natural gas to 1 barrel of crude oil.

''(d) OTHER RULES.—

''(1) PRODUCTION ATTRIBUTABLE TO THE TAXPAYER.—In the case of a marginal well in which there is more than one owner of operating interests in the well and the crude oil or natural gas production exceeds the limitation under subsection (c)(2), qualifying crude oil production or qualifying natural gas production attributable to the taxpayer shall be determined on the basis of the ratio which taxpayer's revenue interest in the production bears to the aggregate of the revenue interests of all operating interest owners in the production.

''(2) OPERATING INTEREST REQUIRED.—Any credit under this section may be claimed only on production which is attributable to the holder of an operating interest.

''(3) PRODUCTION FROM NONCONVENTIONAL SOURCES EXCLUDED.—In the case of production from a marginal well which is eligible for the credit allowed under section 29 for the taxable year, no credit shall be allowable under this section unless the taxpayer elects not to claim credit under section 29 with respect to the well.''.

(b) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b), as amended by section 131(b)(1), is amended by striking ''plus'' at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting'', plus'', and by adding at the end of the following new paragraph:

''(14) the marginal oil and gas well production credit determined under section 45E(a).''.

(c) CREDIT ALLOWED AGAINST REGULAR AND MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax), as amended by section 410(b)(2)(A), is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

''(4) SPECIAL RULES FOR MARGINAL OIL AND GAS WELL PRODUCTION CREDIT.—

''(A) IN GENERAL.—In the case of the marginal oil and gas well production credit—

''(i) this section and section 39 shall be applied separately with respect to the credit, and

''(ii) in applying paragraph (1) to the credit—

''(I) subparagraphs (A) and (B) thereof shall not apply, and

''(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the marginal oil and gas well production credit).

''(B) MARGINAL OIL AND GAS WELL PRODUCTION CREDIT.—For purposes of this subsection, the term 'marginal oil and gas well production credit' means the credit allowable under subsection (a) by reason of section 45E(a).''.

(2) CONFORMING AMENDMENTS.—

(A) Subclause (II) of section 38(c)(2)(A)(ii), as amended by section 410(b)(2)(B), is amended by striking ''or the small ethanol producer credit'' and inserting '', the small ethanol producer credit, or the marginal oil and gas well production credit''.

(B) Subclause (II) of section 38(c)(3)(A)(ii), as added by section 410(b)(2)(A), is amended by inserting ''or the marginal oil and gas well production credit'' after ''the small ethanol producer credit''.

(d) CARRYBACK.—Subsection (a) of section 39 (relating to carryback and carryforward of unused credits generally) is amended by adding at the end the following new paragraph—

''(3) 10-YEAR CARRYBACK FOR MARGINAL OIL AND GAS WELL PRODUCTION CREDIT.—In the case of the marginal oil and gas well production credit—

''(A) this section shall be applied separately from the business credit (other than the marginal oil and gas well production credit),

''(B) paragraph (1) shall be applied by substituting '10 taxable year' for '1 taxable year' in subparagraph (A) thereof, and

''(C) paragraph (2) shall be applied—

''(i) by substituting '31 taxable years' for '21 taxable years' in subparagraph (A) thereof, and

''(ii) by substituting '30 taxable years' for '20 taxable years' in subparagraph (B) thereof.''.

(e) COORDINATION WITH SECTION 29.—Section 29(a) is amended by striking ''There'' and inserting ''At the election of the taxpayer, there''.

(f) CLERICAL AMENDMENT—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 131(d), is amended by adding at the end the following item:

''Sec. 45E. Credit for producing oil and gas from marginal wells.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to production in taxable years beginning after December 31, 2000.

SEC. 506. NATURAL GAS GATHERING LINES TREATED AS 7-YEAR PROPERTY.

(a) IN GENERAL.—Subparagraph (C) of section 168(e)(3) (relating to classification of certain property) is amended by redesignating clause (ii) as clause (iii) and by inserting after clause (i) the following new clause:

''(ii) any natural gas gathering line, and''.

(b) NATURAL GAS GATHERING LINE.—Subsection (i) of section 168 is amended by adding at the end the following new paragraph:

''(15) NATURAL GAS GATHERING LINE.—The term 'natural gas gathering line' means—

''(A) the pipe, equipment, and appurtenances determined to be a gathering line by the Federal Energy Regulatory Commission, or

''(B) the pipe, equipment, and appurtenances used to deliver natural gas from the wellhead or a common point to the point at which such gas first reaches—

''(i) a gas processing plant,

''(ii) an interconnection with a transmission pipeline certificated by the Federal Energy Regulatory Commission as an interstate transmission pipeline,

''(iii) an interconnection with an intrastate transmission pipeline, or

''(iv) a direct interconnection with a local distribution company, a gas storage facility, or an industrial consumer.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service on or after the date of the enactment of this Act.

SEC. 507. CLARIFICATION OF TREATMENT OF PIPELINE TRANSPORTATION INCOME.

(a) IN GENERAL.—Section 954(g)(1) (defining foreign base company oil related income) is amended by striking ''or'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', or'', and by inserting after subparagraph (B) the following new subparagraph:

''(C) the pipeline transportation of oil or gas within such foreign country.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of controlled foreign corporations beginning after December 31, 2001, and taxable years of United States shareholders with or within which such taxable years of controlled foreign corporations end.

TITLE VI—CONSERVATION PROVISIONS

SEC. 601. EXCLUSION OF 50 PERCENT OF GAIN ON SALES OF LAND OR INTERESTS IN LAND OR WATER TO ELIGIBLE ENTITIES FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by inserting after section 121 the following new section:

''SEC. 121A. 50-PERCENT EXCLUSION OF GAIN ON SALES OF LAND OR INTERESTS IN LAND OR WATER TO ELIGIBLE ENTITIES FOR CONSERVATION PURPOSES.

''(a) EXCLUSION.—Gross income shall not include 50 percent of any gain from the sale of land or an interest in land or water (determined without regard to any improvements) to an eligible entity if—

''(1) such land or interest in land or water was owned by the taxpayer or a member of the taxpayer's family (as defined in section 2032A(e)(2)) at all times during the 3-year period ending on the date of the sale, and

''(2) such land or interest in land or water is being acquired by an eligible entity which provides the taxpayer, at the time of acquisition, a written letter of intent which shall include the following statement: 'The purchaser's intent is that this acquisition will serve 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A).'

''(b) ELIGIBLE ENTITY.—For purposes of this section, the term 'eligible entity' means—

''(1) any agency of the United States or of any State or local government, or

''(2) any other organization that—

''(A) is organized and at all times operated principally for 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A), and

''(B) is described in section 170(h)(3).

''(c) STOCK IN HOLDING CORPORATIONS.—For purposes of this section, the term 'land or an interest in land or water' shall include stock in any corporation, if the fair market value of the corporation's land or interests in land or water equals or exceeds 90 percent of the fair market value of all of such corporation's assets at all times during the 3-year period ending on the date of the sale.''.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 121 the following new item:

''Sec. 121A. 50-percent exclusion of gain on sales of land or interests in land or water to eligible entities for conservation purposes.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales occurring on or after December 31, 2003.

SEC. 602. EXPANSION OF ESTATE TAX EXCLUSION FOR REAL PROPERTY SUBJECT TO QUALIFIED CONSERVATION EASEMENT.

(a) REPEAL OF CERTAIN RESTRICTIONS ON WHERE LAND IS LOCATED.—Clause (i) of section 2031(c)(8)(A) (defining land subject to a qualified conservation easement) is amended to read as follows:

''(i) which is located in the United States or any possession of the United States,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after December 31, 2001.

SEC. 603. TAX EXCLUSION FOR COST-SHARING PAYMENTS UNDER PARTNERS FOR WILDLIFE PROGRAM.

(a) IN GENERAL.—Section 126(a) (relating to certain cost-sharing payments) is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

''(10) The Partners for Fish and Wildlife Program authorized by the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to payments received after the date of the enactment of this Act.

SEC. 604. INCENTIVE FOR CERTAIN ENERGY EFFICIENT PROPERTY USED IN BUSINESS.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by adding at the end the following new section:

''SEC. 199. ENERGY PROPERTY DEDUCTION.

''(a) DEDUCTION ALLOWED.—

''(1) IN GENERAL.—There shall be allowed as a deduction for the taxable year an amount equal to the amount of energy efficient commercial building expenditures made by the taxpayer for the taxable year

''(2) MAXIMUM AMOUNT OF DEDUCTION.—The amount of energy efficient commercial building property expenditures taken into account under paragraph (1) shall not exceed an amount equal to the product of—

''(A) $2.25, and

''(B) the square footage of the building with respect to which the expenditures are made.

''(3) YEAR DEDUCTION ALLOWED.—The deduction under paragraph (1) shall be allowed in the taxable year in which the construction of the building is completed.

''(b) ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY EXPENDITURES.—For purposes of this section, the term 'energy efficient commercial building property expenditures' means an amount paid or incurred for energy efficient commercial building property installed on or in connection with new construction or reconstruction of property—

''(1) for which depreciation is allowable under section 167,

''(2) which is located in the United States, and

''(3) the construction or erection of which is completed by the taxpayer.

Such property includes all residential rental property, including low-rise multifamily structures and single family housing property which is not within the scope of Standard 90.1–1999 (as described in subsection (c)(1)). Such term includes expenditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of the property.

''(c) ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY.—For purposes of subsection (b)—

''(1) IN GENERAL.—The term 'energy efficient commercial building property' means any property which reduces total annual energy and power costs with respect to the lighting, heating, cooling, ventilation, and hot water supply systems of the building by 50 percent or more in comparison to a reference building which meets the requirements of Standard 90.1–1999 of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and the Illuminating Engineering Society of North America using methods of calculation under paragraph (2) and certified by qualified professionals as provided under subsection (f).

''(2) METHODS OF CALCULATION.—The Secretary, in consultation with the Secretary of Energy, shall promulgate regulations which describe in detail methods for calculating and verifying energy and power consumption and cost, taking into consideration the provisions of the 1998 California Nonresidential ACM Manual. These procedures shall meet the following requirements:

''(A) In calculating tradeoffs and energy performance, the regulations shall prescribe the costs per unit of energy and power, such as kilowatt hour, kilowatt, gallon of fuel oil, and cubic foot or Btu of natural gas, which may be dependent on time of usage.

''(B) The calculational methodology shall require that compliance be demonstrated for a whole building. If some systems of the building, such as lighting, are designed later than other systems of the building, the method shall provide that either—

''(i) the expenses taken into account under subsection (a) shall not occur until the date designs for all energy-using systems of the building are completed,

''(ii) the energy performance of all systems and components not yet designed shall be assumed to comply minimally with the requirements of such Standard 90.1–1999, or

''(iii) the expenses taken into account under subsection (a) shall be a fraction of such expenses based on the performance of less than all energy-using systems in accordance with subparagraph (C).

''(C) The expenditures in connection with the design of subsystems in the building, such as the envelope, the heating, ventilation, air conditioning and water heating system, and the lighting system shall be allocated to the appropriate building subsystem based on system-specific energy cost savings targets in regulations promulgated by the Secretary of Energy which are equivalent, using the calculation methodology, to the whole building requirement of 50 percent savings.

''(D) The calculational methods under this paragraph need not comply fully with section 11 of such Standard 90.1–1999.

''(E) The calculational methods shall be fuel neutral, such that the same energy efficiency features shall qualify a building for the deduction under this subsection regardless of whether the heating source is a gas or oil furnace or an electric heat pump.

''(F) The calculational methods shall provide appropriate calculated energy savings for design methods and technologies not otherwise credited in either such Standard 90.1–1999 or in the 1998 California Nonresidential ACM Manual, including the following:

''(i) Natural ventilation.

''(ii) Evaporative cooling.

''(iii) Automatic lighting controls such as occupancy sensors, photocells, and timeclocks.

''(iv) Daylighting.

''(v) Designs utilizing semi-conditioned spaces that maintain adequate comfort conditions without air conditioning or without heating.

''(vi) Improved fan system efficiency, including reductions in static pressure.

''(vii) Advanced unloading mechanisms for mechanical cooling, such as multiple or variable speed compressors.

''(viii) The calculational methods may take into account the extent of commissioning in the building, and allow the taxpayer to take into account measured performance that exceeds typical performance.

''(3) COMPUTER SOFTWARE.—

''(A) IN GENERAL.—Any calculation under this subsection shall be prepared by qualified computer software.

''(B) QUALIFIED COMPUTER SOFTWARE.—For purposes of this paragraph, the term 'qualified computer software' means software—

''(i) for which the software designer has certified that the software meets all procedures and detailed methods for calculating energy and power consumption and costs as required by the Secretary,

''(ii) which provides such forms as required to be filed by the Secretary in connection with energy efficiency of property and the deduction allowed under this section, and

''(iii) which provides a notice form which summarizes the energy efficiency features of the building and its projected annual energy costs.

''(d) ALLOCATION OF DEDUCTION FOR PUBLIC PROPERTY.—In the case of energy efficient commercial building property installed on or in public property, the Secretary shall promulgate regulations to allow the allocation of the deduction to the person primarily responsible for designing the property in lieu of the public entity which is the owner of such property. Such person shall be treated as the taxpayer for purposes of this section.

''(e) NOTICE TO OWNER.—The qualified individual shall provide an explanation to the owner of the building regarding the energy efficiency features of the building and its projected annual energy costs as provided in the notice under subsection (c)(3)(B)(iii).

''(f) CERTIFICATION.—

''(1) IN GENERAL.—Except as provided in this subsection, the Secretary, in consultation with the Secretary of Energy, shall establish requirements for certification and compliance procedures after examining the requirements for energy consultants and home energy ratings providers specified by the Mortgage Industry National Accreditation Procedures for Home Energy Rating Systems.

''(2) QUALIFIED INDIVIDUALS.—Individuals qualified to determine compliance shall be only those individuals who are recognized by an organization certified by the Secretary for such purposes.

''(3) PROFICIENCY OF QUALIFIED INDIVIDUALS.—The Secretary shall consult with nonprofit organizations and State agencies with expertise in energy efficiency calculations and inspections to develop proficiency tests and training programs to qualify individuals to determine compliance.

''(g) BASIS REDUCTION.—For purposes of this subtitle, if a deduction is allowed under this section with respect to any energy efficient commercial building property, the basis of such property shall be reduced by the amount of the deduction so allowed.

''(h) TERMINATION.—This section shall not apply with respect to any taxable year beginning after December 31, 2003.''.

(b) CONFORMING AMENDMENT.—Section 1016(a), as amended by section 211(b), is amended by striking ''and'' at the end of paragraph (27), by striking the period at the end of paragraph (28) and inserting '', and'', and by inserting the following new paragraph:

''(29) for amounts allowed as a deduction under section 199(a).''.

(c) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end the following new item:

''Sec. 199. Energy property deduction.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 605. EXTENSION AND MODIFICATION OF TAX CREDIT FOR ELECTRICITY PRODUCED FROM BIOMASS.

(a) EXTENSION AND MODIFICATION OF PLACED-IN-SERVICE RULES.—

(1) IN GENERAL.—Section 45(c)(3) is amended by adding at the end the following new subparagraphs:

''(D) BIOMASS FACILITY.—In the case of a facility using biomass (other than closed-loop biomass) to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service before January 1, 2002.

''(E) LANDFILL GAS FACILITY.—

''(i) IN GENERAL.—In the case of a facility using landfill gas to produce electricity, the term 'qualified facility' means any facility of the taxpayer which is originally placed in service after December 31, 1999, and before January 1, 2002.

''(ii) SPECIAL RULE.—In the case of a facility using landfill gas, such term shall include equipment and housing (not including wells and related systems required to collect and transmit gas to the production facility) required to generate electricity which are owned by the taxpayer and so placed in service.

''(F) SPECIAL RULE.—In the case of a qualified facility described in subparagraph (D) or (E), the period referred to in subsection (a)(2)(A)(ii) shall be applied by substituting '3-year' for '10-year' and shall be treated as beginning no earlier than January 1, 2001.''.

(2) CLOSED-LOOP BIOMASS FACILITY.—Section 45(c)(3)(B) (relating to closed-loop biomass facility) is amended by striking ''owned by the taxpayer'' and all that follows and inserting ''owned by the taxpayer which is—''

''(i) originally placed in service after December 31, 1992, and before January 1, 2002, or

''(ii) originally placed in service before December 31, 1992, and modified to use closed-loop biomass to co-fire with coal after such date and before January 1, 2002.''.

(b) EXPANSION OF QUALIFIED ENERGY RESOURCES.—

(1) IN GENERAL.—Section 45(c)(1) (defining qualified energy resources) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting a comma, and by adding at the end the following new subparagraphs:

''(D) biomass (other than closed-loop biomass), and

''(E) landfill gas.''.

(2) DEFINITIONS.—Section 45(c) is amended by adding at the end the following new paragraphs:

''(5) BIOMASS.—The term 'biomass' means any solid, nonhazardous, cellulosic waste material which is segregated from other waste materials and which is derived from—

''(A) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, but not including old-growth timber,

''(B) urban sources, including waste pallets, crates, and dunnage, manufacturing and construction wood wastes, and landscape or right-of-way tree trimmings, but not including unsegregated municipal solid waste (garbage), paper that is commonly recycled, or pressure treated, chemically treated, or lead painted wood wastes, or

''(C) agriculture sources, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues.

''(6) LANDFILL GAS.—The term 'landfill gas' means gas from the decomposition of any household solid waste, commercial solid waste, and industrial solid waste disposed of in a municipal solid waste landfill unit (as such terms are defined in regulations promulgated under subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.)).''.

(c) SPECIAL RULES.—Section 45(d) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

''(8) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section with respect to a facility for any taxable year if the credit under section 29 is allowed in such year or has been allowed in any preceding taxable year with respect to any fuel produced from such facility.''.

(d) CONFORMING AMENDMENT.—Section 29(d) (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

''(9) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section with respect to any fuel produced from a facility for any taxable year if the credit under section 45 is allowed in such year or has been allowed in any preceding taxable year with respect to such facility.''.

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

SEC. 606. TAX CREDIT FOR CERTAIN ENERGY EFFICIENT MOTOR VEHICLES.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1, as amended by section 160(a), is amended by adding at the end the following new section:

''SEC. 30C. CREDIT FOR HYBRID VEHICLES.

''(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credit amounts for each qualified hybrid vehicle placed in service during the taxable year.

''(b) CREDIT AMOUNT.—For purposes of this section—

''(1) IN GENERAL.—The credit amount for each qualified hybrid vehicle with a rechargeable energy storage system that provides the applicable percentage of the maximum available power shall be the amount specified in the following table:

"Applicable percentage	Credit amount
Not less than 5 percent but less than 10 percent	$500
Not less than 10 percent but less than 20 percent—	$1,000
Not less than 20 percent but less than 30 percent—	$1,500
Not less than 30 percent	$2,000.

''(2) INCREASE IN CREDIT AMOUNT FOR REGENERATIVE BRAKING SYSTEM.—In the case of a qualified hybrid vehicle that actively employs a regenerative braking system which supplies to the rechargeable energy storage system the applicable percentage of the energy available from braking in a typical 60 miles per hour to 0 miles per hour braking event, the credit amount determined under this section shall be increased by the amount specified in the following table:

"Applicable percentage	Credit amount
Not less than 20 percent but less than 40 percent	$250
Not less than 40 percent but less than 60 percent	$500
Not less than 60 percent	$1,000.

''(c) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED HYBRID VEHICLE.—The term 'qualified hybrid vehicle' means an automobile that meets all applicable regulatory requirements and that can draw propulsion energy from both of the following onboard sources of stored energy:

''(A) A consumable fuel.

''(B) A rechargeable energy storage system.

''(2) MAXIMUM AVAILABLE POWER.—The term 'maximum available power' means the maximum value of the sum of the heat engine and electric drive system power or other nonheat energy conversion devices available for a driver's command for maximum acceleration at vehicle speeds under 75 miles per hour.

''(3) AUTOMOBILE.—The term 'automobile' has the meaning given such term by section 4064(b)(1) (without regard to subparagraphs (B) and (C) thereof). A vehicle shall not fail to be treated as an automobile solely by reason of weight if such vehicle is rated at 8,500 pounds gross vehicle weight rating or less.

''(d) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for any taxable year shall not exceed the excess (if any) of—

''(1) the regular tax for the taxable year reduced by the sum of the credits allowable under subpart A and the preceding sections of this subpart, over

''(2) the tentative minimum tax for the taxable year.

''(e) SPECIAL RULES.—

''(1) BASIS REDUCTION.—The basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit (determined without regard to subsection (d)).

''(2) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.

''(3) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowed under this section with respect to—

''(A) any property for which a credit is allowed under section 30,

''(B) any property referred to in section 50(b), or

''(C) any property taken into account under section 179 or 179A.

''(4) ELECTION TO NOT TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects to not have this section apply to such vehicle.

''(f) REGULATIONS.—

''(1) TREASURY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.

''(2) ENVIRONMENTAL PROTECTION AGENCY.—The Administrator of the Environmental Protection Agency, in coordination with the Secretary of Transportation and consistent with the laws administered by such agency for automobiles, shall timely prescribe such regulations as may be necessary or appropriate solely for the purpose of specifying the testing and calculation procedures to determine whether a vehicle meets the qualifications for a credit under this section.

''(g) APPLICATION OF SECTION.—This section shall apply to any qualified hybrid vehicles placed in service after December 31, 2003, and before January 1, 2005.''

(b) CONFORMING AMENDMENTS.—

(1) Section 53(d)(1)(B)(iii) is amended by inserting ''or not allowed under section 30C solely by reason of the application of section 30C(d)(2)'' after ''section 30(b)(3)(B)''.

(2) Section 55(c)(2) is amended by inserting ''30C(d),'' after ''30(b)(3),''.

(3) Subsection (a) of section 1016, as amended by section 604(b), is amended by striking ''and'' at the end of paragraph (28), by striking the period at the end of paragraph (29) and inserting '', and'', and by adding at the end the following new paragraph:

''(30) to the extent provided in section 30C(e)(1).''.

(4) The table of sections for subpart B of part IV of subchapter A of chapter 1, as amended by section 160(b), is amended by adding at the end the following new item:

''Sec. 30C. Credit for hybrid vehicles.''.

TITLE VII—ADDITIONAL TAX PROVISIONS

SEC. 701. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Section 448(d)(5) (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'' in the heading.

(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. 702. REPEAL OF SECTION 530(d) OF THE REVENUE ACT OF 1978.

(a) IN GENERAL.—Section 530(d) of the Revenue Act of 1978 (as added by section 1706 of the Tax Reform Act of 1986) is repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to periods ending after the date of the enactment of this Act.

SEC. 703. EXPANSION OF EXEMPTION FROM PERSONAL HOLDING COMPANY TAX FOR LENDING OR FINANCE COMPANIES.

(a) IN GENERAL.—Paragraph (6) of section 542(c) (defining personal holding company) is amended—

(1) by striking ''rents,'' in subparagraph (B), and

(2) by adding ''and'' at the end of subparagraph (B),

(3) by striking subparagraph (C), and

(4) by redesignating subparagraph (D) as subparagraph (C).

(b) EXCEPTION FOR LENDING OR FINANCE COMPANIES DETERMINED ON AFFILIATED GROUP BASIS.—Subsection (d) of section 542 is amended by striking paragraphs (1) and (2) and inserting the following new paragraphs:

''(1) LENDING OR FINANCE BUSINESS DEFINED.— For purposes of subsection (c)(6), the term 'lending or finance business' means a business of—

''(A) making loans,

''(B) purchasing or discounting accounts receivable, notes, or installment obligations,

''(C) engaging in leasing (including entering into leases and purchasing, servicing, and disposing of leases and leased assets),

''(D) rendering services or making facilities available in the ordinary course of a lending or finance business,

''(E) rendering services or making facilities available in connection with activities described in subparagraphs (A), (B), and (C) carried on by the corporation rendering services or making facilities available, or

''(F) rendering services or making facilities available to another corporation which is engaged in the lending or finance business (within the meaning of this paragraph), if such services or facilities are related to the lending or finance business (within such meaning) of such other corporation and such other corporation and the corporation rendering services or making facilities available are members of the same affiliated group (as defined in section 1504).

''(2) EXCEPTION DETERMINED ON AN AFFILIATED GROUP BASIS.—In the case of a lending or finance company which is a member of an affiliated group (as defined in section 1504), such company shall be treated as meeting the requirements of subsection (c)(6) if such group (determined by taking into account only members of such group which are engaged in a lending or finance business) meets such requirements.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 704. CHARITABLE CONTRIBUTION DEDUCTION FOR CERTAIN EXPENSES INCURRED IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.

(a) IN GENERAL.—Section 170 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

''(m) EXPENSES PAID BY CERTAIN WHALING CAPTAINS IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.—

''(1) IN GENERAL.—In the case of an individual who is recognized by the Alaska Eskimo Whaling Commission as a whaling captain charged with the responsibility of maintaining and carrying out sanctioned whaling activities and who engages in such activities during the taxable year, the amount described in paragraph (2) (to the extent such amount does not exceed $7,500 for the taxable year) shall be treated for purposes of this section as a charitable contribution.

''(2) AMOUNT DESCRIBED.—

''(A) IN GENERAL.—The amount described in this paragraph is the aggregate of the reasonable and necessary whaling expenses paid by the taxpayer during the taxable year in carrying out sanctioned whaling activities.

''(B) WHALING EXPENSES.—For purposes of subparagraph (A), the term 'whaling expenses' includes expenses for—

''(i) the acquisition and maintenance of whaling boats, weapons, and gear used in sanctioned whaling activities,

''(ii) the supplying of food for the crew and other provisions for carrying out such activities, and

''(iii) storage and distribution of the catch from such activities.

''(3) SANCTIONED WHALING ACTIVITIES.—For purposes of this subsection, the term 'sanctioned whaling activities' means subsistence bowhead whale hunting activities conducted pursuant to the management plan of the Alaska Eskimo Whaling Commission.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years ending after December 31, 2000.

SEC. 705. IMPOSITION OF EXCISE TAX ON PERSONS WHO ACQUIRE STRUCTURED SETTLEMENT PAYMENTS IN FACTORING TRANSACTIONS.

(a) IN GENERAL.—Subtitle E is amended by adding at the end the following new chapter:

''CHAPTER 55—STRUCTURED SETTLEMENT FACTORING TRANSACTIONS

''Sec. 5891. Structured settlement factoring transactions.

''SEC. 5891. STRUCTURED SETTLEMENT FACTORING TRANSACTIONS.

''(a) IMPOSITION OF TAX.—There is hereby imposed on any person who acquires directly or indirectly structured settlement payment rights in a structured settlement factoring transaction a tax equal to 40 percent of the factoring discount as determined under subsection (c)(4) with respect to such factoring transaction.

''(b) EXCEPTION FOR CERTAIN APPROVED TRANSACTIONS.—

''(1) IN GENERAL.—The tax under subsection (a) shall not apply in the case of a structured settlement factoring transaction in which the transfer of structured settlement payment rights is approved in advance in a qualified order.

''(2) QUALIFIED ORDER.—For purposes of this section, the term 'qualified order' means a final order, judgment, or decree which—

''(A) finds that the transfer described in paragraph (1)—

''(i) does not contravene any Federal or State statute or the order of any court or responsible administrative authority, and

''(ii) is in the best interest of the payee, taking into account the welfare and support of the payee's dependents, and

''(B) is issued—

''(i) under the authority of an applicable State statute by an applicable State court, or

''(ii) by the responsible administrative authority (if any) which has exclusive jurisdiction over the underlying action or proceeding which was resolved by means of the structured settlement.

''(3) APPLICABLE STATE STATUTE.—For purposes of this section, the term 'applicable State statute' means a statute providing for the entry of an order, judgment, or decree described in paragraph (2)(A) which is enacted by—

''(A) the State in which the payee of the structured settlement is domiciled, or

''(B) if there is no statute described in subparagraph (A), the State in which either the party to the structured settlement (including an assignee under a qualified assignment under section 130) or the person issuing the funding asset for the structured settlement is domiciled or has its principal place of business.

''(4) APPLICABLE STATE COURT.—For purposes of this section—

''(A) IN GENERAL.—The term 'applicable State court' means, with respect to any applicable State statute, a court of the State which enacted such statute.

''(B) SPECIAL RULE.—In the case of an applicable State statute described in paragraph (3)(B), such term also includes a court of the State in which the payee of the structured settlement is domiciled.

''(5) QUALIFIED ORDER DISPOSITIVE.—A qualified order shall be treated as dispositive for purposes of the exception under this subsection.

''(c) DEFINITIONS.—For purposes of this section—

''(1) STRUCTURED SETTLEMENT.—The term 'structured settlement' means an arrangement—

''(A) which is established by—

''(i) suit or agreement for the periodic payment of damages excludable from the gross income of the recipient under section 104(a)(2), or

''(ii) agreement for the periodic payment of compensation under any workers' compensation act excludable from the gross income of the recipient under section 104(a)(1), and

''(B) under which the periodic payments are—

''(i) of the character described in subparagraphs (A) and (B) of section 130(c)(2), and

''(ii) payable by a person who is a party to the suit or agreement or to the workers' compensation claim or by a person who has assumed the liability for such periodic payments under a qualified assignment in accordance with section 130.

''(2) STRUCTURED SETTLEMENT PAYMENT RIGHTS.—The term 'structured settlement payment rights' means rights to receive payments under a structured settlement.

''(3) STRUCTURED SETTLEMENT FACTORING TRANSACTION.—

''(A) IN GENERAL.—The term 'structured settlement factoring transaction' means a transfer of structured settlement payment rights (including portions of structured settlement payments) made for consideration by means of sale, assignment, pledge, or other form of encumbrance or alienation for consideration.

''(B) EXCEPTION.—Such term shall not include—

''(i) the creation or perfection of a security interest in structured settlement payment rights under a blanket security agreement entered into with an insured depository institution in the absence of any action to redirect the structured settlement payments to such institution (or agent or successor thereof) or otherwise to enforce such blanket security interest as against the structured settlement payment rights, or

''(ii) a subsequent transfer of structured settlement payment rights acquired in a structured settlement factoring transaction.

''(4) FACTORING DISCOUNT.—The term 'factoring discount' means an amount equal to the excess of—

''(A) the aggregate undiscounted amount of structured settlement payments being acquired in the structured settlement factoring transaction, over

''(B) the total amount actually paid by the acquirer to the person from whom such structured settlement payments are acquired.

''(5) RESPONSIBLE ADMINISTRATIVE AUTHORITY.—The term 'responsible administrative authority' means the administrative authority which had jurisdiction over the underlying action or proceeding which was resolved by means of the structured settlement.

''(6) STATE.—The term 'State' includes any possession of the United States.

''(d) COORDINATION WITH OTHER PROVISIONS.—

''(1) IN GENERAL.—If the applicable requirements of sections 72, 104(a) (1) and (2), 130, and 461(h) were satisfied at the time the structured settlement was entered into, the subsequent occurrence of a structured settlement factoring transaction shall not affect the application of the provisions of such sections to the parties to the structured settlement (including an assignee under a qualified assignment under section 130) in any taxable year.

''(2) NO WITHHOLDING OF TAX.—The provisions of section 3405 regarding withholding of tax shall not apply to the person making the payments in the event of a structured settlement factoring transaction.''.

(b) CLERICAL AMENDMENTS.—The table of chapters for subtitle E is amended by adding at the end the following new item:

''CHAPTER 55. Structured settlement factoring transactions.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than the provisions of section 5891(d) of the Internal Revenue Code of 1986, as added by this section) shall apply to structured settlement factoring transactions (as defined in section 5891(c) of such Code as adopted by this section) entered into on or after the 30th day following the date of the enactment of this Act.

(2) CLARIFICATION OF EXISTING LAW.—Section 5891(d) of such Code (as so added) shall apply to transactions entered into before, on, or after such 30th day.

(3) TRANSITION RULE.—In the case of a structured settlement factoring transaction entered into during the period beginning on the 30th day following the date of the enactment of this Act and ending on July 1, 2002, no tax shall be imposed under section 5891(a) of such Code if—

(A) the structured settlement payee is domiciled in a State (or possession of the United States) which has not enacted a statute providing that the structured settlement factoring transaction is ineffective unless the transaction has been approved by an order, judgment, or decree of a court (or where applicable, a responsible administrative authority) which finds that such transaction—

(i) does not contravene any Federal or State statute or the order of any court (or responsible administrative authority), and

(ii) is in the best interest of the structured settlement payee or is appropriate in light of a hardship faced by the payee, and

(B) the person acquiring the structured settlement payment rights discloses to the structured settlement payee in advance of the structured settlement factoring transaction the amounts and due dates of the payments to be transferred, the aggregate amount to be transferred, the consideration to be received by the structured settlement payee for the transferred payments, the discounted present value of the transferred payments including the present value as determined in the manner described in section 7520 of such Code, and the expenses required under the terms of the structured settlement factoring transaction to be paid by the structured settlement payee or deducted from the proceeds of such transaction.

TECHNICAL EXPLANATION OF S. 3152, THE ''COMMUNITY RENEWAL AND NEW MARKETS ACT OF 2000''

INTRODUCTION

This document prepared by the staff of the Joint Committee on Taxation provides a technical explanation of S. 3152, the ''Community Renewal and New Markets Act of 2000.'' The Community Renewal and New Markets Act of 2000 provides various tax incentives for distressed communities, affordable housing, urban and rural infrastructure, the production of energy, conservation, tax

relief for farmers, and several additional tax provisions.

I. INCENTIVES FOR DISTRESSED AREAS

A. Tax Incentives for Renewal Zones and Empowerment Zones (Secs. 101 and 111–115 of the Bill and Secs. 1391, 1394, 1396, 1397A–D, and New Sec. 1400E of the Code)

PRESENT LAW

In recent years, provisions have been added to the Internal Revenue Code that target specific geographic areas for special Federal income tax treatment. As described in greater detail below, empowerment zones and enterprise communities generally provide tax incentives for businesses that locate within certain geographic areas designated by the Secretaries of Housing and Urban Development (''HUD'') and Agriculture.

Round I empowerment zones

The Omnibus Budget Reconciliation Act of 1993 (''OBRA 1993'') authorized the designation of nine empowerment zones (''Round I empowerment zones'') to provide tax incentives for businesses to locate within targeted areas designated by the Secretaries of HUD and Agriculture. The Taxpayer Relief Act of 1997 (''1997 Act'') authorized the designation of two additional Round I urban empowerment zones.

Businesses in the 11 Round I empowerment zones qualify for the following tax incentives: (1) a 20-percent wage credit for the first $15,000 of wages paid to a zone resident who works in the empowerment zone, (2) an additional $20,000 of section 179 expensing for qualifying zone property, and (3) tax-exempt financing for certain qualifying zone facilities. The tax incentives with respect to the empowerment zones designated by OBRA 1993 generally are available during the 10-year period of 1995 through 2004. The tax incentives with respect to the two additional Round I empowerment zones generally are available during the 10-year period of 2000 through 2009.

Round II empowerment zones

The 1997 Act also authorized the designation of 20 additional empowerment zones (''Round II empowerment zones''), of which 15 are located in urban areas and five are located in rural areas. Businesses in the Round II empowerment zones are not eligible for the wage credit, but are eligible to receive up to $20,000 of additional section 179 expensing. Businesses in the Round II empowerment zones also are eligible for more generous tax-exempt financing benefits than those available in the Round I empowerment zones. Specifically, the tax-exempt financing benefits for the Round II empowerment zones are not subject to the State private activity bond volume caps (but are subject to separate per-zone volume limitations), and the per-business size limitations that apply to the Round I empowerment zones and enterprise communities (i.e., $3 million for each qualified enterprise zone business with a maximum of $20 million for each principal user for all zones and communities) do not apply to qualifying bonds issued for Round II empowerment zones. The tax incentives with respect to the Round II empowerment zones generally are available during the 10-year period of 1999 through 2008.

EXPLANATION OF PROVISION

Overview

As described in detail below, the provision conforms the wage credit and tax-exempt bond incentives for the Round I and Round II empowerment zones and extends their designations through December 31, 2009. The provision also increases the incentives to existing empowerment zones by (1) increasing the additional section 179 deduction to $35,000, and (2) providing a zero-percent capital gain rate for qualifying assets held for more than five years.

In addition, the provision authorizes the Secretaries of HUD and Agriculture to designate 30 new ''renewal zones'' that have the same tax incentives as empowerment zones. The designations of the new renewal zones will take effect on January 1, 2002, and terminate on December 31, 2009.

Thus, once the 30 new renewal zones have been designated there will exist a total of 61 zones providing similar tax incentives for distressed areas, all of whose designations will terminate on December 31, 2009. The renewal zones are treated as empowerment zones for all purposes of the Code. After taking into account existing empowerment zones (and the designation of the new renewal zones), each State shall have at least one zone.

Existing zones

Conforming and enhancing incentives for Round I and Round II empowerment zones.—The provision extends the designation of empowerment zone status for Round I and II empowerment zones through December 31, 2009. In addition, a 15-percent wage credit is made available in all Round I and II empowerment zones, effective in 2002 (except in the case of the two additional Round I empowerment zones, for which the 15-percent wage credit takes effect in 2005 as scheduled under present law). For all the empowerment zones, the 15-percent wage credit expires on December 31, 2009.

In addition, $35,000 (rather than $20,000) of additional section 179 expensing is available for qualified zone property placed in service in taxable years beginning after December 31, 2001, by a qualified business in any of the empowerment zones.

Businesses located in Round I empowerment zones are eligible for the more generous tax-exempt bond rules that apply under present law to businesses in the Round II empowerment zones (sec. 1394(f)). The proposal applies to tax-exempt bonds issued after December 31, 2001. Bonds that have been issued by businesses in Round I zones before January 1, 2002, are not taken into account in applying the limitations on the amount of new empowerment zone facility bonds that can be issued under the provision.

Businesses located in any empowerment zone also qualify for a zero-percent capital gains rate for gain from the sale of a qualifying zone assets acquired after date of enactment and before January 1, 2010, and held for more than five years. Assets that would qualify for this incentive would be similar to the types of assets that qualify for the present-law zero percent capital gains rate for qualifying D.C. Zone assets. The zero-percent capital gains rate is limited to an aggregate amount not to exceed $25 million of gain per taxpayer. Gain attributable to the period before the date of enactment or after December 31, 2014, is not eligible for the zero-percent rate.

Renewal zones

Designation of 30 renewal zones.—The Secretaries of HUD and Agriculture are authorized to designate up to 30 renewal zones from areas nominated by States and local governments. At least six of the designated renewal zones must be in rural areas. The Secretary of HUD is required to publish (within four months after enactment) regulations describing the nomination and selection process. Designations of renewal zones must be made before January 1, 2002, and the designations are effective for the period beginning on January 1, 2002 through December 31, 2009.

Eligibility criteria.—To be designated as a renewal zone, a nominated area must meet the following criteria: (1) each census tract must have a poverty rate of at least 20 percent; (2) in the case of an urban area, at least 70 percent of the households have incomes below 80 percent of the median income of households within the local government jurisdiction; (3) the unemployment rate is at least 1.5 times the national unemployment rate; and (4) the area is one of pervasive poverty, unemployment, and general distress. In general, the areas with the highest average ranking of eligibility factors (1), (2) and (3), above will be designated as renewal zones. States without any empowerment zone would be given priority in the designation process. Moreover, the designations of renewal zones must result in (after taking into account existing empowerment zones) each State having at least one zone designation (empowerment or renewal zone).

There are no geographic size limitations placed on renewal zones. Instead, the boundary of a renewal zone must be continuous. In addition, a renewal zone must have a minimum population of 4,000 if the area is located within a metropolitan statistical area (at least 1,000 in all other cases), and a maximum population of not more than 200,000. The population limitations do not apply to any renewal zone that is entirely within an Indian reservation.

Required State and local commitments.—In order for an area to be designated as a renewal zone, State and local governments are required to submit a written course of action in which the State and local governments promise to take at least four of the following governmental actions: (1) a reduction of tax rates or fees; (2) an increase in the level of efficiency of local services; (3) crime reduction strategies; (4) actions to remove or streamline governmental requirements; (5) involvement by private entities and community groups, such as to provide jobs and job training and financial assistance; and (6) the gift (or sale at below fair market value) of surplus realty by the State or local government to community organizations or private companies.

Enterprise community seeking designation as renewal zones.—An enterprise community can apply for designation as a renewal zone. In selecting a nominated area as a renewal zone, the Secretary shall take into account the status of a nominated area as an enterprise community. If a renewal zone designation is granted, then an area's designation as an enterprise community ceases as of the date the area's designation as a renewal zone takes effect.

Tax incentives for renewal zones.—Businesses in renewal zones will have the same tax incentives as businesses in existing empowerment zones (as modified by this provision), which will be available during the period beginning January 1, 2002 and ending December 31, 2009 (i.e., a zero percent capital gains rate for qualifying assets; a 15-percent wage credit for qualifying wages; $35,000 in additional 179 expensing for qualifying property; and the enhanced tax-exempt bond rules that currently apply to businesses in the Round II empowerment zones).

GAO report.—The General Accounting Office will audit and report to Congress every three years (beginning on January 31, 2004) on the renewal zone program and its effect on poverty, unemployment, and economic growth within the designated renewal zones.

EFFECTIVE DATE

The extension of the existing empowerment zone designations is effective after the date of enactment.

The additional section 179 expensing and the more generous tax-exempt bond rules for the existing empowerment zones is effective after December 31, 2001. The zero-percent capital gains rate applies to qualifying property purchased after the date of enactment

(after December 31, 2001 in the case of renewal zones).

The 15-percent wage credit generally is effective for qualifying wages paid after December 31, 2001. With respect to the two additional Round I empowerment zones, however, the wage credit is effective for qualifying wages paid after December 31, 2004.

The 30 new renewal zones must be designated by January 1, 2002, and the resulting tax benefits will be available for the period beginning January 1, 2002, and ending December 31, 2009.

B. FUNDING FOR ROUND II EMPOWERMENT ZONES (SEC. 116 OF THE BILL)

The provision provides a one-time grant in fiscal year 2001 of $5,000,000 for each of the 15 urban empowerment zones designated pursuant to the Taxpayer Relief Act of 1997, and $2,000,000 for each of the 5 rural empowerment zones designated pursuant to the Taxpayer Relief Act of 1997.

The provision also provides a one-time grant $250,000 for each of the remaining Round I enterprise communities (i.e., those that have not become empowerment zones).

C. EXTENSION AND EXPANSION OF DISTRICT OF COLUMBIA ENTERPRISE ZONE (''D.C. ZONE'')

1. Extension of D.C. Zone (Sec. 121 of the Bill and Secs. 1400 and 1400A of the Code)

PRESENT LAW

The 1997 Act designated certain economically depressed census tracts within the District of Columbia as the District of Columbia Enterprise Zone (the ''D.C. Zone''), within which businesses and individual residents are eligible for special tax incentives. The D.C. Zone designation remains in effect for the period from January 1, 1998, through December 31, 2002. In addition to the tax incentives available with respect to a Round I empowerment zone (including a wage credit), the D.C. Zone also has a zero-percent capital gains rate that applies to gain from the sale of certain qualified D.C. Zone assets acquired after December 31, 1997 and held for more than five years.

With respect to the tax-exempt financing incentives, the D.C. Zone generally is treated like a Round I empowerment zone; therefore, the issuance of such bonds is subject to the District of Columbia's annual private activity bond volume limitation. However, the aggregate face amount of all outstanding qualified enterprise zone facility bonds per qualified D.C. Zone business may not exceed $15 million (rather than $3 million, as is the case for Round I empowerment zones).

EXPLANATION OF PROVISION

The provision extends the D.C. Zone designation through December 31, 2006. The provision also conforms the D.C. zone wage credit to the wage credit for existing empowerment zones, so that a 15-percent wage credit applies with respect to qualifying wages beginning in 2003 (and ending on December 31, 2006).

EFFECTIVE DATE

The provision extending the designation is effective after the date of enactment. For the D.C. Enterprise Zone, the 15-percent wage credit is effective for qualifying wages paid after December 31, 2002.

2. Extension of Zero-Percent Capital Gains Rate for D.C. Zone Assets (Sec. 122 of the Bill and Sec. 1400B of the Code)

PRESENT LAW

Present law provides a zero-percent capital gains rate for capital gains from the sale of certain qualified D.C. Zone assets held for more than five years. In general, a ''D.C. Zone asset'' means stock or partnership interests held in, or tangible assets held by, a D.C. Zone business. A D.C. Zone business generally refers to certain enterprise zone businesses within the D.C. Zone. For purposes of the zero-percent capital gains rate, the D.C. Zone is defined to include all census tracts within the District of Columbia where the poverty rate is not less than 10 percent as determined on the basis of the 1990 Census (sec. 1400B(d)).

EXPLANATION OF PROVISION

The provision eliminates the 10-percent poverty rate limitation for purposes of the zero-percent capital gains rate. Thus, the zero-percent capital gains rate applies to capital gains from the sale of assets held more than five years attributable to certain qualifying businesses located in the District of Columbia.

EFFECTIVE DATE

The provision is effective for D.C. Zone business stock and partnership interests originally issued after, and D.C. Zone business property assets originally acquired by the taxpayer after, December 31, 2000.

3. Gross Income Test for D.C. Zone Businesses (Sec. 123 of the Bill and Sec. 1400B of the Code)

PRESENT LAW

A zero-percent capital gains rate applies to gain from the sale of certain qualified D.C. zone assets. In general, a D.C. Zone asset means stock or partnership interests held in, or tangible property held by, a D.C. Zone business. A D.C. Zone business generally refers to certain enterprise zone businesses within the D.C. Zone, except that 80 percent of the total gross income of the entity must be derived from the active conduct of the business (sec. 1400B(c)(2)).

EXPLANATION OF PROVISION

The provision reduces the level of gross income needed to qualify as a D.C. Zone business to 50 percent.

EFFECTIVE DATE

The provision is effective for D.C. Zone business stock and partnership interest originally issued after, and D.C. Zone business property originally acquired by the taxpayer after, December 31, 2000.

4. Expansion of District of Columbia Homebuyer Tax Credit (Sec. 124 of the Bill and Sec. 1400C of the Code)

PRESENT LAW

First-time homebuyers of a principal residence in the District of Columbia are eligible for a nonrefundable tax credit of up to $5,000 of the amount of the purchase price. The $5,000 maximum credit applies both to individuals and married couples. Married individuals filing separately can claim a maximum credit of $2,500 each. The credit phases out for individual taxpayers with adjusted gross income between $70,000 and $90,000 ($110,000-$130,000 for joint filers). For purposes of eligibility, ''first-time homebuyer'' means any individual if such individual did not have a present ownership interest in a principal residence in the District of Columbia in the one year period ending on the date of the purchase of the residence to which the credit applies. The credit is scheduled to expire for residences purchased after December 31, 2001.

EXPLANATION OF PROVISION

The provision extends the first-time homebuyer credit for two years, through December 31, 2003. The provision also extends the phase-out range for married individuals filing a joint return so that it is twice that of individuals. Thus, under the provision, the District of Columbia homebuyer credit is phased out for joint filers with adjusted gross income between $140,000 and $180,000.

EFFECTIVE DATE

The provision is effective for taxable years beginning after December 31, 2000.

D. NEW MARKETS TAX CREDIT (SECTION 131 OF THE BILL AND NEW SEC. 45D OF THE CODE)

PRESENT LAW

Some tax incentives are available to taxpayers making investments and loans in low-income communities. For example, tax incentives are available to taxpayers that invest in specialized small business investment companies licensed by the Small Business Administration to make loans to, or equity investments in, small businesses owned by persons who are socially or economically disadvantaged.

EXPLANATION OF PROVISION

The provision creates a new tax credit for qualified equity investments made to acquire stock in a selected community development entity (''CDE''). The maximum annual amount of qualifying equity investments is capped as follows:

Calendar year	Maximum qualifying equity investment
2002	$1.0 billion
2003–2006	1.5 billion per year

The amount of the new tax credit to the investor (either the original purchaser or a subsequent holder) is (1) a five-percent credit for the year in which the equity interest is purchased from the CDE and the first two anniversary dates after the interest is purchased from the CDE, and (2) a six-percent credit on each anniversary date thereafter for the following four years. The taxpayer's basis in the investment is reduced by the amount of the credit (other than for purposes of calculating the zero-percent capital gains rules and section 1202). The credit is subject to the general business credit rules.

A CDE is any domestic corporation or partnership (1) whose primary mission is serving or providing investment capital for low-income communities or low-income persons, (2) that maintains accountability to residents of low-income communities through the representation of the residents on governing or advisory boards of the CDE, and (3) is certified by the Treasury Department as an eligible CDE. No later than 120 days after enactment, the Treasury Department will issue guidance that specifies objective criteria to be used by the Treasury to allocate the credits among eligible CDEs. In allocating the credits, the Treasury Department will give priority to entities with records of having successfully provided capital or technical assistance to disadvantaged businesses or communities, as well as to entities that intend to invest substantially all of the proceeds they receive from their investors in businesses in which persons unrelated to the CDE hold the majority equity interest.

If a CDE fails to sell equity interests to investors up to the amount authorized within five years of the authorization, then the remaining authorization is canceled. The Treasury Department can authorize another CDE to issue equity interests for the unused portion. No authorization can be made after 2013.

A ''qualified equity investment'' is defined as stock or a similar equity interest acquired directly from a CDE in exchange for cash. Substantially all of the investment proceeds must be used by the CDE to make ''qualified low-income community investments.'' Qualified low-income community investments include: (1) capital or equity investments in, or loans to, qualified active businesses located in low-income communities, (2) certain financial counseling and other services specified in regulations to businesses and residents in low-income communities, (3) the purchase from another CDE of any loan made by such entity that is a qualified low

income community investment, or (4) an equity investment in, or loans to, another CDE. Treasury Department regulations will provide guidance with respect to the ''substantially all'' standard.

The stock or equity interest cannot be redeemed (or otherwise cashed out) by the CDE for at least seven years. If the entity ceases to be a qualified CDE during the seven-year period following the taxpayer's investment, or if the equity interest is redeemed by the issuing CDE during that seven-year period, then any credits claimed with respect to the equity interest are recaptured (with interest) and no further credits are allowed.

A ''low-income community'' is defined as census tracts with: (1) poverty rates of at least 20 percent (based on the most recent census data), or (2) median family income which does not exceed 80 percent of the greater of metropolitan area income or statewide median family income (for a non-metropolitan census tract, 80 percent of non-metropolitan statewide median family income). The Secretary also may designate any area within any census tract as a ''low income community'' provided that (1) the boundary of the area is continuous, (2) the area (if it were a census tract) would satisfy the poverty rate or median income requirements set forth above within the targeted area, and (3) an inadequate access to investment capital exists in the area.

A ''qualified active business'' is defined as a business which satisfies the following requirements: (1) at least 50 percent of the total gross income of the business is derived from the active conduct of trade or business activities in low-income communities; (2) a substantial portion of the use of the tangible property of such business is used within low-income communities; (3) a substantial portion of the services performed for such business by its employees is performed in low-income communities; and (4) less than 5 percent of the average aggregate of unadjusted bases of the property of such business is attributable to certain financial property or to collectibles (other than collectibles held for sale to customers). There is no requirement that employees of the business be residents of the low income community.

Rental of improved commercial real estate located in a low-income community is a qualified active business, regardless of the characteristics of the commercial tenants of the property. The purchase and holding of unimproved real estate is not a qualified active business. In addition, a qualified active business does not include (a) any business consisting predominantly of the development or holding of intangibles for sale or license; or (b) operation of any facility described in sec. 144(c)(6)(B). A qualified active business can include an organization that is organized on a non-profit basis.

The General Accounting Office will audit and report to Congress by January 31, 2004 (and again by January 31, 2007) on the new markets program, including on all qualified community development entities that receive an allocation under the new markets tax credit.

EFFECTIVE DATE

The provision is effective for qualified investments made after December 31, 2001.

E. MODIFICATION OF PUERTO RICO ECONOMIC ACTIVITY TAX CREDIT (SEC. 141 OF THE BILL AND SEC. 30A OF THE CODE)

PRESENT LAW

The Small Business Job Protection Act of 1996 generally repealed the Puerto Rico and possession tax credit. However, certain domestic corporations that had active business operations in Puerto Rico or another U.S. possession on October 13, 1995, may continue to claim credits under section 936 or section 30A for a 10-year transition period. Such credits apply to possession business income, which is derived from the active conduct of a trade or business within a U.S. possession or from the sale or exchange of substantially all of the assets that were used in such a trade or business. In contrast to the foreign tax credit, the Puerto Rico and possession tax credit is granted whether or not the corporation pays income tax to the possession.

One of two alternative limitations is applicable to the amount of the credit attributable to possession business income. Under the economic activity limit, the amount of the credit with respect to such income cannot exceed the sum of a portion of the taxpayer's wage and fringe benefit expenses and depreciation allowances (plus, in certain cases, possession income taxes); beginning in 2002, the income eligible for the credit computed under this limit generally is subject to a cap based on the corporation's pre-1996 possession business income adjusted for inflation. Under the alternative limit, the amount of the credit is limited to the applicable percentage (40 percent for 1998 and thereafter) of the credit that would otherwise be allowable with respect to possession business income; beginning in 1998, the income eligible for the credit computed under this limit generally is subject to a cap based on the corporation's pre-1996 possession business income. Special rules apply in computing the credit with respect to operations in Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. The credit expires for taxable years beginning after December 31, 2005.

EXPLANATION OF PROVISION

The bill modifies the credit computed under the economic activity limit with respect to operations in Puerto Rico only. First, the proposal expands the lines of business eligible under the credit to include new lines of business established in Puerto Rico after December 31, 2000, and before January 1, 2005 by existing credit claimants. These ''new opportunity credit'' claimants are eligible to claim credits in taxable years beginning before January 1, 2006. In addition, income eligible for the credit computed under the economic activity limitation is subject to the present-law income limitation. Also, these ''new opportunity credit'' claimants are required to calculate their credit in each taxable year, but claim that amount of credit over a five-year period (on a pro-rata basis) beginning the year in which the credit is earned.

In addition, for existing credit claimants, the present-law limitation on income eligible for the credit for any taxable year is increased by the ratio of the average number of full-time employees of the taxpayer during the taxable year to the average number of full-time employees of the taxpayer in 1995 and 1996.

EFFECTIVE DATE

The provision applies to taxable years beginning after December 31, 2000.

F. CREATION OF INDIVIDUAL DEVELOPMENT ACCOUNTS (SECS. 731–741 OF THE BILL AND NEW SEC. 530A OF THE CODE)

PRESENT LAW

There are no tax benefits to encourage financial institutions to match savings of low-income individuals.

EXPLANATION OF PROVISION

In general

The bill creates individual development accounts (''IDAs'') to which eligible individuals can contribute, annually, the lesser of: (1) $2,000; or (2) the individual's taxable compensation for the year. An eligible individual is an individual who is: (1) at least 18 years of age; (2) a citizen or legal resident of the United States; and (3) a member of a household with family gross income of 60 percent or less of national median gross income and a net worth of $10,000 or less.

Contributions to an IDA by eligible individuals

Only eligible individuals are allowed to contribute to an IDA. Contributions to IDAs by individuals are not deductible, and earnings on such contributions are includible in income.

Matching contributions

The bill provides a maximum annual tax credit of $270 (90 percent of $300) to a financial institution that makes matching contributions to the IDAs of individuals. This credit is available in each year that a matching contribution is made. An additional $100 tax credit would be allowed for each account opened. The credit is for the costs incurred to open and maintain the account, as well as to provide financial education. The credits could be claimed by the financial institution or its contractual affiliates. It is anticipated that a financial institution may collaborate with one or more contractual affiliates, nonprofits, or Indian tribes to carry out the IDA program. Contractual affiliates who provide matching funds should be eligible to receive the matching tax credit.

Matching contributions (and earnings thereon) are not includible in the gross income of the eligible individual.

If an individual withdraws his or her own IDA contributions (or earnings thereon) for a purpose other than a qualified purpose, then the matching contribution attributable to such individual contribution is forfeited. Matching contributions can be withdrawn only for the following qualified purposes: (1) certain educational expenses; (2) first-time homebuyer expenses; (3) business start-up or expansion purposes; and (4) qualified rollovers.

Effect on means-tested programs

Any amounts in the IDA are not to be taken into account for certain Federal means-tested programs.

EFFECTIVE DATE

The tax credit provision is effective for contributions to IDAs and matching contributions made with respect to such IDAs after December 31, 2001, and before January 1, 2006.

G. ADDITIONAL INCENTIVES

1. Exclusion of certain amounts received under the National Health Service Corps Scholarship Program and the F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program (sec. 171 of the bill and sec. 117 of the Code)

PRESENT LAW

The National Health Service Corps Scholarship Program (the ''NHSC Scholarship Program'') and the F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program (the ''Armed Forces Scholarship Program'') provide education awards to participants on condition that the participants provide certain services. In the case of the NHSC Scholarship Program, the recipient of the scholarship is obligated to provide medical services in a geographic area (or to an underserved population group or designated facility) identified by the Public Health Service as having a shortage of health-care professionals. In the case of the Armed Forces Scholarship Program, the recipient of the scholarship is obligated to serve a certain number of years in the military at an armed forces medical facility. Because the recipients are required to perform services in exchange for the education awards, the awards used to pay higher

education expenses are taxable income to the recipient.

Section 117 excludes from gross income amounts received as a qualified scholarship by an individual who is a candidate for a degree and used for tuition and fees required for the enrollment or attendance (or for fees, books, supplies, and equipment required for courses of instruction) at a primary, secondary, or post-secondary educational institution. The tax-free treatment provided by section 117 does not extend to scholarship amounts covering regular living expenses, such as room and board. In addition to the exclusion for qualified scholarships, section 117 provides an exclusion from gross income for qualified tuition reductions for certain education provided to employees (and their spouses and dependents) of certain educational organizations.

Section 117(c) specifically provides that the exclusion for qualified scholarships and qualified tuition reductions does not apply to any amount received by a student that represents payment for teaching, research, or other services by the student required as a condition for receiving the scholarship or tuition reduction.

Section 134 provides that any ''qualified military benefit,'' which includes any allowance, is excluded from gross income if received by a member or former member of the uniformed services if such benefit was excludable from gross income on September 9, 1986.

EXPLANATION OF PROVISION

The provision provides that amounts received by an individual under the NHSC Scholarship Program or the Armed Forces Scholarship Program are eligible for tax-free treatment as qualified scholarships under section 117, without regard to any service obligation by the recipient.

EFFECTIVE DATE

The provision is effective for education awards received after December 31, 1993.

2. Extension and Modification of Enhanced Deduction for Corporate Donations of Computer Technology (Sec. 172 of the Bill and Sec. 170(e)(6) of the Code)

PRESENT LAW

The maximum charitable contribution deduction that may be claimed by a corporation for any one taxable year is limited to 10 percent of the corporation's taxable income for that year (disregarding charitable contributions and with certain other modifications) (sec. 170(b)(2)). Corporations also are subject to certain limitations based on the type of property contributed. In the case of a charitable contribution of short-term gain property, inventory, or other ordinary income property, the amount of the deduction generally is limited to the taxpayer's basis (generally, cost) in the property. However, special rules in the Code provide an augmented deduction for certain corporate contributions. Under these special rules, the amount of the augmented deduction is equal to the lesser of (1) the basis of the donated property plus one-half of the amount of ordinary income that would have been realized if the property had been sold, or (2) twice the basis of the donated property.

Section 170(e)(6) allows corporate taxpayers an augmented deduction for qualified contributions of computer technology and equipment (i.e., computer software, computer or peripheral equipment, and fiber optic cable related to computer use) to be used within the United States for educational purposes in grades K–12. Eligible donees are: (1) any educational organization that normally maintains a regular faculty and curriculum and has a regularly enrolled body of pupils in attendance at the place where its educational activities are regularly carried on; and (2) tax-exempt charitable organizations that are organized primarily for purposes of supporting elementary and secondary education. A private foundation also is an eligible donee, provided that, within 30 days after receipt of the contribution, the private foundation contributes the property to an eligible donee described above.

Qualified contributions are limited to gifts made no later than two years after the date the taxpayer acquired or substantially completed the construction of the donated property. In addition, the original use of the donated property must commence with the donor or the donee. Accordingly, qualified contributions generally are limited to property that is no more than two years old. Such donated property could be computer technology or equipment that is inventory or depreciable trade or business property in the hands of the donor.

Donee organizations are not permitted to transfer the donated property for money or services (e.g., a donee organization cannot sell the computers). However, a donee organization may transfer the donated property in furtherance of its exempt purposes and be reimbursed for shipping, installation, and transfer costs. For example, if a corporation contributes computers to a charity that subsequently distributes the computers to several elementary schools in a given area, the charity could be reimbursed by the elementary schools for shipping, transfer, and installation costs.

The special treatment applies only to donations made by C corporations. S corporations, personal holding companies, and service organizations are not eligible donors.

The provision is scheduled to expire for contributions made in taxable years beginning after December 31, 2000.

EXPLANATION OF PROVISION

The bill extends the current enhanced deduction for donations of computer technology and equipment through December 31, 2003. In addition, the enhanced deduction is expanded to include donations to public libraries.

EFFECTIVE DATE

The provision is effective upon the date of enactment.

3. Extension of the Adoption Tax Credit (Sec. 173 of the Bill and Sec. 23 of the Code)

PRESENT LAW

Taxpayers are entitled to a maximum nonrefundable credit against income tax liability of $5,000 per child for qualified adoption expenses paid or incurred by the taxpayer (sec. 23). In the case of a special needs adoption, the maximum credit amount is $6,000 ($5,000 in the case of a foreign special needs adoption). A special needs child is a child who the State has determined: (1) cannot or should not be returned to the home of the birth parents, and (2) has a specific factor or condition because of which the child cannot be placed with adoptive parents without adoption assistance. The adoption of a child who is not a citizen or a resident of the United States is a foreign adoption.

Qualified adoption expenses are reasonable and necessary adoption fees, court costs, attorneys' fees, and other expenses that are directly related to the legal adoption of an eligible child. All reasonable and necessary expenses required by a State as a condition of adoption are qualified adoption expenses. Otherwise qualified adoption expenses paid or incurred in one taxable year are not taken into account for purposes of the credit until the next taxable year unless the expenses are paid or incurred in the year the adoption becomes final.

An eligible child is an individual (1) who has not attained age 18 or (2) who is physically or mentally incapable of caring for himself or herself. After December 31, 2001, the credit will be available only for domestic special needs adoptions.

No credit is allowed for expenses incurred (1) in violation of State or Federal law, (2) in carrying out any surrogate parenting arrangement, (3) in connection with the adoption of a child of the taxpayer's spouse, (4) that are reimbursed under an employer adoption assistance program or otherwise, or (5) for a foreign adoption that is not finalized.

The credit is phased out ratably for taxpayers with modified AGI above $75,000, and is fully phased out at $115,000 of modified AGI. For these purposes modified AGI is computed by increasing the taxpayer's AGI by the amount otherwise excluded from gross income under Code sections 911, 931, or 933.

EXPLANATION OF PROVISION

The bill extends the adoption credit for the adoption of non-special needs children for two years through December 31, 2003.

EFFECTIVE DATE

The provision is effective on the date of enactment.

4. Tax treatment of Alaska Native Settlement Trusts (Sec. 174 of the Bill and New Secs. 646 and 6039H of the Code)

PRESENT LAW

An Alaska Native Settlement Corporation (''ANC'') may establish a Settlement Trust (''Trust'') under section 39 of the Alaska Native Claims Settlement Act (''ANCSA'') and transfer money or other property to such Trust for the benefit of beneficiaries who constitute all or a class of the shareholders of the ANC, to promote the health, education and welfare of the beneficiaries and preserve the heritage and culture of Alaska Natives.

With certain exceptions, once an ANC has made a conveyance to a Trust, the assets conveyed shall not be subject to attachment, distraint, or sale or execution of judgment, except with respect to the lawful debts and obligations of the Trust.

The Internal Revenue Service has indicated that contributions to a Trust constitute distributions to the beneficiary-shareholders at the time of the contribution and are treated as dividends to the extent of earnings and profits as provided under section 301 of the Code. The Trust and its beneficiaries are taxed in accordance with trust rules.

EXPLANATION OF PROVISION

An Alaska Native Corporation may establish a Trust under section 39 of ANCSA and if the Trust makes an election for its first taxable year ending after the date of enactment of the proposal, no amount will be included in the gross income of a beneficiary of such Trust by reason of a contribution to the Trust. In addition, unless the electing Trust fails to meet the transferability requirements of the provision, income of the Trust, whether accumulated or distributed, will be taxed only to the Trust (and not to beneficiaries) at the lowest individual tax rates of 15 percent for ordinary income (and the capital gains rate applicable to individuals subject to such 15 percent rate), rather than at the higher rates generally applicable to trusts or to higher tax bracket beneficiaries.

The earnings and profits of the ANC will not be reduced by the amount of contributions to the electing Trust at the time of the contributions. However, the ANC earnings and profits will be reduced (up to the amount of the contributions) as distributions are thereafter made by the electing Trust that would exceed the Trusts's total undistributed net income (less taxes paid) plus tax-exempt income for all prior years during which

an election is in effect plus for the current year, computed under Subchapter J. In addition, such distributions that exceed such amounts are to be reported and taxed to beneficiaries as if distributed by the ANC in the year of the distribution by the electing Trust, and will be treated as dividends to beneficiaries to the extent the ANC then has current or accumulated earnings and profits.

The fiduciary of an electing Trust must report to the IRS, with the Trust tax return, the amount of distributions to each beneficiary, and the tax treatment to the beneficiary of such distributions under the provision (either as exempt from tax to the beneficiary, or as a distribution deemed made by the ANC). The electing Trust must also furnish such information to the ANC.

In the case of distributions that are treated as if made by the ANC, as described above, the ANC must then report such amounts to the beneficiaries and must indicate whether they are dividends or not, in accordance with the earnings and profits of the ANC. The reporting thus required by an electing Trust will be in lieu of, and will satisfy, the reporting requirements of section 6034A (and such other reporting requirements as the Secretary of the Treasury may deem appropriate).

If the beneficial interests in the electing Trust or the shares of the ANC may be sold or exchanged to a person in a manner that would not be permitted under ANCSA if the interests were Settlement Common Stock (generally, to a person other than an Alaska Native), then all assets of the Trust that had not been distributed as of the beginning of that taxable year of the Trust are taxed to the extent they would be if they were distributed at that time. Thereafter, the Trust and its beneficiaries are generally subject to the rules of subchapter J and to the generally applicable trust income tax rates.

EFFECTIVE DATE

The provision is effective for taxable years of Settlement Trusts, their beneficiaries, and sponsoring Alaska Native Corporations ending after the date of enactment, and to contributions made to electing Settlement Trusts during such year and thereafter.

5. Treatment of Indian Tribes as Non-Profit Organizations and State or Local Governments for Purposes of the Federal Unemployment Tax (''FUTA'') (Sec. 175 of the Bill and Sec. 3306 of the Code)

PRESENT LAW

Present law imposes a net tax on employers equal to 0.8 percent of the first $7,000 paid annually to each employee. The current gross FUTA tax is 6.2 percent, but employers in States meeting certain requirements and having no delinquent loans are eligible for a 5.4 percent credit making the net Federal tax rate 0.8 percent. Both non-profit organizations and State and local governments are not required to pay FUTA taxes. Instead they may elect to reimburse the unemployment compensation system for unemployment compensation benefits actually paid to their former employees. Generally, Indian tribes are not eligible for the reimbursement treatment allowable to non-profit organizations and State and local governments.

EXPLANATION OF PROVISION

The bill provides that an Indian tribe (including any subdivision, subsidiary, or business enterprise chartered and wholly owned by an Indian tribe) is treated like a non-profit organization or State or local government for FUTA purposes (i.e., given an election to choose the reimbursement treatment).

EFFECTIVE DATE

The provision generally is effective with respect to service performed beginning on or after the date of enactment. Under a transition rule, service performed in the employ of an Indian tribe is not treated as employment for FUTA purposes if: (1) it is service which is performed before the date of enactment and with respect to which FUTA tax has not been paid; and (2) such Indian tribe reimburses a State unemployment fund for unemployment benefits paid for service attributable to such tribe for such period.

6. Additional Funding for the Social Services Block Grant (Sec. 176 of the Bill)

The provision amends Section 2003(c) of Title XX of the Social Security Act and provides an additional one-time amount of $700,000,000 for fiscal year 2001.

II. TAX INCENTIVES FOR AFFORDABLE HOUSING

A. Increase Low-Income Housing Tax Credit Per Capita Amount (Secs. 201 and 202 of the Bill and Sec. 42 of the Code)

PRESENT LAW

In general, a maximum 70-percent present value tax credit, claimed over a 10-year period is allowed for the cost of rental housing occupied by tenants having incomes below specified levels. The credit percentage for newly constructed or substantially rehabilitated housing that is not Federally subsidized is adjusted monthly by the Internal Revenue Service so that the 10 annual installments have a present value of 70 percent of the total qualified expenditures. The credit percentage for new substantially rehabilitated housing that is Federally subsidized and for existing housing that is substantially rehabilitated is calculated to have a present value of 30 percent of total qualified expenditures.

To claim low-income housing credits, project owners must receive an allocation of credit from a State or local housing credit agency. However, no allocation is required for buildings at least 50 percent financed with the proceeds of tax-exempt bonds that received an allocation pursuant to the private activity bond volume limitation of Code section 146. Such projects must, however, satisfy the requirements for allocation under the State's qualified allocation plan and meet other requirements.

A building generally must be placed in service during the calendar year in which it receives a credit allocation. However, a housing credit agency can make a binding commitment, not later than the year in which the building is placed in service, to allocate a specified credit dollar amount to such building beginning in a specified later year. In addition, a project can receive a ''carryover allocation'' if the taxpayer's basis in the project as of the close of the calendar year the allocation is made is more than 10 percent of the taxpayer's reasonably expected basis in the project, and the building is placed in service not later than the close of the second calendar year following the calendar year in which the allocation is made. For purposes of the 10-percent test, basis means the taxpayer's adjusted basis in land and depreciable real property, whether or not these amounts are includible in eligible basis. Finally, an allocation of credit for increases in qualified basis may occur in years subsequent to the year the project is placed in service.

Authority to allocate credits remains at the State (as opposed to local) government level unless State law provides otherwise. Generally, credits may be allocated only from volume authority arising during the calendar year in which the building is placed in service, except in the case of: (1) credits claimed on additions to qualified basis; (2) credits allocated in a later year pursuant to an earlier binding commitment made no later than the year in which the building is placed in service; and (3) carryover allocations.

Each State annually receives low-income housing credit authority equal to $1.25 per State resident for allocation to qualified low-income projects. In addition to this $1.25 per resident amount, each State's ''housing credit ceiling'' includes the following amounts: (1) the unused State housing credit ceiling (if any) of such State for the preceding calendar year; (2) the amount of the State housing credit ceiling (if any) returned in the calendar year; and (3) the amount of the national pool (if any) allocated to such State by the Treasury Department.

The national pool consists of States' unused housing credit carryovers. For each State, the unused housing credit carryover for a calendar year consists of the excess (if any) of the unused State housing credit ceiling for such year over the excess (if any) of the aggregate housing credit dollar amount allocated for such year over the sum of $1.25 per resident and the credit returns for such year. The amounts in the national pool are allocated only to a State which, with respect to the previous calendar year allocated its entire housing credit ceiling for the preceding calendar year, and requested a share in the national pool not later than May 1, of the calendar year. The national pool allocation to qualified States is made on a pro rata basis equivalent to the fraction that a State's population enjoys relative to the total population of all qualified States for that year.

The present-law stacking rule provides that a State is treated as using its annual allocation of credit authority ($1.25 per State resident) and any returns during the calendar year followed by any unused credits carried forward from the preceding year's credit ceiling and finally any applicable allocations from the National pool.

EXPLANATION OF PROVISION

The bill increases the annual State credit caps from $1.25 to $1.75 per resident beginning in 2001. Also beginning in 2001, the per capita cap is modified so that small population states are given a minimum of $2 million of annual credit cap. The $1.75 per capita credit cap and the $2 million amount are indexed for inflation beginning in calendar year 2002.

The bill also makes two programmatic changes to the credit. First, the bill modifies the stacking rule so that each State is treated as using its allocation of the unused State housing credit ceiling (if any) from the preceding calendar before the current year's allocation of credit (including any credits returned to the State) and then finally any National pool allocations. Second, the bill provides that assistance received under the Native American Housing Assistance and Self-Determination Act of 1986 is not taken into account in determining whether a building is Federally subsidized for purposes of the credit.

EFFECTIVE DATE

The provision is effective for calendar years beginning after December 31, 2000 and buildings placed-in-service after such date in the case of projects that also receive financing with proceeds of tax-exempt bonds which are issued after such date subject to the private activity bond volume limit.

B. Tax Credit for Renovating Historic Homes (Sec. 211 of the Bill and New Sec. 25B of the Code)

PRESENT LAW

Present law provides an income tax credit for certain expenditures incurred in rehabilitating certified historic structures and certain nonresidential buildings placed in service before 1936 (sec. 47). The amount of the

credit is determined by multiplying the applicable rehabilitation percentage by the basis of the property that is attributable to qualified rehabilitation expenditures. The applicable rehabilitation percentage is 20 percent for certified historic structures and 10 percent for qualified rehabilitated buildings (other than certified historic structures) that were originally placed in service before 1936.

A nonresidential building is eligible for the 10-percent credit only if the building is substantially rehabilitated and a specific portion of the existing structure of the building is retained in place upon completion of the rehabilitation. A residential or nonresidential building is eligible for the 20-percent credit that applies to certified historic structures only if the building is substantially rehabilitated (as determined under the eligibility rules for the 10-percent credit). In addition, the building must be listed in the National Register or the building must be located in a registered historic district and must be certified by the Secretary of the Interior as being of historical significance to the district.

EXPLANATION OF PROVISION

The bill permits a taxpayer to claim a 20-percent credit for qualified rehabilitation expenditures made with respect to a qualified historic home which the taxpayer subsequently occupies as his or her principal residence for at least five years. The total credit which can be claimed by the taxpayer is limited to $20,000. Any eligible credit not claimed by the taxpayer in the year in which the qualified rehabilitation expenditures are made may be carried forward to each of the succeeding 10 years.

The bill applies to (1) structures listed in the National Register; (2) structures located in a registered national, State, or local historic district, and certified by the Secretary of the Interior as being of historic significance to the district, but only if the median income of the census tract within which the building is located is less than twice the State median income; (3) any structure designated as being of historic significance under a State or local statute, if such statute is certified by the Secretary of the Interior as achieving the purpose of preserving and rehabilitating buildings of historic significance.

A building generally is considered substantially rehabilitated if the qualified rehabilitation expenditures incurred during a 24-month measuring period exceed the greater of (1) the adjusted basis of the building as of the later of the first day of the 24-month period or the beginning of the taxpayer's holding period for the building, or (2) $5,000. Only the $5,000 expenditure requirement applies in the case of structures (1) in empowerment zones, (2) in enterprise communities, (3) in census tracts in which 70 percent of families have income which is 80 percent or less of the State median family income, and (4) in areas of chronic distress as designated by the State and approved by the Secretary of Housing and Urban Development. In addition, for all structures, at least five percent of the rehabilitation expenditures must to be allocable to the exterior of the structure.

To qualify for the credit, the rehabilitation must be certified by a State or local government subject to conditions specified by the Secretary of the Interior.

A taxpayer who purchases a structure on which qualified rehabilitation expenditures have been made may claim credit for such expenditures if the taxpayer is the first purchaser of the structure within five years of the date the rehabilitation was completed and if no credit was allowed to the seller with respect to the qualified expenditures. Alternatively, a taxpayer may elect to receive a historic rehabilitation mortgage credit certificate in lieu of the credit otherwise allowable. A historic rehabilitation mortgage credit certificate may be transferred to a lending institution in exchange for which the lending institution provides the taxpayer with a reduction in interest rate on a mortgage on a qualifying structure. The lending institution would then claim the allowable credits against its tax liability. In the case of a targeted area or enterprise community or empowerment zone, the taxpayer may elect to allocate all or a portion of the mortgage credit certificate to reduce the down payment required for purchase of the structure.

If a taxpayer ceases to maintain the structure as his or her personal residence within five years from the date of the rehabilitation, the credit would be recaptured on a pro rata basis.

EFFECTIVE DATE

The provision is effective for expenditures paid or incurred beginning after December 31, 2001.

C. EXCLUSION FROM GROSS INCOME FOR CERTAIN FORGIVEN MORTGAGE OBLIGATIONS (SEC. 221 OF THE BILL AND SEC. 108 OF THE CODE)

PRESENT LAW

Gross income includes all income from whatever source derived, including income from the discharge of indebtedness. However, gross income does not include discharge of indebtedness income if: (1) the discharge occurs in a Title 11 case; (2) the discharge occurs when the taxpayer is insolvent; (3) the indebtedness discharged is qualified farm indebtedness; or (4) except in the case of a C corporation, the indebtedness discharged is qualified real property business indebtedness. No exclusion is provided under present law for qualified residential indebtedness.

EXPLANATION OF PROVISION

In the case of an individual taxpayer, the bill provides an exclusion from discharge of indebtedness income to the extent such income is attributable to the sale of real property securing qualified residential indebtedness. Qualified residential indebtedness is defined as indebtedness incurred or assumed by the taxpayer for the acquisition, construction, reconstruction, or substantial improvement of the taxpayer's residence and which is secured by such residence. The taxpayer may elect to have this exclusion apply. The exclusion does not apply to qualified farm indebtedness or qualified real property business indebtedness.

EFFECTIVE DATE

The provision is effective for discharges of indebtedness after the date of enactment.

D. MORTGAGE REVENUE BONDS

1. Increase in Purchase Price Limitation Under Mortgage Subsidy Bond Rules Based on Median Family Income (Sec. 231 of the Bill and Sec. 143 of the Code)

PRESENT LAW

Qualified mortgage bonds (QMBs) are tax-exempt bonds, the proceeds of which generally must be used to make mortgage loans to first-time homebuyers. The recipients of QMB-financed loans must meet purchase price, income, and other restrictions. Generally, the purchase price of an assisted home may not exceed 90 percent (110 percent in targeted areas) of the average area purchase price.

EXPLANATION OF PROVISION

The bill modifies the purchase price rule for QMB financing. Specifically, QMB financing is allowable to qualified residences the purchase price of which does not exceed the greater of (1) 90 percent of the average area purchase price; or (2) 3.5 times the applicable median family income. The applicable median family income is defined as under the present-law QMB income restriction.

EFFECTIVE DATE

The provision is effective for bonds issued after the date of enactment.

2. Mortgage Financing for Residences Located in Presidentially Declared Disaster Areas (Sec. 232 of the Bill and Sec. 143 of the Code)

PRESENT LAW

Qualified mortgage bonds are private activity tax-exempt bonds issued by States and local governments acting as conduits to provide mortgage loans to first-time home buyers who satisfy specified income limits and who purchase homes that cost less than statutory maximums. The income and purchase price limits are increased for homes purchased in economically distressed areas, and a portion of loans made in such areas is exempt from some requirements.

Present law waives the three buyer targeting requirements (the first-time homebuyer, purchase price, and income limit requirements) for a portion of the loans made with proceeds of a qualified mortgage bond issue if the loans are made to finance homes in statutorily prescribed economically distressed areas.

For bonds issued during 1997 and 1998, a special exception exempted loans made in Presidentially declared disaster areas within two years of the declaration from the first-time homebuyer limit. In addition, the more liberal income and purchase price rules applicable to economically distressed areas applied to such loans. There was no requirement that the specially treated loans be made to repair or replace housing damaged or destroyed by the disaster.

EXPLANATION OF PROVISION

The bill reinstates, with modifications, the prior-law exception for certain qualified mortgage bond financed loans in Presidentially declared disaster areas. First, the bill: (1) allows loans for replacement housing for housing destroyed in the disaster without regard to the first-time homebuyer requirement; and (2) increases the borrower income and house purchase price requirements to those that apply in targeted areas of economic distress. Second, the bill increases the per-borrower ''home improvement loan'' maximum from $15,000 to $100,000 and extends the more liberal borrower income limits for targeted areas to loans for repair of housing damaged by the disaster. In both cases, the exception applies only to loans made during the two-year period after the area was declared a qualified disaster area. A qualified disaster area is defined as an area determined by the President (1) to warrant assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and (2) with respect to which the Federal share of disaster payments exceeds 75 percent.

EFFECTIVE DATE

The provision is effective for bonds issued after December 31, 2000.

E. PROVIDE TAX EXEMPTION FOR ORGANIZATIONS CREATED BY A STATE TO PROVIDE PROPERTY AND CASUALTY INSURANCE COVERAGE FOR PROPERTY FOR WHICH SUCH COVERAGE IS OTHERWISE UNAVAILABLE (SEC. 241 OF THE BILL AND NEW SEC. 501(C)(28) OF THE CODE)

PRESENT LAW

In general

A life insurance company is subject to tax on its life insurance company taxable income, which is its life insurance income reduced by life insurance deductions (sec. 801).

Similarly, a property and casualty insurance company is subject to tax on its taxable income, which is determined as the sum of its underwriting income and investment income (as well as gains and other income items) (sec. 831). Present law provides that the term ''corporation'' includes an insurance company (sec. 7701(a)(3)).

In general, the Internal Revenue Service (''IRS'') takes the position that organizations that provide insurance for their members or other individuals are not considered to be engaged in a tax-exempt activity. The IRS maintains that such insurance activity is either (1) a regular business of a kind ordinarily carried on for profit, or (2) an economy or convenience in the conduct of members' businesses because it relieves the members from obtaining insurance on an individual basis.

Certain insurance risk pools have qualified for tax exemption under Code section 501(c)(6). In general, these organizations (1) assign any insurance policies and administrative functions to their member organizations (although they may reimburse their members for amounts paid and expenses); (2) serve an important common business interest of their members; and (3) must be membership organizations financed, at least in part, by membership dues.

State insurance risk pools may also qualify for tax exempt status under section 501(c)(4) as a social welfare organization or under section 115 as serving an essential governmental function of a State. In seeking qualification under section 501(c)(4), insurance organizations generally are constrained by the restrictions on the provision of ''commercial-type insurance'' contained in section 501(m). Section 115 generally provides that gross income does not include income derived from the exercise of any essential governmental function or accruing to a State or any political subdivision thereof.

Certain specific provisions provide tax-exempt status to organizations meeting statutory requirements.

Health coverage for high-risk individuals

Section 501(c)(26) provides tax-exempt status to any membership organization that is established by a State exclusively to provide coverage for medical care on a nonprofit basis to certain high-risk individuals, provided certain criteria are satisfied. The organization may provide coverage for medical care either by issuing insurance itself or by entering into an arrangement with a health maintenance organization (''HMO'').

High-risk individuals eligible to receive medical care coverage from the organization must be residents of the State who, due to a pre-existing medical condition, are unable to obtain health coverage for such condition through insurance or an HMO, or are able to acquire such coverage only at a rate that is substantially higher than the rate charged for such coverage by the organization. The State must determine the composition of membership in the organization. For example, a State could mandate that all organizations that are subject to insurance regulation by the State must be members of the organization.

The provision further requires the State or members of the organization to fund the liabilities of the organization to the extent that premiums charged to eligible individuals are insufficient to cover such liabilities. Finally, no part of the net earnings of the organization can inure to the benefit of any private shareholder or individual.

Workers' compensation reinsurance organizations

Section 501(c)(27)(A) provides tax-exempt status to any membership organization that is established by a State before June 1, 1996, exclusively to reimburse its members for workers' compensation insurance losses, and that satisfies certain other conditions. A State must require that the membership of the organization consist of all persons who issue insurance covering workers' compensation losses in such State, and all persons and governmental entities who self-insure against such losses. In addition, the organization must operate as a nonprofit organization by returning surplus income to members or to workers' compensation policyholders on a periodic basis and by reducing initial premiums in anticipation of investment income.

State workmen's compensation act companies

Section 501(c)(27)(B) provides tax-exempt status for any organization that is created by State law, and organized and operated exclusively to provide workmen's compensation insurance and related coverage that is incidental to workmen's compensation insurance, and that meets certain additional requirements. The workmen's compensation insurance must be required by State law, or be insurance with respect to which State law provides significant disincentives if it is not purchased by an employer (such as loss of exclusive remedy or forfeiture of affirmative defenses such as contributory negligence). The organization must provide workmen's compensation to any employer in the State (for employees in the State or temporarily assigned out-of-State) seeking such insurance and meeting other reasonable requirements. The State must either extend its full faith and credit to the initial debt of the organization or provide the initial operating capital of such organization. For this purpose, the initial operating capital can be provided by providing the proceeds of bonds issued by a State authority; the bonds may be repaid through exercise of the State's taxing authority, for example. For periods after the date of enactment, either the assets of the organization must revert to the State upon dissolution, or State law must not permit the dissolution of the organization absent an act of the State legislature. Should dissolution of the organization become permissible under applicable State law, then the requirement that the assets of the organization revert to the State upon dissolution applies. Finally, the majority of the board of directors (or comparable oversight body) of the organization must be appointed by an official of the executive branch of the State or by the State legislature, or by both.

EXPLANATION OF PROVISION

The provision provides tax-exempt status for any association created before January 1, 1999, by State law and organized and operated exclusively to provide property and casualty insurance coverage for property located within the State for which the State has determined that coverage in the authorized insurance market is limited or unavailable at reasonable rates, provided certain requirements are met.

Under the provision, no part of the net earnings of the association may inure to the benefit of any private shareholder or individual. Except as provided in the case of dissolution, no part of the assets of the association may be used for, or diverted to, any purpose other than: (1) to satisfy, in whole or in part, the liability of the association for, or with respect to, claims made on policies written by the association; (2) to invest in investments authorized by applicable law; (3) to pay reasonable and necessary administration expenses in connection with the establishment and operation of the association and the processing of claims against the association; or (4) to make remittances pursuant to State law to be used by the State to provide for the payment of claims on policies written by the association, purchase reinsurance covering losses under such policies, or to support governmental programs to prepare for or mitigate the effects of natural catastrophic events. The provision requires that the State law governing the association permit the association to levy assessments on insurance companies authorized to sell property and casualty insurance in the State, or on property and casualty insurance policyholders with insurable interests in property located in the State to fund deficits of the association, including the creation of reserves. The provision requires that the plan of operation of the association be subject to approval by the chief executive officer or other official of the State, by the State legislature, or both. In addition, the provision requires that the assets of the association revert upon dissolution to the State, the State's designee, or an entity designated by the State law governing the association, or that State law not permit the dissolution of the association.

The provision provides a special rule in the case of any entity or fund created before January 1, 1999, pursuant to State law and organized and operated exclusively to receive, hold, and invest remittances from an association exempt from tax under the provision, to make disbursements to pay claims on insurance contracts issued by the association, and to make disbursements to support governmental programs to prepare for or mitigate the effects of natural catastrophic events. The special rule provides that the entity or fund may elect to be disregarded as a separate entity and be treated as part of the association exempt from tax under the provision, from which it receives such remittances. The election is required to be made no later than 30 days following the date on which the association is determined to be exempt from tax under the provision, and would be effective as of the effective date of that determination.

An organization described in the provision is treated as having unrelated business taxable income in the amount of its taxable income (computed as if the organization were not exempt from tax under the proposal), if at the end of the immediately preceding taxable year, the organization's net equity exceeded 15 percent of the total coverage in force under insurance contracts issued by the organization and outstanding at the end of that preceding year.

Under the provision, no income or gain is recognized solely as a result of the change in status to that of an association exempt from tax under the provision.

EFFECTIVE DATE

The provision is effective for taxable years beginning after December 31, 2000. No inference is intended as to the tax status under present law of associations described in the provision.

III. TAX INCENTIVES FOR URBAN AND RURAL INFRASTRUCTURE

A. Increase State Volume Limits on Tax-Exempt Private Activity Bonds (Sec. 301 of the Bill and Sec. 146 of the Code)

PRESENT LAW

Interest on bonds issued by States and local governments is excluded from income if the proceeds of the bonds are used to finance activities conducted and paid for by the governmental units (sec. 103). Interest on bonds issued by these governmental units to finance activities carried out and paid for by private persons (''private activity bonds'') is taxable unless the activities are specified in the Internal Revenue Code. Private activity bonds on which interest may be tax-exempt include bonds for privately operated transportation facilities (airports, docks and

wharves, mass transit, and high speed rail facilities), privately owned and/or provided municipal services (water, sewer, solid waste disposal, and certain electric and heating facilities), economic development (small manufacturing facilities and redevelopment in economically depressed areas), and certain social programs (low-income rental housing, qualified mortgage bonds, student loan bonds, and exempt activities of charitable organizations described in sec. 501(c)(3)).

The volume of tax-exempt private activity bonds that States and local governments may issue for most of these purposes in each calendar year is limited by State-wide volume limits. The current annual volume limits are $50 per resident of the State or $150 million if greater. The volume limits do not apply to private activity bonds to finance airports, docks and wharves, certain governmentally owned, but privately operated solid waste disposal facilities, certain high speed rail facilities, and to certain types of private activity tax-exempt bonds that are subject to other limits on their volume (qualified veterans' mortgage bonds and certain ''new'' empowerment zone and enterprise community bonds).

The current annual volume limits that apply to private activity tax-exempt bonds increase to $75 per resident of each State or $225 million, if greater, beginning in calendar year 2007. The increase is, ratably phased in, beginning with $55 per capita or $165 million, if greater, in calendar year 2003.

EXPLANATION OF PROVISION

The bill increases the present-law annual State private activity bond volume limits to $75 per resident of each State or $225 million (if greater) beginning in calendar year 2001. In addition, the $75 per resident and the $225 million State limit will be indexed for inflation beginning in calendar year 2002.

EFFECTIVE DATE

The provisions are effective for calendar years after December 31, 2000.

B. EXTENSION AND MODIFICATION TO EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS (SEC. 302 OF THE BILL AND SEC. 198 OF THE CODE)

PRESENT LAW

Taxpayers can elect to treat certain environmental remediation expenditures that would otherwise be chargeable to capital account as deductible in the year paid or incurred (sec. 198). The deduction applies for both regular and alternative minimum tax purposes. The expenditure must be incurred in connection with the abatement or control of hazardous substances at a qualified contaminated site.

A ''qualified contaminated site'' generally is any property that (1) is held for use in a trade or business, for the production of income, or as inventory; (2) is certified by the appropriate State environmental agency to be located within a targeted area; and (3) contains (or potentially contains) a hazardous substance (so-called ''brownfields''). Targeted areas are defined as: (1) empowerment zones and enterprise communities as designated under present law; (2) sites announced before February 1997, as being subject to one of the 76 Environmental Protection Agency (''EPA'') Brownfields Pilots; (3) any population census tract with a poverty rate of 20 percent or more; and (4) certain industrial and commercial areas that are adjacent to tracts described in (3) above. However, sites that are identified on the national priorities list under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 cannot qualify as targeted areas.

Eligible expenditures are those paid or incurred before January 1, 2002.

EXPLANATION OF PROVISION

The bill extends the expiration date for eligible expenditures to include those paid or incurred before January 1, 2004.

In addition, the bill eliminates the targeted area requirement, thereby, expanding eligible sites to include any site containing (or potentially containing) a hazardous substance that is certified by the appropriate State environmental agency. However, expenditures undertaken at sites that are identified on the national priorities list under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 would continue to not qualify as eligible expenditures.

EFFECTIVE DATE

The provision to extend the expiration date is effective upon the date of enactment. The provision to expand the class of eligible sites is effective for expenditures paid or incurred after the date of enactment.

C. BROADBAND INTERNET ACCESS TAX CREDIT (SEC. 303 OF THE BILL AND NEW SEC. 48A OF THE CODE)

PRESENT LAW

Present law does not provide a credit for investments in telecommunications infrastructure.

EXPLANATION OF PROVISION

The bill provides a 10 percent credit of the qualified expenditures incurred by the taxpayer with respect to qualified equipment with which the taxpayer offers ''current generation'' broadband services to subscribers in rural and underserved areas. In the addition, the bill provides a 20 percent credit of the qualified expenditures incurred by the taxpayer with respect to qualified equipment with which the taxpayer offers ''next generation'' broadband services to subscribers in rural areas, underserved areas, and to residential subscribers. Current generation broadband services is defined as the transmission of signals at a rate of at least 1.5 million bits per second to the subscriber and at a rate of at least 200,000 bits per second from the subscriber. Next generation broadband services is defined as the transmission of signals at a rate of at least 22 million bits per second to the subscriber and at a rate of at least 10 million bits per second from the subscriber.

Qualified expenditures are those amounts otherwise chargeable to the capital account with respect to the purchase and installation of qualified equipment for which depreciation is allowable under section 168. In the case of current generation broadband services, qualified expenditures are those that are incurred by the taxpayer after December 31, 2000, and before January 1, 2004. In the case of next generation broadband services, qualified expenditures are those that are incurred by the taxpayer after December 31, 2001, and before January 1, 2005. The expenditures are taken into account for purposes of claiming the credit in the first taxable year in which the taxpayer provides broadband service to at least 10 percent of the potential subscribers. In the case of a taxpayer who incurs expenditures for equipment capable of serving both subscribers in qualifying areas and other areas, qualifying expenditures are determined by multiplying otherwise qualifying expenditures by the ratio of the number of potential qualifying subscribers to all potential subscribers the qualifying equipment would be capable of serving.

Qualifying equipment must be capable of providing broadband services at any time to each subscriber who is utilizing such services. In the case of a telecommunications carrier, qualifying equipment is only that equipment that extends from the last point of switching to the outside of the building in which the subscriber is located. In the case of a commercial mobile service carrier, qualifying equipment is only that equipment that extends from the customer side of a mobile telephone switching office to a transmission/reception antenna (including the antenna) of the subscriber. In the case of a cable operator or open video system operator, qualifying equipment is only that equipment that extends from the customer side of the headend to the outside of the building in which the subscriber is located. In the case of a satellite carrier or other wireless carrier (other than a telecommunications carrier), qualifying equipment is only that equipment that extends from a transmission/reception antenna (including the antenna) to a transmission/reception antenna on the outside of the building used by the subscriber. In addition, any packet switching equipment deployed in connection with other qualifying equipment is qualifying equipment, regardless of location, provided that it is the last such equipment in a series as part of transmission of a signal to a subscriber or the first in a series in the transmission of a signal from a subscriber.

A rural area is any census tract which is not within 10 miles of any incorporated or census designated place with a population of more than 25,000 and which is not within a county with a population density of more than 500 people per square mile. An underserved area is any census tract which is located in an empowerment zone, enterprise community, renewal zone, or any census tract in which the poverty level is greater than or equal to 30 percent and in which the median family income is less than 70 percent of the greater of metropolitan area median family income or statewide median family income. A residential subscriber is any individual who purchases broadband service to be delivered to his or her dwelling.

EFFECTIVE DATE

The provision is effective for expenditures incurred after December 31, 2000.

D. TAX-CREDIT BONDS FOR THE NATIONAL RAILROAD PASSENGER CORPORATION (''AMTRAK'') AND THE ALASKA RAILROAD (SEC. 304 OF THE BILL AND NEW SEC. 54 OF THE CODE)

PRESENT LAW

Present law does not authorize the issuance by any private, for-profit corporation of bonds the interest on which is tax-exempt or eligible for an income tax credit. Tax-exempt bonds may be issued by States or local governments to finance their governmental activities or to finance certain capital expenditures of private businesses or loans to individuals. Additionally, States or local governments may issue tax-credit bonds to finance the operation of ''qualified zone academies.''

Tax-exempt bonds

Interest on bonds issued by States or local governments to finance direct activities of those governmental units is excluded from tax (sec. 103). In addition, interest on certain bonds (''private activity bonds'') issued by States or local governments acting as conduits to provide financing for private businesses or individuals is excluded from income if the purpose of the borrowing is specifically approved in the Code (sec. 141). Examples of approved private activities for which States or local governments may provide tax-exempt financing include transportation facilities (airports, ports, mass commuting facilities, and certain high speed intercity rail facilities); public works facilities such as water, sewer, and solid waste disposal; and certain social welfare programs such as low-income rental housing, student loans, and mortgage loans to certain first-time homebuyers. High speed intercity rail

facilities eligible for tax-exempt financing include land, rail, and stations (but not rolling stock) for fixed guideway rail transportation of passengers and their baggage using vehicles that are reasonably expected to operate at speeds in excess of 150 miles per hour between scheduled stops.

Issuance of most private activity bonds is subject to annual State volume limits of $50 per resident ($150 million if greater). These volume limits are scheduled to increase to $75 per resident ($225 million if greater) over the period 2003 through 2007.

Investment earnings on all tax-exempt bonds, including earnings on invested sinking funds associated with such bonds is restricted by the Code to prevent the issuance of bonds earlier or in a greater amount than necessary for the purpose of the borrowing. In general, all profits on investment of such proceeds must be rebated to the Federal Government. Interest on bonds associated with invested sinking funds is taxable.

Tax-credit bonds for qualified zone academies

As an alternative to traditional tax-exempt bonds, certain States or local governments are given authority to issue ''qualified zone academy bonds.'' A total of $400 million of qualified zone academy bonds is authorized to be issued in each year of 1998 through 2001. The $400 million is allocated to States according to their respective populations of individuals below the poverty line.

Qualified zone academy bonds are taxable bonds with respect to which the investor receives an income tax credit equal to an assumed interest rate set by the Treasury Department to allow issuance of the bonds without discount and without interest cost to the issuer. The bonds may be used for renovating, providing equipment to, developing course materials for, or training teachers in eligible schools. Eligible schools are elementary and secondary schools with respect to which private entities make contributions equaling at least 10 percent of the bond proceeds.

Only financial institutions are eligible to claim the credits on qualified zone academy bonds. The amount of the credit is taken into income. The credit may be claimed against both regular income tax and AMT liability.

There are no arbitrage restrictions applicable to investment earnings on qualified zone academy bond proceeds.

EXPLANATION OF PROVISION

The provision authorizes the National Railroad Passenger Corporation (''Amtrak'') and the Alaska Railroad to issue an aggregate amount of $10 billion of tax-credit bonds to finance its capital projects. Annual issuance of the bonds may not exceed $1 billion per year (plus any authorized amount that was not issued in previous years) during the ten Fiscal Year period, 2001–2010. Unused bond authority could be carried forward to succeeding years until used, subject to a limitation that no tax-credit bonds could be issued after fiscal year 2015.

Projects eligible for tax-credit bond financing are defined as the acquisition, construction of equipment, rolling stock, and other capital improvements for (1) the northeast rail corridor between Washington, D.C. and Boston, Massachusetts; (2) high-speed rail corridors designated under section 104(d)(2) of Title 23 of the United States Code; and (3) non-designated high-speed rail corridors, including station rehabilitation, track or signal improvements, or grade crossing elimination. The last purpose is limited to a maximum of 10 percent of the proceeds of any bond issue. At least 70 percent of the tax-credit bonds must be issued for projects described in (2) and (3).

As with qualified zone academy bonds, the interest rate on Amtrak/Alaska Railroad tax-credit bonds will be set to allow issuance of the bonds at par, i.e., without any interest cost to Amtrak or the Alaska Railroad. In general, proceeds of Amtrak/Alaska Railroad tax-credit bonds would have to be spent within 36 months after the bonds are issued. As of the date the bonds were issued, Amtrak or the Alaska Railroad must certify that it reasonably expects—

(1) to incur a binding obligation with a third party to spend at least 10 percent of the bond proceeds within six months (or in the case of self-constructed property, to have commenced construction within six months);

(2) to spend the bond proceeds with due diligence; and

(3) to spend at least 95 percent of the proceeds for qualifying capital costs within three years.

Amtrak/Alaska Railroad tax credit bonds may only be issued for projects that are approved by the Department of Transportation and with respect to which the issuing railroad has binding commitments from one or more States to make matching contributions of at least 20 percent of the project cost. Projects having State matching contributions in excess of 20 percent are given a preference. The State matching contributions, along with earnings on investment of the tax-credit bond proceeds must be invested in a trust account (i.e., an sinking fund) and used along with earnings on the trust account for repayment of the principal amount of the bonds.

Amtrak/Alaska Railroad tax-credit bonds can be owned (and income tax credits claimed) by any taxpayer. The amount of the credit will be included in the bondholder's income. Additionally, provisions are included in the proposal to allow the credits to be stripped and sold to different investors than the investors in the bond principal.

The required State matching contribution may not be derived from Federal monies. Any Federal Highway Trust Fund monies transferred to the States are treated as Federal monies for this purpose. During the period when tax-credit bonds are authorized, Amtrak is not allowed to receive any Highway Trust Fund monies other than those authorized on the date of the provision's enactment.

Amtrak is required annually to submit a five-year capital plan to Congress, and to satisfy independent oversight requirements with respect to the management of tax-credit-bond-financed projects. Finally, the Treasury Department is required to certify annually that funds deposited in the escrow accounts for repayment of tax-credit bonds (with actual and projected earnings thereon) are sufficient to ensure full repayment of the bond principal.

EFFECTIVE DATE

The provision is effective for tax credit bonds issued by Amtrak or the Alaska Railroad after September 30, 2000.

E. CLARIFICATION OF CONTRIBUTION IN AID OF CONSTRUCTION (SEC. 305 OF THE BILL AND SEC. 118 OF THE CODE)

PRESENT LAW

Section 118(a) provides that gross income of a corporation does not include a contribution to its capital. In general, section 118(b) provides that a contribution to the capital of a corporation does not include any contribution in aid of construction or any other contribution by a customer or potential customer. However, for any amount of money or property received by a regulated public utility that provides water or sewerage disposal services such amount shall be considered a contribution to capital (excludible from gross income) so long as such amount: (1) is a contribution in aid of construction, and (2) is not included in the taxpayer's rate base for rate-making purposes. If the contribution is in property other than water or sewerage disposal facilities, the amount is generally excludible from gross income only if the amount is expended to acquire or construct water or sewerage disposal facilities within a specified time period.

EXPLANATION OF PROVISION

The provision specifically defines contribution in aid of construction to include customer connection fees (including amounts paid to connect the customer's line to or extend a main water or sewer line). Thus, the provision permits customer connection fees received by a regulated public utility that provides water or sewerage disposal services to be treated as nontaxable contributions to capital (excludible from gross income). Amounts paid as a service charge for starting or stopping services to a customer continue to be includible in gross income of a taxpayer.

EFFECTIVE DATE

The provision is effective for amounts received after the date of enactment.

F. TREATMENT OF LEASEHOLD IMPROVEMENTS (SEC. 306 OF THE BILL AND SEC. 168 OF THE CODE)

PRESENT LAW

Depreciation of leasehold improvements

Depreciation allowances for property used in a trade or business generally are determined under the modified Accelerated Cost Recovery System (''MACRS'') of section 168. Depreciation allowances for improvements made on leased property are determined under MACRS, even if the MACRS recovery period assigned to the property is longer than the term of the lease (sec. 168(i)(8)). This rule applies regardless whether the lessor or lessee places the leasehold improvements in service. If a leasehold improvement constitutes an addition or improvement to nonresidential real property already placed in service, the improvement is depreciated using the straight-line method over a 39-year recovery period, beginning in the month the addition or improvement was placed in service (secs. 168(b)(3), (c)(1), (d)(2), and (i)(6)).

Treatment of dispositions of leasehold improvements

A lessor of leased property that disposes of a leasehold improvement which was made by the lessor for the lessee of the property may take the adjusted basis of the improvement into account for purposes of determining gain or loss if the improvement is irrevocably disposed of or abandoned by the lessor at the termination of the lease. This rule conforms the treatment of lessors and lessees with respect to leasehold improvements disposed of at the end of a term of lease. For purposes of applying this rule, it is expected that a lessor must be able to separately account for the adjusted basis of the leasehold improvement that is irrevocably disposed of or abandoned. This rule does not apply to the extent section 280B applies to the demolition of a structure, a portion of which may include leasehold improvements.

EXPLANATION OF PROVISION

The provision provides that 15-year property for purposes of the depreciation rules of section 168 includes qualified leasehold improvement property. The straight line method is required to be used with respect to qualified leasehold improvement property.

Qualified leasehold improvement property is any improvement to an interior portion of a building that is nonresidential real property, provided certain requirements are met. The improvement must be made under or pursuant to a lease either by the lessee (or sublessee) of that portion of the building, or

by the lessor of that portion of the building. That portion of the building is to be occupied exclusively by the lessee (or any sublessee). The original use of the qualified leasehold improvement property must begin with the lessee, and must begin after December 31, 2006. The improvement must be placed in service more than three years after the date the building was first placed in service.

Qualified leasehold improvement property does not include any improvement for which the expenditure is attributable to the enlargement of the building, any elevator or escalator, any structural component benefitting a common area, or the internal structural framework of the building.

No special rule is specified for the class life of qualified leasehold improvement property. Therefore, the general rule that the class life for nonresidential real and residential rental property is 40 years applies.

For purposes of the provision, a commitment to enter into a lease is treated as a lease, and the parties to the commitment are treated as lessor and lessee, provided the lease is in effect at the time the qualified leasehold improvement property is placed in service. A lease between related persons is not considered a lease for this purpose.

EFFECTIVE DATE

The provision is effective for qualified leasehold improvement property placed in service after December 31, 2006.

IV. TAX RELIEF FOR FARMERS

A. Farm, Fish, and Ranch Risk Management Accounts (''FFARRM Accounts'') (Sec. 401 of the Bill and New Sec. 468C of the Code)

PRESENT LAW

There is no provision in present law allowing the elective deferral of farm or fishing income.

EXPLANATION OF PROVISION

The bill allows taxpayers engaged in an eligible business to establish FFARRM accounts. An eligible business is any trade or business of farming in which the taxpayer actively participates, including the operation of a nursery or sod farm or the raising or harvesting of crop-bearing or ornamental trees. An eligible business also is the trade or business of commercial fishing as that term is defined under section (3) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802) and includes the trade or business of catching, taking or harvesting fish that are intended to enter commerce through sale, barter or trade.

Contributions to a FFARRM account are deductible and are limited to 20 percent of the taxable income that is attributable to the eligible business. The deduction is taken into account in determining adjusted gross income and reduces the income attributable to the eligible business for all income tax purposes other than the determination of the 20 percent of eligible income limitation on contributions to a FFARRM account. Contributions to a FFARRM account do not reduce earnings from self-employment. Accordingly, distributions are not included in self-employment income.

A FFARRM account is taxed as a grantor trust and any earnings are required to be distributed currently. Thus, any income earned in the FFARRM account is taxed currently to the farmer or fisherman who established the account. Amounts can remain on deposit in a FFARRM account for up to five years. Any amount that has not been distributed by the close of the fourth year following the year of deposit is deemed to be distributed and includible in the gross income of the account owner.

EFFECTIVE DATE

The provision is effective for taxable years beginning after December 31, 2000.

B. Exclusion of Rental Income From SECA Tax (Sec. 402 of the Bill and Sec. 1402 of the Code)

PRESENT LAW

Generally, SECA taxes are imposed on an individual's net earnings from self employment. Net earnings from self-employment generally means gross income (including the individual's net distributive share of partnership income) derived by an individual from any trade or business carried on by the individual less applicable deductions. One exclusion from net earnings from self employment involves certain real estate rentals. Under this rule, net earnings from self employment do not include income from the rental of real estate and from personal property leased with the real estate unless the rental income is received under an arrangement between an owner or tenant of land and another individual that provides: (1) such other individual shall produce agricultural or horticultural commodities on such land; and (2) there shall be material participation by the owner or tenant with respect to any such agricultural or horticultural commodities. Other rules apply to rental payments received by an individual in the course of the individual's trade or business as a real estate dealer.

EXPLANATION OF PROVISION

The bill provides that net earnings from self employment do not include income from the rental of real estate under a lease agreement (rather than an arrangement) between an owner or tenant of land and another individual which provides that: (1) such other individual shall produce agricultural or horticultural commodities on such land; and (2) there shall be material participation by the owner or tenant in the production or management of the production of such agricultural or horticultural commodities.

EFFECTIVE DATE

The provision is effective for taxable years beginning after December 31, 2000.

C. Exclusion of Conservation Reserve Program Payments From SECA Tax (Sec. 403 of the Bill and Sec. 1402 of the Code)

PRESENT LAW

Generally, SECA tax is imposed on an individual's self-employment income within the Social Security wage base. Net earnings from self-employment generally means gross income (including the individual's net distributive share of partnership income) derived by an individual from any trade or business carried on by the individual less applicable deductions. A recent court decision found that payments made under the conservation reserve program are includible in an individual's self-employment income for purposes of SECA tax.

EXPLANATION OF PROVISION

The bill provides that net earnings from self-employment do not include conservation reserve program payments for SECA.

EFFECTIVE DATE

The provision is effective for payments made after December 31, 2000.

D. Exemption of Agricultural Bonds From Private Activity Bond Volume Cap (Sec. 404 of the Bill and Sec. 146 of the Code)

PRESENT LAW

Interest on bonds issued by States and local governments is excluded from income if the proceeds of the bonds are used to finance activities conducted and paid for by the governmental units (sec. 103). Interest on bonds issued by these governmental units to finance activities carried out and paid for by private persons (''private activity bonds'') is taxable unless the activities are specified in the Internal Revenue Code. Private activity bonds on which interest may be tax-exempt include bonds issued to finance loans to first-time farmers for the acquisition of land and certain equipment (''aggie bonds'').

The volume of tax-exempt private activity bonds that States and local governments may issue in each calendar year (including aggie bonds) is limited by State-wide volume limits. The current annual volume limits are the greater of: (1) $50 per resident of the State; or (2) $150 million. The volume limits do not apply to private activity bonds to finance airports, docks and wharves, certain governmentally owned, but privately operated solid waste disposal facilities, certain high speed rail facilities, and to certain types of private activity tax-exempt bonds that are subject to other limits on their volume (qualified veterans' mortgage bonds and certain ''new'' empowerment zone and enterprise community bonds).

EXPLANATION OF PROVISION

The bill exempts ''aggie bonds'' from the State volume limits.

EFFECTIVE DATE

The provision applies to bonds issued after December 31, 2000.

E. Modifications to Section 512(b)(13) (Sec. 405 of the Bill and Sec. 512 of the Code)

PRESENT LAW

In general, interest, rents, royalties and annuities are excluded from the unrelated business income (''UBI'') of tax-exempt organizations. However, section 512(b)(13) treats otherwise excluded rent, royalty, annuity, and interest income as UBI if such income is received from a taxable or tax-exempt subsidiary that is 50 percent controlled by the parent tax-exempt organization. In the case of a stock subsidiary, ''control'' means ownership by vote or value of more than 50 percent of the stock. In the case of a partnership or other entity, control means ownership of more than 50 percent of the profits, capital or beneficial interests. In addition, present law applies the constructive ownership rules of section 318 for purposes of section 512(b)(13). Thus, a parent exempt organization is deemed to control any subsidiary in which it holds more than 50 percent of the voting power or value, directly (as in the case of a first-tier subsidiary) or indirectly (as in the case of a second-tier subsidiary).

Under present law, interest, rent, annuity, or royalty payments made by a controlled entity to a tax-exempt organization are includible in the latter organization's UBI and are subject to the unrelated business income tax to the extent the payment reduces the net unrelated income (or increases any net unrelated loss) of the controlled entity.

The Taxpayer Relief Act of 1997 (the ''1997 Act'') made several modifications, as described above, to the control requirement of section 512(b)(13). In order to provide transitional relief, the changes made by the 1997 Act do not apply to any payment received or accrued during the first two taxable years beginning on or after the date of enactment of the 1997 Act (August 5, 1997) if such payment is received or accrued pursuant to a binding written contract in effect on June 8, 1997, and at all times thereafter before such payment (but not pursuant to any contract provision that permits optional accelerated payments).

EXPLANATION OF PROVISION

The bill provides that interest, rent, annuity, or royalty payments made by a controlled subsidiary to a tax-exempt parent is not Unrelated Business Income except to the extent that such payments exceed arm's length values, as determined under sec. 482 principles.

EFFECTIVE DATE

The provision generally is effective for payments received or accrued after December 31, 2000. The binding written contract exception contained in the 1997 Act will apply to any payment received or accrued under such contract prior to January 1, 2001.

F. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY (SEC. 406 OF THE BILL AND SEC. 170 OF THE CODE)

PRESENT LAW

The maximum charitable contribution deduction that may be claimed by a corporation for any one taxable year is limited to 10 percent of the corporation's taxable income for that year (disregarding charitable contributions and with certain other modifications) (sec. 170(b)(2)). Corporations also are subject to certain limitations based on the type of property contributed. In the case of a charitable contribution of short-term gain property, inventory, or other ordinary income property, the amount of the deduction generally is limited to the taxpayer's basis (generally, cost) in the property. However, special rules in the Code provide an augmented deduction for certain corporate contributions. Under these special rules, the amount of the augmented deduction is equal to the lesser of (1) the basis of the donated property plus one-half of the amount of ordinary income that would have been realized if the property had been sold, or (2) twice the basis of the donated property. To be eligible for the enhanced deduction, the taxpayer must establish that the fair market value of the donated item exceeds basis. The valuation of food inventory has been the subject of ongoing disputes between taxpayers and the IRS.

The special treatment applies only to donations made by C corporations. S corporations, personal holding companies, and service organizations are not eligible donors.

EXPLANATION OF PROVISION

The bill amends Code section 170 to expand the augmented deduction such that any taxpayer engaged in the trade or business of farming is eligible to claim an enhanced deduction for donations of food inventory under section 170(e)(3).

The value of the enhanced deduction can be no greater than twice the taxpayer's basis in the donated property. The bill provides that in the case of a cash method taxpayer, the taxpayer's basis in the donated food will equal half of the fair market value of the donated food.

The bill modifies and clarifies the determination of fair market value for the donation of food inventory. Under the bill, the fair market value of donated food which cannot or will not be sold solely due to internal standards of the taxpayer, lack of market, or similar circumstances is determined without regard to such factors and, if applicable, by taking into account the price at which the same or similar food items are sold by the taxpayer at the time of the contribution or in the recent past.

The bill does not apply for taxable years beginning after December 31, 2003.

EFFECTIVE DATE

The provision is effective for taxable years beginning after December 31, 2000.

G. COORDINATE FARMERS AND FISHERMAN INCOME AVERAGING AND THE ALTERNATIVE MINIMUM TAX (SEC. 407 OF THE BILL AND SECS. 55 AND 1301 OF THE CODE)

PRESENT LAW

An individual taxpayer engaged in a farming business as defined by section 263A(e)(4) may elect to compute his or her current year tax liability by averaging, over the prior three-year period, all or portion of his or her taxable income from the trade or business of farming. The averaging election is not coordinated with the alternative minimum tax. Thus, some farmers may become subject to the alternative minimum tax solely as a result of the averaging election.

EXPLANATION OF PROVISION

The bill extends to individuals engaged in the trade or business of fishing the election that is available to individual farmers to use income averaging.

The bill also coordinates farmers and fishermen income averaging with the alternative minimum tax. Under the bill, a farmer will owe alternative minimum tax only to the extent he or she will owe alternative minimum tax had averaging not been elected. This result is achieved by excluding the impact of the election to average farm income from the calculation of both regular tax and tentative minimum tax, solely for the purpose of determining alternative minimum tax.

EFFECTIVE DATE

The provision is effective for taxable years beginning after December 31, 2000.

H. COOPERATIVE MARKETING TO INCLUDE VALUE ADDED PROCESSING THROUGH ANIMALS (SEC. 408 OF THE BILL AND SEC. 1388 OF THE CODE)

PRESENT LAW

Under present law, taxable cooperatives in essence are treated as pass-through entities in that the cooperative is not subject to corporate income tax to the extent the cooperative timely pays patronage dividends. Tax-exempt cooperatives (sec. 521) are cooperatives of farmers, fruit growers, and like organizations organized and operated on a cooperative basis for the purpose of marketing the products of members or other producers and turning back the proceeds of sales, less necessary marketing expenses on the basis of either the quantity or the value of products furnished by them.

The Internal Revenue Service takes the position that a cooperative is not marketing the products of members or other producers where the cooperative adds value through the use of animals (e.g., farmers sell corn to cooperative which is feed to chickens which produce eggs).

EXPLANATION OF PROVISION

The bill provides that marketing products of members or other producers includes feeding products of members or other producers to cattle, hogs, fish, chickens, or other animals and selling the resulting animals or animal products.

EFFECTIVE DATE

The provision is effective for taxable years beginning after the date of enactment.

I. EXTEND DECLARATORY JUDGMENT PROCEDURES TO FARMERS' COOPERATIVE ORGANIZATIONS (SEC. 409 OF THE BILL AND SEC. 7428 OF THE CODE)

PRESENT LAW

Cooperatives may deduct from their taxable income amounts distributed to patrons in the form of patronage dividends, and certain other amounts paid or allocated to patrons, to the extent the net earnings of the cooperative from business done with or for patrons, provided that there is a pre-existing obligation to distribute such amounts (sec. 1382). Cooperatives that qualify as farmers' cooperatives under section 521 may claim additional deductions for dividends on capital stock and patronage-based distributions of nonpatronage income.

Under present law, there is limited access to judicial review of disputes regarding the initial or continuing qualification of a farmer's cooperative described in section 521. The only remedies available to such an organization are to file a petition in the U.S. Tax Court for relief following the issuance of a notice of deficiency or to pay tax and sue for a refund in a U.S. district court or the U.S. Court of Federal Claims.

In limited circumstances, declaratory judgment procedures are available, which generally permit a taxpayer to seek judicial review of an IRS determination prior to the issuance of a notice of deficiency and prior to payment of tax. Examples of declaratory judgment procedures which are available include disputes involving the status of a tax-exempt organization under section 501(c)(3), the qualification of retirement plans, the value of gifts, the status of certain governmental obligations, or eligibility of an estate to pay tax in installments under section 6166. In such cases, taxpayers may challenge adverse determinations by commencing a declaratory judgment action. For example, where the IRS denies an organization's application for recognition of exemption under section 501(c)(3) or fails to act on such application, or where the IRS informs a section 501(c)(3) organization that it is considering revoking or adversely modifying its tax-exempt status, present law authorizes the organization to seek a declaratory judgment regarding its tax exempt status.

Declaratory judgment procedures are not available under present law to a cooperative with respect to an IRS determination regarding its status as a farmers' cooperative under section 521.

EXPLANATION OF PROVISION

The bill extends the declaratory judgment procedures to cooperatives. Such a case may be commenced in the U.S. Tax Court, a U.S. district court, or the U.S. Court of Federal Claims, and such court has jurisdiction to determine a cooperative's initial or continuing qualification of a farmers' cooperative described in sec. 521.

EFFECTIVE DATE

The provision is effective with respect to pleadings filed after the date of enactment, but only with respect to determinations (or requests for determinations) made after January 1, 2000.

J. SMALL ETHANOL PRODUCER CREDIT (SEC. 410 OF THE BILL AND SEC. 40 OF THE CODE)

PRESENT LAW

''Small ethanol producers'' are allowed a 10-cents-per-gallon production income tax credit on up to 15 million gallons of production annually. This credit is in addition to the 54-cents-per-gallon benefit available for ethanol generally.

Under present law, cooperatives in essence are treated as pass-through entities in that the cooperative is not subject to corporate income tax to the extent the cooperative timely pays patronage dividends. Under present law, the only credits that may be flowed-through to cooperative patrons are the rehabilitation credit (sec. 47), the energy property credit (sec. 48(a)), and the reforestation credit (sec. 48(b)), but not the small ethanol producer credit.

EXPLANATION OF PROVISION

The bill: (1) provides that the small producer credit is not a ''passive credit''; (2) allows the credit to be claimed against the alternative minimum tax; and (3) repeals the present rule that the amount of the credit is included in income.

The bill also allows cooperatives to elect to pass-through small ethanol producer credits to its patrons. The credit allowed to a patron is that proportion of the credit the cooperative elects to pass-through for that year as the amount of patronage of that patron for that year bears to total patronage of all patrons for that year.

EFFECTIVE DATE

The provision is effective for taxable years beginning after date of enactment.

K. PAYMENT OF DIVIDENDS ON STOCK OF COOPERATIVES WITHOUT REDUCING PATRONAGE DIVIDENDS (SEC. 411 OF THE BILL AND SEC. 1388 OF THE CODE)

PRESENT LAW

Cooperatives, including tax-exempt farmers' cooperatives, are treated like a conduit for Federal income tax purposes since a cooperative may deduct patronage dividends paid from its taxable income. In general, patronage dividends are amounts paid to patrons (1) on the basis of the quantity or value of business done with or for its patrons, (2) under a valid enforceable written obligation to the patron to pay such amount, which obligation existed before the cooperative received such amounts, and (3) which is determined by reference to the net earnings of the cooperative from business done with or for its patrons.

Treasury Regulations provide that net earnings are reduced by dividends paid on capital stock or other proprietary capital interests. The effect of this rule is to reduce the amount of earnings that the cooperative can treat as patronage earnings which reduces the amount that cooperative can deduct as patronage dividends.

EXPLANATION OF PROVISION

The bill allows cooperatives to pay dividends on capital stock without those dividends reducing excludable patronage-sourced income to the extent that the cooperative's organizational documents provide that the dividends do not reduce amounts owed to patrons.

EFFECTIVE DATE

The provision applies to distributions in taxable years beginning after the date of enactment.

V. TAX INCENTIVES FOR THE PRODUCTION OF ENERGY

A. ALLOW GEOLOGICAL AND GEOPHYSICAL COSTS TO BE DEDUCTED CURRENTLY (SEC. 501 OF THE BILL AND SEC. 263 OF THE CODE)

PRESENT LAW

In general

Under present law, current deductions are not allowed for any amount paid for new buildings or for permanent improvements or betterments made to increase the value of any property or estate (sec. 263(a)). Treasury Department regulations define capital amounts to include amounts paid or incurred (1) to add to the value, or substantially prolong the useful life, of property owned by the taxpayer or (2) to adapt property to a new or different use.

The proper income tax treatment of geological and geophysical costs (''G&G costs'') associated with oil and gas production has been the subject of a number of court decisions and administrative rulings. G&G costs are incurred by the taxpayer for the purpose of obtaining and accumulating data that will serve as a basis for the acquisition and retention of oil or gas properties by taxpayers exploring for the minerals. Courts have ruled that such costs are capital in nature and are not deductible as ordinary and necessary business expenses. Accordingly, the costs attributable to such exploration are allocable to the cost of the property acquired or retained. The term ''property'' includes an economic interest in a tract or parcel of land notwithstanding that a mineral deposit has not been established or proven at the time the costs are incurred.

Revenue Ruling 77–188

In Revenue Ruling 77–188 (hereinafter referred to as the ''1977 ruling''), the Internal Revenue Service (''IRS'') provided guidance regarding the proper tax treatment of G&G costs. The ruling describes a typical geological and geophysical exploration program as containing the following elements:

It is customary in the search for mineral producing properties for a taxpayer to conduct an exploration program in one or more identifiable project areas. Each project area encompasses a territory that the taxpayer determines can be explored advantageously in a single integrated operation. This determination is made after analyzing certain variables such as the size and topography of the project area to be explored, the existing information available with respect to the project area and nearby areas, and the quantity of equipment, the number of personnel, and the amount of money available to conduct a reasonable exploration program over the project area.

The taxpayer selects a specific project area from which geological and geophysical data are desired and conducts a reconnaissance-type survey utilizing various geological and geophysical exploration techniques that are designed to yield data that will afford a basis for identifying specific geological features with sufficient mineral potential to merit further exploration.

Each separable, noncontiguous portion of the original project area in which such a specific geological feature is identified is a separate ''area of interest.'' The original project area is subdivided into as many small projects as there are areas of interest located and identified within the original project area. If the circumstances permit a detailed exploratory survey to be conducted without an initial reconnaissance-type survey, the project area and the area of interest will be coextensive.

The taxpayer seeks to further define the geological features identified by the prior reconnaissance-type surveys by additional, more detailed, exploratory surveys conducted with respect to each area of interest. For this purpose, the taxpayer engages in more intensive geological and geophysical exploration employing methods that are designed to yield sufficiently accurate sub-surface data to afford a basis for a decision to acquire or retain properties within or adjacent to a particular area of interest or to abandon the entire area of interest as unworthy of development by mine or well.

The 1977 ruling provides that if, on the basis of data obtained from the preliminary geological and geophysical exploration operations, only one area of interest is located and identified within the original project area, then the entire expenditure for those exploratory operations is to be allocated to that one area of interest and thus capitalized into the depletable basis of that area of interest. On the other hand, if two or more areas of interest are located and identified within the original project area, the entire expenditure for the exploratory operations is to be allocated equally among the various areas of interest.

The 1977 ruling further provides that if, on the basis of data obtained from a detailed survey that does not relate exclusively to any particular property within a particular area of interest, an oil or gas property is acquired or retained within or adjacent to that area of interest, the entire G&G exploration expenditures, including those incurred prior to the identification of the particular area of interest but allocated thereto, are to be allocated to the property as a capital cost under section 263(a).

If, however, from the data obtained by the exploratory operations no areas of interest are located and identified by the taxpayer within the original project area, then the 1977 ruling states that the entire amount of the G&G costs related to the exploration is deductible as a loss under section 165 for the taxable year in which that particular project area is abandoned as a potential source of mineral production.

EXPLANATION OF PROVISION

The provision allows geological and geophysical costs incurred in connection with oil and gas exploration in the United States to be deducted currently.

EFFECTIVE DATE

The provision is effective for G&G costs incurred or paid in taxable years beginning after December 31, 2001.

B. ALLOW CERTAIN OIL AND GAS ''DELAY RENTAL PAYMENTS'' TO BE DEDUCTED CURRENTLY (SEC. 502 OF THE BILL AND SEC. 263 OF THE CODE)

PRESENT LAW

Present law generally requires costs associated with inventory and property held for resale to be capitalized rather than currently deducted as they are incurred. (sec. 2634). Oil and gas producers typically contract for mineral production in exchange for royalty payments. If mineral production is delayed, these contracts provide for ''delay rental payments'' as a condition of their extension. The Treasury Department has taken the position that the uniform capitalization rules of section 263A require delay rental payments to be capitalized.

EXPLANATION OF PROVISION

The provision allows delay rental payments to be deducted currently.

EFFECTIVE DATE

The provision applies to delay rental payments incurred in taxable years beginning after December 31, 2001.

No inference is intended from the proposal as to the proper treatment of pre-effective date delay rental payments.

C. ALLOW NET OPERATING LOSSES FROM OIL AND GAS PROPERTIES TO BE CARRIED BACK FOR UP TO FIVE YEARS (SEC. 503 OF THE BILL AND SEC. 172 OF THE CODE)

PRESENT LAW

A net operating loss (''NOL'') generally is the amount by which business deductions of a taxpayer exceed business gross income. In general, an NOL may be carried back two years and carried forward 20 years to offset taxable income in such years. A carryback of an NOL results in the refund of Federal income tax for the carryback year. A carryforward of an NOL reduces Federal income tax for the carryforward year. Special NOL carryback rules apply to (1) casualty and theft losses of individual taxpayers, (2) Presidentially declared disasters for taxpayers engaged in a farming business or a small business, (3) real estate investment trusts, (4) specified liability losses, (5) excess interest losses, and (6) farm losses.

EXPLANATION OF PROVISION

The provision provides a special five-year carryback for certain eligible oil and gas losses of independent producers. The carryforward period remains 20 years. An ''eligible oil and gas loss'' is defined as the lesser of (1) the amount which would be the taxpayer's NOL for the taxable year if only income and deductions attributable to operating mineral interests in oil and gas wells were taken into account, or (2) the amount of such net operating loss for such taxable year. In calculating the amount of a taxpayer's NOL carrybacks, the portion of the NOL that is attributable to an eligible oil and gas loss is treated as a separate NOL and taken into account after the remaining portion of the NOL for the taxable year.

EFFECTIVE DATE

The proposal applies to NOLs arising in taxable years beginning after December 31, 2001.

D. TEMPORARY SUSPENSION OF PERCENTAGE OF DEPLETION DEDUCTION LIMITATION BASED ON 65 PERCENT OF TAXABLE INCOME (SEC. 504 OF THE BILL AND SEC. 613A OF THE CODE)

PRESENT LAW

Depletion, like depreciation, is a form of capital cost recovery. In both cases, the taxpayer is allowed a deduction in recognition of the fact that an asset—in the case of depletion for oil or gas interests, the mineral reserve itself—is being expended in order to produce income. Certain costs incurred prior to drilling an oil or gas property are recovered through the depletion deduction. These include costs of acquiring the lease or other interest in the property and geological and geophysical costs (in advance of actual drilling). Depletion is available to any person having an economic interest in a producing property.

Two methods of depletion currently are allowable under the Code: (1) the cost depletion method, and (2) the percentage depletion method (secs. 611–613). Under the cost depletion method, the taxpayer deducts that portion of the adjusted basis of the depletable property which is equal to the ratio of units sold from that property during the taxable year to the number of units remaining as of the end of taxable year plus the number of units sold during the taxable year. Thus, the amount recovered under cost depletion may never exceed the taxpayer's basis in the property.

Under the percentage depletion method, generally, 15 percent of the taxpayer's gross income from an oil- or gas-producing property is allowed as a deduction in each taxable year (sec. 613A(c)). The amount deducted generally may not exceed 100 percent of the net income from that property in any year (the ''net-income limitation'') (sec. 613(a)). Additionally, the percentage depletion deduction for all oil and gas properties may not exceed 65 percent of the taxpayer's overall taxable income (determined before such deduction and adjusted for certain loss carrybacks and trust distributions) (sec. 613A(d)(1)).

EXPLANATION OF PROVISION

The provision suspends the 65-percent-of-taxable-income limit for taxable years beginning after December 31, 2000 and before January 1, 2004.

EFFECTIVE DATE

The provision is effective for taxable years beginning after December 31, 2000.

E. TAX CREDIT FOR OIL AND GAS PRODUCTION FROM MARGINAL WELLS (SEC. 505 OF THE BILL AND SEC. 54A OF THE CODE)

PRESENT LAW

There is no income tax credit for oil or gas production from marginal wells generally. Present law does, however, provide a tax credit for production requiring the use of certain tertiary recovery methods (the ''enhanced oil recovery credit'') (sec. 43).

EXPLANATION OF PROVISION

The provision provides an income tax credit equal to $3 per barrel of qualified crude oil produced from a marginal well and 50 cents per 1,000 cubic feet of qualified natural gas production. Qualified production is defined as production up to 1,095 barrels per year (3 barrels per day).

The credit applies fully only when oil prices are below $14. The credit phases-out ratably when the price of oil is between $14 and $17 per barrel for oil (and equivalent amounts for natural gas).

The credit can be claimed against both the regular income tax and the alternative minimum tax.

EFFECTIVE DATE

The proposal applies to production in taxable years beginning after December 31, 2000.

F. NATURAL GAS GATHERING LINES TREATED AS 7-YEAR PROPERTY (SEC. 506 OF THE BILL AND SEC. 168(e)(3) OF THE CODE)

PRESENT LAW

The applicable recovery period for assets placed in service under the Modified Accelerated Cost Recovery System is based on the ''class life of the property.'' The class lives of assets placed in service after 1986 are set forth in Revenue Procedure 87–56. Revenue Procedure 87–56 includes two asset classes that could describe natural gas gathering lines owned by non-producers of natural gas. Asset class 13.2, describing assets used in the exploration for and production of petroleum and natural gas deposits, provides a class life of 14 years and a depreciation recovery period of seven years. Asset class 46.0, describing pipeline transportation, provides a class life of 22 years and a recovery period of 15 years. The uncertainty regarding the appropriate recovery period has resulted in litigation between taxpayers and the IRS. Recently, the 10th Circuit Court of Appeals held that natural gas gathering lines owned by non-producers fall within the scope of Asset class 13.2 (i.e., seven-year recovery period).

EXPLANATION OF PROVISION

The bill establishes a statutory seven-year recovery period for all natural gas gathering lines. A natural gas gathering line would be defined to include pipe, equipment, and appurtenances that are (1) determined to be a gathering line by the Federal Energy Regulatory Commission, or (2) used to deliver natural gas from the wellhead or a common point to the point at which such gas first reaches (a) a gas processing plant, (b) an interconnection with an interstate transmission line, (c) an interconnection with an intrastate transmission line, or (d) a direct interconnection with a local distribution company, a gas storage facility, or an industrial consumer.

EFFECTIVE DATE

The provision is effective for property placed in service on or after the date of enactment. No inference would be intended as to the proper treatment of such property placed in service before the date of enactment.

G. CLARIFICATION OF TREATMENT OF PIPELINE TRANSPORTATION INCOME (SEC. 507 OF THE BILL AND SEC. 954 OF THE CODE)

PRESENT LAW

Under the subpart F rules, U.S. 10-percent shareholders of a controlled foreign corporation (''CFC'') are subject to U.S. tax currently on their shares of certain income earned by the foreign corporation, whether or not such income is distributed to the shareholders (referred to as ''subpart F income''). Subpart F income includes foreign base company income, which in turn includes five categories of income: foreign personal holding company income, foreign base company sales income, foreign base company services income, foreign base company shipping income, and foreign base company oil related income (sec. 954(a)).

Foreign base company oil related income is income derived outside the United States from the processing of minerals extracted from oil or gas wells into their primary products; the transportation, distribution, or sale of such minerals or primary products; the disposition of assets used by the taxpayer in a trade or business involving the foregoing; or the performance of any related services. However, foreign base company oil related income does not include income derived from a source within a foreign country in connection with: (1) oil or gas which was extracted from a well located in such foreign country or, (2), oil, gas, or a primary product of oil or gas which is sold by the CFC or a related person for use or consumption within such foreign country or is loaded in such country as fuel on a vessel or aircraft. An exclusion also is provided for income of a CFC that is a small producer (i.e., a corporation whose average daily oil and natural gas production, including production by related corporations, is less than 1,000 barrels).

EXPLANATION OF PROVISION

The bill provides an additional exception to the definition of foreign base company oil related income. Under the bill, foreign base company oil related income does not include income derived from a source within a foreign country in connection with the pipeline transportation of oil or gas within such foreign country. Thus, the exception applies whether or not the CFC that owns the pipeline also owns any interest in the oil or gas transported. In addition, the exception applies to income earned from the transportation of oil or gas by pipeline in a country in which the oil or gas was neither extracted nor consumed within such foreign country.

EFFECTIVE DATE

The provision is effective for taxable years of CFCs beginning after December 31, 2001, and taxable years of U.S. shareholders with or within which such taxable years of CFCs end.

TITLE VI. TAX INCENTIVES FOR CONSERVATION

A. EXCLUSION OF 50 PERCENT OF GAIN ON SALES OF LAND OR INTERESTS IN LAND OR WATER TO ELIGIBLE ENTITIES FOR CONSERVATION PURPOSES (SEC. 601 OF THE BILL AND NEW SEC. 121A OF THE CODE)

PRESENT LAW

Gain from the sale or exchange of land held more than one year generally is treated as long-term capital gain.

Generally the net capital gain of an individual (i.e., long-term capital gain less short-term capital loss) is subject to a maximum rate of 20 percent.

EXPLANATION OF PROVISION

The bill provides a 50-percent exclusion from a taxpayer's gross income for gain realized on the qualifying sale of land, or an interest in land or water, provided the land, or interest in land or water, has been held by the taxpayer or the taxpayer's family for at least three years prior to the date of sale. A qualifying sale is a sale to any agency of the Federal Government, a State government, or a local government, or a sale to 501(c)(3) organization that is organized and operated primarily to meet a qualified conservation purpose. In addition, to be a qualifying sale, the entity acquiring the land, or interest in land or water, must provide the taxpayer with a letter detailing that the intent of the purchase is to further a qualified conservation purpose. A qualified conservation purpose is (1) the preservation of land areas for outdoor recreation by, or the education of, the general public, (2) the protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem, or (3) the preservation of open space (including farmland and forest land) where the preservation is for the scenic enjoyment of the general public or pursuant to a clearly delineated Federal, State or local governmental conservation policy that will yield a significant public benefit.

EFFECTIVE DATE

The provision is effective for sales after December 31, 2003.

B. EXPAND THE ESTATE TAX RULE FOR CONSERVATION EASEMENTS (SEC. 602 OF THE BILL AND SEC. 2031 OF THE CODE)

PRESENT LAW

An executor may elect to exclude from the taxable estate 40 percent of the value of any land subject to a qualified conservation easement, up to a maximum exclusion of $100,000 in 1998, $200,000 in 1999, $300,000 in 2000, $400,000 in 2001, and $500,000 in 2002 and thereafter (sec. 2031(c)). The exclusion percentage is reduced by 2 percentage points for each percentage point (or fraction thereof) by which the value of the qualified conservation easement is less than 30 percent of the value of the land (determined without regard to the value of such easement and reduced by the value of any retained development right).

A qualified conservation easement is one that meets the following requirements: (1) the land is located within 25 miles of a metropolitan area (as defined by the Office of Management and Budget) or a national park or wilderness area, or within 10 miles of an Urban National Forest (as designated by the Forest Service of the U.S. Department of Agriculture); (2) the land has been owned by the decedent or a member of the decedent's family at all times during the three-year period ending on the date of the decedent's death; and (3) a qualified conservation contribution (within the meaning of sec. 170(h)) of a qualified real property interest (as generally defined in sec. 170(h)(2)(C)) was granted by the decedent or a member of his or her family. For purposes of the provision, preservation of a historically important land area or a certified historic structure does not qualify as a conservation purpose.

In order to qualify for the exclusion, a qualifying easement must have been granted by the decedent, a member of the decedent's family, the executor of the decedent's estate, or the trustee of a trust holding the land, no later than the date of the election. To the extent that the value of such land is excluded from the taxable estate, the basis of such land acquired at death is a carryover basis (i.e., the basis is not stepped-up to its fair market value at death). Property financed with acquisition indebtedness is eligible for this provision only to the extent of the net equity in the property. The exclusion from estate taxes does not extend to the value of any development rights retained by the decedent or donor.

EXPLANATION OF PROVISION

The bill expands the availability of qualified conservation easements by eliminating the geographical boundary restrictions. Under the bill, the land qualifies without regard to the distance from which the land is situated from a metropolitan area, national park, wilderness area, or Urban National Forest.

EFFECTIVE DATE

The provision is effective for estates of decedents dying after December 31, 2001.

C. COST-SHARING PAYMENTS UNDER THE PARTNERS FOR WILDLIFE PROGRAM (SEC. 603 OF THE BILL AND SEC. 126 OF THE CODE)

PRESENT LAW

Under present law, gross income does not include the excludable portion of payments made to taxpayers by federal and state governments for a share of the cost of improvements to property under certain conservation programs. These programs include payments received under (1) the rural clean water program authorized by section 208(j) of the Federal Water Pollution Control Act, (2) the rural abandoned mine program authorized by section 406 of the Surface Mining Control and Reclamation Act of 1977, (3) the water bank program authorized by the Water Bank Act, (4) the emergency conservation measures program authorized by title IV of the Agricultural Credit Act of 1978, (5) the agriculture conservation program authorized by the Soil Conservation and Domestic Allotment Act, (6) the great plains conservation program authorized by section 16 of the Soil Conservation and Domestic Policy Act, (7) the resource conservation and development program authorized by the Bankhead-Jones Farm Tenant Act and by the Soil Conservation and Domestic Allotment Act, (8) the forestry incentives program authorized by section 4 of the Cooperative Forestry Assistance Act of 1978, (9) any small watershed program administered by the Secretary of Agriculture which is determined by the Secretary of the Treasury or his delegate to be substantially similar to the type of programs described in items (1) through (8), and (10) any program of a State, possession of the United States, a political subdivision of any of the foregoing, or the District of Columbia under which payments are made to individuals primarily for the purpose of conserving soil, protecting or restoring the environment, improving forests, or providing a habitat for wildlife.

EXPLANATION OF PROVISION

The provision expands the types of qualified cost-sharing payments to include payments under the Partners for Wildlife Program.

EFFECTIVE DATE

The provision applies to payments received after the date of enactment.

D. INCENTIVE FOR CERTAIN ENERGY EFFICIENT PROPERTY USED IN BUSINESS (SEC. 604 OF THE BILL AND NEW SEC. 199 OF THE CODE)

PRESENT LAW

No special deduction is currently provided for expenses incurred for energy efficient building property.

EXPLANATION OF PROVISION

The provision allows a deduction from income for expenses incurred for energy efficient commercial building property. Energy-efficient commercial building property is defined as property that reduces annual energy and power costs with respect to lighting, cooling, heating, ventilation, and hot water supply by 50 percent or more in comparison to a reference building. A reference building is defined as one which meets the requirements of Standard 90.1–1999 of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and the Illuminating Engineering Society of North America. The maximum deduction would be $2.25 per square foot. For all property eligible for the deduction, the depreciable basis of the property is reduced by the amount of the deduction. For public property, such as schools, the Secretary shall issue regulations to allow the deduction to be allocated to the person primarily responsible for designing the property in lieu of the public entity owner.

EFFECTIVE DATE

The deduction is effective for taxable years beginning after December 31, 2000, and before January 1, 2004.

E. EXTENSION AND MODIFICATION OF TAX CREDIT FOR ELECTRICITY PRODUCED FROM BIOMASS (SEC. 605 OF THE BILL AND SEC. 45 OF THE CODE)

PRESENT LAW

Section 45

An income tax credit is allowed for the production of electricity from either qualified wind energy facilities, qualified ''closed-loop'' biomass facilities, or qualified poultry waste facilities (sec. 45). The current value of the credit is 1.7 cents/kilowatt hour of electricity produced and the value of the credit is indexed for inflation. The credit applies to electricity produced by a qualified wind energy facility placed in service after December 31, 1993, and before January 1, 2002, to electricity produced by a qualified closed-loop biomass facility placed in service after December 31, 1992, and before January 1, 2002, and to a qualified poultry waste facility placed in service after December 31, 1999, and before January 1, 2002. The credit is allowable for production during the 10-year period after a facility is originally placed in service.

Closed-loop biomass is the use of plant matter, where the plants are grown for the sole purpose of being used to generate electricity. It does not include the use of waste materials (including, but not limited to, scrap wood, manure, and municipal or agricultural waste). The credit also is not available to taxpayers who use standing timber to produce electricity. In order to claim the credit, a taxpayer must own the facility and sell the electricity produced by the facility to an unrelated party.

Section 29

Certain fuels produced from ''nonconventional sources'' and sold to unrelated parties are eligible for an income tax credit equal to $3 (generally adjusted for inflation) per barrel or BTU oil barrel equivalent (sec. 29) (referred to as the ''section 29 credit''). Qualified fuels must be produced within the United States. Qualified fuels include:

(1) oil produced from shale and tar sands;

(2) gas produced from geopressured brine, Devonian shale, coal seams, tight formations (''tight sands''), or biomass; and

(3) liquid, gaseous, or solid synthetic fuels produced from coal (including lignite).

In general, the credit is available only with respect to fuels produced from wells drilled or facilities placed in service after December 31, 1979, and before January 1, 1993. An exception extends the January 1, 1993 expiration date for facilities producing gas from biomass and synthetic fuel from coal if the facility producing the fuel is placed in service before July 1, 1998, pursuant to a binding contract entered into before January 1, 1997.

The credit may be claimed for qualified fuels produced and sold before January 1, 2003 (in the case of nonconventional sources subject to the January 1, 1993 expiration date) or January 1, 2008 (in the case of biomass gas and synthetic fuel facilities eligible for the extension period).

EXPLANATION OF PROVISION

The bill provides that the present-law tax credit for electricity produced by wind, closed-loop biomass, and poultry waste facilities is expanded to include electricity produced from certain other biomass (in addition to closed-loop biomass and poultry waste) and electricity produced from landfill gas. Taxpayers producing electricity from other biomass or landfill gas may claim credit for production of electricity for three years commencing on the later of January 1, 2001, or the date the facility is placed in service.

''Other biomass'' is defined as solid nonhazardous, cellulose waste material which is segregated from other waste materials and which is derived from forest resources, but not including old growth timber. The term includes urban sources such as waste pallets, crates, manufacturing and construction wood waste, and tree trimmings, or agricultural sources (including orchard tree crops, grain, vineyard, legumes, sugar, and other crop by-products or residues). However, the term does not include unsegregated municipal solid waste, paper that is commonly recycled, or certain chemically treated wood

wastes. Qualifying other biomass and landfill gas facilities are limited to facilities owned by the taxpayer.

A special rule modifies present-law definition of qualified closed-loop biomass facilities to include facilities in which electricity is produced from closed-loop biomass fuels co-fired with coal.

In the case of other biomass facilities, the credit applies to electricity produced after December 31, 2000 from facilities that are placed in service before January 1, 2002 (including facilities placed in service before the date of enactment of this provision). In the case of landfill gas facilities, the credit applies to electricity produced after December 31, 2000, from facilities placed in service after December 31, 1999, and before January 1, 2002. In the case of closed-loop biomass facilities in which closed-loop biomass fuel is co-fired with coal, the credit applies to electricity produced after December 31, 2000, from facilities that are placed in service before January 1, 2002 (including facilities placed in service before the date of enactment of this provision).

EFFECTIVE DATE

The provision is effective upon the date of enactment.

F. CREDIT FOR CERTAIN ENERGY EFFICIENT MOTOR VEHICLES (SEC. 606 OF THE BILL AND NEW SEC. 30B OF THE CODE)

PRESENT LAW

Present law does not provide a credit for the purchase of hybrid vehicles. However, taxpayers may claim a credit of 10 percent of the cost of an electric vehicle up to a maximum credit of $4,000 (sec. 30). A qualified electric vehicle is a vehicle powered primarily by an electric motor drawing current from rechargeable batteries, fuel cells, or other portable sources of electrical current. The credit does not apply to property placed in service after December 31, 2004 and is reduced ratably between 2002 and 2004.

Taxpayers may claim an immediate deduction (expensing) for up to $2,000 of the cost of a qualified clean-fuel vehicle which is a car and up to $50,000 in the case of certain trucks or vans (sec. 179A). For the purpose of the deduction, gasoline and diesel fuel are not clean-burning fuels. The deduction expires after December 31, 2004, and is phased out ratably between 2002 and 2004.

EXPLANATION OF PROVISION

The bill provides a temporary tax credit for qualified hybrid vehicles, with a rechargeable energy system used in business and for personal use. For vehicles with a rechargeable energy system that provides five percent to less than 10 percent of the maximum available power, the credit amount is $500; for a system that provides 10 percent to less than 20 percent of maximum available power the credit is $1,000; for a system that provides 20 percent to less than 30 percent of maximum available power, the credit is $1,500; and for a system that provides 30 percent or greater of maximum available power, the credit is $2,000. The credit amount is increased for qualified hybrid vehicles that also actively employ a regenerative braking system that supplies energy to the rechargeable energy storage system. For a hybrid vehicle with a regenerative braking system that provides 20 percent to less than 40 percent of the energy available from braking in a typical 60 miles per hour to zero miles per hour braking event, the additional credit amount is $250, for 40 percent to less than 60 percent, the additional credit would be $500, and for 60 percent or greater, the additional credit is $1,000.

In addition, the sponsors note that this proposal is one portion of a package of proposals in the Alternative Fuels Incentives Act. The proposals in that legislation include a tax credit for alternative fuel vehicles, a tax credit for retail sales of alternative motor vehicle fuels, and an extension of the deduction for certain refueling property. The sponsors note the Committee has explored these incentives in a hearing and will continue to seek to address these proposals in appropriate legislation.

EFFECTIVE DATE

The credit is available for a hybrid vehicle placed in service after December 31, 2003, and before January 1, 2005.

VII. ADDITIONAL TAX PROVISIONS

A. LIMITATION ON USE OF NON-ACCRUAL EXPERIENCE METHOD OF ACCOUNTING (SEC. 701 OF THE BILL AND SEC. 448 OF THE CODE)

PRESENT LAW

An accrual method taxpayer generally must recognize income when all the events have occurred that fix the right to receive the income and the amount of the income can be determined with reasonable accuracy. An accrual method taxpayer may deduct the amount of any receivable that was previously included in income that becomes worthless during the year.

Accrual method taxpayers are not required to include in income amounts to be received for the performance of services which, on the basis of experience, will not be collected (the ''non-accrual experience method''). The availability of this method is conditioned on the taxpayer not charging interest or a penalty for failure to timely pay the amount charged.

A cash method taxpayer is not required to include an amount in income until it is received. A taxpayer generally may not use the cash method if purchase, production, or sale of merchandise is an income producing factor. Such taxpayers generally are required to keep inventories and use an accrual method of accounting. In addition, corporations (and partnerships with corporate partners) generally may not use the cash method of accounting if their average annual gross receipts exceed $5 million. An exception to this $5 million rule is provided for qualified personal service corporations. A qualified personal service corporation is a corporation (1) substantially all of whose activities involve the performance of services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts or consulting and (2) substantially all of the stock of which is owned by current or former employees performing such services, their estates or heirs. Qualified personal service corporations are allowed to use the cash method without regard to whether their average annual gross receipts exceed $5 million.

EXPLANATION OF PROVISION

The provision provides that the non-accrual experience method of accounting will be available only for amounts to be received for the performance of qualified personal services. Amounts to be received for all other services will be subject to the general rule regarding inclusion in income. Qualified personal services are personal services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts or consulting. As under present law, the availability of this method is conditioned on the taxpayer not charging interest or a penalty for failure to timely pay the amount charged.

It is believed that the formula contained in Temp. Reg. Section 1.448–2T does not clearly reflect the amount of income that, based on experience, will not be collected for many qualified personal services providers, especially for those where significant time elapses between the rendering of the service and a final determination that the account will not be collected. Providers of qualified personal services should not be subject to a formula that requires the payment of taxes on receivables that will not be collected. It is intended that the Secretary of the Treasury be directed to amend the temporary regulations to provide a more accurate determination for such qualified personal service providers of amounts to be excluded from income that, based on the taxpayer's experience, will not be collected. In amending such regulations, the Secretary of the Treasury should consider providing flexibility with respect to any formula used to compute the amount of the exclusion, to address the different factual situations of taxpayers.

EFFECTIVE DATE

The provision is effective for taxable years ending after date of enactment. Any change in the taxpayer's method of accounting necessitated as a result of the provision are treated as a voluntary change initiated by the taxpayer with the consent of the Secretary of the Treasury. Any required section 481(a) adjustment is to be taken into account over a period not to exceed four years under principles consistent with those in Rev. Proc. 98–60.

B. REPEAL OF SECTION 1706 OF THE TAX REFORM ACT OF 1986 (SEC. 702 OF THE BILL)

PRESENT LAW

Under present law, determination of whether a worker is an employee or independent contractor is generally made under a common-law test. Section 530 of the Revenue Act of 1978 provides safe harbors under which a service recipient may treat a worker as an independent contractor for employment tax purposes (regardless of their status under the common-law test) if certain requirements are satisfied. One of the requirements of safe-harbor relief under section 530 is that the taxpayer (or a predecessor) must not have treated any worker holding a substantially similar position as an employee for purposes of employment taxes for any period after 1977. In determining whether workers hold substantially similar positions, one of the factors that is to be taken into account is the relationship of the parties, including the degree of supervision and control of the worker by the taxpayer.

Under section 1706 of the Tax Reform Act of 1986, section 530 safe-harbor relief does not apply to certain technical services personnel.

EXPLANATION OF PROVISION

The bill repeals section 1706 of the Tax Reform Act of 1986. Thus, section 530 safe-harbor relief is available with respect to workers covered by section 1706, if the requirements of the safe harbor are otherwise satisfied. The bill does not repeal the consistency requirement with respect to workers covered by section 1706.

EFFECTIVE DATE

The bill is effective for periods beginning after the date of enactment.

C. EXPANSION OF EXEMPTION FROM PERSONAL HOLDING COMPANY TAX FOR LENDING OR FINANCE BUSINESS COMPANIES (SEC. 703 OF THE BILL AND SECTION 542 OF THE CODE)

PRESENT LAW

Personal holding companies (''PHC'') are subject to a 39.6 percent tax on undistributed PHC income. This tax can be avoided by distributing the income to shareholders, who then pay shareholder level tax. PHCs are closely held companies with at least 60 percent ''personal holding company income'' (''PHCI''). This is generally passive income, including interest, dividends, and rents. Certain rent is excluded from the definition, if rent is at least 50 percent of the adjusted ordinary gross income of the company and

other undistributed PHCI does not exceed 10 percent of the adjusted ordinary gross income.

In the case of a group of corporations filing a consolidated return, with certain exceptions, the application of the PHC tax to the group and any member thereof is generally determined on the basis of consolidated income and consolidated PHCI. If any member of the group is excluded from the definition of a PHC under certain provisions (including one for certain lending or finance businesses), then each other member of the group is tested separately for PHC status.

A special rule of present law excludes a lending or finance business from the definition of a PHC if certain requirements are met. At least 60 percent of its income must come from the active conduct of a lending or finance business, and no more than 20 percent of its adjusted gross income may be from certain other PHCI. A lending or finance business does not include a business of making loans longer than 144 months (12 years). Also, the deductions attributable to this active lending or finance business (but not including interest expense) must be at least 5 percent of income over $500,000 (plus 15 percent of income under that amount).

EXPLANATION OF PROVISION

The provision modifies the personal holding company exclusion for lending or finance companies to provide that, in determining whether a member of an affiliated group (as defined in section 1504(a)(1)) filing a consolidated return is a lending or finance company, only corporations engaged in a lending or finance business are taken into account, and all such companies are aggregated for purposes of this determination. The effect of this rule is to treat a corporation as a lending or finance company if all companies engaged in a lending or finance business in the affiliated group, in the aggregate, satisfy the requirements of the exclusion.

The provision also repeals the business expense requirement and the limitation on the maturity of loans made by a lending or finance business.

The provision also broadens the definition of a lending or finance business to include providing financial or investment advisory services, as well as engaging in leasing, including entering into leases and/or purchasing, servicing, and/or disposing of leases and leased assets.

Rents that are not derived from the active and regular conduct of a lending or finance business would continue to be treated under the present law personal holding company income rules.

EFFECTIVE DATE

The provision is effective for taxable years beginning after December 31, 2000.

D. CHARITABLE CONTRIBUTION DEDUCTION FOR CERTAIN EXPENSES INCURRED IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING (SEC. 704 OF THE BILL AND SEC. 170 OF THE CODE)

PRESENT LAW

In computing taxable income, individuals who do not elect the standard deduction may claim itemized deductions, including a deduction (subject to certain limitations) for charitable contributions or gifts made during the taxable year to a qualified charitable organization or governmental entity (sec. 170). Individuals who elect the standard deduction may not claim a deduction for charitable contributions made during the taxable year.

No charitable contribution deduction is allowed for a contribution of services. However, unreimbursed expenditures made incident to the rendition of services to an organization, contributions to which are deductible, may constitute a deductible contribution (Treas. Reg. sec. 1.170A–1(g)). Specifically, section 170(j) provides that no charitable contribution deduction is allowed for traveling expenses (including amounts expended for meals and lodging) while away from home, whether paid directly or by reimbursement, unless there is no significant element of personal pleasure, recreation, or vacation in such travel.

EXPLANATION OF PROVISION

The bill allows individuals to claim a deduction under section 170 not exceeding $7,500 per taxable year for certain expenses incurred in carrying out sanctioned whaling activities. The deduction is available only to an individual who is recognized by the Alaska Eskimo Whaling Commission as a whaling captain charged with the responsibility of maintaining and carrying out sanctioned whaling activities. The deduction is available for reasonable and necessary expenses paid by the taxpayer during the taxable year for (1) the acquisition and maintenance of whaling boats, weapons, and gear used in sanctioned whaling activities, (2) the supplying of food for the crew and other provisions for carrying out such activities, and (3) storage and distribution of the catch from such activities.

For purposes of the provision, the term ''sanctioned whaling activities'' means subsistence bowhead whale hunting activities conducted pursuant to the management plan of the Alaska Eskimo Whaling Commission.

EFFECTIVE DATE

The provision is effective for taxable years ending after December 31, 2000.

E. TREATMENT OF PURCHASE OF STRUCTURED SETTLEMENTS (SEC. 705 OF THE BILL AND NEW SEC. 5891 OF THE CODE)

PRESENT LAW

Present law provides tax-favored treatment for structured settlement arrangements for the payment of damages on account of personal injury or sickness.

Under present law, an exclusion from gross income is provided for amounts received for agreeing to a qualified assignment to the extent that the amount received does not exceed the aggregate cost of any qualified funding asset (sec. 130). A qualified assignment means any assignment of a liability to make periodic payments as damages (whether by suit or agreement) on account of a personal injury or sickness (in a case involving physical injury or physical sickness), provided the liability is assumed from a person who is a party to the suit or agreement, and the terms of the assignment satisfy certain requirements. Generally, these requirements are that (1) the periodic payments are fixed as to amount and time; (2) the payments cannot be accelerated, deferred, increased, or decreased by the recipient; (3) the assignee's obligation is no greater than that of the assignor; and (4) the payments are excludable by the recipient under section 104(a)(2) as damages on account of personal injuries or sickness.

A qualified funding asset means an annuity contract issued by an insurance company licensed in the U.S., or any obligation of the United States, provided the annuity contract or obligation meets statutory requirements. An annuity that is a qualified funding asset is not subject to the rule requiring current inclusion of the income on the contract which generally applies to annuity contract holders that are not natural persons (e.g., corporations) (sec. 72(u)(3)(C)). In addition, when the payments on the annuity are received by the structured settlement company and included in income, the company generally may deduct the corresponding payments to the injured person, who, in turn, excludes the payments from his or her income (sec. 104). Thus, neither the amount received for agreeing to the qualified assignment of the liability to pay damages, nor the income on the annuity that funds the liability to pay damages, generally is subject to tax.

The exclusion for recipients of the periodic payments received under a structured settlement arrangement as damages for personal physical injuries or physical sickness can be contrasted with the treatment of investment earnings that are not paid as damages. If a recipient of damages chooses to receive a lump sum payment (excludable from income under sec. 104), and then to invest it himself, generally the earnings on the investment are includable in income. For example, if the recipient uses the lump sum to purchase an annuity contract providing for periodic payments, then a portion of each payment under the annuity contract is includable in income, and the balance is excludable under present-law rules based on the ratio of the individual's investment in the contract to the expected return on the contract (sec. 72(b)).

Present law provides that the payments to the injured person under the qualified assignment cannot be accelerated, deferred, increased, or decreased by the recipient. Consistent with these requirements, it is understood that contracts under structured settlement arrangements generally contain anti-assignment clauses. It is understood, however, that injured persons may nonetheless be willing to accept discounted lump sum payments from certain ''factoring'' companies in exchange for their payment streams. The tax effect on the parties of these transactions may not be completely clear under present law.

EXPLANATION OF PROVISION

The provision generally imposes an excise tax on any person acquiring a payment stream under a structured settlement arrangement. The amount of the excise tax is 40 percent of the excess of (1) the undiscounted amount of the payment stream acquired, over (2) the total amount actually paid.

The 40 percent excise tax does not apply, however, if the transfer is approved in advance in a final court order (or order of the responsible administrative authority) that finds: (1) that the transaction does not contravene any Federal or State statute or the order of any court or responsible administrative authority; and (2) is in the best interest of the payee, taking into account the welfare and support of the payee's dependents. Rules are provided for determining the applicable State statute.

The provision also provides that the acquisition transaction does not affect the application of certain present-law rules, if those rules were satisfied at the time the structured settlement was entered into. The rules are section 130 (relating to an exclusion from gross income for personal injury liability assignments), section 72 (relating to annuities), sections 104(a)(1) and (2) (relating to an exclusion for amounts received under workers' compensation acts and for damages on account of personal physical injuries or physical sickness), and section 461(h) (relating to the time of economic performance in determining the taxable year of a deduction).

EFFECTIVE DATE

The provision generally is effective for acquisition transactions entered into on or after 30 days following enactment. A transition rule applies during the period from that date to July 1, 2002. If no applicable State law (relating to the best interest of the payee) applies to a transfer during that period, then the exception from the 40 percent

excise tax is available without the otherwise required court (or administrative) order, provided certain disclosure requirements are met. Under the transition rule, the person acquiring the structured settlement payments is required to disclose in advance to the payee: (1) the amounts and due dates of the payments to be transferred; (2) the aggregate amount to be transferred; (3) the consideration to be received by the payee; (4) the discounted present value of the transferred payments; and (5) the expenses to be paid by the payee or deducted from the payee's proceeds.

The provision providing that the acquisition transaction does not affect the application of certain present-law rules is effective for transactions entered into before, on, or after the 30th day following enactment.

By Mr. DOMENICI:

S. 3153. A bill to authorize the Secretary of the Air force to convey certain excess personal property of the Air force to Roosevelt General Hospital, Portales, New Mexico; to the Committee on Armed Services.

CONVEYANCE OF AIR FORCE PROPERTY TO ROOSEVELT GENERAL HOSPITAL, PORTALES, NEW MEXICO

Mr. DOMENICI. Mr. President, I rise today to introduce legislation of importance to military members serving at Cannon Air Force Base and the community serving that Air Force Base. This bill would allow the Secretary of the Air Force to convey hospital equipment from a closed hospital facility at Cannon to a new public hospital in Portales, New Mexico.

This is another win-win possibility for the local Air Force personnel and the surrounding community. The hospital at Cannon Air Force Base was closed several years ago. However, the equipment remains at that facility and has been collecting dust since the facility's closure.

A new, state-of-the-art hospital is now being built to serve Roosevelt County citizens. While the County has taken tremendous strides towards establishing a first-rate hospital, excess equipment from the Air Force Base would help ameliorate immediate costs of fully equipping the new hospital. In addition, service members and their families who reside in Portales will certainly make use of the new hospital facility in their area.

The Wing Commander and Medical Commander at Cannon Air Force Base agree that this is a beneficial arrangement. They have met with local community leaders and civilian hospital administrators to carefully review what equipment from the closed Air Force facility should be transferred to the new community hospital. Everyone agrees that this is a positive action to strengthen relations and provide better medical care for both civilian and military community members.

Mr. President, the Air Force is striving to explore novel, beneficial arrangements with local civilian communities to provide medical care for its personnel. This bill, which is entirely discretionary, but would expedite the process, is an easy, common sense approach to achieving that goal. I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 3153

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

SECTION 1. CONVEYANCE OF AIR FORCE PROPERTY TO ROOSEVELT GENERAL HOSPITAL, PORTALES, NEW MEXICO.

(a) AUTHORITY.—The Secretary of the Air Force is authorized to convey to the Roosevelt General Hospital, Portales, New Mexico, without consideration, and without regard to title II of the Federal Property and Administrative Services Act of 1949, all right, title, and interest of the United States in any personal property of the Air Force that the Secretary determines—

(1) is appropriate for use by the Roosevelt General Hospital in the operation of that hospital; and

(2) is excess to the needs of the Air Force.

(b) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with any conveyance under subsection (a) that the Secretary considers appropriate to protect the interests of the United States.

Mr. MOYNIHAN (for himself and Mr. SCHUMER):

S. 3154. A bill to establish the Erie Canalway National Heritage Corridor in the State of New York, and for other purposes; to the Committee on Energy and Natural Resources.

ERIE CANAL NATIONAL HERITAGE CORRIDOR

Mr. MOYNIHAN. Mr. President, in April, 1808, Secretary of the Treasury Albert Gallatin proposed to the Senate a national system of roads and canals, an idea feasible because payment of the National debt was within reach. It was a time for thinking big. A canal between the Hudson River and Lake Erie was one of his recommendations. As assemblyman from Onondaga County, Joshua Forman, traveled to Washington to tell President Jefferson that New York was ready to proceed with a canal 350 miles through the wilderness. Jefferson said ''. . . it is little short of madness to think of it at this day,'' and later wrote that New York had anticipated by a full century the means to build such a waterway.

New York proceeded on its own. Seventeen years and $7,143,789 later we had our canal, the Erie Canal. Towns sprang up along the way, often at the locks, and prospered. Lockport, Spencerport, Fairport, Macedon, Utica, Canajoharie, Scotia. Then the railroads came, and some could not maintain that prosperity. The canal was rebuilt and enlarged between 1835 and 1862 to accommodate larger vessels. At the turn of the 20th century much of the original channel was abandoned and a new one was created by greatly altering natural waterways. This canal system continued to support considerable freight traffic until the opening of the St. Lawrence Seaway in 1959.

Today many segments and fragments of the original canal still exist across the state, as do examples of the first expansion in the 1830s. Together they show us one of the first great public works projects in this country, the means by which many thousands of settlers moved west and many tons of food and raw materials moved east. The Erie Canal created the first effective means of interstate commerce in the nation and realigned the relationship among regions. In conjunction with the Hudson River it fueled the growth of New York City. Put simple, New York would not have become the Empire State without it.

The canal today is primarily a recreational resource. Thanks to the Great Lakes Water Quality Agreement of 1972, the water flowing out of Lake Erie is much cleaner than it once was, making boating and recreation along the canal much more enjoyable. Today my colleague Senator SCHUMER and I are introducing a bill that would establish the Erie Canalway National Heritage Corridor. The National Park Service conducted a special resource study and found that the canal system ''contains resources and represents themes that are of national significance.'' Moreover, ''no single unit (of the Park Service) now exists that can offer as complete a portrait of the development of the United States from the last part of the 18th through the early 20th centuries.''

This designation would provide Park Service resources and some funding that would help improve education, historic preservation, open space protection, and trail development along the canal corridor. I believe it would be a great benefit for those cities, towns, and residents along the canal system. I also believe no other corridor deserves this designation as much. I ask my colleagues for their support, and I ask that the text of the bill be printed in the RECORD.

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

S. 3154

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

SECTION 1. SHORT TITLE; DEFINITIONS.

(a) SHORT TITLE.—This Act may be cited as the ''Erie Canalway National Heritage Corridor Act of 2000''.

(b) DEFINITIONS.—For the purposes of this Act, the following definitions shall apply:

(1) ERIE CANALWAY.—The term ''Erie Canalway'' shall mean the 524 miles of navigable canal that comprise the New York State Canal System, including the Erie, Cayuga and Seneca, Oswego and Champlain canals, as well as, the historic alignments of these canals including the cities of Albany and Buffalo.

(2) CANALWAY PLAN.—The term ''Canalway Plan'' shall mean the comprehensive preservation and management plan for the Corridor required under section 6.

(3) COMMISSION.—The term ''Commission'' shall mean the Erie Canalway National Heritage Corridor Commission established under section 4.

(4) CORRIDOR.—The term ''Corridor'' shall mean the Erie Canalway National Heritage Corridor established under section 3.

(5) GOVERNOR.—The term ''Governor'' shall mean the Governor of the State of New York.

(6) SECRETARY.—The term ''Secretary'' shall mean the Secretary of the Interior.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the year 2000 marks the 175th Anniversary of New York State's creation and stewardship of the Erie Canalway for commerce, transportation and recreational purposes, establishing the network which made New York the ''Empire State'' and the Nation's premier commercial and financial center;

(2) the canals and adjacent areas that comprise the Erie Canalway are a nationally significant resource of historic and recreational value, which merit Federal recognition and assistance;

(3) the Erie Canalway was instrumental in the establishment of strong political and cultural ties between New England, upstate New York and the old Northwest and facilitated the movement of ideas and people ensuring that social reforms like the abolition of slavery and the women's rights movement spread across upstate New York to the rest of the country;

(4) the construction of the Erie Canalway was considered a supreme engineering feat, and most American canals were modeled after New York State's canal;

(5) at the time of construction, the Erie Canalway was the largest public works project ever undertaken by a state, resulting in the creation of critical transportation and commercial routes to transport passengers and goods;

(6) the Erie Canalway played a key role in turning New York City into a major port and New York State into the preeminent center for commerce, industry, and finance in North America and provided a permanent commercial link between the Port of New York and the cities of eastern Canada, a cornerstone of the peaceful relationship between the two countries;

(7) the Erie Canalway proved the depth and force of American ingenuity, solidified a national identity, and found an enduring place in American legend, song, and art;

(8) there is national interest in the preservation and interpretation of the Erie Canalway's important historical, natural, cultural, and scenic resources; and

(9) partnerships among Federal, State, and local governments and their regional entities, nonprofit organizations, and the private sector offer the most effective opportunities for the preservation and interpretation of the Erie Canalway.

(b) PURPOSES.—The purposes of this Act are—

(1) to designate the Erie Canalway National Heritage Corridor;

(2) to provide for and assist in the identification, preservation, promotion, maintenance and interpretation of the historical, natural, cultural, scenic, and recreational resources of the Erie Canalway in ways that reflect its national significance for the benefit of current and future generations;

(3) to promote and provide access to the Erie Canalway's historical, natural, cultural, scenic and recreational resources;

(4) to provide a framework to assist the State of New York, its units of local government, and the communities within the Erie Canalway in the development of integrated cultural, historical, recreational, economic, and community development programs in order to enhance and interpret the unique and nationally significant resources of the Erie Canalway; and

(5) to authorize Federal financial and technical assistance to the Commission to serve these purposes for the benefit of the people of the State of New York and the nation.

SEC. 3. THE ERIE CANALWAY NATIONAL HERITAGE CORRIDOR.

(a) ESTABLISHMENT.—To carry out the purposes of this act there is established the Erie Canalway National Heritage Corridor in the State of New York.

(b) BOUNDARIES.—The boundaries of the Corridor shall include those lands generally depicted on a map entitled ''Boundaries of Canalway Communities'' numbered ERCA _____ and dated _____. This map shall be on file and available for public inspection in the appropriate office of the National Park Service, the office of the Commission, and the office of the New York State Canal Corporation in Albany, New York.

(c) BOUNDARY REVISIONS.—The boundaries of the Corridor may be revised by an amendment to this Act pursuant to the request of the Secretary upon approval of the Commission.

(d) OWNERSHIP AND OPERATION OF THE NEW YORK STATE CANAL SYSTEM.—Nothing in this Act shall be construed to alter the ownership, operation, or management of the New York State Canal System.

SEC. 4. THE ERIE CANALWAY NATIONAL HERITAGE CORRIDOR COMMISSION.

(a) ESTABLISHMENT.—There is established the Erie Canalway National Heritage Corridor Commission. The purpose of the Commission shall be—

(1) to work with Federal, State and local authorities to develop and implement the Canalway Plan; and

(2) to foster the integration of canal-related historical, cultural, recreational, scenic, economic and community development initiatives within the Corridor.

(b) MEMBERSHIP.—The Commission shall be composed of 27 members as follows:

(1) The Secretary of the Interior, ex-officio or his/her designee.

(2) Seven members, each of whom represents 1 of the following agencies or those agencies' successors: The New York State Secretary of State, the Commissioners of the New York State Department of Environmental Conservation, the New York State Office of Parks, Recreation and Historic Preservation, the New York State Department of Agriculture and Markets, the New York State Department of Transportation, and the Chairpersons of the New York State Canal Corporation, and the Empire State Development Corporation; or their respective designees.

(3) The remaining 19 members who reside within the Corridor and are geographically dispersed throughout the Corridor shall be from local governments and the private sector with knowledge of tourism, economic and community development, regional planning, historic preservation, cultural or natural resource management, conservation, recreation, and education or museum services. These members will be appointed by the Governor no later than 6 months after the date of enactment of this Act as follows:

(A) Ten members based on a recommendation from each member of the United States House of Representatives whose district shall encompass the Corridor. Each shall be a resident of the district from which they shall be recommended.

(B) Two members based on a recommendation from each United States Senator from New York State.

(C) Seven members who shall be residents of any county constituting the Corridor. One such member shall be a member of the Canal Recreationway Commission other than an ex-officio member.

(c) APPOINTMENTS AND VACANCIES.—Members of the Commission other than ex-officio members shall be appointed for terms of 3 years. Of the original appointments, six shall be for a term of one year, six shall be for a term of two years and seven shall be for a term of three years. Any member of the Commission appointed for a definite term may serve after expiration of the term until the successor of the member is appointed. Any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor was appointed. Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(d) COMPENSATION.—Members of the Commission shall receive no compensation for their service on the Commission. Members of the Commission, other than employees of the State and Canal Corporation, while away from their homes or regular places of business to perform services for the Commission, shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in government service are allowed under section 5703 of title 5, United States Code.

(e) ELECTION OF OFFICES.—The Commission shall elect the chairperson and the vice chairperson on an annual basis. The vice chairperson shall serve as the chairperson in the absence of the chairperson.

(f) QUORUM AND VOTING.—Fourteen members of the Commission shall constitute a quorum but a lesser number may hold hearings. Any member of the Commission may vote by means of a signed proxy exercised by another member of the Commission, however, any member voting by proxy shall not be considered present for purposes of establishing a quorum. For the transaction of any business or the exercise of any power of the Commission, the Commission shall have the power to act by a majority vote of the members present at any meeting at which a quorum is in attendance.

(g) MEETINGS.—The Commission shall meet at least quarterly at the call of the chairperson or 14 of its members. Notice of Commission meetings and agendas for the meetings shall be published in local newspapers throughout the Corridor. Meetings of the Commission shall be subject to section 552b of title 5, United States Code (relating to open meetings).

(h) POWERS OF THE COMMISSION.—To the extent that Federal funds are appropriated, the Commission is authorized—

(1) to procure temporary and intermittent services and administrative facilities at rates determined to be reasonable by the Commission to carry out the responsibilities of the Commission;

(2) to request and accept the services of personnel detailed from the State of New York or any political subdivision, and to reimburse the State or political subdivision for such services;

(3) to request and accept the services of any Federal agency personnel, and to reimburse the Federal agency for such services;

(4) to appoint and fix the compensation of staff to carry out its duties;

(5) to enter into cooperative agreements with the State of New York, with any political subdivision of the State, or any person for the purposes of carrying out the duties of the Commission;

(6) to make grants to assist in the preparation and implementation of the Canalway Plan;

(7) to seek, accept, and dispose of gifts, bequests, grants, or donations of money, personal property, or services, received from any source; [For purposes of section 170(c) of the Internal Revenue Code of 1986, any gift to the Commission shall be deemed to be a gift to the United States.]

(8) to assist others in developing educational, informational, and interpretive programs and facilities, and other such activities that may promote the implementation of the Canalway Plan;

(9) to hold hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission may consider appropriate; [The Commission may not issue subpoenas or exercise any subpoena authority.]

(10) to use the United States mails in the same manner as other departments or agencies of the United States;

(11) to request and receive from the Administrator of General Services, on a reimbursable basis, such administrative support services as the Commission may request; and

(12) to establish such advisory groups as the Commission deems necessary.

(i) ACQUISITION OF PROPERTY.—Except as provided for leasing administrative facilities under subsection (h)(1), the Commission may not acquire any real property or interest in real property.

(j) TERMINATION.—The Commission and this Act shall terminate on the day occurring 10 years after the date of the enactment of this Act.

SEC. 5. DUTIES OF THE COMMISSION.

(a) PREPARATION OF CANALWAY PLAN.—Not later than 3 years after the Commission receives Federal funding for this purpose, the Commission shall prepare and submit a comprehensive preservation and management Canalway Plan for the Corridor to the Secretary and the Governor for review and approval. In addition to the requirements outlined for the Canalway Plan in section 6, the Canalway Plan shall incorporate and integrate existing Federal, State, and local plans to the extent appropriate regarding historic preservation, conservation, education and interpretation, community development, and tourism-related economic development for the Corridor that are consistent with the purposes of this Act. The Commission shall solicit public comment on the development of the Canalway Plan.

(b) IMPLEMENTATION OF CANALWAY PLAN.—After the Commission receives Federal funding for this purpose, and after review and upon approval of the Canalway Plan by the Secretary and the Governor, the Commission shall—

(1) undertake actions to implement the Canalway Plan so as to assist the people of the State of New York in enhancing and interpreting the historical, cultural, educational, natural, scenic, and recreational potential of the Corridor identified in the Canalway Plan; and

(2) support public and private efforts in conservation and preservation of the Canalway's cultural and natural resources and economic revitalization consistent with the goals of the Canalway Plan.

(c) PRIORITY ACTIONS.—Priority actions which may be carried out by the Commission under subsection (b) may include—

(1) assisting in the appropriate preservation treatment of the remaining elements of the original Erie Canal;

(2) assisting the National Park Service, the State, and local governments, and nonprofit organizations in designing, establishing and maintaining visitor centers, museums, and other interpretive exhibits in the Corridor;

(3) assisting in the public awareness and appreciation for the historic, cultural, natural, scenic, and recreational resources and sites in the Corridor;

(4) assisting the State of New York, local governments, and nonprofit organizations in the preservation and restoration of any historic building, site, or district in the Corridor;

(5) encouraging, by appropriate means, enhanced economic development in the Corridor consistent with the goals of the Canalway Plan and the purposes of this Act; and

(6) ensuring that clear, consistent signs identifying access points and sites of interest are put in place in the Corridor.

(c) ANNUAL REPORTS AND AUDITS.—For any year in which Federal funds have been received under this Act, the Commission shall submit an annual report and shall make available an audit of all relevant records to the Governor and the Secretary identifying its expenses and any income, the entities to which any grants or technical assistance were made during the year for which the report was made, and contributions by other parties toward achieving Corridor purposes.

SEC. 6. CANALWAY PLAN.

(a) CANALWAY PLAN REQUIREMENTS.—The Canalway Plan shall—

(1) include a review of existing plans for the Corridor, including the Canal Recreationway Plan and Canal Revitalization Program, and incorporate them to the extent feasible to ensure consistency with local, regional and state planning efforts;

(2) provide a strategy for the thematic inventory, survey, and evaluation of historic properties that should be conserved, restored, developed, or maintained because of their natural, cultural, or historic significance within the Corridor in accordance with the regulations for the National Register of Historic Places;

(3) identify public and private-sector preservation goals and strategies for the Corridor;

(4) include a comprehensive interpretive plan that identifies, develops, supports, and enhances interpretation and education programs within the Corridor that may include—

(A) research related to the construction and history of the canals and the cultural heritage of the canal workers, their families, those that traveled along the canals, the associated farming activities, the landscape, and the communities;

(B) documentation of and methods to support the perpetuation of music, art, poetry, literature and folkways associated with the canals; and

(C) educational and interpretative programs related to the Erie Canalway developed in cooperation with State and local governments, educational institutions, and non-profit institutions;

(5) include a strategy to further the recreational development of the Corridor that will enable users to uniquely experience the canal system;

(6) propose programs to protect, interpret and promote the Corridor's historical, cultural, recreational, educational, scenic and natural resources;

(7) include a plan to inventory canal related natural, cultural and historic sites and resources located in the Area;

(8) recommend Federal, State, and local strategies and policies to support economic development, especially tourism-related development and recreation, consistent with the purposes of the Corridor;

(9) develop criteria and priorities for financial preservation assistance;

(10) identify and foster strong cooperative relationships between the National Park Service, the New York State Canal Corporation, other Federal and State agencies, and non-governmental organizations;

(11) recommend specific areas to the National Park Service for development of interpretive, educational, and technical assistance centers associated with the Corridor; and

(12) contain a program for implementation of the Canalway Plan by all necessary parties.

(b) APPROVAL OF THE CANALWAY PLAN.—The Secretary and the Governor shall approve or disapprove the Canalway Plan not later than 90 days after receiving the Canalway Plan.

(c) DISAPPROVAL OF CANALWAY PLAN.—If the Secretary or the Governor do not approve the Canalway Plan, the Secretary or the Governor shall advise the Commission in writing within 90 days the reasons therefor and shall indicate any recommendations for revisions. Following completion of any necessary revisions of the Canalway Plan, the Secretary and the Governor shall have 90 days to either approve or disapprove of the revised Canalway Plan.

(d) AMENDMENTS TO CANALWAY PLAN.—The Secretary and the Governor shall review substantial amendments to the Canalway Plan. Funds appropriated pursuant to this Act may not be expended to implement the changes made by such amendments until the Secretary and the Governor approves the amendments.

SEC. 7. DUTIES OF THE SECRETARY.

(a) IN GENERAL.—The Secretary is authorized to assist the Commission in the preparation of the Canalway Plan with a focus on the comprehensive interpretive plan as required under section 6(a)(4).

(b) TECHNICAL ASSISTANCE.—Pursuant to an approved Canalway Plan, the Secretary is authorized to enter into cooperative agreements with, provide technical assistance to and award grants to the Commission to provide for the preservation and interpretation of the natural, cultural, historical, recreational, and scenic resources of the Corridor.

(c) EARLY ACTIONS.—After the date of the enactment of this Act, but prior to approval of the Canalway Plan, with the approval of the Commission, the Secretary may provide technical and financial assistance for early actions that are important to the purposes of this Act and that protect and preserve resources and to undertake an educational and interpretive program of the story and history of the Erie Canalway.

(d) CANALWAY PLAN IMPLEMENTATION.—Upon approval of the Canalway Plan, the Secretary is authorized to implement those activities that the Canalway Plan has identified that are the responsibility of the Secretary or agent of the Secretary to undertake in the implementation of the Canalway Plan.

(e) DETAIL.—Each fiscal year during the existence of the Commission and upon the request of the Commission, the Secretary shall detail to the Commission, on a nonreimbursable basis, 2 employees of the Department of the Interior to enable the Commission to carry out the Commission's duties with regard to the preparation and approval of the Canalway Plan. Such detail shall be without interruption or loss of civil service status, benefits, or privileges.

(f) REPORT.—Not later than 2 years after the approval of the Canalway Plan, the Secretary shall submit to Congress a report recommending whether the educational/interpretive sites identified by the Commission meet the criteria for designation as a unit of the National Park System as required by Public Law 105–391 (112 Stat. 3501; 16 U.S.C.1a–5 note).

SEC. 9. DUTIES OF OTHER FEDERAL ENTITIES.

Any Federal entity conducting or supporting any activity directly affecting the Corridor, and any unit of government acting pursuant to a grant of Federal funds or a Federal permit or agreement conducting or supporting such activities, may—

(1) consult with the Secretary and the Commission with respect to such activities;

(2) cooperate with the Secretary and the Commission in carrying out their duties under this Act and coordinate such activities with the carrying out of such duties; and

(3) conduct or support such activities in a manner consistent with the Canalway Plan unless the Federal entity, after consultation with the Secretary and the Commission, determines there is no practicable alternative.

SEC. 10. SAVINGS PROVISIONS.

(a) AUTHORITY OF GOVERNMENTS.—Nothing in this Act shall be construed to modify, enlarge, or diminish any authority of the Federal, State, or local governments to regulate any use of land as provided for by law or regulation.

(b) ZONING OR LAND.—Nothing in this Act shall be construed to grant powers of zoning or land use to the Commission.

(c) LOCAL AUTHORITY AND PRIVATE PROPERTY.—Nothing in this Act shall be construed to affect or to authorize the Commission to interfere with—

(1) the rights of any person with respect to private property;

(2) any local zoning ordinance or land use plan of the State of New York or political subdivision thereof; or

(3) any State or local canal related development plans including but not limited to the Canal Recreationway Plan and the Canal Revitalization Program.

(d) FISH AND WILDLIFE.—The designation of the Corridor shall not diminish the authority of the State of New York to manage fish and wildlife, including the regulation of fishing and hunting within the Corridor.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—

(1) CORRIDOR.—There is authorized to be appropriated for the Corridor not more than $1,000,000 for any fiscal year, to remain available until expended. Not more than a total of $10,000,000 may be appropriated for the Corridor under this Act.

(2) COMMISSION.—Additionally, there is authorized to be appropriated to the Commission not more than $250,000 annually to carry out the duties of the Commission.

(b) OTHER FUNDING.—In addition to the sums authorized in subsection (a), there are authorized to be appropriated to the Secretary of the Interior such sums as are necessary for the Secretary to undertake interim actions the Secretary is authorized to undertake and that are necessary for the Secretary of the Interior to implement the responsibilities of the Department of the Interior outlined in the Canalway Plan.

By Mr. LAUTENBERG:

S. 3155. A bill to authorize the President to award a gold medal on behalf of the Congress to Oskar Schindler and Varian Fry in recognition of their contributions to the Nation and humanity; to the Committee on Banking, Housing, and Urban Affairs.

HONORING OSKAR SCHINDLER AND VARIAN FRY WITH CONGRESSIONAL GOLD MEDALS

Mr. LAUTENBERG. Mr. President, I am pleased to submit a resolution honoring Oskar Schindler and Varian Fry, two individuals to whom approximately 3,200 individuals owe their lives and the world owes a tremendous debt of gratitude.

The tragedy of the Holocaust, which claimed the lives of more than 13 million people, will forever stand as a painful reminder of the frailty and value of human life. During this dark hour of history, two remarkable individuals among many other heroes, Oskar Schindler and Varian Fry, overcame difficult and dangerous circumstances and risked their lives to save their fellow human beings.

The deeds of Oskar Schindler, a German factory owner immortalized by such authors as Thomas Keneally and film maker Steven Spielberg, have inspired millions of people around the world. During the Nazi occupation of Poland, Mr. Schindler put his life on the line and demonstrated that one person truly can make a world of difference. Mr. Schindler acquired an enamelware factory in Zablocie, on the outskirts of Krakow. The factory, which produced mess kits and field kitchenware for the Nazi army, was staffed by Jews drawn from the Krakow ghetto. When the Jews of Krakow were transferred to the Plaszow concentration camp, Schindler arranged for his workers to be housed at the factory. After the factory was disbanded and the workers sent to the camp, Schindler used his connections and personal fortune to secure their release and transfer.

Through his cunning and perseverance in the face of adversity, Oskar Schindler succeeded in saving the lives of over 1,200 Jews. One of the individuals whom Schindler saved was Abraham Zuckerman, a constituent of mine and a great American in his own right. Mr. Zuckerman knows perhaps better than anyone else what a heroic individual Oskar Schindler was. As a builder, Mr. Zuckerman, along with other Schindler survivors, have honored Oskar Schindler with over 20 Schindler Courts, Terraces and Plazas throughout New Jersey.

Oskar Schindler was named a ''Righteous Gentile'' by Yad Vashem, the Israeli Holocaust Remembrance Authority, on April 28, 1962. Today, over 6,000 descendants of the Jews saved by Schindler live in the United States and Europe. I think it is high time that the United States government officially recognize Oskar Schindler's incredible contribution to humanity. Awarding him the Congressional Gold Medal is a fitting way to pay tribute to a man who touched the lives of so many people from all over the world.

Another remarkable individual who overcame adversity and acted with extraordinary courage is Varian Fry, an American editor from New York. During World War II, Mr. Fry volunteered to travel to Nazi-occupied Marseilles, France, where he helped form the Emergency Rescue Committee. Working with a small group of associates, Mr. Fry offered assistance to Jews and antifascist refugees threatened with extradition to Nazi Germany under the ''Surrender on Demand'' clause of the Franco-German Armistice.

Varian Fry was instrumental in the rescue of approximately 2,000 individuals, including artists Marc Chaggal, Andre Breton and Max Ernst. Mr. Fry was the first American to be awarded the ''Certificate of Honor'' and the ''Righteous among Nations'' medal by Yad Vashem in 1996. The United States Holocaust Memorial Council honored Mr. Fry with its highest honor, the Eisenhower Liberation Medal in 1991. He has also been awarded France's top civilian honor, the ''Croix de Chevalier de la Legion d'Honneur.'' Yet sadly, Varian Fry's heroism and bravery have yet to be officially recognized by the American government.

Mr. President, the Talmud states that, ''Whoever saves a single life saves the world entire.'' As we are left to wonder and mourn what the world has lost in the lives of those who perished during the Holocaust, we rejoice in the company and contributions of their survivors. We are enriched not only by the presence of the survivors, but by the example that Oskar Schindler and Varian Fry set for all of Humanity. Their actions are a testament to the ability of all people to act righteously and courageously even under the worst of circumstances.

The heroic deeds of Oskar Schindler and Varian Fry are sterling examples of heroism and humanitarianism. It is time the United States government recognize and pay tribute to these men and the noble deeds they performed. Oskar Schindler and Varian Fry are highly deserving of the Congressional Gold Medal. I sincerely hope that the 106th Congress will take up and pass this resolution.

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

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

S. 3155

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

SECTION 1. FINDINGS.

The Congress makes the following findings:

(1) More than 13,000,000 people were killed during the Holocaust, including Jews, Gypsies, Slavs (Poles, Ukrainians, and Belorussians), homosexuals, and the disabled—each exterminated because Adolf Hitler viewed them as ''subhuman'' to the Aryan race.

(2) Nazi persecution, arrests, and deportations were directed against all Jewish families, as well as many others, without concern for age. Innocent men, women, and children faced starvation, illness, brutal labor, and other indignities until they were consigned to the gas chambers.

(3) When Germany invaded Poland in 1939, destruction began immediately and in a merciless fashion. Jews were herded into crowded ghettos, randomly beaten, humiliated, and capriciously murdered. Jewish property and businesses were summarily destroyed, or appropriated by the SS, and sold to Nazi ''investors'', one of whom was Oskar Schindler.

(4) Oskar Schindler set up a business in an old enamel works factory in Poland. His workforce consisted of enslaved Jews from the Krakow Ghetto. Schindler learned of the horrible atrocities committed by Hitler's regime as he got to know some of the forced workers there. In response, he managed to convince the Nazis that his factory, and more importantly, its trained workers, were vital to the German war effort, thus preventing their deportation to death camps.

(5) Oskar Schindler used all of the means at his disposal to ensure the safety of those who worked in his factory. Even his wife Emilie's jewels were sold, to buy food, clothes, and medicine for the workers. A secret sanatorium was set up in the factory

with medical equipment purchased on the black market. There, Emilie Schindler looked after the sick and wounded.

(6) Even though Oskar Schindler had a large mansion placed at his disposal close to the factory, he spent every night in his office so that he could intervene should the Gestapo pay a visit. He was detained by the Gestapo twice, but used his connections to get released.

(7) With his own life at stake, Schindler employed all his powers of persuasion. He bribed, fought, and begged to save Jewish men, women, and children from the gas chambers.

(8) Oskar Shindler saved the lives of 1,200 Jews from deportation to Nazi death camps.

(9) On April 28, 1962, Oskar Schindler was named a ''Righteous Gentile'' by Yad Vashem.

(10) Varian Fry, together with a small group of unlikely associates, succeeded in assisting nearly 2,000 artists, musicians, writers, scholars, politicians, labor leaders, and their families to leave hostile territories in France, either legally or illegally. This effort came to be called the ''Emergency Rescue Committee''.

(11) Varian Fry offered aid and advice to Jews and antifascist refugees who found themselves threatened with extradition to Nazi Germany under Article 19 of the Franco-German Armistice—the ''Surrender on Demand clause''.

(12) Though risking his personal security in the face of both Gestapo and Vichy officials, Fry did what was necessary to save as many of the refugees as possible.

(13) Varian Fry aided in the rescue of nearly 2,000 individuals, including artists Marc Chaggall, Andre Breton, and Max Ernst.

(14) The United States Holocaust Memorial Council awarded Varian Fry its highest honor, the Eisenhower Liberation Medal in 1991.

(15) In 1996, Yad Vashem posthumously honored Fry as the first American ''Righteous Among the Nations'', and the French government awarded him the Croix de Chevalier de la Legion d'Honneur.

(16) The actions of Oskar Schindler and Varian Fry serve as testimony to all people that even under the worst of circumstances, the most ordinary of us can act courageously.

(17) Oskar Schindler and Varian Fry are true heroes and humanitarians, deserving of honor by the United States Government.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The President is authorized—

(1) to award to Oskar Schindler, posthumously, on behalf of Congress, a gold medal of appropriate design honoring Oskar Schindler in recognition of his contributions to the Nation; and

(2) to award to Varian Fry, posthumously, on behalf of Congress, a gold medal of appropriate design honoring Varian Fry in recognition of his contributions to the Nation.

(b) DESIGN AND STRIKING.—For purposes of the awards referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall strike gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

SEC. 3. DUPLICATE MEDALS.

The Secretary may strike and sell duplicates in bronze, of the gold medals struck pursuant to section 2, under such regulations as the Secretary may prescribe, and at a price sufficient to cover the costs thereof, including labor, materials, dies, use of machinery, overhead expenses, and the cost of the gold medals.

SEC. 4. STATUS AS NATIONAL MEDALS.

The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

SEC. 5. FUNDING.

(a) AUTHORITY TO USE FUND AMOUNTS.—There is authorized to be charged against the United States Mint Public Enterprise Fund an amount not to exceed $30,000 to pay for the cost of the medals authorized by this Act.

(b) PROCEEDS OF SALE.—Amounts received from the sale of duplicate bronze medals under section 3 shall be deposited in the United States Mint Public Enterprise Fund.

Mr. LAUTENBERG (for himself, Mrs. BOXER, Mr. KENNEDY, Mr. WELLSTONE, Mr. DODD, Mr. MOYNIHAN, Mr. SCHUMER, Mr. KERRY, Mr. TORRICELLI, Mr. LEAHY, and Mr. REID):

S. 3156. A bill to amend the Endangered Species Act of 1973 to ensure the recovery of the declining biological diversity of the United States, to reaffirm and strengthen the commitment of the United States to protect wildlife, to safeguard the economic and ecological future of children of the United States, and to provide certainty to local governments, communities, and individuals in their planning and economic development efforts; to the Committee on Environment and Public Works.

ENDANGERED SPECIES RECOVERY ACT

Mr. LAUTENBERG. Mr. President, I rise to introduce the Endangered Species Recovery Act. The bill will update the original Endangered Species Act, provide tax and other incentives for landowners, and help increase the number of species that are recovered and taken off the protected list. The bill has been endorsed by the 380 conservation, religious, and scientific organizations that belong to the Endangered Species Coalition.

Public support for strong endangered species protection is high. Also, a majority of the nation's biologists are convinced that a mass extinction of plants and animals is underway. Some believe this loss of biological diversity will pose a major threat to humans in the coming century. At least one in 8 known plant species (which provide medical, commercial, and agricultural benefits) is threatened with extinction.

The bill I introduce today includes provisions that will help both landowners and the species themselves.

The bill incorporates tax proposals endorsed by both property-rights and conservation organizations. The bill establishes a tax exclusion for cost-sharing payments under the Partners for Fish and Wildlife Program, an enhanced deduction for the donation of a conservation easement, an exclusion from the estate tax for property subject to an Endangered Species Conservation Agreement, and an expansion of the estate tax exclusion for property subject to a conservation easement.

The bill significantly revises the Administration's current ''No Surprises'' policy, which allows private landowners to alter or destroy endangered species habitat under a long-term unmodifiable permit. The bill requires the best available science, invites more public participation, and requires adaptive management for development permit. The developer files a performance bond to cover the costs of all reasonably foreseeable circumstances (such as wildfires, plant diseases, and other natural events that can have devastating impacts on weakened populations of wildlife). Then a Habitat Conservation Plan Trust Fund is established to cover all other unforeseeable costs—a safety net for landowners and species—while allowing changes to the permit when needed to protect species.

The bill also encourages ecosystem planning on a regional basis, through multi-species, multi-landowner plans, which is essential since ecosystems do not run along political boundaries. The bill encourages cooperation between various levels of government and different jurisdictions, by allowing groups of private landowners to pool resources, and allowing local governments to administer habitat plans. The bill streamlines the permit process and establishes an Office of Technical Assistance. The bill also allows small landowners that have a minimal impact on endangered species to benefit from a quick and easy permit process and to receive planning assurances.

The bill clarifies the standards for approving federal actions that may impact endangered or threatened species. Under the existing law, pesticide application, river damming, forest clearcutting, and other habitat destruction are judged by their impact on the survival of imperiled wildlife. The bill requires that taxpayer-funded activities must not reduce the likelihood of recovery. In addition, the bill improves the chances for recovery by identifying specific management actions and biological criteria in recovery plans, placing deadlines on final recovery plans, and encouraging federal agencies to take preventative measures before a species becomes endangered.

The bill implements recommendations from the National Academy of Sciences on improving the scientific basis of important endangered species decisions. For unprotected species that means providing protection before population numbers are too low to recover. For listed species that means using independent scientists to peer review large-scale, multi-species habitat conservation plans. It also means asking biologists to set benchmarks and science-based conservation goals to better tell us what it will take to recover and eventually delist an imperiled species.

While federal actions already undergo review to ensure minimal impacts on endangered species, the bill requires that federal agencies also make efforts towards further recovery or to consider the cumulative impacts of their actions. The bill requires federal agencies to help plan for species recovery and

then implement those plans within their jurisdictions. The bill also requires agencies to consider the impacts of their actions on imperiled species in other nations.

The bill expands public participation by requiring public notification when a federal activity may impact wildlife in a community. The bill also requires public participation in large-scale regional habitat planning. Local citizens may participate in the first steps of regional habitat planning, review relevant science, and work with developers to achieve the best possible plans. If those plans are not met, the bill allows citizens to require the government to take action.

The Endangered Species Recovery Act will protect the species and landowners alike. I urge my colleagues to support it.

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

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

S. 3156

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES TO ENDANGERED SPECIES ACT OF 1973.

(a) SHORT TITLE.—This Act may be cited as the ''Endangered Species Recovery Act of 2000''.

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

Sec. 1. Short title; table of contents; references to Endangered Species Act of 1973.
Sec. 2. Findings.
TITLE I—ENDANGERED SPECIES RECOVERY
Sec. 101. Definitions.
Sec. 102. Designation of interim and critical habitat.
Sec. 103. Schedule for listing determinations.
Sec. 104. Contents of listing petitions.
Sec. 105. Recovery planning.
Sec. 106. Endangered species conservation agreements.
Sec. 107. Interagency cooperation.
Sec. 108. Permits and conservation plans.
Sec. 109. Citizen suits.
Sec. 110. Natural resource damage liability.
Sec. 111. Authorization of appropriations.
TITLE II—SPECIES CONSERVATION TAX INCENTIVES
Sec. 201. Tax exclusion for cost-sharing payments under Partners for Fish and Wildlife Program.
Sec. 202. Enhanced deduction for the donation of a conservation easement.
Sec. 203. Exclusion from estate tax for real property subject to endangered species conservation agreement.
Sec. 204. Expansion of estate tax exclusion for real property subject to qualified conservation easement.

(c) REFERENCES TO ENDANGERED SPECIES ACT OF 1973.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

SEC. 2. FINDINGS.

Congress finds that—

(1) the American public recognizes the importance of protecting the natural environmental legacy of the United States;

(2) it is only through the protection of all species of plants and animals and the ecosystems on which the species depend that the people of the United States will conserve a world for our children with the spiritual, medicinal, agricultural, and economic benefits that plants and animals offer;

(3) we have a moral responsibility not to drive other species to extinction;

(4) we are rapidly proceeding in a manner that will deny to future generations a world of abundant, varied species;

(5) although the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) has prevented the extinction of many animal, plant, and fish species, many of those species have not fully recovered and that Act must ensure their long-term survival and recovery;

(6) Federal agencies and other persons should act to protect declining species before they need the full application of the Endangered Species Act of 1973;

(7) all members of the public have a right to be involved in the decisions made to protect biodiversity;

(8) to avoid extinction in the wild, habitats must be conserved by using the best available science;

(9) only by taking actions that implement the recovery goals of the Endangered Species Act of 1973 can we ensure that species will eventually be removed from the lists of endangered species and threatened species; and

(10) we can provide certainty for communities, local governments, and private landowners that will enable them to move forward with planning and economic development efforts while still protecting species.

TITLE I—ENDANGERED SPECIES RECOVERY

SEC. 101. DEFINITIONS.

Section 3 (16 U.S.C. 1532) is amended—

(1) by redesignating paragraphs (2) through (5), (6) through (9), (10), (12) through (14), and (15) through (21) as paragraphs (3) through (6), (9) through (12), (14), (20) through (22), and (24) through (30), respectively;

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

''(2) CANDIDATE SPECIES.—The term 'candidate species' means any species—

''(A) that is not the subject of a proposed regulation under section 4(a)(1);

''(B) that the Secretary is considering for listing as an endangered species or threatened species; and

''(C) for which the Secretary has—

''(i) sufficient information to support a proposed regulation for that listing; or

''(ii) information indicating that proposing that listing may be appropriate, but for which further information is required to support such a proposed regulation.'';

(3) by striking paragraph (6) (as so redesignated) and inserting the following:

''(6) CRITICAL HABITAT.—The term 'critical habitat' for an endangered species or threatened species or includes—

''(A) the specific areas within the geographic area occupied by the species, at the time the species is listed in accordance with section 4, on which are found physical or biological features that—

''(i) are essential to the conservation of the species; and

''(ii) may require special management considerations or protections; and

''(B) specific areas outside the geographical area occupied by the species, at the time the species is listed in accordance with section 4, on a determination by the Secretary that the areas are essential for the conservation of the species.'';

(4) by inserting after paragraph (6) (as so redesignated) the following:

''(7) CUMULATIVE IMPACTS.—The term 'cumulative impacts' means the direct impacts and indirect impacts on a species or its habitat that result from the incremental impact of a proposed action when added to other past, present, and reasonably foreseeable future actions, regardless of which person undertakes such other actions.

''(8) DIRECT IMPACTS.—The term 'direct impacts' means impacts that are caused by a proposed action and that occur at the same time and place as the proposed action.'';

(5) by inserting after paragraph (12) (as so redesignated) the following:

''(13) IMPACTS.—The term 'impacts' includes—

''(A) loss of individual members of a species;

''(B) diminishment of the habitat of the species, both qualitatively and quantitatively;

''(C) disruption of normal behavioral patterns, such as breeding, feeding, and sheltering; and

''(D) impairment of the ability of the species to withstand random fluctuations in environmental conditions.'';

(6) by inserting after paragraph (14) (as so redesignated) the following:

''(15) INDIRECT IMPACTS.—The term 'indirect impacts' means impacts that are caused by a proposed action and that occur later in time than, or farther removed in distance from, the proposed action, but that are still reasonably foreseeable.

''(16) INTERIM HABITAT.—The term 'interim habitat' includes the habitat necessary to support current populations of a species or populations that are necessary to ensure survival, whichever is larger.

''(17) JEOPARDIZE THE CONTINUED EXISTENCE OF.—The term 'jeopardize the continued existence of' means to engage in an action that reasonably would be expected, directly, indirectly, or cumulatively, to reduce appreciably the likelihood of recovery in the wild of any foreign or domestic species included in a list published under section 4(c).

''(18) MINIMIZE.—The term 'minimize' means—

''(A) subject to subparagraph (B), to avoid to the extent possible, in designing and engaging in an activity, adverse impacts to an endangered species or threatened species or in the course of the activity; and

''(B) in the case of an activity for which it is determined, after consideration of a reasonable range of alternatives, that avoidance of adverse impacts to the species is impossible, to design and implement the activity in a manner that results in the lowest possible individual and cumulative adverse impacts on the species.

''(19) MITIGATE.—The term 'mitigate' means to redress adverse impacts to an endangered species or threatened species in connection with an action, by replacing the number of plants and animals in the wild, and the value to the species of the habitat, that were lost as a result of the adverse impacts.'';

(7) by inserting after paragraph (22) (as so redesignated) the following:

''(23) RECOVERY.—The term 'recovery' means a condition in which—

''(A) the threats to a species, as determined under section 4(a), have been eliminated;

''(B) the species has achieved long-term viability; and

''(C) the protective measures under this Act are no longer needed.'';

(8) by striking paragraph (25) (as so redesignated) and inserting the following:

''(25) SPECIES.—The term 'species' includes—

''(A) any subspecies of fish or wildlife or plant;

''(B) any distinct population segment of any species of vertebrate fish or wildlife that interbreeds when mature; and

''(C) the last remaining distinct population segment in the United States of any plant or invertebrate species.''; and

(9) in paragraph (26) (as so redesignated), by striking ''and the Trust Territory of the Pacific Islands'' and inserting ''the Freely Associated States, and (for the purposes of subsections (c) and (d) of section 6), any Indian tribe''.

SEC. 102. DESIGNATION OF INTERIM AND CRITICAL HABITAT.

(a) IN GENERAL.—Section 4(a) (16 U.S.C. 1533(a)) is amended by striking paragraph (3) and inserting the following:

''(3) INTERIM AND CRITICAL HABITAT.—The Secretary, by regulation promulgated in accordance with subsection (b), shall—

''(A) subject to subparagraph (C), concurrently with making a determination under paragraph (1) that a species is an endangered species or threatened species, designate interim habitat of the species;

''(B) subject to subparagraph (C), concurrently with adoption of the final recovery plan for a species under subsection (f), designate critical habitat of the species;

''(C) in the case of a highly migratory marine species, designate interim habitat and critical habitat for the species to the maximum extent biologically determinable; and

''(D) from time to time thereafter as appropriate, revise a designation under this paragraph, if the Secretary determines that the revision would expedite or assist the recovery of the species.''.

(b) BASIS FOR DETERMINATIONS.—Section 4(b) (16 U.S.C. 1533(b)) is amended by striking paragraph (2) and inserting the following:

''(2) INTERIM AND CRITICAL HABITAT.—

''(A) CRITICAL HABITAT.—The Secretary shall designate critical habitat, and make revisions to the designations, under subsection (a)(3)—

''(i) on the basis of the best scientific data available; and

''(ii) after taking into consideration the economic impact, and any other relevant impact, of specifying any particular area as critical habitat.

''(B) INTERIM HABITAT.—In the case of interim habitat designated at the time of listing, the Secretary shall revise and finalize the habitat as critical habitat concurrently with the adoption of the final recovery plan.

''(C) EXCLUSION OF AREAS FROM CRITICAL HABITAT.—The Secretary may exclude any area from critical habitat on the basis that the benefits of the exclusion outweigh the benefits of specifying the area as part of the critical habitat, if the Secretary determines, based on the best scientific and commercial data available, that the failure to designate the area as critical habitat will not impair the recovery of the species.

''(D) DESIGNATION OF INTERIM HABITAT BASED ON BIOLOGICAL FACTORS.—The Secretary shall designate interim habitat of a species based only on biological factors, giving special consideration to habitat that is, at the time of the designation, occupied by the species.''.

SEC. 103. SCHEDULE FOR LISTING DETERMINATIONS.

Section 4(b)(3)(C) (16 U.S.C. 1533(b)(3)(C)) is amended by adding at the end the following:

''(iv) SPECIES WITH EXISTING FINDING OF WARRANTED ACTION.—Not later than 1 year after the date of enactment of this clause, for each species for which a finding under subparagraph (B)(iii) was made before the date of enactment of this clause, the Secretary shall publish in the Federal Register—

''(I) a proposal to list the species as an endangered species or threatened species; or

''(II) a finding that the petitioned action is not warranted under subparagraph (B)(i).

''(v) SPECIES WITH NEW FINDING OF WARRANTED ACTION.—Not later than 4 years after the date on which a finding under subparagraph (B)(iii) is published for a species for which a finding under subparagraph (B)(iii) was made on or after the date of enactment of this clause, or a date on which such a species is otherwise designated by the Secretary as a candidate species, the Secretary shall publish in the Federal Register—

''(I) a proposal to list the species as an endangered species or threatened species; or

''(II) a finding that the petitioned action is not warranted under subparagraph (B)(i).''.

SEC. 104. CONTENTS OF LISTING PETITIONS.

Section 4(b)(3) (16 U.S.C. 1533(b)(3)) is amended by adding at the end the following:

''(E) CONTENTS OF LISTING PETITIONS.—A petition referred to in subparagraph (A) shall, to the maximum extent practicable, contain—

''(i) a description of the current known and historic ranges of the species;

''(ii) a description of the most recent population estimates and trends, if available;

''(iii) a statement of the reason that the petitioned action is warranted, including a description of known or perceived threats to the species;

''(iv) a bibliography of scientific literature on the species, if any, in support of the petition; and

''(v) any other information that the petitioner determines is appropriate.''.

SEC. 105. RECOVERY PLANNING.

Section 4(f) (16 U.S.C. 1533(f)) is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by striking ''develop and implement plans'' and inserting '', not later than 18 months after the date on which a species is added to a list under subsection (c), develop a draft plan and, not later than 30 months after that date, develop and begin implementation of a final plan'';

(ii) by inserting ''each'' before ''endangered''; and

(iii) by striking '', unless he finds that such a plan will not promote the conservation of the species''; and

(B) in the second sentence, by striking subparagraph (B) and inserting the following:

''(B) include in each plan specific provisions, including provisions required under subparagraph (C), that provide for the conservation in the recovery plan area of all species listed as endangered species or threatened species, candidate species, and species proposed for listing;

''(C) incorporate in each recovery plan for a species—

''(i) a description of such site-specific management actions, including identification of actions of the highest priority and greatest recovery potential, as may be necessary to achieve the goals of the plan for the recovery of the species;

''(ii) objective, measurable criteria, including habitat needs and population levels, that, when met, would result in a determination, in accordance with this section, that the species be removed from the list;

''(iii) estimates of the time required and the cost to carry out those measures needed to achieve the goals of the plan and to achieve intermediate steps toward each goal;

''(iv) a general description of the types of actions likely to violate the taking prohibition of section 9 or the jeopardy prohibition of section 7; and

''(v) a list of Federal agencies, States, tribes, and local government entities, significantly affected by the goals or management actions specified in the recovery plan, that should complete a recovery implementation plan pursuant to paragraph (5)(A); and

''(D) for the purposes of determining the criteria under subparagraph (C)(ii), select, in consultation with the National Academy of Sciences, independent scientists who—

''(i) through publication of peer-reviewed scientific literature, have demonstrated relevant scientific expertise in that species or a similar species; and

''(ii) do not have, nor represent anyone with, a significant economic interest in the recovery plan.''; and

(2) by striking paragraph (5) and inserting the following:

''(5) RECOVERY IMPLEMENTATION PLANS.—

''(A) IN GENERAL.—Each Federal agency significantly affected by the goals or management actions specified in a final recovery plan shall develop and implement a plan (referred to in this paragraph as a 'recovery implementation plan'), after providing public notice and an opportunity for public review and comment on the recovery implementation plan.

''(B) CONTENTS.—Each recovery implementation plan shall—

''(i) identify the affirmative conservation duties and management responsibilities of the agency that will contribute to the achievement of recovery goals identified in the final recovery plan;

''(ii) specify specific agency actions, timetables, and funding required to achieve and monitor progress toward meeting recovery goals or management responsibilities;

''(iii) identify any land or water under the jurisdiction or ownership of the agency that provide or may provide suitable habitat for the species;

''(iv) identify any actions needed to acquire additional suitable habitat under section 5(a); and

''(v) describe management actions that the agency will take on land or water under the jurisdiction or ownership of the agency to contribute toward recovery of the species.

''(C) STATE COOPERATION.—Consistent with section 6, the Secretary shall cooperate, to the maximum extent practicable, with States, tribes, and local government entities, that are significantly affected by a final recovery plan, to develop State cooperative plans to achieve the goals and implement the management actions identified in the recovery plan.''.

SEC. 106. ENDANGERED SPECIES CONSERVATION AGREEMENTS.

Section 5 (16 U.S.C. 1534) is amended by adding at the end the following:

''(c) ENDANGERED SPECIES CONSERVATION AGREEMENTS.—

''(1) IN GENERAL.—The Secretary may enter into an agreement in accordance with this subsection, to be known as an 'endangered species conservation agreement', with any person that is an owner or lessee of real property on which will be carried out conservation measures for any species described in paragraph (3) in accordance with the endangered species conservation agreement.

''(2) REQUIRED TERMS.—The Secretary shall include in an endangered species conservation agreement with a person under this subsection provisions that—

''(A) require the person—

''(i) to carry out on real property owned or leased by the person activities not otherwise required by law that contribute to the conservation of a species described in paragraph (3); or

''(ii) to refrain from carrying out on real property owned or leased by the person otherwise lawful activities that would inhibit the conservation of a species described in paragraph (3);

''(B) describe the real property referred to in clauses (i) and (ii) of subparagraph (A);

''(C) specify species conservation goals for the activities by the person, and measures for attaining the conservation goals of this subsection;

''(D) require the person to make measurable progress each year in achieving the goals;

''(E) specify actions to be taken by the Secretary or the person, or both, to monitor the effectiveness of the endangered species conservation agreement in attaining the goals;

''(F) require the person to notify the Secretary if—

''(i) any right or obligation of the person under the endangered species conservation agreement is assigned to any other person; or

''(ii) any term of the endangered species conservation agreement is breached by the person or any other person to whom is assigned a right or obligation of the person under the endangered species conservation agreement;

''(G) specify the date on which the endangered species conservation agreement takes effect; and

''(H) provide that the endangered species conservation agreement shall not be in effect on and after any date on which the Secretary publishes a certification under paragraph (5) that the person has not complied with the endangered species conservation agreement.

''(3) COVERED SPECIES.—A species referred to in clauses (i) and (ii) of paragraph (2)(A) is any species that is—

''(A) listed as an endangered species or threatened species under section 4;

''(B) proposed for such listing under section 4; or

''(C) identified by the Secretary as a candidate for such listing under section 4.

''(4) REVIEW AND APPROVAL OF PROPOSED ENDANGERED SPECIES CONSERVATION AGREEMENTS BY SECRETARY.—On submission by any person of a proposed endangered species conservation agreement under this subsection, the Secretary shall—

''(A) review the proposed endangered species conservation agreement and determine whether the endangered species conservation agreement complies with the requirements of this subsection; and

''(B) if the Secretary determines that the endangered species conservation agreement complies with the requirements of this subsection—

''(i) approve the endangered species conservation agreement and enter into the endangered species conservation agreement with the person; and

''(ii) promptly notify the Secretary of the Treasury that the endangered species conservation agreement has been entered into and specify the date on which the endangered species conservation agreement takes effect.

''(5) MONITORING IMPLEMENTATION OF ENDANGERED SPECIES CONSERVATION AGREEMENTS.—The Secretary shall—

''(A) periodically monitor the implementation of each endangered species conservation agreement entered into under this subsection; and

''(B) based on the information obtained from the monitoring, annually certify to the Secretary of the Treasury whether or not each person that has entered into an endangered species conservation agreement under this subsection has complied with the endangered species conservation agreement.

''(6) STATE COOPERATION.—The Secretary shall establish a technical assistance program in cooperation with the States to assist landowners in the development and implementation of endangered species conservation agreements.''.

SEC. 107. INTERAGENCY COOPERATION.

(a) FEDERAL AGENCY ACTIONS AND CONSULTATIONS.—Section 7(a) (16 U.S.C. 1536(a)) is amended—

(1) in the second sentence of paragraph (1)—

(A) by striking ''All other Federal agencies'' and inserting ''Each other Federal agency'';

(B) by striking ''their'' and inserting ''its''; and

(C) by inserting before the period the following: '', including recovery actions identified in recovery implementation plans of the agency'';

(2) in the first sentence of paragraph (2), by inserting after ''to be critical,'' the following: ''in such a way as to diminish the value of that habitat for the recovery of the species,''; and

(3) by adding at the end the following:

''(5) CONSULTATION WITH SECRETARY CONCERNING CANDIDATE SPECIES.—

''(A) IN GENERAL.—Any Federal agency may consult with the Secretary regarding any action that may affect any candidate species or species proposed for listing under section 4(c).

''(B) ADDITIONAL CONSULTATION.—If consultation under this paragraph is completed before the listing of the species—

''(i) no additional consultation is required solely as a consequence of the subsequent listing of the species, if the Secretary determines that there have been no significant changes in the agency proposal and that there is no significant new information that was not considered in the original consultation; and

''(ii) the Secretary shall reinitiate consultation under paragraph (2), if the Secretary determines that there has been a significant change in the agency proposal or that there is significant new information that was not considered in the original consultation.

''(C) NOTIFICATION OF CHANGE OR NEW INFORMATION.—A Federal agency shall notify the Secretary of any significant change in, or significant new information regarding, any action regarding which the agency consulted with the Secretary under this paragraph.

''(6) MONITORING.—The head of each Federal agency shall monitor the status and trends of endangered species, threatened species, and candidate species that occur on land or in water under the jurisdiction or ownership of the agency.''.

(b) OPINION OF SECRETARY.—Section 7(b) (16 U.S.C. 1536(b)) is amended—

(1) by striking paragraph (3) and inserting the following:

''(3) STATEMENT OF OPINION OF SECRETARY.—

''(A) IN GENERAL.—Promptly after conclusion of consultation under paragraph (2), (3), or (5) of subsection (a), the Secretary shall provide to the Federal agency and the applicant, if any, a written statement setting forth the Secretary's opinion, and a summary of the information on which the opinion is based, detailing how the agency action affects the species or its critical habitat, including a description of the quantity of habitat and the number of members of the species that will be taken, and conservation actions to minimize and mitigate the impacts of any incidental taking that may result from the action.

''(B) ALTERNATIVES.—If jeopardy or adverse modification is found, the Secretary shall suggest those reasonable and prudent alternatives that the Secretary believes would not violate subsection (a)(2) and that can be taken by the Federal agency or applicant in implementing the agency action.'';

(2) in paragraph (4)—

(A) in subparagraphs (A) and (B), by striking ''violate such subsection'' each place it appears and inserting ''interfere with the timely achievement of recovery goals'';

(B) in clause (ii), by inserting ''and mitigate'' after ''minimize'';

(C) in clause (iii), by striking ''and'' after the comma at the end;

(D) in clause (iv), by striking the period at the end and inserting '', and''; and

(E) by adding at the end the following:

''(v) directs the Federal agency to assess and report to the Secretary not later than 2 years after the date of issuance of the written statement and every 2 years thereafter for as long as any incidental taking continues, the quantity of the incidental taking that has occurred as a direct impact, indirect impact, or cumulative impact.

If an assessment under clause (v) indicates that the quantity of incidental taking authorized under the written statement has been exceeded, the Federal agency shall immediately reinitiate consultation with the Secretary pursuant to subsection (a)(2).''; and

(3) by adding at the end the following:

''(5) NOTICE OF CONSULTATION AND ACTION.—

''(A) IN GENERAL.—On receipt of a request to initiate consultation under paragraph (2), (3), or (5) of subsection (a), the Secretary shall promptly publish a notice in the Federal Register announcing that the consultation has been initiated and briefly describing the proposed agency action.

''(B) AVAILABILITY OF INFORMATION.—The Secretary shall make available on request any information in the possession or control of the Secretary concerning the consultation or the opinion prepared pursuant to this subsection with respect to the consultation.

''(6) INDEPENDENT SCIENTISTS.—In preparing an opinion pursuant to this subsection, the Secretary shall invite independent scientists described in section 4(f)(1)(D) with expertise on species that may be affected by the proposed agency action to provide input into the consultation or opinion.

''(7) PUBLICATION OF FINDINGS AND REASONS.—Not later than 30 days after the date on which the Secretary provides a written statement under paragraph (3) to the Federal agency and the applicant for a permit, if any, the Secretary shall publish in the Federal Register a description of the findings and reasons of the Secretary for making any determination under this subsection.''.

(c) BIOLOGICAL ASSESSMENT.—Section 7(c)(1) (16 U.S.C. 1536(c)(1)) is amended in the last sentence by striking ''Such assessment may be undertaken'' and inserting ''The assessment shall be made available to the public and may be undertaken''.

(d) FOREIGN SPECIES.—Section 7 (16 U.S.C. 1536) is amended by adding at the end the following:

''(q) FOREIGN SPECIES.—This section shall apply to any agency action with respect to any endangered species, threatened species, species proposed to be added to a list under section 4(c), or candidate species carried out in whole or in part, in the United States, in a foreign country, or on the high seas.''.

(e) STREAMLINING AND CONSOLIDATING INTERAGENCY COOPERATION.—Section 7 (16 U.S.C. 1536) (as amended by subsection (d)) is amended by adding at the end the following:

''(r) REGULATIONS TO ENSURE TIMELY CONCLUSION OF CONSULTATIONS.—

''(1) DEFINITION OF ECOSYSTEM.—In this subsection, the term 'ecosystem' means a dynamic complex of organisms and biological

communities, and their associated nonliving environment, interacting together as an ecological unit.

''(2) REQUIREMENT.—Not later than 1 year after the date of enactment of this subsection, the Secretary, in cooperation with the States, shall promulgate regulations to ensure timely conclusion of consultations under this section.

''(3) CONTENT.—Regulations under this subsection shall provide that—

''(A) consultations and conferences under this section between the Secretary and a Federal agency shall, to the maximum extent practicable and if approved by the Secretary, encompass a number of similar or related agency actions to be undertaken within a particular geographical range or ecosystem; and

''(B) the Secretary shall, to the maximum extent practicable, consolidate requests for consultations or conferences from various Federal agencies whose proposed actions may affect endangered species, threatened species, or candidate species that are dependent on the same ecosystem.''.

SEC. 108. PERMITS AND CONSERVATION PLANS.

Section 10 (16 U.S.C. 1539) is amended by striking subsection (a) and inserting the following:

''(a) PERMITS.—

''(1) IN GENERAL.—The Secretary may permit, under the terms and conditions provided for in this section—

''(A) any act otherwise prohibited by section 9 for scientific purposes or to enhance the propagation or survival of the affected species, or the conservation of the species in the wild, such as acts necessary for the conservation, establishment, and maintenance of experimental populations pursuant to subsection (j); or

''(B) any taking otherwise prohibited by section 9(a)(1) if the taking is incidental to, and not the purpose of, the carrying out of an otherwise lawful activity.

''(2) DURATION.—The Secretary shall limit the duration of a permit under paragraph (1) as necessary to ensure that changes in circumstances that could occur in the period covered by the permit and that would jeopardize the continued existence of the species are reasonably foreseeable.

''(3) CONSERVATION PLAN.—

''(A) IN GENERAL.—No permit may be issued by the Secretary authorizing any taking referred to in paragraph (1)(B) unless the applicant for the permit submits to the Secretary a conservation plan in accordance with this paragraph that is based on the best scientific and commercial information available.

''(B) CONTENTS.—A conservation plan under this paragraph shall provide a description and analysis of—

''(i) the specific activities sought to be authorized by the permit;

''(ii) a reasonable range of alternative actions to the taking of each species covered by the plan;

''(iii) the individual and cumulative impacts that may reasonably be anticipated to result from the permitted activities covered by the plan, including the impacts of modification or destruction of habitat of species authorized under the permit;

''(iv) objective, measurable biological goals to be achieved for each species covered by the plan;

''(v) the conservation measures that the applicant will implement to minimize and mitigate the impacts described in clause (iii), including—

''(I) the specific conservation measures for achieving the biological goals of the plan; and

''(II) any additional requirements or restrictions or other adaptive management provisions that are necessary to respond to all reasonably foreseeable changes in circumstances that would jeopardize the continued existence of any species covered by the plan, including new scientific information and changing environmental conditions, including natural disasters;

''(vi) the reasonably anticipated costs of the measures described in clause (v);

''(vii) the actions that the applicant will take to monitor—

''(I) the effectiveness of the plan's conservation measures in achieving the plan's biological goals; and

''(II) impacts on the recovery of each species;

''(viii) funding that will be available to the applicant, throughout the term of the plan, to implement the plan and the conservation measures specified in the plan; and

''(ix) such other matters as the Secretary determines are necessary or appropriate for the purposes of carrying out the plan.

''(C) FINDINGS.—The Secretary shall not issue a permit under paragraph (1)(B) for the taking of any species unless the Secretary finds, after opportunity for public comment with respect to a permit application and the related conservation plan, that—

''(i) the conservation plan submitted for the permit meets all of the requirements of this paragraph;

''(ii) the taking will be incidental;

''(iii) the applicant will minimize and mitigate the individual impacts and cumulative impacts of the taking;

''(iv) the activities authorized by the permit and conservation plan are consistent with the recovery of the species and will result in no net loss of the value to the species of the habitat occupied by the species;

''(v) the applicant has, in accordance with paragraph (9), filed a performance bond or other evidence of financial security to ensure adequate funding for each element of the conservation plan; and

''(vi) the permit contains—

''(I) such terms and conditions as are necessary or appropriate to carry out this paragraph and ensure implementation of the conservation plan by the applicant; and

''(II) such reporting and monitoring requirements as are necessary for determining whether the terms and conditions are being complied with.

''(D) REPORTS ON BIOLOGICAL STATUS AND GOALS.—

''(i) IN GENERAL.—Each permit shall require the permittee to provide to the Secretary, not later than 1 year after the date of issuance of the permit and at least once each year thereafter during the term of the permit, a complete report on—

''(I) the biological status of the species in the affected area;

''(II) the impacts of the habitat conservation plan and the permitted action on the species; and

''(III) whether the biological goals of the plan are being met.

''(ii) AVAILABILITY TO PUBLIC.—The Secretary shall make reports required under this subparagraph available to the public.

''(E) ADDITIONAL CONSERVATION MEASURES.—

''(i) IN GENERAL.—If necessary to ensure that the permitted action does not jeopardize the continued existence of any species affected by the permitted action, the Secretary shall require a permittee to implement conservation measures in addition to the conservation measures specified in the plan.

''(ii) COST SHARING.—The Secretary shall pay the costs of any additional conservation measures required under this subparagraph that are in excess of the reasonably anticipated costs specified in the plan.

''(4) REVIEW BY SECRETARY.—

''(A) IN GENERAL.—Every 3 years after the date of approval of a permit application and conservation plan under this section, the Secretary shall review and report on the progress toward implementation of the terms and conditions of the permit and plan and make recommendations on actions necessary to ensure that—

''(i) the terms and conditions do not jeopardize the continued existence of any species;

''(ii) progress is being made toward achieving the biological goals of the plan; and

''(iii) the requirements, goals, and purposes of this Act are being met.

''(B) AVAILABILITY TO PUBLIC.—The Secretary shall annually—

''(i) prepare and make publicly available a report on the status of all permits reviewed pursuant to this paragraph since the date of the last report; and

''(ii) publish in the Federal Register a notice of the availability of the most recent report.

''(5) PERMIT REVOCATION.—The Secretary shall revoke a permit issued under this section and issue an order suspending activities allowed under the permit that may be reasonably expected to cause a taking of any species covered by the permit, if—

''(A) the permittee is not in compliance with the terms and conditions of the permit, the requirements of this Act, and the regulations issued under this Act, including any failure by a permittee to substantially comply with the conservation plan required for a permit issued under paragraph (1)(B); or

''(B) the level of the taking authorized by the permit has been exceeded.

''(6) ACTIONS BY SECRETARY ON FAILURE BY PERMITTEE.—

''(A) IN GENERAL.—If a permittee defaults on any obligation of the permittee under a permit issued under paragraph (1)(B) or a conservation plan required for the permit, the Secretary shall undertake actions to conserve each species covered by the plan and permit.

''(B) FUNDING.—To carry out actions required under subparagraph (A) with respect to a default by a permittee, the Secretary may use—

''(i) the proceeds of the performance bond or other financial security under paragraph (9) provided by the permittee; and

''(ii) amounts in the Habitat Conservation Plan Fund established by paragraph (10).

''(7) LOW EFFECT, SMALL SCALE PLANS.—

''(A) IN GENERAL.—The Secretary shall develop and implement a streamlined application and approval procedure for a permit issued under paragraph (1)(B) and related conservation plan that the Secretary determines to be a low effect, small scale plan.

''(B) PREREQUISITES.—A permit and related conservation plan may be treated as a low effect, small scale permit and plan if—

''(i) the permitted action is expected to be of less than 5 years in duration;

''(ii) the conservation plan is applicable to an area of less than 5 acres;

''(iii) the affected acreage is not adjacent to other land that has been the subject of a permit issued under this section within the preceding 5 years to the same person, or as part of the same project;

''(iv) the permitted action is not part of a single larger project that will have additional impacts on the endangered species or threatened species;

''(v) the Secretary determines that the plan will have a negligible cumulative impact and individual impact on the recovery of the endangered species or threatened species; and

''(vi) the permitted action is not related to other actions that will have additional impacts on the endangered species or threatened species.

''(C) RELATED ACTIONS.—For the purposes of subparagraph (B)(vi), actions shall be considered related if they—

''(i) automatically trigger other actions that may affect endangered species or threatened species;

''(ii) cannot or will not proceed unless other actions are taken previously or simultaneously; or

''(iii) are interdependent on parts of a larger action and depend on the larger action for their justification.

''(D) MONITORING.—

''(i) IN GENERAL.—The Secretary shall monitor the implementation and results of low effect, small scale permits and conservation plans to ensure that the permits and plans do not jeopardize the continued existence of any endangered species or threatened species.

''(ii) ADDITIONAL REQUIREMENTS OR RESTRICTIONS.—If the Secretary determines that additional requirements or restrictions are required to ensure that actions authorized by a low effect, small scale conservation plan do not jeopardize the continued existence of any species determined to be an endangered species or threatened species after the plan was approved, the Secretary shall require appropriate modifications to the plan to implement those requirements or restrictions.

''(iii) COST SHARING.—The Secretary shall pay all costs of implementing additional requirements or restrictions required under clause (ii).

''(E) FINANCIAL SECURITY.—The permittee for which a low effect, small scale permit and conservation plan is approved under this paragraph shall not be required to provide a performance bond or other financial security under paragraph (9).

''(8) MONITORING.—The Secretary shall monitor the implementation and results of all conservation plans approved under this subsection to ensure that the plans do not jeopardize the continued existence of any endangered species or threatened species.

''(9) PERFORMANCE BONDS.—

''(A) IN GENERAL.—After the approval of an incidental taking permit under paragraph (1)(B) and associated conservation plan in accordance with this subsection, but before the permit is issued, the applicant shall—

''(i) file with the Secretary a performance bond payable to the United States, and conditional on faithful performance of all the requirements of the permit; or

''(ii) deposit another form of financial security, payable to the United States, in a form and manner approved by the Secretary, and conditional on such faithful performance, having a cash or market value, as applicable, equal to or greater than the amount of a performance bond otherwise required under clause (i).

''(B) AMOUNT.—The amount of the bond or deposit of other financial security required for each permit shall be—

''(i) determined by the Secretary;

''(ii) based on the mitigation requirements needed to meet the biological goals of the conservation plan; and

''(iii) sufficient to ensure the completion of all conservation measures to be implemented by the permittee under the conservation plan that are specified in the plan.

''(C) PHASED OR ADJUSTED BONDS OR DEPOSITS.—In the case of a bond or deposit of other financial security required for a large-scale conservation plan (as defined in paragraph (12)(A)), or a conservation plan for which the reasonably foreseeable costs may be prohibitive, the Secretary may authorize the use of—

''(i) phased bonds or deposits, by which the permittee may divide the area or actions covered by the conservation plan into discrete sections and execute a separate bond or deposit for each section before undertaking any action on that section; or

''(ii) adjusted bonds or deposits, through which the amount of the bond or deposits required and the terms of acceptance of a bond or deposits shall be adjusted by the Secretary from time to time as the extent of actions that affect endangered species or threatened species increases or decreases.

''(D) EXECUTION.—The bond or deposits shall be executed by the permittee and a corporate surety or depository, respectively.

''(E) RELEASE OF BOND OR DEPOSIT.—

''(i) IN GENERAL.—The permittee may file a request with the Secretary for the release of all or any part of a performance bond or deposit of any other financial security required under this paragraph.

''(ii) NOTICE AND COMMENT.—Not later than 30 days after any request for release has been filed with the Secretary, the Secretary shall—

''(I) file notice of the request in the Federal Register; and

''(II) provide opportunity for public comment before making a decision under clause (iii).

''(iii) REVIEW.—Not later than 30 days after receipt of the request, the Secretary shall conduct a review of the implementation of the conservation plan to determine whether—

''(I) the requirements of the plan have been fully implemented;

''(II) the plan has achieved its biological goals; and

''(III) no further action is needed to ensure that the permitted action is not jeopardizing the existence of the species covered by the plan.

''(iv) NOTICE OF DECISION.—Not later than 90 days after receipt of the request, the Secretary shall notify the permittee in writing of the decision of the Secretary to release or not to release all or part of the bond or deposit.

''(v) NOTICE OF REASONS FOR NO RELEASE.—If the Secretary does not release any portion of the bond or deposit, the Secretary shall notify the permittee in writing of the reasons that the portion was not released and recommended corrective actions necessary to secure that release.

''(10) HABITAT CONSERVATION PLAN FUND.—

''(A) ESTABLISHMENT.—There is established in the Treasury a separate account to be known as the 'Habitat Conservation Plan Fund' (referred to in this paragraph as the 'Fund').

''(B) CONTENTS.—The Fund shall consist of—

''(i) donations to the Fund;

''(ii) appropriations to the Fund;

''(iii) amounts received by the United States as fees charged for permits under this section;

''(iv) amounts received by the United States as natural resource damages under section 11(i); and

''(v) the proceeds of performance bonds and other deposits of financial security under paragraph (9).

''(C) USE.—Amounts in the Fund shall be available to the Secretary until expended, without further appropriation, to pay the cost of—

''(i) additional conservation measures required under paragraph (3)(E) and additional requirements and restrictions required under paragraph (7)(C)(iii) for recovery of a species;

''(ii) actions by the Secretary to conserve species under paragraph (6);

''(iii) permitting with respect to which fees are deposited in the Fund under subparagraph (B)(iii); and

''(iv) restoration or replacement of natural resources with respect to which natural resource damages are deposited in the Fund under subparagraph (B)(iv).

''(11) MULTIPLE LANDOWNER, MULTISPECIES PLANNING.—

''(A) IN GENERAL.—The Secretary shall encourage the development of multiple landowner, multispecies conservation plans, that—

''(i) make a significant contribution to the recovery of an endangered species or threatened species;

''(ii) rely on the best available scientific information;

''(iii) rely, to the maximum extent practicable, on ecosystem planning; and

''(iv) maintain the well-being of other species located within the planning area.

''(B) STREAMLINING OF PERMITTING PROCESSES ACROSS JURISDICTIONS.—

''(i) IN GENERAL.—To encourage the development of the plans, the Secretary shall cooperate, to the maximum extent practicable, with States and local governments to streamline permitting processes across jurisdictions.

''(ii) LARGE-SCALE CONSERVATION PLANS.—The cooperation shall include issuing permits under paragraph (1)(B) to a State, local government, or group of local governments for large-scale conservation plans that involve more than 1 landowner.

''(C) INCIDENTAL TAKING CERTIFICATES.—A permit under subparagraph (B)(ii) may authorize the State, local government, or group of local governments to issue incidental taking certificates to landowners that authorize takings under the authority of the permit within the jurisdiction of the State, local government, or group of local governments, if—

''(i) the State, local government, or group of local governments meets the performance bond or other financial security requirements under paragraph (9) with respect to all such certificates, or each certificate is effective only after the landowner to whom the certificate is issued has met those requirements with respect to the certificate;

''(ii) the State, local government, or group of local governments ensures that all incidental taking certificates issued under the permit are consistent with the permit and approved habitat conservation plan;

''(iii) the State, local government, or group of local governments provides adequate public notice and opportunity to comment on decisions to issue incidental taking certificates; and

''(iv) the Secretary and the State, local government, or group of local governments have adequate authority to enforce the terms and conditions of the incidental taking certificates.

''(D) ENCOURAGEMENT OF PLANS.—The Secretary shall—

''(i) ensure the participation of a broad range of public and private interests in the development of the plan;

''(ii) provide technical assistance to the maximum extent practicable; and

''(iii) give the plans priority consideration for funding under section 6.

''(E) POOLED BONDS OR DEPOSITS.—The Secretary may approve the use of pooled bonds or deposits in order to meet the requirements of paragraph (9) for plans approved under this paragraph that—

''(i) do not meet the requirements of subparagraph (C); and

''(ii) involve more than 1 landowner.

''(12) CITIZEN PARTICIPATION; INDEPENDENT SCIENTISTS.—

''(A) DEFINITIONS.—In this paragraph:

''(i) AGENCY INVOLVEMENT.—The term 'agency involvement' means any role played by the Secretary in the development of a conservation plan under paragraph (3).

''(ii) INDEPENDENT SCIENTIST.—The term 'independent scientist' means a scientist that meets the criteria specified in section 4(f)(1)(D).

''(iii) LARGE-SCALE CONSERVATION PLAN.—The term 'large-scale conservation plan' means a conservation plan that covers a significant portion of the range of an endangered species, threatened species, candidate species, or species proposed for listing under section 4.

''(B) NOTICE AND COMMENT.—The Secretary may issue a permit under this section only after—

''(i) notice of the receipt of an application for the permit has been published in the Federal Register;

''(ii) at least a 60-day public comment period has been provided; and

''(iii) a notice of permit approval has been published in the Federal Register with agency responses to public comments.

''(C) AGENCY INVOLVEMENT.—

''(i) IN GENERAL.—On receipt of request for involvement by an agency in the development of a large-scale conservation plan pursuant to paragraphs (3)(A) and (11), the Secretary shall promptly publish a notice in the Federal Register announcing the agency's involvement and briefly describing the activities that would be permitted under the plan.

''(ii) AVAILABILITY OF INFORMATION.—The Secretary shall make available, on request, any information in the Secretary's possession or control concerning the planning efforts.

''(D) PUBLIC PARTICIPATION.—

''(i) IN GENERAL.—The Secretary shall invite members of the public to participate in the development of large-scale conservation plans and multiple landowner, multispecies plans.

''(ii) BALANCED DEVELOPMENT PROCESS.—The Secretary shall promulgate regulations establishing a development process under this paragraph that ensures an equitable balance of participation between—

''(I) citizens with a primary interest in carrying out economic development activities that may affect species conservation; and

''(II) citizens whose primary interest is in species conservation.

''(iii) MEETINGS.—A meeting of participants under this subparagraph shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.), but shall be open to the public.

''(E) INDEPENDENT SCIENTISTS.—On receipt of a request for involvement by an agency in the development of a large-scale conservation plan, the Secretary shall invite independent scientists with expertise on species that may be affected by the plan to provide input.

''(13) COMMUNITY ASSISTANCE PROGRAM.—

''(A) ESTABLISHMENT.—The Secretary shall establish a community assistance program to provide timely and accurate information to local governments and property owners in accordance with subparagraph (B).

''(B) FIELD OFFICE EMPLOYEES.—Under the community assistance program, the Secretary shall assign to each field office of the United States Fish and Wildlife Service employees whose duties include—

''(i) providing accurate, timely information on local impacts of determinations that species are endangered species or threatened species, recovery planning efforts, and other actions under this Act;

''(ii) providing assistance on obtaining permits under this section and otherwise complying with this Act;

''(iii) serving as a focal point for questions, requests, complaints, and suggestions from property owners and local governments concerning the policies and activities of the United States Fish and Wildlife Service or other Federal agencies in the implementation of this Act; and

''(iv) training Federal personnel on public outreach efforts under this Act.''.

SEC. 109. CITIZEN SUITS.

Section 11(g) (16 U.S.C. 1540(g)) is amended—

(1) in paragraph (1)(A), by striking ''in violation'' and all that follows through the end of the subparagraph and inserting ''in violation of this Act, any regulation or permit issued under this Act, any statement provided by the Secretary under section 7(b)(3), or any agreement concluded under this Act;''; and

(2) in paragraph (2)—

(A) in subparagraph (A)(i), by inserting before the semicolon at the end the following '', except that notwithstanding this clause such an action may be brought immediately after the notice in the case of an action against any person regarding an emergency posing a significant risk to any species of fish, wildlife, or plant included in a list under section 4(c) or proposed for inclusion in such a list''; and

(B) in subparagraph (B)(i), by inserting before the semicolon at the end the following: '', except that notwithstanding this clause such an action may be brought immediately after such notice in the case of an action under this section against any person regarding an emergency posing a significant risk to any species of fish, wildlife, or plant included in a list under section 4(c)''.

SEC. 110. NATURAL RESOURCE DAMAGE LIABILITY.

Section 11 (16 U.S.C. 1540) is amended by adding at the end the following:

''(i) NATURAL RESOURCE DAMAGE LIABILITY.—

''(1) IN GENERAL.—Any person that, in violation of this Act, negligently damages any member or habitat of a species included in a list under section 4(c) shall be liable to—

''(A) the United States for the costs incurred by the United States in restoring or replacing the member or habitat, including reasonable costs of assessing the damage; and

''(B) a State for the costs incurred by the State in restoring or replacing the member or habitat under a management agreement with the Secretary under section 6(a) or a cooperative agreement with the Secretary under section 6(c), including reasonable costs of assessing the damage.

''(2) DEPOSIT.—Amounts received by the United States under this subsection—

''(A) shall be deposited in the Habitat Conservation Plan Fund established by section 10(a)(10); and

''(B) may be obligated only for the acquisition or rehabilitation of damaged habitat or populations.

''(3) CIVIL ACTIONS BY SECRETARY.—The Secretary may commence a civil action on behalf of the United States under this subsection.

''(4) NOTICE.—No action may be commenced under this subsection by the Secretary or a State before the end of the 60-day period beginning on the date on which the Secretary or the State, respectively, provides written notice of the action to the person against whom the action is commenced.''.

SEC. 111. AUTHORIZATION OF APPROPRIATIONS.

Section 15 (16 U.S.C. 1542) is amended to read as follows:

''SEC. 15. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated—

''(1) to the Secretary of the Interior for carrying out this Act—

''(A) $135,000,000 for fiscal year 2001;

''(B) $140,000,000 for fiscal year 2002;

''(C) $145,000,000 for fiscal year 2003;

''(D) $150,000,000 for fiscal year 2004; and

''(E) $155,000,000 for fiscal year 2005; and

''(2) to the Secretary of Commerce for carrying out this Act—

''(A) $35,000,000 for fiscal year 2001;

''(B) $40,000,000 for fiscal year 2002;

''(C) $45,000,000 for fiscal year 2003;

''(D) $50,000,000 for fiscal year 2004; and

''(E) $55,000,000 for fiscal year 2005.

''(b) CONVENTION IMPLEMENTATION.—In addition to other amounts authorized by this section, there are authorized to be appropriated to the Secretary of the Interior for carrying out functions under section 8 relating to implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora—

''(1) $3,000,000 for fiscal year 2001; and

''(2) $4,000,000 for each of fiscal years 2002 and 2003.

''(c) HABITAT CONSERVATION PLAN FUND.—In addition to other amounts authorized by this section, there is authorized to be appropriated to the Habitat Conservation Plan Fund established by section 10(a)(10) $20,000,000 for each of fiscal years 2001, 2002, and 2003.

''(d) COOPERATIVE AGREEMENT FUNDS.—In addition to other amounts authorized by this section, there are authorized to be appropriated—

''(1) to the Secretary of the Interior for entering into cooperative agreements under section 6 with States and Indian tribes, $20,000,000 for each of fiscal years 2001, 2002, and 2003; and

''(2) to the Secretary of Commerce for entering into cooperative agreements under section 6 with States and Indian tribes, $5,000,000 for each of fiscal years 2001, 2002, and 2003.''.

TITLE II—SPECIES CONSERVATION TAX INCENTIVES

SEC. 201. TAX EXCLUSION FOR COST-SHARING PAYMENTS UNDER PARTNERS FOR FISH AND WILDLIFE PROGRAM.

(a) IN GENERAL.—Section 126(a) of the Internal Revenue Code of 1986 (relating to certain cost-sharing payments) is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following:

''(10) The Partners for Fish and Wildlife Program authorized by the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to payments received after the date of the enactment of this Act.

SEC. 202. ENHANCED DEDUCTION FOR THE DONATION OF A CONSERVATION EASEMENT.

(a) IN GENERAL.—Subparagraph (A) of section 170(h)(4) of the Internal Revenue Code of 1986 (defining conservation purpose) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'', and by adding at the end the following:

''(v) the conservation of a species designated by the Secretary of the Interior or the Secretary of Commerce under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq) as endangered or threatened, proposed by such Secretary for designation as endangered or threatened, or identified by such Secretary as a candidate for such designation, provided the property is not required, as of the date of contribution, to be used for such purpose other than by reason of the terms of contribution.''.

(b) ENHANCED DEDUCTIONS.—Subsection (e) of section 170 of the Internal Revenue Code

of 1986 (defining qualified conservation contribution) is amended by adding at the end the following:

''(7) SPECIAL RULES FOR CONTRIBUTIONS RELATED TO CONSERVATION OF SPECIES.—In the case of a qualified conservation contribution by an individual for the conservation of endangered or threatened species, proposed species, or candidate species under subsection (h)(4)(v):

''(A) 50 PERCENT LIMITATION TO APPLY.—Such a contribution shall be treated for the purposes of this section as described in subsection (b)(l)(A).

''(B) 20-YEAR CARRY FORWARD.—Subsection (d)(1) shall be applied by substituting '20 years' for '5 years' each place it appears and with appropriate adjustments in the application of subparagraph (A)(ii) thereof.

''(C) UNUSED DEDUCTION CARRYOVER ALLOWED ON TAXPAYER'S LAST RETURN.—If the taxpayer dies before the close of the last taxable year for which a deduction could have been allowed under subsection (d)(1), any portion of the deduction for such contribution which has not been allowed shall be allowed as a deduction under subsection (a) (without regard to subsection (b)) for the taxable year in which such death occurs or such portion may be used as a deduction against the gross estate of the taxpayer.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of the enactment of this Act.

SEC. 203. EXCLUSION FROM ESTATE TAX FOR REAL PROPERTY SUBJECT TO ENDANGERED SPECIES CONSERVATION AGREEMENT.

(a) IN GENERAL.—Part IV of subchapter A of chapter 11 of the Internal Revenue Code of 1986 (relating to taxable estate) is amended by adding at the end the following new section:

''SEC. 2058. CERTAIN REAL PROPERTY SUBJECT TO ENDANGERED SPECIES CONSERVATION AGREEMENT.

''(a) GENERAL RULE.—For purposes of the tax imposed by section 2001, the value of the taxable estate shall be determined by deducting from the value of the gross estate an amount equal to lesser of—

''(1) the adjusted value of real property included in the gross estate which is subject to an endangered species conservation agreement, or

''(2) $10,000,000.

''(b) PROPERTY SUBJECT TO AN ENDANGERED SPECIES CONSERVATION AGREEMENT.—For purposes of this section—

''(1) IN GENERAL.—Real property shall be treated as subject to an endangered species conservation agreement if—

''(A) such property was owned by the decedent or a member of the decedent's family at all times during the 3-year period ending on the date of the decedent's death,

''(B) each person who has an interest in such property (whether or not in possession) has entered into—

''(i) an endangered species conservation agreement with respect to such property, and

''(ii) a written agreement with the Secretary consenting to the application of subsection (d), and

''(C) the executor of the decedent's estate—

''(i) elects the application of this section, and

''(ii) files with the Secretary such endangered species conservation agreement.

''(2) ADJUSTED VALUE.—

''(A) IN GENERAL.—The adjusted value of any real property shall be its value for purposes of this chapter, reduced by—

''(i) any amount deductible under section 2055(f) with respect to the property, and

''(ii) any acquisition indebtedness with respect to the property.

''(B) ACQUISITION INDEBTEDNESS.—For purposes of this paragraph, the term 'acquisition indebtedness' means, with respect to any real property, the unpaid amount of—

''(i) the indebtedness incurred by the donor in acquiring such property,

''(ii) the indebtedness incurred before the acquisition of such property if such indebtedness would not have been incurred but for such acquisition,

''(iii) the indebtedness incurred after the acquisition of such property if such indebtedness would not have been incurred but for such acquisition and the incurrence of such indebtedness was reasonably foreseeable at the time of such acquisition, and

''(iv) the extension, renewal, or refinancing of an acquisition indebtedness.

''(c) ENDANGERED SPECIES CONSERVATION AGREEMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'endangered species conservation agreement' means a written agreement entered into with the Secretary of the Interior or the Secretary of Commerce—

''(A) which commits each person who signed such agreement to carry out on the real property activities or practices not otherwise required by law or to refrain from carrying out on such property activities or practices that could otherwise be lawfully carried out and includes—

''(i) objective and measurable species of concern conservation goals,

''(ii) site-specific and other management measures necessary to achieve those goals, and

''(iii) objective and measurable criteria to monitor progress toward those goals,

''(B) which is certified by such Secretary as providing a major contribution to the conservation of a species of concern, and

''(C) which is for a term that such Secretary determines is sufficient to achieve the purposes of the agreement, but not less than 10 years beginning on the date of the decedent's death.

''(2) SPECIES OF CONCERN.—The term 'species of concern' means any species designated by the Secretary of the Interior or the Secretary of Commerce under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq) as endangered or threatened, proposed by such Secretary for designation as endangered or threatened, or identified by such Secretary as a candidate for such designation.

''(3) ANNUAL CERTIFICATION TO THE SECRETARY BY THE SECRETARY OF THE INTERIOR OR THE SECRETARY OF COMMERCE OF THE STATUS OF ENDANGERED SPECIES CONSERVATION AGREEMENTS.—If the executor elects the application of this section, the executor shall promptly give written notice of such election to the Secretary of the Interior or the Secretary of Commerce. The Secretary of the Interior or the Secretary of Commerce shall thereafter annually certify to the Secretary that the endangered species conservation agreement applicable to any property for which such election has been made remains in effect and is being satisfactorily complied with.

''(d) RECAPTURE OF TAX BENEFIT IN CERTAIN CASES.—

''(1) DISPOSITION OF INTEREST OR MATERIAL BREACH.—

''(A) IN GENERAL.—An additional tax in the amount determined under subparagraph (B) shall be imposed on any person on the earlier of—

''(i) the disposition by such person of any interest in property subject to an endangered species conservation agreement (other than a disposition described in subparagraph (C)),

''(ii) a material breach by such person of the endangered species conservation agreement, or

''(iii) the termination of the endangered species conservation agreement.

''(B) AMOUNT OF ADDITIONAL TAX.—

''(i) IN GENERAL.—The amount of the additional tax imposed by subparagraph (A) with respect to any interest shall be an amount equal to the applicable percentage of the lesser of—

''(I) the adjusted tax difference attributable to such interest (within the meaning of section 2032A(c)(2)(B)), or

''(II) the excess of the amount realized with respect to the interest (or, in any case other than a sale or exchange at arm's length, the fair market value of the interest) over the value of the interest determined under subsection (a).

''(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the applicable percentage is determined in accordance with the following table:

''If, with respect to the date of the agreement, the date of the event described in subparagraph (A) occurs—	**The applicable percentage is—**
Before 10 years	100
After 9 years and before 20 years	75
After 19 years and before 30 years	50
After 29 years and before 40 years	25
After 39	0.

''(C) EXCEPTION IF CERTAIN HEIRS ASSUME OBLIGATIONS UPON THE DEATH OF A PERSON EXECUTING THE AGREEMENT.—Subparagraph (A)(i) shall not apply if—

''(i) upon the death of a person described in subsection (b)(1)(B) during the term of such agreement, the property subject to such agreement passes to a member of the person's family, and

''(ii) the member agrees—

''(I) to assume the obligations imposed on such person under the endangered species conservation agreement,

''(II) to assume personal liability for any tax imposed under subparagraph (A) with respect to any future event described in subparagraph (A), and

''(III) to notify the Secretary of the Treasury and the Secretary of the Interior or the Secretary of Commerce that the member has assumed such obligations and liability.

If a member of the person's family enters into an agreement described in subclauses (I), (II), and (III), such member shall be treated as signatory to the endangered species conservation agreement the person entered into.

''(2) DUE DATE OF ADDITIONAL TAX.—The additional tax imposed by paragraph (1) shall become due and payable on the day that is 6 months after the date of the disposition referred to in paragraph (1)(A)(i) or, in the case of an event described in clause (ii) or (iii) of paragraph (1)(A), on April 15 of the calendar year following any year in which the Secretary of the Interior or the Secretary of Commerce fails to provide the certification required under subsection (c)(3).

''(e) STATUTE OF LIMITATIONS.—If a taxpayer incurs a tax liability pursuant to subsection (d)(1)(A), then—

''(1) the statutory period for the assessment of any additional tax imposed by subsection (d)(1)(A) shall not expire before the expiration of 3 years from the date the Secretary is notified (in such manner as the Secretary may by regulation prescribe) of the incurring of such tax liability, and

''(2) such additional tax may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law that would otherwise prevent such assessment.

''(f) ELECTION AND FILING OF AGREEMENT.—The election under this section shall be made

on the return of the tax imposed by section 2001. Such election, and the filing under subsection (b) of an endangered species conservation agreement, shall be made in such manner as the Secretary shall by regulation provide.

''(g) APPLICATION OF THIS SECTION TO INTERESTS IN PARTNERSHIPS, CORPORATIONS, AND TRUSTS.—This section shall apply to an interest in a partnership, corporation, or trust if at least 30 percent of the entity is owned (directly or indirectly) by the decedent, as determined under the rules described in section 2057(e)(3).

''(h) MEMBER OF FAMILY.—For purposes of this section, the term 'member of the family' means any member of the family (as defined in section 2032A(e)(2)) of the decedent.''.

(b) CARRYOVER BASIS.—Section 1014(a)(4) of the Internal Revenue Code of 1986 (relating to basis of property acquired from a decedent) is amended by inserting ''or 2058'' after ''section 2031(c)''.

(c) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter A of chapter 11 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 2058. Certain real property subject to endangered species conservation agreement.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after the date of the enactment of this Act.

SEC. 204. EXPANSION OF ESTATE TAX EXCLUSION FOR REAL PROPERTY SUBJECT TO QUALIFIED CONSERVATION EASEMENT.

(a) REPEAL OF CERTAIN RESTRICTIONS ON WHERE LAND IS LOCATED.—Clause (i) of section 2031(c)(8)(A) of the Internal Revenue Code of 1986 (defining land subject to a qualified conservation easement) is amended to read as follows:

''(i) which is located in the United States or any possession of the United States,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after the date of the enactment of this Act.

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ADDITIONAL COSPONSORS

S. 482

At the request of Mr. ABRAHAM, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 482, a bill to amend the Internal Revenue Code of 1986 to repeal the increase in the tax on the social security benefits.

S. 1536

At the request of Mr. DEWINE, the names of the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Delaware (Mr. BIDEN), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Hawaii (Mr. AKAKA), and the Senator from West Virginia (Mr. BYRD) were added as cosponsors of S. 1536, a bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for programs under the Act, to modernize programs and services for older individuals, and for other purposes.

S. 1768

At the request of Mr. ABRAHAM, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 1768, a bill to amend the Congressional Budget Act of 1974 to protect Social Security surpluses through strengthened budgetary enforcement mechanisms.

S. 1902

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1902, a bill to require disclosure under the Freedom of Information Act regarding certain persons and records of the Japanese Imperial Army in a manner that does not impair any investigation or prosecution conducted by the Department of Justice or certain intelligence matters, and for other purposes.

S. 1941

At the request of Mr. DODD, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1941, a bill to amend the Federal Fire Prevention and Control Act of 1974 to authorize the Director of the Federal Emergency Management Agency to provide assistance to fire departments and fire prevention organizations for the purpose of protecting the public and firefighting personnel against fire and fire-related hazards.

S. 1957

At the request of Mr. SCHUMER, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1957, a bill to provide for the payment of compensation to the families of the Federal employees who were killed in the crash of a United States Air Force CT–43A aircraft on April 3, 1996, near Dubrovnik, Croatia, carrying Secretary of Commerce Ronald H. Brown and 34 others.

S. 2003

At the request of Mr. JOHNSON, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 2003, a bill to restore health care coverage to retired members of the uniformed services.

S. 2225

At the request of Mr. GRASSLEY, the names of the Senator from Michigan (Mr. ABRAHAM) and the Senator from New Hampshire (Mr. SMITH) were added as cosponsors of S. 2225, a bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs.

S. 2330

At the request of Mr. ROTH, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 2330, a bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communication services.

S. 2337

At the request of Mr. SANTORUM, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 2337, 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, and to establish State health insurance safety-net programs.

S. 2505

At the request of Mr. JEFFORDS, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 2505, a bill to amend title XVIII of the Social Security Act to provide increased assess to health care for medical beneficiaries through telemedicine.

S. 2690

At the request of Mr. LEAHY, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 2690, a bill to reduce the risk that innocent persons may be executed, and for other purposes.

S. 2703

At the request of Mr. AKAKA, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 2703, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 2725

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 2725, a bill to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service, and for other purposes.

S. 2903

At the request of Mr. ABRAHAM, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2903, a bill to amend the Internal Revenue Code of 1986 to expand the child tax credit.

S. 2967

At the request of Mr. MURKOWSKI, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 2967, a bill to amend the Internal Revenue Code of 1986 to facilitate competition in the electric power industry.

S. 3018

At the request of Mr. TORRICELLI, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 3018, a bill to amend the Federal Deposit Insurance Act with respect to municipal deposits.

S. 3020

At the request of Mr. GRAMS, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 3020, a bill to require the Federal Communications Commission to revise its regulations authorizing the operation of new, low-power FM radio stations.

S. 3060

At the request of Mr. WELLSTONE, the names of the Senator from Minnesota

(Mr. GRAMS) and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 3060, a bill to amend the Hmong Veterans' Naturalization Act of 2000 to extend the applicability of that Act to certain former spouses of deceased Hmong veterans.

S. 3095

At the request of Mr. KENNEDY, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 3095, a bill to amend the Immigration and Nationality Act to remove certain limitations on the eligibility of aliens residing in the United States to obtain lawful permanent resident status.

S. 3101

At the request of Mr. ASHCROFT, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 3101, a bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States.

S. 3112

At the request of Mr. ABRAHAM, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 3112, a bill to amend title XVIII of the Social Security Act to ensure access to digital mammography through adequate payment under the medicare system.

S. 3114

At the request of Mr. BAUCUS, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 3114, a bill to provide loans for the improvement of telecommunications services on Indian reservations.

S. 3116

At the request of Mr. BREAUX, the names of the Senator from South Dakota (Mr. JOHNSON) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 3116, a bill to amend the Harmonized Tariff Schedule of the United States to prevent circumvention of the sugar tariff-rate quotas.

S. 3133

At the request of Mr. BAUCUS, the names of the Senator from South Dakota (Mr. DASCHLE), the Senator from North Dakota (Mr. DORGAN), and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of S. 3133, a bill to provide compensation to producers for underestimation of wheat protein content.

S. 3146

At the request of Mr. CAMPBELL, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 3146, a bill to preserve the sovereignty of the United States over public lands and acquired lands owned by the United States, and to preserve State sovereignty and private property rights in non-Federal lands surrounding those public lands and acquired lands.

S. 3147

At the request of Mr. ROBB, the names of the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Georgia (Mr. CLELAND), the Senator from Minnesota (Mr. GRAMS), and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of S. 3147, a bill to authorize the establishment, on land of the Department of the Interior in the District of Columbia or its environs, of a memorial and gardens in honor and commemoration of Frederick Douglass.

S. CON. RES. 60

At the request of Mr. FEINGOLD, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. Con. Res. 60, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

S. RES. 359

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. Res. 359, a resolution designating October 16, 2000, to October 20, 2000 as ''National Teach For America Week.''

AMENDMENT NO. 254

At the request of Mr. ABRAHAM, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of amendment No. 254 proposed to S. 557, an original bill to provide guidance for the designation of emergencies as a part of the budget process.

AMENDMENT NO. 255

At the request of Mr. ABRAHAM, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of amendment No. 255 proposed to S. 557, an original bill to provide guidance for the designation of emergencies as a part of the budget process.

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SENATE CONCURRENT RESOLUTION 114—TO AUTHORIZE THE PRINTING OF COPIES OF THE PUBLICATION ENTITLED ''THE UNITED STATES CAPITOL'' AS A SENATE DOCUMENT

Mr. MCCONNELL submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 141

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the publication entitled ''The United States Capitol'' (referred to as ''the pamphlet'') shall be reprinted as a Senate document.

(b) There shall be printed a total of 2,850,000 copies of the pamphlet in English and seven other languages at a cost not to exceed $165,900 for distribution as follows:

(1)(A) 206,000 copies of the pamphlet in the English language for the use of the Senate with 2,000 copies distributed to each Member;

(B) 886,000 copies of the pamphlet in the English language for the use of the House of Representatives with 2,000 copies distributed to each Member; and

(C) 1,758,000 copies of the pamphlet for distribution to the Capitol Guide Service in the following languages:

(i) 908,000 copies in English;

(ii) 100,000 copies in each of the following seven languages: Spanish, German, French, Russian, Japanese, Italian, and Korean; and

(iii) 150,000 copies in Chinese.

(2) If the total printing and production costs of copies in paragraph (1) exceed $165,900, such number of copies of the pamphlet as does not exceed total printing and production costs of $165,900, shall be printed with distribution to be allocated in the same proportion as in paragraph (1) as it relates to numbers of copies in the English language.

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SENATE RESOLUTION 364—COMMENDING SYDNEY, NEW SOUTH WALES, AUSTRALIA FOR ITS SUCCESSFUL CONDUCT OF THE 2000 SUMMER OLYMPIC GAMES AND CONGRATULATING THE UNITED STATES OLYMPIC TEAM FOR ITS OUTSTANDING ACCOMPLISHMENTS AT THOSE OLYMPIC GAMES

Mr. HATCH (for himself, Mr. BENNETT, Mr. STEVENS, Ms. LANDRIEU, Mr. BROWNBACK, Mr. KERRY, Mr. HELMS, and Mr. BINGAMAN) submitted the following resolution; which was ordered placed on the calendar:

S. RES. 364

Commending Sydney, New South Wales, Australia for its successful conduct of the 2000 Summer Olympic Games and congratulating the United States Olympic Team for its outstanding accomplishments at those Olympic Games.

Whereas the city of Sydney, New South Wales, Australia and its residents have hosted a notably successful 2000 Summer Olympic Games;

Whereas the country and citizens of Australia have warmly welcomed visitors and athletes from around the world;

Whereas the ideals of the Olympic movement to promote mutual understanding, friendship, and peace among nations through sport have been clearly displayed during the 2000 Summer Olympic Games;

Whereas the United States Olympic Team has represented the United States with sportsmanship, honor, courage, and excellence; and

Whereas the United States Olympic athletes have competed at the highest level of sport in the 2000 Summer Olympic Games, earning 39 gold medals, 25 silver medals, and 33 bronze medals: Now, therefore, be it

Resolved, That the Senate—

(1) commends the city of Sydney, New South Wales, Australia for its successful conduct of the 2000 Summer Olympic Games; and

(2) congratulates the United States Olympic Team for its outstanding accomplishments at the 2000 Summer Olympic Games.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Mayor of Sydney, New South Wales, Australia, and to the United States Olympic Committee.

Mr. HATCH. Mr. President, I rise today to introduce a Senate resolution commending Sydney, Australia on the success of the 2000 Summer Olympic Games and congratulating the U.S. Olympic Team on their outstanding performance.

Once every two years, we have the great opportunity to witness the world's finest athletes display astonishing feats of speed, strength, flexibility and grace. There is no main event quite like the Olympics and the 2000 Summer Olympic Games in Sydney, Australia, left a remarkable impression on all of us over the past several weeks.

On behalf of the United States Senate, I express deep appreciation to the city and residents of Sydney, Australia, for being such superb hosts for the Summer Olympic Games. Planning and organizing such a two-week, multi-venue event—which is immediately followed by the Paralympic Games—is a daunting and monumental task. The Australians can be extremely proud of their efforts, which, by all accounts, were extraordinary.

We in Salt Lake City will be striving to put on an Olympic Winter Games that equals Sydney in both efficiency and hospitality.

We can also be very proud of the U.S. Olympic Team's outstanding accomplishments. Our athletes turned in exciting and memorable performances. All together, the U.S. Team earned 39 gold medals, 25 silver medals, and 33 bronze medals—a total of 97 medals, which was the most of any country! This demonstrates extraordinary commitment to excellence. These athletes trained hard just to participate at this level of sport; many sacrificed other pursuits to attain the honor of competing in this premier sporting competition—the Olympic Games.

There were many ''Olympic moments'' during these Games. For instance, who will ever forget Rulon Gardner, the Greco-Roman wrestler from Wyoming, who realized his Olympic dream by defeating the one-time invincible, and still great, Aleksandr Karelin, of Russia. Following the match, Gardner said, ''all I could do was do my best.'' Isn't that the beauty of the Olympic Games? Athletes all over the world giving it their all in competition against tremendous odds.

Who could forget Misty Hyman upsetting the world favorite Susie O'Neill in the 200 meter butterfly? Those of us watching on television could plainly sense the sheer surprise and joy of this achievement.

And, the athletes from other national teams captured our attention as well. Cathy Freeman of Australia, who stole the heart of her nation in the 400 meter race. China's Fu Mingxia, who made an amazing comeback to win gold in diving. And, Aleksei Nemov, who celebrated the birth of his child by winning a gold medal in gymnastics.

I am very proud of the athletes from my home state of Utah, who represented our state with dignity and honor during the Olympic Games.

Marcus Jensen and Doug Mientkiewicz, both of the Utah Buzz, were members of the U.S. baseball team that defeated the heavily favored Cuban baseball team—the first time in Olympic history that the Cuban team did not win the gold medal in baseball.

Natalie Williams, also of Utah and a key player for the Utah Starzz, led the U.S. women's basketball team with 15 points in the Olympic basketball final to help the U.S. win its fourth gold medal in women's basketball since women's basketball became an Olympic sport in 1976.

But, the Olympics is not only about winning medals. Logan Tom, from Salt Lake City who now attends Stanford University, led the U.S. Women's volleyball team to a terrific—and unexpected—fourth place finish. None of the sports handicappers gave this team much of a chance. Yet, they fought their way to the semifinals and through a tough five-set match with Russia.

Utah is proud to be the host of the upcoming 2002 Winter Olympic Games in Salt Lake City. We hope to follow the example of the 2000 Games in Sydney, Australia, with the same enthusiasm and excitement and the same devotion to the ideal of the Olympic movement, which is ''a belief that sport can break down barriers of language, culture, nationality, age and sex and build bridges between people all over the world as a means of promoting world peace.''

Some have derided the Olympic Games as nothing more than commercialism run amok. They say that the news coverage is too positive. They say that the media glosses over the negative elements of the Games—doping, for example. They claim that the only thing that drives athletes is the prospect of product endorsements or professional contracts.

Yes, Mr. President, these elements exist at the Games. It is sad that they do. There were displays of poor sportsmanship. There were cases of doping. There are, no doubt, those whose goals extend far beyond the Olympics just concluded.

But, Mr. President, we can look at such incidents and say they taint the Olympics as a whole endeavor. Or, we can brush them aside as few in number and unrepresentative of our athletes as a body. We can erase one embarrassing spectacle of bad manners with the sight of Dot Richardson embracing her Japanese opponent. We can remember Marion Jones graciously congratulating the winner of the women's long jump, although Marion Jones is world class in every way.

In conclusion, Mr. President, I strongly believe that the people of Sydney, New South Wales, Australia, deserve our official recognition. I know what a monumental effort this was. And, let us commend our U.S. Olympic Team for their successes on the field as well as for their fine representation of our country. I urge my colleagues to join me in supporting this Senate resolution.

Mr. President, I ask unanimous consent that the resolution be placed on the Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 365—EXPRESSING THE SENSE OF THE SENATE REGARDING RECENT ELECTIONS IN THE FEDERAL REPUBLIC OF YUGOSLAVIA, AND FOR OTHER PURPOSES

Mr. VOINOVICH (for himself, Mr. BIDEN, Mr. LUGAR, Mr. HAGEL, Mr. SMITH of Oregon, Mr. LAUTENBERG, and Ms. LANDRIEU) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 365

Whereas the Federal Republic of Yugoslavia held municipal, parliamentary, and presidential elections on September 24, 2000;

Whereas Slobodan Milosevic, President of the Federal Republic of Yugoslavia, is an indicted war criminal;

Whereas Slobodan Milosevic is largely responsible for immeasurable bloodshed, human rights abuses, ethnic cleansing, refugees, property destruction, and environmental destruction that has devastated southeast Europe in recent years;

Whereas Slobodan Milosevic has arrested, intimidated, and harassed opposition figures;

Whereas Slobodan Milosevic has prevented the freedom of assembly;

Whereas Slobodan Milosevic has prevented the freedom and independence of the press through intimidation, arrests, fines, the destruction of property, and jamming;

Whereas Slobodan Milosevic and his supporters refused to allow independent international election monitors into the Federal Republic of Yugoslavia before the September 24, 2000 elections;

Whereas reliable reports indicate that Slobodan Milosevic and his supporters intentionally ignored internationally accepted standards for free and fair elections in order to control voting results and violated the Federal Republic of Yugoslavia's new election law in the tabulation of the vote;

Whereas reliable documented reports indicate that 74 percent of the eligible voters of the Federal Republic of Yugoslavia participated in the September 24, 2000 elections;

Whereas reliable documented reports based on official voting records indicate that Vojislav Kostunica, President, Democratic Party of Serbia, defeated Slobodan Milosevic with more than 50 percent of the vote; and

Whereas the people of Serbia, Kosovo, Bosnia, and Croatia have been the victims of wars initiated by the Milosevic regime: Now, therefore, be it

Resolved, That the Senate hereby—

(1) congratulates the people of the Federal Republic of Yugoslavia for the courage in participating in the September 24, 2000 elections;

(2) applauds the clear decision of the people of the Federal Republic of Yugoslavia to embrace democracy, the rule of law, and integration into the international community by rejecting dictatorship and isolationism;

(3) reasserts its strong desire to reestablish the historic friendship between the American and Serbian people;

(4) expresses its intention to support a comprehensive assistance program for the Federal Republic of Yugoslavia to speed its economic recovery and European integration once a democratic government that respects the rule of law, human rights, and a market economy is established; and

(5) expresses its support for full economic integration for the Federal Republic of Yugoslavia, including access to international financial institutions, once a democratic government that respects the rule of law, human rights, and a market economy is established.

Mr. VOINOVICH. Mr. President, I am pleased to introduce a sense-of-the-Senate resolution today to congratulate the people of the Federal Republic of Yugoslavia (FRY) for embracing democracy and the rule of law in the September 24, 2000 municipal, parliamentary and presidential elections. I am pleased to be joined by Senators BIDEN, LANDRIEU, LAUTENBERG, HAGEL, LUGAR, and GORDON SMITH in this bipartisan effort.

This resolution makes it clear that the Senate is eager to embrace a democratic government in Serbia that respects the rule of law, human rights, and a market economy. Milosevic's bloodletting, ethnic cleansing, and human rights violations have forced the international community, including the United States, to impose a number of crippling sanctions on the FRY. In the wake of the courageous September 24 vote, it is important to send a clear message to the Serbian people that the Senate intends to assist a democratic government and reintegrate it into the global marketplace. This resolution sends that message.

The historic friendship between the American and Serbian people have suffered for too long. I look forward to continuing to work with my colleagues in the Senate to reestablish this important relationship by assisting a new government in Serbia recover from the destruction of Milosevic's rule.

Mr. BIDEN. Mr. President, I rise today to join my friend from Ohio, Senator VOINOVICH, and other colleagues in co-sponsoring a Sense of the Senate Resolution regarding the recent elections in the Federal Republic of Yugoslavia (FRY), including advocating the resumption of economic assistance, once democracy is restored in that country.

The Voinovich-Biden resolution congratulates the people of the FRY for their courage in participating in the September 24, 2000 elections; applauds the clear decision of the people of the FRY to embrace democracy, the rule of law, and integration into the international community by rejecting dictatorship and isolationism; reasserts the strong desire of the Senate to reestablish the historic friendship between the American and Serbian peoples; and expresses its intention to support a comprehensive assistance program for the FRY to speed its economic recovery and European integration and access to international financial institutions, once a democratic government that respects the rule of law, human rights, and a market economy is established.

Slobodan Milosevic, one of the most despicable individuals I have ever met, is on the ropes. Even as we meet here today, tens of thousands of brave men and women are refusing to work and instead are demonstrating in the streets of cities throughout Yugoslavia for Milosevic to honor the results of last month's elections. The democratic opposition has called for people to stage a massive rally in Belgrade on Thursday, October 5, in a final push to drive Milosevic from power.

The Voinovich-Biden resolution, Mr. President, puts the United States Senate on record on the side of the people of Yugoslavia and its largest nationality, the Serbs, against Milosevic's tyranny.

As I have said several times on this floor, for the last decade our quarrel has never been with the Serbian people, who were allies of the United States in two world wars in the twentieth century. Vojislav Kostunica, whose victory in last month's elections Milosevic and his cronies tried to steal and are now trying to deny, is an honest man who should be given a chance to cooperate with the Western democracies.

The Voinovich-Biden resolution is a signal to all citizens of the Federal Republic of Yugoslavia that the path to their country's rejoining the international community, and thereby to restoring their shattered economy, is to honor the results of the elections by immediately and formally installing Mr. Kostunica as President.

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AMENDMENTS SUBMITTED

MICROENTERPRISE FOR SELF-RELIANCE ACT OF 1999

HELMS AMENDMENT NO. 4287

Mr. DEWINE (for Mr. HELMS) proposed an amendment to bill (H.R. 1143) to establish a program to provide assistance for programs of credit and other financial services for microenterprises in developing countries, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Microenterprise for Self-Reliance and International Anti-Corruption Act of 2000''.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
TITLE I—MICROENTERPRISE FOR SELF-RELIANCE ACT OF 2000
Sec. 101. Short title.
Sec. 102. Findings and declarations of policy.
Sec. 103. Purposes.
Sec. 104. Definitions.
Sec. 105. Microenterprise development grant assistance.
Sec. 106. Micro- and small enterprise development credits.
Sec. 107. United States Microfinance Loan Facility.
Sec. 108. Report relating to future development of microenterprise institutions.
Sec. 109. United States Agency for International Development as global leader and coordinator of bilateral and multilateral microenterprise assistance activities.
Sec. 110. Sense of Congress on consideration of Mexico as a key priority in microenterprise funding allocations.
TITLE II—INTERNATIONAL ANTI-CORRUPTION AND GOOD GOVERNANCE ACT OF 2000
Sec. 201. Short title.
Sec. 202. Findings and purpose.
Sec. 203. Development assistance policy.
Sec. 204. Department of the Treasury technical assistance program for developing countries.
Sec. 205. Authorization of good governance programs.
TITLE III—INTERNATIONAL ACADEMIC OPPORTUNITY ACT OF 2000
Sec. 301. Short title.
Sec. 302. Statement of purpose.
Sec. 303. Establishment of grant program for foreign study by American college students of limited financial means.
Sec. 304. Report to Congress.
Sec. 305. Authorization of appropriations.
Sec. 306. Effective date.
TITLE IV—MISCELLANEOUS PROVISIONS
Sec. 401. Support for Overseas Cooperative Development Act.
Sec. 402. Funding of certain environmental assistance activities of USAID.
Sec. 403. Processing of applications for transportation of humanitarian assistance abroad by the Department of Defense.
Sec. 404. Working capital fund.
Sec. 405. Increase in authorized number of employees and representatives of the United States mission to the United Nations provided living quarters in New York.
Sec. 406. Availability of VOA and Radio Marti multilingual computer readable text and voice recordings.
Sec. 407. Availability of certain materials of the Voice of America.
Sec. 408. Paul D.Coverdell Fellows Program Act of 2000.

TITLE I—MICROENTERPRISE FOR SELF-RELIANCE ACT OF 2000

SEC. 101. SHORT TITLE.

This title may be cited as the ''Microenterprise for Self-Reliance Act of 2000''.

SEC. 102. FINDINGS AND DECLARATIONS OF POLICY.

Congress makes the following findings and declarations:

(1) According to the World Bank, more than 1,200,000,000 people in the developing world, or one-fifth of the world's population, subsist on less than $1 a day.

(2) Over 32,000 of their children die each day from largely preventable malnutrition and disease.

(3)(A) Women in poverty generally have larger work loads and less access to educational and economic opportunities than their male counterparts.

(B) Directly aiding the poorest of the poor, especially women, in the developing world has a positive effect not only on family incomes, but also on child nutrition, health and education, as women in particular reinvest income in their families.

(4)(A) The poor in the developing world, particularly women, generally lack stable employment and social safety nets.

(B) Many turn to self-employment to generate a substantial portion of their livelihood. In Africa, over 80 percent of employment is generated in the informal sector of the self-employed poor.

(C) These poor entrepreneurs are often trapped in poverty because they cannot obtain credit at reasonable rates to build their asset base or expand their otherwise viable self-employment activities.

(D) Many of the poor are forced to pay interest rates as high as 10 percent per day to money lenders.

(5)(A) The poor are able to expand their incomes and their businesses dramatically when they can access loans at reasonable interest rates.

(B) Through the development of self-sustaining microfinance programs, poor people themselves can lead the fight against hunger and poverty.

(6)(A) On February 2–4, 1997, a global Microcredit Summit was held in Washington, District of Columbia, to launch a plan to expand access to credit for self-employment and other financial and business services to 100,000,000 of the world's poorest families, especially the women of those families, by 2005. While this scale of outreach may not be achievable in this short time-period, the realization of this goal could dramatically alter the face of global poverty.

(B) With an average family size of five, achieving this goal will mean that the benefits of microfinance will thereby reach nearly half of the world's more than 1,000,000,000 absolute poor people.

(7)(A) Nongovernmental organizations, such as those that comprise the Microenterprise Coalition (such as the Grameen Bank (Bangladesh,) K–REP (Kenya), and networks such as Accion International, the Foundation for International Community Assistance (FINCA), and the credit union movement) are successful in lending directly to the very poor.

(B) Microfinance institutions such as BRAC (Bangladesh), BancoSol (Bolivia), SEWA Bank (India), and ACEP (Senegal) are regulated financial institutions that can raise funds directly from the local and international capital markets.

(8)(A) Microenterprise institutions not only reduce poverty, but also reduce the dependency on foreign assistance.

(B) Interest income on the credit portfolio is used to pay recurring institutional costs, assuring the long-term sustainability of development assistance.

(9) Microfinance institutions leverage foreign assistance resources because loans are recycled, generating new benefits to program participants.

(10)(A) The development of sustainable microfinance institutions that provide credit and training, and mobilize domestic savings, is a critical component to a global strategy of poverty reduction and broad-based economic development.

(B) In the efforts of the United States to lead the development of a new global financial architecture, microenterprise should play a vital role. The recent shocks to international financial markets demonstrate how the financial sector can shape the destiny of nations. Microfinance can serve as a powerful tool for building a more inclusive financial sector which serves the broad majority of the world's population including the very poor and women and thus generate more social stability and prosperity.

(C) Over the last two decades, the United States has been a global leader in promoting the global microenterprise sector, primarily through its development assistance programs at the United States Agency for International Development. Additionally, the Department of the Treasury and the Department of State have used their authority to promote microenterprise in the development programs of international financial institutions and the United Nations.

(11)(A) In 1994, the United States Agency for International Development launched the ''Microenterprise Initiative'' in partnership with the Congress.

(B) The initiative committed to expanding funding for the microenterprise programs of the Agency, and set a goal that, by the end of fiscal year 1996, one-half of all microenterprise resources would support programs and institutions that provide credit to the poorest, with loans under $300.

(C) In order to achieve the goal of the microcredit summit, increased investment in microfinance institutions serving the poorest will be critical.

(12) Providing the United States share of the global investment needed to achieve the goal of the microcredit summit will require only a small increase in United States funding for international microcredit programs, with an increased focus on institutions serving the poorest.

(13)(A) In order to reach tens of millions of the poorest with microcredit, it is crucial to expand and replicate successful microfinance institutions.

(B) These institutions need assistance in developing their institutional capacity to expand their services and tap commercial sources of capital.

(14) Nongovernmental organizations have demonstrated competence in developing networks of local microfinance institutions and other assistance delivery mechanisms so that they reach large numbers of the very poor, and achieve financial sustainability.

(15) Recognizing that the United States Agency for International Development has developed very effective partnerships with nongovernmental organizations, and that the Agency will have fewer missions overseas to carry out its work, the Agency should place priority on investing in those nongovernmental network institutions that meet performance criteria through the central funding mechanisms of the Agency.

(16) By expanding and replicating successful microfinance institutions, it should be possible to create a global infrastructure to provide financial services to the world's poorest families.

(17)(A) The United States can provide leadership to other bilateral and multilateral development agencies as such agencies expand their support to the microenterprise sector.

(B) The United States should seek to improve coordination among G–7 countries in the support of the microenterprise sector in order to leverage the investment of the United States with that of other donor nations.

(18) Through increased support for microenterprise, especially credit for the poorest, the United States can continue to play a leadership role in the global effort to expand financial services and opportunity to 100,000,000 of the poorest families on the planet.

SEC. 103. PURPOSES.

The purposes of this title are—

(1) to make microenterprise development an important element of United States foreign economic policy and assistance;

(2) to provide for the continuation and expansion of the commitment of the United States Agency for International Development to the development of microenterprise institutions as outlined in its 1994 Microenterprise Initiative;

(3) to support and develop the capacity of United States and indigenous nongovernmental organization intermediaries to provide credit, savings, training, technical assistance, and business development services to microentrepreneurs;

(4) to emphasize financial services and substantially increase the amount of assistance devoted to both financial services and complementary business development services designed to reach the poorest people in developing countries, particularly women; and

(5) to encourage the United States Agency for International Development to coordinate microfinance policy, in consultation with the Department of the Treasury and the Department of State, and to provide global leadership among bilateral and multilateral donors in promoting microenterprise for the poorest of the poor.

SEC. 104. DEFINITIONS.

In this title:

(1) BUSINESS DEVELOPMENT SERVICES.—The term ''business development services'' means support for the growth of microenterprises through training, technical assistance, marketing assistance, improved production technologies, and other services.

(2) MICROENTERPRISE INSTITUTION.—The term ''microenterprise institution'' means an institution that provides services, including microfinance, training, or business development services, for microentrepreneurs.

(3) MICROFINANCE INSTITUTION.—The term ''microfinance institution'' means an institution that directly provides, or works to expand, the availability of credit, savings, and other financial services to microentrepreneurs.

(4) PRACTITIONER INSTITUTION.—The term ''practitioner institution'' means any institution that provides services, including microfinance, training, or business development services, for microentrepreneurs, or provides assistance to microenterprise institutions.

SEC. 105. MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE.

Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following new section:

''SEC. 131. MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE.

''(a) FINDINGS AND POLICY.—Congress finds and declares that—

''(1) the development of microenterprise is a vital factor in the stable growth of developing countries and in the development of free, open, and equitable international economic systems;

''(2) it is therefore in the best interest of the United States to assist the development of microenterprises in developing countries; and

''(3) the support of microenterprise can be served by programs providing credit, savings, training, technical assistance, and business development services.

''(b) AUTHORIZATION.—

''(1) IN GENERAL.—In carrying out this part, the President is authorized to provide grant assistance for programs to increase the availability of credit and other services to microenterprises lacking full access to capital training, technical assistance, and business development services, through—

''(A) grants to microfinance institutions for the purpose of expanding the availability of credit, savings, and other financial services to microentrepreneurs;

''(B) grants to microenterprise institutions for the purpose of training, technical assistance, and business development services for microenterprises to enable them to make better use of credit, to better manage their enterprises, and to increase their income and build their assets;

''(C) capacity-building for microenterprise institutions in order to enable them to better meet the credit and training needs of microentrepreneurs; and

''(D) policy and regulatory programs at the country level that improve the environment for microentrepreneurs and microenterprise institutions that serve the poor and very poor.

''(2) IMPLEMENTATION.—Assistance authorized under paragraph (1) (A) and (B) shall be provided through organizations that have a capacity to develop and implement microenterprise programs, including particularly—

''(A) United States and indigenous private and voluntary organizations;

''(B) United States and indigenous credit unions and cooperative organizations; or

''(C) other indigenous governmental and nongovernmental organizations.

''(3) TARGETED ASSISTANCE.—In carrying out sustainable poverty-focused programs under paragraph (1), 50 percent of all microenterprise resources shall be targeted to very poor entrepreneurs, defined as those living in the bottom 50 percent below the poverty line as established by the national government of the country. Specifically, such resources shall be used for—

''(A) direct support of programs under this subsection through practitioner institutions that—

''(i) provide credit and other financial services to entrepreneurs who are very poor, with loans in 1995 United States dollars of—

''(I) $1,000 or less in the Europe and Eurasia region;

''(II) $400 or less in the Latin America region; and

''(III) $300 or less in the rest of the world; and

''(ii) can cover their costs in a reasonable time period; or

''(B) demand-driven business development programs that achieve reasonable cost recovery that are provided to clients holding poverty loans (as defined by the regional poverty loan limitations in subparagraph (A)(i)), whether they are provided by microfinance institutions or by specialized business development services providers.

''(4) SUPPORT FOR CENTRAL MECHANISMS.—The President should continue support for central mechanisms and missions, as appropriate, that—

''(A) provide technical support for field missions;

''(B) strengthen the institutional development of the intermediary organizations described in paragraph (2);

''(C) share information relating to the provision of assistance authorized under paragraph (1) between such field missions and intermediary organizations; and

''(D) support the development of nonprofit global microfinance networks, including credit union systems, that—

''(i) are able to deliver very small loans through a significant grassroots infrastructure based on market principles; and

''(ii) act as wholesale intermediaries providing a range of services to microfinance retail institutions, including financing, technical assistance, capacity-building, and safety and soundness accreditation.

''(5) LIMITATION.—Assistance provided under this subsection may only be used to support microenterprise programs and may not be used to support programs not directly related to the purposes described in paragraph (1).

''(c) MONITORING SYSTEM.—In order to maximize the sustainable development impact of the assistance authorized under subsection (b)(1), the Administrator of the agency primarily responsible for administering this part shall establish a monitoring system that—

''(1) establishes performance goals for such assistance and expresses such goals in an objective and quantifiable form, to the extent feasible;

''(2) establishes performance indicators to be used in measuring or assessing the achievement of the goals and objectives of such assistance;

''(3) provides a basis for recommendations for adjustments to such assistance to enhance the sustainable development impact of such assistance, particularly the impact of such assistance on the very poor, particularly poor women; and

''(4) provides a basis for recommendations for adjustments to measures for reaching the poorest of the poor, including proposed legislation containing amendments to enhance the sustainable development impact of such assistance, as described in paragraph (3).

''(d) LEVEL OF ASSISTANCE.—Of the funds made available under this part, the FREEDOM Support Act, and the Support for East European Democracy (SEED) Act of 1989, including local currencies derived from such funds, there are authorized to be available $155,000,000 for each of the fiscal years 2001 and 2002, to carry out this section.

''(e) DEFINITIONS.—In this section:

''(1) BUSINESS DEVELOPMENT SERVICES.—The term 'business development services' means support for the growth of microenterprises through training, technical assistance, marketing assistance, improved production technologies, and other services.

''(2) MICROENTERPRISE INSTITUTION.—The term 'microenterprise institution' means an institution that provides services, including microfinance, training, or business development services, for microentrepreneurs.

''(3) MICROFINANCE INSTITUTION.—The term 'microfinance institution' means an institution that directly provides, or works to expand, the availability of credit, savings, and other financial services to microentrepreneurs.

''(4) PRACTITIONER INSTITUTION.—The term 'practitioner institution' means any institution that provides services, including microfinance, training, or business development services, for microentrepreneurs, or provides assistance to microenterprise institutions.''.

SEC. 106. MICRO- AND SMALL ENTERPRISE DEVELOPMENT CREDITS.

Section 108 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151f) is amended to read as follows:

''SEC. 108. MICRO- AND SMALL ENTERPRISE DEVELOPMENT CREDITS.

''(a) FINDINGS AND POLICY.—Congress finds and declares that—

''(1) the development of micro- and small enterprises are a vital factor in the stable growth of developing countries and in the development and stability of a free, open, and equitable international economic system; and

''(2) it is, therefore, in the best interests of the United States to assist the development of the enterprises of the poor in developing countries and to engage the United States private sector in that process.

''(b) PROGRAM.—To carry out the policy set forth in subsection (a), the President is authorized to provide assistance to increase the availability of credit to micro- and small enterprises lacking full access to credit, including through—

''(1) loans and guarantees to credit institutions for the purpose of expanding the availability of credit to micro- and small enterprises;

''(2) training programs for lenders in order to enable them to better meet the credit needs of microentrepreneurs; and

''(3) training programs for microentrepreneurs in order to enable them to make better use of credit and to better manage their enterprises.

''(c) ELIGIBILITY CRITERIA.—The Administrator of the agency primarily responsible for administering this part shall establish criteria for determining which credit institutions described in subsection (b)(1) are eligible to carry out activities, with respect to micro- and small enterprises, assisted under this section. Such criteria may include the following:

''(1) The extent to which the recipients of credit from the entity do not have access to the local formal financial sector.

''(2) The extent to which the recipients of credit from the entity are among the poorest people in the country.

''(3) The extent to which the entity is oriented toward working directly with poor women.

''(4) The extent to which the entity recovers its cost of lending.

''(5) The extent to which the entity implements a plan to become financially sustainable.

''(d) ADDITIONAL REQUIREMENT.—Assistance provided under this section may only be used to support micro- and small enterprise programs and may not be used to support programs not directly related to the purposes described in subsection (b).

''(e) PROCUREMENT PROVISION.—Assistance may be provided under this section without regard to section 604(a).

''(f) AVAILABILITY OF FUNDS.—

''(1) IN GENERAL.—Of the amounts authorized to be available to carry out section 131, there are authorized to be available $1,500,000 for each of fiscal years 2001 and 2002 to carry out this section.

''(2) COVERAGE OF SUBSIDY COSTS.—Amounts authorized to be available under paragraph (1) shall be made available to cover the subsidy cost, as defined in section 502(5) of the Federal Credit Reform Act of 1990, for activities under this section.''.

SEC. 107. UNITED STATES MICROFINANCE LOAN FACILITY.

(a) IN GENERAL.—Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended by section 105 of this Act, is further amended by adding at the end the following new section:

''SEC. 132. UNITED STATES MICROFINANCE LOAN FACILITY.

''(a) ESTABLISHMENT.—The Administrator is authorized to establish a United States Microfinance Loan Facility (in this section referred to as the 'Facility') to pool and manage the risk from natural disasters, war or civil conflict, national financial crisis, or short-term financial movements that threaten the long-term development of United States-supported microfinance institutions.

''(b) DISBURSEMENTS.—

''(1) IN GENERAL.—The Administrator shall make disbursements from the Facility to United States-supported microfinance institutions to prevent the bankruptcy of such institutions caused by—

''(A) natural disasters;

''(B) national wars or civil conflict; or

''(C) national financial crisis or other short-term financial movements that threaten the long-term development of United States-supported microfinance institutions.

''(2) FORM OF ASSISTANCE.—Assistance under this section shall be in the form of loans or loan guarantees for microfinance institutions that demonstrate the capacity to resume self-sustained operations within a reasonable time period.

''(3) CONGRESSIONAL NOTIFICATION PROCEDURES.—During each of the fiscal years 2001 and 2002, funds may not be made available from the Facility until 15 days after notification of the proposed availability of the funds has been provided to the congressional committees specified in section 634A in accordance with the procedures applicable to reprogramming notifications under that section.

''(c) GENERAL PROVISIONS.—

''(1) POLICY PROVISIONS.—In providing the credit assistance authorized by this section, the Administrator should apply, as appropriate, the policy provisions in this part that are applicable to development assistance activities.

''(2) DEFAULT AND PROCUREMENT PROVISIONS.—

''(A) DEFAULT PROVISION.—The provisions of section 620(q), or any comparable provision of law, shall not be construed to prohibit assistance to a country in the event

that a private sector recipient of assistance furnished under this section is in default in its payment to the United States for the period specified in such section.

''(B) PROCUREMENT PROVISION.—Assistance may be provided under this section without regard to section 604(a).

''(3) TERMS AND CONDITIONS OF CREDIT ASSISTANCE.—

''(A) IN GENERAL.—Credit assistance provided under this section shall be offered on such terms and conditions, including fees charged, as the Administrator may determine.

''(B) LIMITATION ON PRINCIPAL AMOUNT OF FINANCING.—The principal amount of loans made or guaranteed under this section in any fiscal year, with respect to any single event, may not exceed $30,000,000.

''(C) EXCEPTION.—No payment may be made under any guarantee issued under this section for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

''(4) FULL FAITH AND CREDIT.—All guarantees issued under this section shall constitute obligations, in accordance with the terms of such guarantees, of the United States of America, and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations to the extent of the guarantee.

''(d) FUNDING.—

''(1) ALLOCATION OF FUNDS.—Of the amounts made available to carry out this part for the fiscal year 2001, up to $5,000,000 may be made available for—

''(A) the subsidy cost, as defined in section 502(5) of the Federal Credit Reform Act of 1990, to carry out this section; and

''(B) the administrative costs to carry out this section.

''(2) RELATION TO OTHER FUNDING.—Amounts made available under paragraph (1) are in addition to amounts available under any other provision of law to carry out this section.

''(e) DEFINITIONS.—In this section:

''(1) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the agency primarily responsible for administering this part.

''(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

''(3) UNITED STATES-SUPPORTED MICROFINANCE INSTITUTION.—The term 'United States-supported microfinance institution' means a financial intermediary that has received funds made available under part I of this Act for fiscal year 1980 or any subsequent fiscal year.''.

(b) REPORT.—Not later than 120 days after the date of enactment of this Act, the Administrator of the United States Agency for International Development shall submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report on the policies, rules, and regulations of the United States Microfinance Loan Facility established under section 132 of the Foreign Assistance Act of 1961, as added by subsection (a).

SEC. 108. REPORT RELATING TO FUTURE DEVELOPMENT OF MICROENTERPRISE INSTITUTIONS.

(a) REPORT.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report on the most cost-effective methods and measurements for increasing the access of poor people overseas to credit, other financial services, and related training.

(b) CONTENTS.—The report described in subsection (a)—

(1) shall include how the President, in consultation with the Administrator of the United States Agency for International Development, the Secretary of State, and the Secretary of the Treasury, will develop a comprehensive strategy for advancing the global microenterprise sector in a way that maintains market principles while ensuring that the very poor overseas, particularly women, obtain access to financial services overseas;

(2) shall provide guidelines and recommendations for—

(A) instruments to assist microenterprise networks to develop multi-country and regional microlending programs;

(B) technical assistance to foreign governments, foreign central banks, and regulatory entities to improve the policy environment for microfinance institutions, and to strengthen the capacity of supervisory bodies to supervise microfinance institutions;

(C) the potential for Federal chartering of United States-based international microfinance network institutions, including proposed legislation;

(D) instruments to increase investor confidence in microfinance institutions which would strengthen the long-term financial position of the microfinance institutions and attract capital from private sector entities and individuals, such as a rating system for microfinance institutions and local credit bureaus;

(E) an agenda for integrating microfinance into United States foreign policy initiatives seeking to develop and strengthen the global finance sector; and

(F) innovative instruments to attract funds from the capital markets, such as instruments for leveraging funds from the local commercial banking sector, and the securitization of microloan portfolios; and

(3) shall include a section that assesses the need for a microenterprise accelerated growth fund and that includes—

(A) a description of the benefits of such a fund;

(B) an identification of which microenterprise institutions might become eligible for assistance from such fund;

(C) a description of how such a fund could be administered;

(D) a recommendation on which agency or agencies of the United States Government should administer the fund and within which such agency the fund should be located; and

(E) a recommendation on how soon it might be necessary to establish such a fund in order to provide the support necessary for microenterprise institutions involved in microenterprise development.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

SEC. 109. UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT AS GLOBAL LEADER AND COORDINATOR OF BILATERAL AND MULTILATERAL MICROENTERPRISE ASSISTANCE ACTIVITIES.

(a) FINDINGS AND POLICY.—Congress finds and declares that—

(1) the United States can provide leadership to other bilateral and multilateral development agencies as such agencies expand their support to the microenterprise sector; and

(2) the United States should seek to improve coordination among G–7 countries in the support of the microenterprise sector in order to leverage the investment of the United States with that of other donor nations.

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

(1) the Administrator of the United States Agency for International Development and the Secretary of State should seek to support and strengthen the effectiveness of microfinance activities in United Nations agencies, such as the United Nations Development Program (UNDP), which have provided key leadership in developing the microenterprise sector; and

(2) the Secretary of the Treasury should instruct each United States Executive Director of the multilateral development banks (MDBs) to advocate the development of a coherent and coordinated strategy to support the microenterprise sector and an increase of multilateral resource flows for the purposes of building microenterprise retail and wholesale intermediaries.

SEC. 110. SENSE OF CONGRESS ON CONSIDERATION OF MEXICO AS A KEY PRIORITY IN MICROENTERPRISE FUNDING ALLOCATIONS.

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

(1) An estimated 45,000,000 of Mexico's 100,000,000 population currently lives below the poverty line, accounting for 20 percent of all poor in Latin America.

(2) Mexico cannot create enough salaried jobs to absorb new workers entering the labor force.

(3) While many poor families depend on microenterprise initiatives to generate a livelihood, the United States Agency for International Development currently has 2 microcredit projects in Mexico, receiving less than one percent of overall microenterprise funding in Latin America and the Caribbean during the last decade.

(4) Mexico's microenterprise activity has been constrained because its financial institutions cannot expand financial services to a larger clientele due to a lack of capital, inefficient financial and administrative management, and a lack of institutional support for microfinance institutions' particular needs.

(5) Mexican nongovernmental organizations, such as Compartamos, have demonstrated competence in developing local microfinance programs.

(6) On July 2, 2000, Vicente Fox Quesada of the Alliance for Change was elected President of the United Mexican States.

(7) The President-elect of Mexico has identified entrepreneurship and the start-up of new microcredit institutions as key economic priorities.

(8) Microenterprise and entrepreneurial initiatives have proven to be successful components of free market development and economic stability.

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

(1) providing Mexico's poor with economic opportunity and microfinance services is fundamental to Mexico's economic development;

(2) microenterprise can have a positive impact on Mexico's free market development; and

(3) the United States Agency for International Development should consider Mexico as a key priority in its microenterprise funding allocations.

TITLE II—INTERNATIONAL ANTI-CORRUPTION AND GOOD GOVERNANCE ACT OF 2000

SEC. 201. SHORT TITLE.

This title may be cited as the ''International Anti-Corruption and Good Governance Act of 2000''.

SEC. 202. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) Widespread corruption endangers the stability and security of societies, undermines democracy, and jeopardizes the social, political, and economic development of a society.

(2) Corruption facilitates criminal activities, such as money laundering, hinders economic development, inflates the costs of doing business, and undermines the legitimacy of the government and public trust.

(3) In January 1997 the United Nations General Assembly adopted a resolution urging member states to carefully consider the problems posed by the international aspects of corrupt practices and to study appropriate legislative and regulatory measures to ensure the transparency and integrity of financial systems.

(4) The United States was the first country to criminalize international bribery through the enactment of the Foreign Corrupt Practices Act of 1977 and United States leadership was instrumental in the passage of the Organization for Economic Cooperation and Development (OECD) Convention on Combatting Bribery of Foreign Public Officials in International Business Transactions.

(5) The Vice President, at the Global Forum on Fighting Corruption in 1999, declared corruption to be a direct threat to the rule of law and the Secretary of State declared corruption to be a matter of profound political and social consequence for our efforts to strengthen democratic governments.

(6) The Secretary of State, at the Inter-American Development Bank's annual meeting in March 2000, declared that despite certain economic achievements, democracy is being threatened as citizens grow weary of the corruption and favoritism of their official institutions and that efforts must be made to improve governance if respect for democratic institutions is to be regained.

(7) In May 1996 the Organization of American States (OAS) adopted the Inter-American Convention Against Corruption requiring countries to provide various forms of international cooperation and assistance to facilitate the prevention, investigation, and prosecution of acts of corruption.

(8) Independent media, committed to fighting corruption and trained in investigative journalism techniques, can both educate the public on the costs of corruption and act as a deterrent against corrupt officials.

(9) Competent and independent judiciary, founded on a merit-based selection process and trained to enforce contracts and protect property rights, is critical for creating a predictable and consistent environment for transparency in legal procedures.

(10) Independent and accountable legislatures, responsive political parties, and transparent electoral processes, in conjunction with professional, accountable, and transparent financial management and procurement policies and procedures, are essential to the promotion of good governance and to the combat of corruption.

(11) Transparent business frameworks, including modern commercial codes and intellectual property rights, are vital to enhancing economic growth and decreasing corruption at all levels of society.

(12) The United States should attempt to improve accountability in foreign countries, including by—

(A) promoting transparency and accountability through support for independent media, promoting financial disclosure by public officials, political parties, and candidates for public office, open budgeting processes, adequate and effective internal control systems, suitable financial management systems, and financial and compliance reporting;

(B) supporting the establishment of audit offices, inspectors general offices, third party monitoring of government procurement processes, and anti-corruption agencies;

(C) promoting responsive, transparent, and accountable legislatures that ensure legislative oversight and whistle-blower protection;

(D) promoting judicial reforms that criminalize corruption and promoting law enforcement that prosecutes corruption;

(E) fostering business practices that promote transparent, ethical, and competitive behavior in the private sector through the development of an effective legal framework for commerce, including anti-bribery laws, commercial codes that incorporate international standards for business practices, and protection of intellectual property rights; and

(F) promoting free and fair national, state, and local elections.

(b) PURPOSE.—The purpose of this title is to ensure that United States assistance programs promote good governance by assisting other countries to combat corruption throughout society and to improve transparency and accountability at all levels of government and throughout the private sector.

SEC. 203. DEVELOPMENT ASSISTANCE POLICY.

(a) GENERAL POLICY.—Section 101(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151(a)) is amended in the fifth sentence—

(1) by striking ''four'' and inserting ''five'';

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

(3) in paragraph (4), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following:

''(5) the promotion of good governance through combating corruption and improving transparency and accountability.''.

(b) DEVELOPMENT ASSISTANCE POLICY.—Section 102(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151–1(b)) is amended—

(1) in paragraph (4)—

(A) by striking ''and'' at the end of subparagraph (E);

(B) in subparagraph (F), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(G) progress in combating corruption and improving transparency and accountability in the public and private sector.''; and

(2) by adding at the end the following:

''(17) Economic reform and development of effective institutions of democratic governance are mutually reinforcing. The successful transition of a developing country is dependent upon the quality of its economic and governance institutions. Rule of law, mechanisms of accountability and transparency, security of person, property, and investments, are but a few of the critical governance and economic reforms that underpin the sustainability of broad-based economic growth. Programs in support of such reforms strengthen the capacity of people to hold their governments accountable and to create economic opportunity.''.

SEC. 204. DEPARTMENT OF THE TREASURY TECHNICAL ASSISTANCE PROGRAM FOR DEVELOPING COUNTRIES.

Section 129(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151aa(b)) is amended by adding at the end the following:

''(3) EMPHASIS ON ANTI-CORRUPTION.—Such technical assistance shall include elements designed to combat anti-competitive, unethical, and corrupt activities, including protection against actions that may distort or inhibit transparency in market mechanisms and, to the extent applicable, privatization procedures.''.

SEC. 205. AUTHORIZATION OF GOOD GOVERNANCE PROGRAMS.

(a) IN GENERAL.—Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended by sections 105 and 107, is further amended by adding at the end the following:

''SEC. 133. PROGRAMS TO ENCOURAGE GOOD GOVERNANCE.

''(a) ESTABLISHMENT OF PROGRAMS.—

''(1) IN GENERAL.—The President is authorized to establish programs that combat corruption, improve transparency and accountability, and promote other forms of good governance in countries described in paragraph (2).

''(2) COUNTRIES DESCRIBED.—A country described in this paragraph is a country that is eligible to receive assistance under this part (including chapter 4 of part II of this Act) or the Support for East European Democracy (SEED) Act of 1989.

''(3) PRIORITY.—In carrying out paragraph (1), the President shall give priority to establishing programs in countries that received a significant amount of United States foreign assistance for the prior fiscal year, or in which the United States has a significant economic interest, and that continue to have the most persistent problems with public and private corruption. In determining which countries have the most persistent problems with public and private corruption under the preceding sentence, the President shall take into account criteria such as the Transparency International Annual Corruption Perceptions Index, standards and codes set forth by the International Bank for Reconstruction and Development and the International Monetary Fund, and other relevant criteria.

''(4) RELATION TO OTHER LAWS.—

''(A) IN GENERAL.—Assistance provided for countries under programs established pursuant to paragraph (1) may be made available notwithstanding any other provision of law that restricts assistance to foreign countries. Assistance provided under a program established pursuant to paragraph (1) for a country that would otherwise be restricted from receiving such assistance but for the preceding sentence may not be provided directly to the government of the country.

''(B) EXCEPTION.—Subparagraph (A) does not apply with respect to—

''(i) section 620A of this Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

''(ii) section 907 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992.

''(b) SPECIFIC PROJECTS AND ACTIVITIES.—The programs established pursuant to subsection (a) shall include, to the extent appropriate, projects and activities that—

''(1) support responsible independent media to promote oversight of public and private institutions;

''(2) implement financial disclosure among public officials, political parties, and candidates for public office, open budgeting processes, and transparent financial management systems;

''(3) support the establishment of audit offices, inspectors general offices, third party monitoring of government procurement processes, and anti-corruption agencies;

''(4) promote responsive, transparent, and accountable legislatures and local governments that ensure legislative and local oversight and whistle-blower protection;

''(5) promote legal and judicial reforms that criminalize corruption and law enforcement reforms and development that encourage prosecutions of criminal corruption;

''(6) assist in the development of a legal framework for commercial transactions that fosters business practices that promote transparent, ethical, and competitive behavior in the economic sector, such as commercial codes that incorporate international

standards and protection of intellectual property rights;

''(7) promote free and fair national, state, and local elections;

''(8) foster public participation in the legislative process and public access to government information; and

''(9) engage civil society in the fight against corruption.

''(c) CONDUCT OF PROJECTS AND ACTIVITIES.—Projects and activities under the programs established pursuant to subsection (a) may include, among other things, training and technical assistance (including drafting of anti-corruption, privatization, and competitive statutory and administrative codes), drafting of anti-corruption, privatization, and competitive statutory and administrative codes, support for independent media and publications, financing of the program and operating costs of nongovernmental organizations that carry out such projects or activities, and assistance for travel of individuals to the United States and other countries for such projects and activities.

''(d) ANNUAL REPORT.—

''(1) IN GENERAL.—The Secretary of State, in consultation with the Secretary of Commerce and the Administrator of the United States Agency for International Development, shall prepare and transmit to the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate an annual report on—

''(A) projects and activities carried out under programs established under subsection (a) for the prior year in priority countries identified pursuant to subsection (a)(3); and

''(B) projects and activities carried out under programs to combat corruption, improve transparency and accountability, and promote other forms of good governance established under other provisions of law for the prior year in such countries.

''(2) REQUIRED CONTENTS.—The report required by paragraph (1) shall contain the following information with respect to each country described in paragraph (1):

''(A) A description of all United States Government-funded programs and initiatives to combat corruption and improve transparency and accountability in the country.

''(B) A description of United States diplomatic efforts to combat corruption and improve transparency and accountability in the country.

''(C) An analysis of major actions taken by the government of the country to combat corruption and improve transparency and accountability in the country.

''(e) FUNDING.—Amounts made available to carry out the other provisions of this part (including chapter 4 of part II of this Act) and the Support for East European Democracy (SEED) Act of 1989 shall be made available to carry out this section.''.

(b) DEADLINE FOR INITIAL REPORT.—The initial annual report required by section 133(d)(1) of the Foreign Assistance Act of 1961, as added by subsection (a), shall be transmitted not later than 180 days after the date of the enactment of this Act.

TITLE III—INTERNATIONAL ACADEMIC OPPORTUNITY ACT OF 2000

SEC. 301. SHORT TITLE.

This title may be cited as the ''International Academic Opportunity Act of 2000''.

SEC. 302. STATEMENT OF PURPOSE.

It is the purpose of this title to establish an undergraduate grant program for students of limited financial means from the United States to enable such students to study abroad. Such foreign study is intended to broaden the outlook and better prepare such students of demonstrated financial need to assume significant roles in the increasingly global economy.

SEC. 303. ESTABLISHMENT OF GRANT PROGRAM FOR FOREIGN STUDY BY AMERICAN COLLEGE STUDENTS OF LIMITED FINANCIAL MEANS.

(a) ESTABLISHMENT.—Subject to the availability of appropriations and under the authorities of the Mutual Educational and Cultural Exchange Act of 1961, the Secretary of State shall establish and carry out a program in each fiscal year to award grants of up to $5,000, to individuals who meet the requirements of subsection (b), toward the cost of up to one academic year of undergraduate study abroad. Grants under this Act shall be known as the ''Benjamin A. Gilman International Scholarships''.

(b) ELIGIBILITY.—An individual referred to in subsection (a) is an individual who—

(1) is a student in good standing at an institution of higher education in the United States (as defined in section 101(a) of the Higher Education Act of 1965);

(2) has been accepted for up to one academic year of study on a program of study abroad approved for credit by the student's home institution;

(3) is receiving any need-based student assistance under title IV of the Higher Education Act of 1965; and

(4) is a citizen or national of the United States.

(c) APPLICATION AND SELECTION.—

(1) Grant application and selection shall be carried out through accredited institutions of higher education in the United States or a combination of such institutions under such procedures as are established by the Secretary of State.

(2) In considering applications for grants under this section—

(A) consideration of financial need shall include the increased costs of study abroad; and

(B) priority consideration shall be given to applicants who are receiving Federal Pell Grants under title IV of the Higher Education Act of 1965.

SEC. 304. REPORT TO CONGRESS.

The Secretary of State shall report annually to the Congress concerning the grant program established under this title. Each such report shall include the following information for the preceding year:

(1) The number of participants.

(2) The institutions of higher education in the United States that participants attended.

(3) The institutions of higher education outside the United States participants attended during their study abroad.

(4) The areas of study of participants.

SEC. 305. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $1,500,000 for each fiscal year to carry out this title.

SEC. 306. EFFECTIVE DATE.

This title shall take effect October 1, 2000.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. SUPPORT FOR OVERSEAS COOPERATIVE DEVELOPMENT ACT.

(a) SHORT TITLE.—This section may be cited as the ''Support for Overseas Cooperative Development Act''.

(b) FINDINGS.—The Congress makes the following findings:

(1) It is in the mutual economic interest of the United States and peoples in developing and transitional countries to promote cooperatives and credit unions.

(2) Self-help institutions, including cooperatives and credit unions, provide enhanced opportunities for people to participate directly in democratic decision-making for their economic and social benefit through ownership and control of business enterprises and through the mobilization of local capital and savings and such organizations should be fully utilized in fostering free market principles and the adoption of self-help approaches to development.

(3) The United States seeks to encourage broad-based economic and social development by creating and supporting—

(A) agricultural cooperatives that provide a means to lift low income farmers and rural people out of poverty and to better integrate them into national economies;

(B) credit union networks that serve people of limited means through safe savings and by extending credit to families and microenterprises;

(C) electric and telephone cooperatives that provide rural customers with power and telecommunications services essential to economic development;

(D) housing and community-based cooperatives that provide low income shelter and work opportunities for the urban poor; and

(E) mutual and cooperative insurance companies that provide risk protection for life and property to under-served populations often through group policies.

(c) GENERAL PROVISIONS.—

(1) DECLARATIONS OF POLICY.—The Congress supports the development and expansion of economic assistance programs that fully utilize cooperatives and credit unions, particularly those programs committed to—

(A) international cooperative principles, democratic governance and involvement of women and ethnic minorities for economic and social development;

(B) self-help mobilization of member savings and equity and retention of profits in the community, except for those programs that are dependent on donor financing;

(C) market-oriented and value-added activities with the potential to reach large numbers of low income people and help them enter into the mainstream economy;

(D) strengthening the participation of rural and urban poor to contribute to their country's economic development; and

(E) utilization of technical assistance and training to better serve the member-owners.

(2) DEVELOPMENT PRIORITIES.—Section 111 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151i) is amended by adding at the end the following: ''In meeting the requirement of the preceding sentence, specific priority shall be given to the following:

''(1) AGRICULTURE.—Technical assistance to low income farmers who form and develop member-owned cooperatives for farm supplies, marketing and value-added processing.

''(2) FINANCIAL SYSTEMS.—The promotion of national credit union systems through credit union-to-credit union technical assistance that strengthens the ability of low income people and micro-entrepreneurs to save and to have access to credit for their own economic advancement.

''(3) INFRASTRUCTURE.—The support of rural electric and telecommunication cooperatives for access for rural people and villages that lack reliable electric and telecommunications services.

''(4) HOUSING AND COMMUNITY SERVICES.—The promotion of community-based cooperatives which provide employment opportunities and important services such as health clinics, self-help shelter, environmental improvements, group-owned businesses, and other activities.''.

(d) REPORT.—Not later than 6 months after the date of enactment of this Act, the Administrator of the United States Agency for International Development, in consultation with the heads of other appropriate agencies, shall prepare and submit to Congress a report on the implementation of section 111 of

the Foreign Assistance Act of 1961 (22 U.S.C. 2151i), as amended by subsection (c).

SEC. 402. FUNDING OF CERTAIN ENVIRONMENTAL ASSISTANCE ACTIVITIES OF USAID.

(a) ALLOCATION OF FUNDS FOR CERTAIN ENVIRONMENTAL ACTIVITIES.—Of the amounts authorized to be appropriated for the fiscal year 2001 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.; relating to development assistance), there is authorized to be available at least $60,200,000 to carry out activities of the type carried out by the Global Environment Center of the United States Agency for International Development during fiscal year 2000.

(b) ALLOCATION FOR WATER AND COASTAL RESOURCES.—Of the amounts made available under subsection (a), at least $2,500,000 shall be available for water and coastal resources activities under the natural resources management function specified in that subsection.

SEC. 403. PROCESSING OF APPLICATIONS FOR TRANSPORTATION OF HUMANITARIAN ASSISTANCE ABROAD BY THE DEPARTMENT OF DEFENSE.

(a) PRIORITY FOR DISASTER RELIEF ASSISTANCE.—In processing applications for the transportation of humanitarian assistance abroad under section 402 of title 10, United States Code, the Administrator of the United States Agency for International Development shall afford a priority to applications for the transportation of disaster relief assistance.

(b) MODIFICATION OF APPLICATIONS.—The Administrator of the United States Agency for International Development shall take all possible actions to assist applicants for the transportation of humanitarian assistance abroad under such section 402 in modifying or completing applications submitted under such section in order to meet applicable requirements under such section. The actions shall include efforts to contact such applicants for purposes of the modification or completion of such applications.

SEC. 404. WORKING CAPITAL FUND.

Section 635 of the Foreign Assistance Act of 1961 (22 U.S.C. 2395) is amended by adding at the end the following new subsection:

''(m)(1) There is established a working capital fund (in this subsection referred to as the 'fund') for the United States Agency for International Development (in this subsection referred to as the 'Agency') which shall be available without fiscal year limitation for the expenses of personal and nonpersonal services, equipment, and supplies for—

''(A) International Cooperative Administrative Support Services; and

''(B) rebates from the use of United States Government credit cards.

''(2) The capital of the fund shall consist of—

''(A) the fair and reasonable value of such supplies, equipment, and other assets pertaining to the functions of the fund as the Administrator determines,

''(B) rebates from the use of United States Government credit cards, and

''(C) any appropriations made available for the purpose of providing capital,
minus related liabilities.

''(3) The fund shall be reimbursed or credited with advance payments for services, equipment, or supplies provided from the fund from applicable appropriations and funds of the Agency, other Federal agencies and other sources authorized by section 607 at rates that will recover total expenses of operation, including accrual of annual leave and depreciation. Receipts from the disposal of, or payments for the loss or damage to, property held in the fund, rebates, reimbursements, refunds and other credits applicable to the operation of the fund may be deposited in the fund.

''(4) At the close of each fiscal year the Administrator of the Agency shall transfer out of the fund to the miscellaneous receipts account of the Treasury of the United States such amounts as the Administrator determines to be in excess of the needs of the fund.

''(5) The fund may be charged with the current value of supplies and equipment returned to the working capital of the fund by a post, activity, or agency, and the proceeds shall he credited to current applicable appropriations.''.

SEC. 405. INCREASE IN AUTHORIZED NUMBER OF EMPLOYEES AND REPRESENTATIVES OF THE UNITED STATES MISSION TO THE UNITED NATIONS PROVIDED LIVING QUARTERS IN NEW YORK.

Section 9(2) of the United Nations Participation Act of 1945 (22 U.S.C. 287e–1(2)) is amended by striking ''18'' and inserting ''30''.

SEC. 406. AVAILABILITY OF VOA AND RADIO MARTI MULTILINGUAL COMPUTER READABLE TEXT AND VOICE RECORDINGS.

Section 1(b) of Public Law 104–269 (110 Stat. 3300) is amended by striking ''5 years'' and inserting ''10 years''.

SEC. 407. AVAILABILITY OF CERTAIN MATERIALS OF THE VOICE OF AMERICA.

(a) AUTHORITY.—

(1) IN GENERAL.—Subject to the provisions of this section, the Broadcasting Board of Governors (in this section referred to as the ''Board'') is authorized to make available to the Institute for Media Development (in this section referred to as the ''Institute''), at the request of the Institute, previously broadcast audio and video materials produced by the Africa Division of the Voice of America.

(2) DEPOSIT OF MATERIALS.—Upon the request of the Institute and the approval of the Board, materials made available under paragraph (1) may be deposited with the University of California, Los Angeles, or such other appropriate institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) that is approved by the Board for such purpose.

(3) SUPERSEDES EXISTING LAW.—Materials made available under paragraph (1) may be provided notwithstanding section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461) and section 208 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 1461–1a).

(b) LIMITATIONS.—

(1) AUTHORIZED PURPOSES.—Materials made available under this section shall be used only for academic and research purposes and may not be used for public or commercial broadcast purposes.

(2) PRIOR AGREEMENT REQUIRED.—Before making available materials under subsection (a)(1), the Board shall enter into an agreement with the Institute providing for—

(A) reimbursement of the Board for any expenses involved in making such materials available;

(B) the establishment of guidelines by the Institute for the archiving and use of the materials to ensure that copyrighted works contained in those materials will not be used in a manner that would violate the copyright laws of the United States (including international copyright conventions to which the United States is a party);

(C) the indemnification of the United States by the Institute in the event that any use of the materials results in violation of the copyright laws of the United States (including international copyright conventions to which the United States is a party);

(D) the authority of the Board to terminate the agreement if the provisions of paragraph (1) are violated; and

(E) any other terms and conditions relating to the materials that the Board considers appropriate.

(c) CREDITING OF REIMBURSEMENTS TO BOARD APPROPRIATIONS ACCOUNT.—Any reimbursement of the Board under subsection (b) shall be deposited as an offsetting collection to the currently applicable appropriation account of the Board.

(d) TERMINATION OF AUTHORITY.—The authority provided under this section shall cease to have effect on the date that is 5 years after the date of enactment of this Act.

SEC. 408. PAUL D. COVERDELL FELLOWS PROGRAM ACT OF 2000.

(a) SHORT TITLE.—This section may be cited as the ''Paul D. Coverdell Fellows Program Act of 2000''.

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

(1) Paul D. Coverdell was elected to the George State Senate in 1970 and later became Minority Leader of the Georgia State Senate, a post he held for 15 years.

(2) Paul D. Coverdell served with distinction as the 11th Director of the Peace Corps from 1989 to 1991, where he promoted a fellowship program that was composed of returning Peace Corps volunteers who agreed to work in underserved American communities while they pursued educational degrees.

(3) Paul D. Coverdell served in the United States Senate from the State of Georgia from 1993 until his sudden death on July 18, 2000.

(4) Senator Paul D. Coverdell was beloved by his colleagues for his civility, bipartisan efforts, and his dedication to public service.

(c) DESIGNATION OF PAUL D. COVERDELL FELLOWS PROGRAM.—

(1) IN GENERAL.—Effective on the date of enactment of this Act, the program under section 18 of the Peace Corps Act (22 U.S.C. 2517) referred to before such date as the ''Peace Corps Fellows/USA Program'' is redesignated as the ''Paul D. Coverdell Fellows Program''.

(2) REFERENCES.—Any reference before the date of enactment of this Act in any law, regulation, order, document, record, or other paper of the United States to the Peace Corps Fellows/USA Program shall, on and after such date, be considered to refer to the Paul D. Coverdell Fellows Program.

NATIONAL TRANSPORTATION SAFETY BOARD AMENDMENTS ACT OF 2000

MCCAIN AMENDMENT NO. 4288

Mr. ROBERTS (for Mr. MCCAIN) proposed an amendment to the bill (S. 2412) to amend title 49, United States Code, to authorize appropriations for the National Transportation Safety Board for fiscal years, 2000, 2001, 2002, and 2003, and for other purposes; as follows:

On page 3, line 1, insert ''and technical'' after ''accident-related''.

On page 3, line 2, insert ''theory and'' after ''investigation''.

On page 3, line 5, insert ''goods,'' after ''facilities,''.

On page 5, between lines 2 and 3, insert the following:

''(3) LIMITATION ON TOTAL AMOUNT OF OVERTIME PAY.—The Board may not make overtime payments under paragraph (1) for work

performed in any fiscal year in a total amount that exceeds 1.5 percent of the amount appropriated to carry out this chapter for that fiscal year.''.

On page 5, line 3, strike ''(3)'' and insert ''(4)''.

On page 5, line 9, strike ''(4)'' and insert ''(5)''.

On page 5, line 10, strike ''2001,'' and insert ''2002,''.

On page 5, line 16, strike ''year.'' and insert ''year, and the number of employees whose overtime pay under this subsection was limited in that fiscal year as a result of the 15 percent limit established by paragraph (2).''.

On page 8, line 1, strike ''1114(e)'' and insert ''1114(c)''.

On page 9, line 10, strike ''notified'' and insert ''notifies''.

On page 10, beginning in line 19, strike ''members, and submit'' and insert ''members which shall be approved by the Board and submitted''.

On page 10, line 23, insert ''together with'' before ''an''.

On page 12, line 2, strike ''Board'' and insert ''Board, in consultation with the Inspector General of the Department of Transportation,''.

On page 12, line 19, strike ''management and'' and insert ''management, property management, and''.

On page 14, line 1, insert ''and'' after ''2001,''.

On page 14, beginning in line 2, strike ''and $79,000,000 for fiscal year 2003,''.

On page 14, after line 10, add the following:

SEC. 14. CREDITING OF LAW ENFORCEMENT FLIGHT TIME.

In determining whether an individual meets the aeronautical experience requirements imposed under section 44703 of title 49, United States Code, for an airman certificate or rating, the Secretary of Transportation shall take into account any time spent by that individual operating a public aircraft as defined in section 40102 of title 49, United States Code, if that aircraft is—

(1) identifiable by category and class; and

(2) used in law enforcement activities.

SEC. 15. TECHNICAL CORRECTION.

Section 46301(d)(2) of title 49, United States Code, is amended by striking ''46302, 46303,'' and inserting ''46301(b), 46302, 46303, 46318,''.

SEC. 16. CONFIRMATION OF INTERIM FINAL RULE ISSUANCE UNDER SECTION 45301.

The publication, by the Department of Transportation, Federal Aviation Administration, in the Federal Register of June 6, 2000, (65 FR 36002) of an interim final rule concerning Fees for FAA Services for Certain Flights (Docket No. FAA–00–7018) is deemed to have been issued in accordance with the requirements of section 45301(b)(2) of title 49, United States Code.

SEC. 17. AERONAUTICAL CHARTING.

(a) IN GENERAL.—Section 44721 of title 49, United States Code, is amended—

(1) by striking paragraphs (3) and (4) of subsection (c); and

(2) by adding at the end of subsection (g)(1) the following:

''(D) CONTINUATION OF PRICES.—The price of any product created under subsection (d) may correspond to the price of a comparable product produced by a department of the United States government as that price was in effect on September 30, 2000, and may remain in effect until modified by regulation under section 9701 of title 31, United States Code.''; and

(3) by adding at the end of subsection (g) the following:

(5) CREDITING AMOUNTS RECEIVED.—Notwithstanding any other provision of law, amounts received for the sale of products created and services performed under this section shall be fully credited to the account of the Federal Aviation Administration that funded the provision of the products or services and shall remain available until expended.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect on October 1, 2000.

—

PRIVILEGE OF THE FLOOR

Mr. CLELAND. Mr. President, I ask unanimous consent that my military fellow, Tricia Heller, be granted the privilege of the floor during the presentation of the global role of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

—

AUTHORIZING AIR FORCE MEMORIAL FOUNDATION

Mr. THOMAS. Mr. President, I ask unanimous consent that the Energy Committee be discharged from further consideration of H.R. 4583, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4583) to extend the authorization for the Air Force Memorial Foundation to establish a memorial in the District of Columbia or its environs.

There being no objection, the Senate proceeded to consider the bill.

Mr. THOMAS. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 4583) was read the third time and passed.

Mr. THOMAS. Mr. President, I thank my colleagues for their support in passing H.R. 4583. This is legislation that will extend the authorization for the Air Force Memorial Foundation until December 2, 2005. I, along with my fellow marines, fully support the effort to recognize with an appropriate monument the selfless service and sacrifices of the many valiant veterans of the Air Force and its predecessor organizations.

I also note the Air Force Memorial Foundation has already begun the process of considering and selecting sites. In pursuing that effort, I encourage the foundation to identify a location that will suitably express an appropriate theme and do so in a manner that does not infringe upon or detract from other prominent memorials.

In this regard, I note the property known as the Arlington Naval Annex overlooking the Pentagon, the southeast portion of Arlington Cemetery, will soon be available. This location offers a suitable prominent setting for the memorial, and I hope it will be fully considered by the Air Force.

As this entire process moves forward, I request the Air Force carefully consider this property and report its findings to my Subcommittee on National Parks and the rest of the Senate Energy Committee.

I thank the Chair and yield the floor.

—

NATIONAL TRANSPORTATION SAFETY BOARD AMENDMENTS ACT OF 2000

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 762, S. 2412.

The PRESIDING OFFICER (Mr. THOMAS). The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2412) to amend title 49, United States Code, to authorize appropriations for the National Transportation Safety Board for fiscal years 2000, 2001, 2002, and 2003, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. MCCAIN. Mr. President, the full Senate will now consider S. 2412, the National Transportation Safety Board Amendments Act of 2000.

The National Transportation Safety Board, NTSB, is one of our nation's most critical governmental agencies, charged with determining the probable cause of transportation accidents and promoting transportation safety. Among its many duties, the Board investigates accidents, conducts safety studies, and evaluates the effectiveness of other government agencies' programs for preventing transportation accidents. Since its inception in 1967, the NTSB has investigated more than 110,000 aviation accidents, at least 10,000 other accidents in the surface modes and issued more than 11,000 safety recommendations.

The Safety Board is currently experiencing a high level of major accident investigations, many of which are extremely complex. We must act to ensure the Board has the necessary personnel and resources to complete these challenging investigations and carry out its statutory mission.

Given the very limited time remaining during this Congress, the Commerce Committee has worked with the House Transportation and Infrastructure, T&I, Committee in an effort to develop legislation that both Chambers could accept without modification. Both of our Committees want to ensure the NTSB's authorizing legislation can be enacted as soon as possible.

I want to commend Senator HOLLINGS, the Ranking member of the Senate Commerce Committee and House T&I Chairman, BUD SHUSTER, and Ranking Member, JIM OBERSTAR for their assistance in developing the package I bring before the Senate today. The accompanying Manager's Amendment is the product of our joint discussions and resolves the differences in the House-passed and Commerce Committee-passed versions of the NTSB authorizing legislation.

S. 2412 authorizes funding for the Board through fiscal year 2003. The bill also includes a number of provisions requested in the Board's reauthorization submission. These statutory changes include: (1) clarification of NTSB's jurisdiction over accidents on the territorial seas to the twelve-mile limit and its investigative authority over accidents that may have been the subject of intentional acts of destruction; (2) permission to prescribe overtime pay rates for accident investigators; (3) authority to negotiate technical service agreements with foreign safety agencies or foreign governments; (4) authority to collect reasonable fees for the reproduction and distribution of Board products; and (5) permission to withhold voice and video recorder information from public disclosure.

In addition to the provisions requested by the Board, the legislation also includes a number of other provisions intended to improve fiscal accountability at the NTSB. For example, the legislation would statutorily establish a position of Chief Financial Officer, CFO, at the Board. The CFO would report directly to the Chairman of the Board on financial management matters and provide guidance on the implementation of asset management systems. It also directs the Board to develop and implement comprehensive internal audit controls for its financial programs to address shortcomings identified recently by the Department of Transportation Inspector General.

Further, the legislation includes a provision intended to curb what I and others view as excessive member travel expenditures. According to NTSB travel documents, only 15 percent of Board Member travel has been accident-related in the past five years. Non-accident domestic and foreign travel accounts for 85 percent of the total travel expenditures—with 51 percent for domestic travel and 34 percent for foreign travel. While I recognize a legitimate need may exist to participate in important seminars and to gain greater professional expertise that may necessitate travel, this is simply excessive. Therefore, the bill directs the Chairman of the NTSB to establish annual travel budgets, to be approved by the Board, to govern Board Member non-accident travel.

Finally, the bill authorizes the Department of Transportation Inspector General to review the business, financial, and property management of the NTSB. Currently, the Board has no standing Inspector General oversight. The bill ensures that necessary fiscal accountability oversight is provided, while prohibiting the Inspector General from becoming involved in NTSB investigations and investigation procedures.

The NTSB's authorization expired September 30, 1999. The NTSB faces budget difficulties as it seeks to cover the costs of major accident investigations. Therefore, I hope we can move this legislation expeditiously from the Floor and on to the House for its swift action, and then to the President's desk for signature.

AMENDMENT NO. 4288

Mr. ROBERTS. Mr. President, Senator MCCAIN has an amendment at the desk and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The Senator from Kansas [Mr. ROBERTS], for Mr. MCCAIN, proposes an amendment numbered 4288.

The amendment is as follows:

(Purpose: To make minor and technical corrections in the bill as reported, and for other purposes)

On page 3, line 1, insert ''and technical'' after ''accident-related''.

On page 3, line 2, insert ''theory and'' after ''investigation''.

On page 3, line 5, insert ''goods,'' after ''facilities,''.

On page 5, between lines 2 and 3, insert the following:

''(3) LIMITATION ON TOTAL AMOUNT OF OVERTIME PAY.—The Board may not make overtime payments under paragraph (1) for work performed in any fiscal year in a total amount that exceeds 1.5 percent of the amount appropriated to carry out this chapter for that fiscal year.''.

On page 5, line 3, strike ''(3)'' and insert ''(4)''.

On page 5, line 9, strike ''(4)'' and insert ''(5)''.

On page 5, line 10, strike ''2001,'' and insert ''2002,''.

On page 5, line 16, strike ''year.'' and insert ''year, and the number of employees whose overtime pay under this subsection was limited in that fiscal year as a result of the 15 percent limit established by paragraph (2).''.

On page 8, line 1, strike ''1114(e)'' and insert ''1114(c)''.

On page 9, line 10, strike ''notified'' and insert ''notifies''.

On page 10, beginning in line 19, strike ''members, and submit'' and insert ''members which shall be approved by the Board and submitted''.

On page 10, line 23, insert ''together with'' before ''an''.

On page 12, line 2, strike ''Board'' and insert ''Board, in consultation with the Inspector General of the Department of Transportation,''.

On page 12, line 19, strike ''management and'' and insert ''management, property management, and''.

On page 14, line 1, insert ''and'' after ''2001,''.

On page 14, beginning in line 2, strike ''and $79,000,000 for fiscal year 2003,''.

On page 14, after line 10, add the following:

SEC. 14. CREDITING OF LAW ENFORCEMENT FLIGHT TIME.

In determining whether an individual meets the aeronautical experience requirements imposed under section 44703 of title 49, United States Code, for an airman certificate or rating, the Secretary of Transportation shall take into account any time spent by that individual operating a public aircraft as defined in section 40102 of title 49, United States Code, if that aircraft is—

(1) identifiable by category and class; and

(2) used in law enforcement activities.

SEC. 15. TECHNICAL CORRECTION.

Section 46301(d)(2) of title 49, United States Code, is amended by striking ''46302, 46303,'' and inserting ''46301(b), 46302, 46303, 46318,''.

SEC. 16. CONFIRMATION OF INTERIM FINAL RULE ISSUANCE UNDER SECTION 45301.

The publication, by the Department of Transportation, Federal Aviation Administration, in the Federal Register of June 6, 2000, (65 FR 36002) of an interim final rule concerning Fees for FAA Services for Certain Flights (Docket No. FAA–00–7018) is deemed to have been issued in accordance with the requirements of section 45301(b)(2) of title 49, United States Code.

SEC. 17. AERONAUTICAL CHARTING.

(a) IN GENERAL.—Section 44721 of title 49, United States Code, is amended—

(1) by striking paragraphs (3) and (4) of subsection (c); and

(2) by adding at the end of subsection (g)(1) the following:

''(D) CONTINUATION OF PRICES.—The price of any product created under subsection (d) may correspond to the price of a comparable product produced by a department of the United States government as that price was in effect on September 30, 2000, and may remain in effect until modified by regulation under section 9701 of title 31, United States Code.''; and

(3) by adding at the end of subsection (g) the following:

(5) CREDITING AMOUNTS RECEIVED.—Notwithstanding any other provision of law, amounts received for the sale of products created and services performed under this section shall be fully credited to the account of the Federal Aviation Administration that funded the provision of the products or services and shall remain available until expended.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect on October 1, 2000.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4288) was agreed to.

Mr. ROBERTS. Mr. President, I ask unanimous consent the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2412), as amended, was read the third time and passed.

(The bill will be printed in a future edition of the RECORD.)

—

AMENDING THE VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of H.R. 1800 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1800) to amend the Violent Crime Control and Law Enforcement Act of 1994 to ensure that certain information regarding prisoners is reported to the Attorney General.

There being no objection, the Senate proceeded to consider the bill.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the bill be

considered read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1800) was considered read the third time and passed.

—

AUTHORIZING PRINTING OF PUBLICATION ''THE UNITED STATES CAPITOL''

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 141 submitted by Senator MCCONNELL.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 141) to authorize the printing of copies of the publication entitled ''The United States Capitol'' as a Senate document.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. ROBERTS. Mr. President, I ask unanimous consent the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 141) was agreed to, as follows:

S. CON. RES. 141

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the publication entitled ''The United States Capitol'' (referred to as ''the pamphlet'') shall be reprinted as a Senate document.

(b) There shall be printed a total of 2,850,000 copies of the pamphlet in English and seven other languages at a cost not to exceed $165,900 for distribution as follows:

(1)(A) 206,000 copies of the pamphlet in the English language for the use of the Senate with 2,000 copies distributed to each Member;

(B) 886,000 copies of the pamphlet in the English language for the use of the House of Representatives with 2,000 copies distributed to each Member; and

(C) 1,758,000 copies of the pamphlet for distribution to the Capitol Guide Service in the following languages:

(i) 908,000 copies in English;

(ii) 100,000 copies in each of the following seven languages: Spanish, German, French, Russian, Japanese, Italian, and Korean; and

(iii) 150,000 copies in Chinese.

(2) If the total printing and production costs of copies in paragraph (1) exceed $165,900, such number of copies of the pamphlet as does not exceed total printing and production costs of $165,900, shall be printed with distribution to be allocated in the same proportion as in paragraph (1) as it relates to numbers of copies in the English language.

AUTHORIZING THE PRINTING OF ''WASHINGTON'S FAREWELL ADDRESS''—S. RES. 361

AUTHORIZING THE PRINTING OF REVISED SENATE RULES AND MANUAL—S. RES. 360

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Rules Committee be discharged from the further consideration of S. Res. 360 and S. Res. 361, and that the Senate then proceed en bloc to their immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolutions by title.

The legislative clerk read as follows:

A resolution (S. Res. 360) to authorize the printing of a document entitled ''Washington's Farewell Address.''

A resolution (S. Res. 361) to authorize the printing of a revised edition of the Senate Rules and Manual.

There being no objection, the Senate proceeded to consider the resolutions en bloc.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the resolutions be agreed to and the motions to reconsider be laid upon the table en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions (S. Res. 360 and S. Res. 361) were agreed to, as follows:

S. RES. 360

Resolved,

SECTION 1. AUTHORIZATION.

The booklet entitled ''Washington's Farewell Address'', prepared by the Senate Historical Office under the direction of the Secretary of the Senate, shall be printed as a Senate document.

SEC. 2. FORMAT.

The Senate document described in section 1 shall include illustrations and shall be in the style, form, manner, and printing as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

SEC. 3. COPIES.

In addition to the usual number of copies, there shall be printed 600 additional copies of the document specified in section 1 for the use of the Secretary of the Senate.

S. RES. 361

Resolved, That (a) the Committee on Rules and Administration shall prepare a revised edition of the Senate Rules and Manual for the use of the 106th Congress.

(b) The manual shall be printed as a Senate document.

(c) In addition to the usual number of documents, 1,400 additional copies of the manual shall be bound of which—

(1) 500 paperbound copies shall be for the use of the Senate; and

(2) 900 copies shall be bound (500 paperbound; 200 nontabbed black skiver; 200 tabbed black skiver) and delivered as may be directed by the Committee on Rules and Administration.

—

AIRPORT SECURITY IMPROVEMENT ACT OF 2000

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 764, S. 2440.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 2440) to amend title 49, United States Code, to improve airport security.

There being no objection, the Senate proceeded to consider the bill, which was reported by the Committee on Commerce, with an amendment in the nature of a substitute.

(Strike out all after the enacting clause and insert the part printed in italic.)

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Airport Security Improvement Act of 2000''.

SEC. 2. CRIMINAL HISTORY RECORD CHECKS.

(a) EXPANSION OF FAA ELECTRONIC PILOT PROGRAM.—Within 12 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall, in consultation with the Office of Personnel Management and the Federal Bureau of Investigation, develop the pilot program for individual criminal history record checks, known as the electronic fingerprint transmission pilot project, into an aviation industry-wide program.

(b) APPLICATION OF EXPANDED PROGRAM.—Beginning 1 year after the date of enactment of this Act, the Administrator shall utilize the program described in subsection (a) to carry out section 44936 of title 49, United States Code, for individuals described in subsection (a)(1)(A), (a)(1)(B)(i), or (a)(1)(B)(ii) of that section. If the Administrator determines that the program is not sufficiently operational 1 year after the date of enactment of this Act to permit its utilization in accordance with subsection (a), the Administrator shall notify the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure of the determination.

(c) CHANGES IN EXISTING REQUIREMENTS.—Section 44936(a)(1) of title 49, United States Code is amended—

(1) by striking ''conducted, as the Administrator decides is necessary to ensure air transportation security, of'' in subparagraph (A) and inserting ''conducted of''; and

(2) by striking ''subparagraph (C))'' in subparagraph (B) and inserting ''subparagraph (D))'';

(3) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E);

(4) by inserting after subparagraph (B) the following:

''(C) A criminal history record check shall be conducted for every individual who applies for a position described in subparagraph (A) or in subparagraph (B)(i) or (ii) after the date of enactment of the Airport Security Improvement Act of 2000. For the 12-month period beginning on the date of enactment of that Act, an individual described in the preceding sentence may be employed in such a position before the check is completed if the individual is subject to supervision except in a case described in clause (i), (ii), (iii), (iv), or (v) of subparagraph (D). After that 12-month period, such an individual may not be so employed until the check is completed.'';

(5) by striking ''subparagraph (C),'' in subparagraph (E), as redesignated, and inserting ''subparagraph (D),''; and

(6) by striking ''as a screener'' in subparagraph (E), as redesignated, and inserting ''in the position for which the individual applied''.

(d) LIST OF OFFENSES BARRING EMPLOYMENT.—Section 44936(b)(1)(B) of title 49, United States Code, is amended—

(1) by inserting ''(or found not guilty by reason of insanity)'' after ''convicted'';

(2) by inserting ''or felony unarmed'' after ''armed'' in clause (xi);

(3) by striking ''or'' after the semicolon in clause (xii);

(4) by redesignating clause (xiii) as clause (xv) and inserting after clause (xii) the following:

''(xiii) felony involving a threat;

''(xiv) a felony involving—

''(I) willful destruction of property;

''(II) importation or manufacture of a controlled substance;

''(III) burglary;

''(IV) theft;

''(V) dishonesty, fraud, or misrepresentation;

''(VI) possession or distribution of stolen property;

''(VII) aggravated assault; or

''(VIII) bribery; or''; and

(5) by striking ''clauses (i)–(xii) of this paragraph.'' in clause (xv), as redesignated, and inserting ''clauses (i) through (xiv) of this subparagraph.''.

SEC. 3. IMPROVED TRAINING.

(a) COMPLETION OF RULEMAKING ON CERTIFICATION OF AVIATION SCREENING COMPANIES.—

(1) INTERIM RULE.—No later than 30 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall issue as an interim final rule the proposed rule on Certification of Screening Companies published in the Federal Register for January 5, 2000. For purposes of the interim final rule, the analyses and documentation prepared for the proposed rules are deemed to meet the requirements of chapter 5 of title 5, United States Code, applicable to rulemaking and any other procedural requirement imposed by law on rulemaking.

(2) FINAL RULE.—No later than May 31, 2001, the Administrator shall issue a final rule on the Certification of Screening Companies, after taking into account any comments received on the proposed rule issued as an interim final rule under paragraph (1).

(b) MINIMUM INSTRUCTIONAL STANDARDS FOR SCREENERS.—Section 44935 of title 49, United States Code, is amended by adding at the end thereof the following:

''(e) TRAINING STANDARDS FOR SCREENERS.—

''(1) IN GENERAL.—The Administrator shall prescribe minimum standards for training security screeners that include at least 40 hours of classroom instruction before an individual is qualified to provide security screening services under section 44901 of this title.

''(2) CLASSROOM EQUIVALENCY.—The successful completion of a program certified by the Administrator as a program that will train individuals to a level of proficiency meets the classroom instruction requirement of paragraph (1).

''(3) ON-THE-JOB TRAINING.—In addition to the requirements of paragraph (1), before an individual may exercise independent judgment as a security screener under section 44901 of this title the individual shall—

''(A) complete 40 hours of on-the-job training; and

''(B) successfully complete an on-the-job training examination prescribed by the Administrator.''.

(c) COMPUTER-BASED TRAINING FACILITIES.—Section 4935 of title 49, United States Code, as amended by subsection (b) is further amended by adding at the end thereof the following:

''(f) ACCESSIBILITY OF COMPUTER-BASED TRAINING FACILITIES.—The Administrator shall work with air carriers and airports to ensure that computer-based training facilities intended for use by security screeners at an airport regularly serving an air carrier holding a certificate issued by the Secretary be conveniently located for that airport and easily accessible.''.

SEC. 4. IMPROVING SECURED-AREA ACCESS CONTROL.

Section 44903 of title 49, United States Code, is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g); and

(2) by inserting after subsection (d) thereof the following:

''(e) IMPROVEMENT OF SECURED-AREA ACCESS CONTROL.—

''(1) ENFORCEMENT.—

''(A) ADMINISTRATOR TO PUBLISH SANCTIONS.—The Administrator shall publish in the Federal Register a list of sanctions for use as guidelines in the discipline of employees for infractions of airport access control requirements. The guidelines shall incorporate a progressive disciplinary approach that relates proposed sanctions to the severity or recurring nature of the infraction, and shall include, but are not limited to, measures such as remedial training, suspension from security-related duties, suspension from all duties without pay, and termination of employment.

''(B) USE OF SANCTIONS.—Each airport, air carrier, and security screening company shall include the list of sanctions published by the Administrator in its security program. The security program shall include a process for taking prompt disciplinary action against an employee who commits an infraction of airport access control requirements.

''(2) IMPROVEMENTS.—The Administrator shall—

''(A) work with airport operators and air carriers to implement and strengthen existing controls to eliminate access control weaknesses by September 30, 2000;

''(B) require airport operators and air carriers to develop and implement comprehensive and recurring training programs that teach employees their role in airport security, the importance of their participation, how their performance will be evaluated, and what action will be taken if they fail to perform;

''(C) require airport operators and air carriers—

''(i) to develop and implement programs that foster and reward compliance with access control requirements, and discourage and penalize noncompliance in accordance with guidelines issued by the Administrator to measure employee compliance; and

(ii) to enforce individual compliance requirements under Administration oversight;

''(D) assess and test for compliance with access control requirements, report findings, and assess penalties or take other appropriate enforcement actions when noncompliance is found;

''(E) improve and better administer the Administration security database to ensure its efficiency, reliability, and usefulness for identification of systemic problems and allocation of resources;

''(F) improve the execution of the Administration's quality control program by September 30, 2000; and

''(G) require airport operators and air carriers to strengthen access control points in secured areas (including air traffic control operations areas) to ensure the security of passengers and aircraft by September 30, 2000.''.

SEC. 5. PHYSICAL SECURITY FOR ATC FACILITIES.

In order to ensure physical security at Federal Aviation Administration facilities that house air traffic control systems, the Administrator shall—

(1) correct identified physical security weaknesses at inspected facilities so these air traffic control facilities can be granted physical security accreditation as expeditiously as possible, but no later than April 30, 2001; and

(2) ensure that annual or triennial follow-up inspections are conducted, deficiencies are promptly corrected, and accreditation is kept current for all air traffic control facilities.

SEC. 6. EXPLOSIVES DETECTION EQUIPMENT.

The Administrator of the Federal Aviation Administration shall immediately begin to increase gradually the random selection factor embedded in the Administration's Commuter-Assisted Passenger Prescreening System at airports where bulk explosive detection equipment is being used.

SEC. 7. TECHNICAL AMENDMENT TO TITLE 49.

Section 106(p)(2) is amended by striking ''15'' and inserting ''18''.

Mr. MCCAIN. Mr. President, I rise to express my strong support for the Airport Security Improvement Act of 2000, S. 2440. This bill was introduced in April by Senator HUTCHISON and cosponsored by several other Senators, including myself. In June, the Commerce Committee favorably reported S. 2440, which was crafted to address several serious concerns associated with aviation security in this country.

The bill was introduced in the wake of an Aviation Subcommittee hearing chaired by Senator HUTCHISON on the current state of aviation security. Prior to the hearing, the Federal Aviation Administration (FAA) and the General Accounting Office (GAO) conducted a closed briefing with respect to some of the more sensitive information in this area. Given concerns raised by the GAO and the Department of Transportation's Inspector General, a consensus developed that legislation was needed to address some of the more glaring deficiencies in the current system.

As reported by the committee, S. 2440 would do the following: require criminal history records checks for all baggage and security checkpoint screeners; expand the list of criminal convictions that disqualify an individual from being employed as a security screener; increase the amount of classroom and on-the-job training required of airline security screeners; require the FAA to work with air carriers and airport operators to strengthen procedures to prevent unauthorized access to aircraft; hold security personnel individually responsible for security lapses through progressive disciplinary measures; require the FAA to improve security at its own air traffic control facilities; and increase random screening of checked bags for explosives.

I believe these are all necessary steps for the improvement of aviation security. No system can ever be perfect, but we must continue to strive for an air transportation system that is as secure as reasonably possible. On the whole, security at U.S. airports appears to be good at this time. But, as I have said before, we cannot relax our efforts, especially given the significant growth in air travel. The threats to our nation remain real, and the airline industry unfortunately remains an attractive target.

In closing, I commend Senator HUTCHISON for her hard work on this bill. She has done a fine job of taking the lead on this legislation.

Mr. HOLLINGS. Mr. President, thank you for the opportunity to speak today about airport security, and in particular, S. 2440, the Airport Security Improvement Act of 2000.

Our aviation security system in the United States and abroad is of extreme importance in protecting the traveling

public. Airport security is our first line of defense against terrorist attacks or other dangerous acts. We all know that our airport security personnel are underpaid and overworked.

Congress sets minimum security standards for the airports and airlines to meet, but implementing the standards is not a government function—that part is left to the airlines, airports and security personnel. We need to ensure, then, that the industry and security screeners are better prepared and that higher training standards are implemented. Security workers are characterized by a high rate of turnover. According to GAO's testimony in our April 6 hearing this year on aviation security, from May 1998 through April 1999, turnover averaged 126 percent among screeners at 19 large airports, and the average wage for screeners in the United States averages $5.75 per hour with minimal benefits. We can't expect security personnel who are receiving minimum-wage or near-minimum wage to realize just how important their jobs are to the overall security of the airport and to have a commitment to their jobs. On the other hand, security personnel also need to be held individually responsible for security lapses. Peoples' lives are at stake when there are security lapses. Employees who fail to follow procedures should be suspended or terminated.

S. 2440 directs the FAA Administrator to prescribe minimum standards for training security screeners that includes at least 40 hours of classroom instruction and at least 40 hours of practical training before an individual is qualified to provide security screening services at an airport. The FAA is committed to funding better, more effective equipment, but it was not going to finalize the regulation to improve training requirements for screeners and certification for screening companies until May 2001. With this legislation, improved training requirements will be implemented by September 30 of this year. S. 2440 also, among other things, requires airport operators and air carriers to develop comprehensive and recurring training programs that teach employees their role in airport security and how performance will be evaluated and treated.

Another major problem at airports is secured-area access control weaknesses. People are getting into secured areas by following airport employees through security doors. This can be solved by employees simply closing the door behind them after they enter a secured area. S. 2440 requires airport operators and air carriers to develop programs that foster and reward compliance with access control requirements, discourage and penalize noncompliance, and enforce individual compliance requirements under FAA oversight.

I believe this bill is a step in the right direction. Security personnel need to be aware of the importance of their job and they also need to be provided with the proper training to carry out their functions. Many of the areas covered by this bill consist of actions now being undertaken by the FAA. However, despite these actions, and consistent with the needs of the traveling public, a number of modifications will be debated with our House colleagues but I am confident we can put together a final bill and send it to the President for his signature.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee substitute be agreed to, the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 2440), as amended, was read the third time and passed.

—

REQUESTING THAT THE U.S. POSTAL SERVICE ISSUE A COMMEMORATIVE STAMP HONORING NATIONAL VETERANS SERVICE ORGANIZATIONS

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of S. Con. Res. 70, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the resolution by title.

A concurrent resolution (S. Con. Res. 70) requesting that the United States Postal Service issue a commemorative postage stamp honoring the national veterans service organizations of the United States.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the concurrent resolution be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 70) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 70

Whereas United States service personnel have fought, bled, and died in every war, conflict, police action, and military intervention in which the United States has engaged during this century and throughout the Nation's history;

Whereas throughout history, veterans service organizations have ably represented the interests of veterans in Congress and State legislatures across the Nation, and established networks of trained service officers who, at no charge, have helped millions of veterans and their families secure the education, disability compensation, and health care benefits they are rightfully entitled to receive as a result of the military service performed by those veterans; and

Whereas veterans service organizations have been deeply involved in countless local community service projects and have been constant reminders of the American ideals of duty, honor, and national service: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress requests that—

(1) the United States Postal Service issue a series of commemorative postage stamps honoring the legacy and the continuing contributions of veterans service organizations to the United States; and

(2) the Citizens' Stamp Advisory Committee recommend to the Postmaster General that such a series of commemorative postage stamps be issued.

—

U.S.S. ''WISCONSIN'' COMMEMORATIVE POSTAGE STAMP

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of S. Con. Res. 60, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 60) expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 60) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 60

Whereas the Iowa Class Battleship, the U.S.S. *Wisconsin* (BB-64), is an honored warship in United States naval history, with 6 battle stars and 5 citations and medals during her 55 years of service;

Whereas the U.S.S. *Wisconsin* was launched on December 7, 1943, by the Philadelphia Naval Shipyard; sponsored by Mrs. Walter S. Goodland, wife of then-Governor Goodland of Wisconsin; and commissioned at Philadelphia, Pennsylvania, on April 16, 1944, with Captain Earl E. Stone in command;

Whereas her first action for Admiral William ''Bull'' Halsey's Third Fleet was a strike by her task force against the Japanese facilities in Manila, thereby supporting the amphibious assault on the Island of Mindoro, which was a vital maneuver in the defeat of the Japanese forces in the Philippines;

Whereas the U.S.S. *Wisconsin* joined the Fifth Fleet to provide strategic cover for the assault on Iwo Jima by striking the Tokyo area;

Whereas the U.S.S. *Wisconsin* supplied crucial firepower for the invasion of Okinawa;

Whereas the U.S.S. *Wisconsin* served as a flagship for the Seventh Fleet during the Korean conflict;

Whereas the U.S.S. *Wisconsin* provided consistent naval gunfire support during the Korean conflict to the First Marine Division, the First Republic of Korea Corps, and United Nations forces;

Whereas the U.S.S. *Wisconsin* received 5 battle stars for World War II and one for the Korean conflict;

Whereas the U.S.S. *Wisconsin* returned to combat on January 17, 1991;

Whereas the U.S.S. *Wisconsin* served as Tomahawk strike warfare commander for the Persian Gulf, and directed the sequence of Tomahawk launches that initiated Operation Desert Storm; and

Whereas the U.S.S. *Wisconsin*, decommissioned on September 30, 1991, is berthed at Portsmouth, Virginia; and may soon be berthed at Nauticus, the National Maritime Museum in Norfolk, Virginia, where she would serve as a floating monument and an educational museum: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) a commemorative postage stamp should be issued by the United States Postal Service in honor of the U.S.S. *Wisconsin* and all those who served aboard her; and

(2) the Citizen's Stamp Advisory Committee should recommend to the Postmaster General that such a postage stamp be issued.

—

MEASURE READ THE FIRST TIME—S. 3152

Mr. ROBERTS. Mr. President, I understand that S. 3152 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 3152) to amend the Internal Revenue Code of 1986 to provide tax incentives for distressed areas, and for other purposes.

Mr. ROBERTS. Mr. President, I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.

The bill will be read a second time on the next legislative day.

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MEASURE PLACED ON THE CALENDAR—H.J. RES. 110

Mr. ROBERTS. Mr. President, I ask unanimous consent that H.J. Res. 110, the continuing resolution just received from the House, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

—

AUTHORIZING ESTABLISHMENT OF INTERPRETATIVE CENTER

WILD AND SCENIC RIVERS ACT

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Senate now proceed to the following bills en bloc: Calendar No. 828, H.R. 3084, and Calendar No. 711, H.R. 2773.

The PRESIDING OFFICER. The clerk will report the bills by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3084) to authorize the Secretary of the Interior to contribute funds for the establishment of an interpretative center on the life and contributions of President Abraham Lincoln.

A bill (H.R. 2773) to amend the Wild and Scenic Rivers Act to designate the Wekiva River and its tributaries of Wekiva Springs Run, Rock Springs Run, and Black Water Creek in the State of Florida as components of the national wild and scenic rivers system.

There being no objection, the Senate proceeded to consider the bills.

Mr. ROBERTS. Mr. President, I ask unanimous consent that any committee amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment to H.R. 3084 was agreed to, as follows:

H.R. 3084

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

SECTION 1. CONTRIBUTIONS TOWARD ESTABLISHMENT OF ABRAHAM LINCOLN INTERPRETIVE CENTER.

(a) GRANTS AUTHORIZED.—Subject to subsections (b) and (c), the Secretary of the Interior shall make grants to contribute funds for the establishment in Springfield, Illinois, of an interpretive center to preserve and make available to the public materials related to the life of President Abraham Lincoln and to provide interpretive and educational services which communicate the meaning of the life of Abraham Lincoln.

(b) PLAN AND DESIGN.—

(1) SUBMISSION.—Not later than 18 months after the date of the enactment of this Act, the entity selected by the Secretary of the Interior to receive grants under subsection (a) shall submit to the Secretary a plan and design for the interpretive center, including a description of the following:

(A) The design of the facility and site.

(B) The method of acquisition.

(C) The estimated cost of acquisition, construction, operation, and maintenance.

(D) The manner and extent to which non-Federal entities will participate in the acquisition, construction, operation, and maintenance of the center.

(2) CONSULTATION AND COOPERATION.—The plan and design for the interpretive center shall be prepared in consultation with the Secretary of the Interior and the Governor of Illinois and in cooperation with such other public, municipal, and private entities as the Secretary considers appropriate.

(c) CONDITIONS ON GRANT.—

(1) MATCHING REQUIREMENT.—A grant under subsection (a) may not be made until such time as the entity selected to receive the grant certifies to the Secretary of the Interior that funds have been contributed by the State of Illinois or raised from non-Federal sources for use to establish the interpretive center in an amount equal to at least double the amount of that grant.

(2) RELATION TO OTHER LINCOLN-RELATED SITES AND MUSEUMS.—The Secretary of the Interior shall further condition the grant under subsection (a) on the agreement of the grant recipient to operate the resulting interpretive center in cooperation with other Federal and non-Federal historic sites, parks, and museums that represent significant locations or events in the life of Abraham Lincoln. Cooperative efforts to promote and interpret the life of Abraham Lincoln may include the use of cooperative agreements, cross references, cross promotion, and shared exhibits.

(3) COMPETITIVE BIDDING GUIDELINES.—As a condition of the receipt of a grant under subsection (a), the Secretary of the Interior shall require that the grant recipient comply with sections 303, 303A, and 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253–253b) as implemented by the Federal Acquisition Regulation issued pursuant to section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) in planning, designing, and constructing the interpretive center.

(d) PROHIBITION ON CONTRIBUTION OF OPERATING FUNDS.—Grant amounts may not be used for the maintenance or operation of the interpretive center.

(e) NON-FEDERAL OPERATION.—The Secretary of Interior shall have no involvement in the actual operation of the interpretive center, except at the request of the non-Federal entity responsible for the operation of the center.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of the Interior a total of $50,000,000 to make grants under subsection (a). Amounts so appropriated shall remain available for expenditure through fiscal year 2006.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the bills be read the third time and passed, the motions to reconsider be laid upon the table, and that any statements relating to the bills be printed in the RECORD, with the above occurring en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills (H.R. 3084, as amended, and H.R. 2773) were read the third time and passed.

—

SALE OF PUBLIC LAND IN LINCOLN COUNTY, NEVADA

EXCHANGE OF LANDS WITHIN THE STATE OF UTAH

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration en bloc of the following bills: Calendar No. 836, H.R. 2752, and Calendar No. 910, H.R. 4579.

The PRESIDING OFFICER. The clerk will state the bills by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2752) to direct the Secretary of the Interior to sell certain public land in Lincoln County through a competitive process.

A bill (H.R. 4579) to provide for the exchange of certain lands within the State of Utah.

There being no objection, the Senate proceeded to consider the bills.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the bills be read the third time and passed, the motions to reconsider be laid upon the table, and any statements relating to the bills be printed in the RECORD, with the above occurring en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills (H.R. 2752 and H.R. 4579) were read the third time and passed.

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GLOBAL ROLE V: ROLES OF THE GOVERNMENT, THE PEOPLE, AND THE MILITARY IN WAR-MAKING

Mr. CLELAND. Mr. President, today, with my dear friend and wonderful colleague from Kansas, Senator ROBERTS, we come to the fifth and final in our series of floor discussions on the global role of the United States. We will begin with consideration of the key instruments of national security policy, and we will conclude this series with a presentation of what we have learned over the course of these dialogs.

The inspiration for the first of today's topics comes from a source we have often cited in this series: The great 19th century military thinker, Karl von Clausewitz, who wrote in his seminal work on war these words:

> Its dominant tendencies always make war a paradoxical trinity. The passions that are to be kindled in war must already be inherent in the people. The scope which the play of courage and talent will enjoy in the realm of probability and chance depends on the particular character of the commander and the army; but the political aims are the business of government alone.
>
> These three tendencies are like three different codes of law, deep rooted in their subject and yet variable in their relationship to one another. A theory that ignores any one of them or seeks to fix an arbitrary relationship between them would conflict with reality to such an extent that for this reason alone, it would be totally useless.
>
> Our task, therefore is to develop a theory that maintains a balance between these three tendencies, like an object suspended between three magnets.

Attempts to find the proper balance between the roles of the people, the military and the government when America goes to war have been a major feature of the last 35 years, from the Gulf of Tonkin Resolution, to Operation Desert Storm, to Operation Allied Force. In my opinion, it is an effort which has not been overly successful. Certainly in the case of Vietnam, there was no real attempt to mobilize the American public in support of the war effort, nor for the Executive Branch to seek or the Congress to demand that the Constitutional role of the Congress to legitimize the conduct of hostilities be exercised. But I would also contend that much the same pattern is evident in more recent American interventions in the Balkans, and to an only somewhat lesser extent in the Gulf War.

The fact that we have emerged from all of these military interventions without major harm—though the negative impact from Vietnam was far from negligible—is a tribute to the efforts of our servicemen and women, the capabilities of our weaponry, but also, I would suggest, the fact that our vital national interests were never threatened in these cases. Only the Cold War, which by and large was prosecuted effectively, both militarily and politically and on a bipartisan basis, and in which we achieved a decisive victory, posed such a threat in the last half century.

We have spent much of the time in previous dialogues in discussing the proper ends of American national security policy in the post-Cold War era, but if we don't fix the problems in this ''holy trinity'' of means—the roles of the public, the military and the government—we are going to be continually frustrated in our achievement of whatever objectives we set.

Let's start with the first of Clausewitz' trinity: the people.

The post-Cold War world is not only producing changes abroad—changes which we have spoken of at some length in our previous global role discussions—but also a number of alterations here at home. Over the past decade or so, we have seen a democratization in terms of our foreign and defense policies in the sense that the American public is less and less disposed to leave these matters to the ''experts,'' and to trust the assurances of the ''Establishment'' with respect to the benefits of internationalism.

While there is certainly nothing wrong with such skepticism, and indeed a demand for accountability is a healthy and appropriate attitude for the public to take, whether on national security or any other public policy, this democratization of national security policy has been marked by widespread public disengagement from the details of that policy:

For example, a 1997 Wall Street Journal/NBC News survey found that foreign policy and defense ranked last, at 9 percent, among issues cited by the public as the most important matters facing the country.

A 1997 Washington Post/Kaiser Foundation/Harvard poll discovered that 64 percent of the American public thought that foreign aid was the largest component of the federal budget, when in fact it is one of the smallest at approximately 1 percent.

A 1999 Penn and Schoen survey discovered that nearly half—48 percent—of the American public felt that the U.S. was ''too engaged'' in international problems, while just 16 percent expressed the view that we are ''not engaged enough.''

A 1999 poll for the Program on International Policy Attitudes found that only 28 percent of the American people wanted the U.S. government to promote further globalization while 34 percent wanted our government to try to slow or reverse it, and another 33 percent preferred that we simply allow it to continue at its own pace, as we are doing now.

Related to these results, I personally believe that the end of the draft and the dramatic reductions in defense personnel levels in recent years—since FY85 the size of our armed forces decreased by 30 percent—has produced a growing disconnect between the American public and the American military, with fewer and fewer people having relatives or friends in the military, or living in communities in which a military base is a dominant feature of the local economy. This growing separation between the military and civilian worlds has produced a profound impact on the perspectives and performance of the U.S. government when it comes to the use of force, and I will return to this point later.

We can bemoan the public's skepticism and disengagement, and wish that it didn't exist, but it is a fact which impacts on all major foreign and defense policy issues facing the Congress. We saw it in the NAFTA debate, and in the debates on Iraq, NATO and the Balkans.

Now, I believe that the critics of foreign trade and foreign engagement raise important and legitimate concerns which need to be addressed. I do not believe we can stand behind platitudes that ''foreign trade is always good,'' or ''U.S. leadership is always essential.'' In my view, the burden is now on those who would urge engagement overseas, whether military, political or economic. As the just discussed public opinion data indicate, they have their work cut out for them, with widespread indifference, lack of knowledge and doubt about the value of such engagement. However, it is a debate worth having, and indeed is essential if we are to achieve the kind of national consensus we need in this post-Cold War era.

The second of the war-making trinity of Clausewitz is the military itself. Lets talk about the military. The subject of military reform is a fascinating and important one in its own right, but is somewhat beyond the scope of our dialogues on the U.S. global role. However, I would like to touch on a few areas in which the specific needs of our Armed Forces, and the perspectives of and about the American military have a direct bearing on our role as policymakers.

As perhaps the leading military analyst of the Vietnam War, Colonel Harry Summers, wrote in his excellent book On Strategy: The Vietnam War in Context:

> Prior to any future commitment of U.S. military forces our military leaders must insist that the civilian leadership provide tangible, obtainable political goals. The political objective cannot merely be a platitude but must be stated in concrete terms. While such objectives may very well change during the course of the war, it is essential that we begin with an understanding of where we intend to go. I couldn't have said it better. As Clausewitz said, we should not ''take the first step without considering the last . . .'' There is an inherent contradiction between the military and its civilian leaders on this issue. For both domestic and international political purposes the civilian leaders want maximum flexibility and maneuverability and are hesitant to fix on firm objectives. The military on the other hand

need just such a firm objective as early as possible in order to plan and conduct military operations. That is according to Harry Summers.

Mr. President, I know all too well the kind of price that is paid by our men and women in uniform when our political leaders fail to lay out clear and specific objectives. More than thirty years ago, in Vietnam we lacked clear and specific objectives. We attempted to use our military to impose our will in a region far from our shores and, in my view, far from our vital national interests, and without ever fully engaging the Congress or the American people in the process. The result was a conflict where the politicians failed to provide clear political objectives and where our policy was never fully understood or fully supported by the American people. From what I have seen since I came to this distinguished body in 1997, we have made very little progress on any of these fronts in the years since that time when it comes to America going to war.

The trend discussed earlier of a growing disconnect between the military and civilians has been perhaps even more pronounced among national foreign and defense policy-makers. A groundbreaking recent study, organized by the North Carolina Triangle Institute for Security Studies and entitled ''Project on the Gap Between Military and Civilian Society,'' made a number of major findings relevant to our discussion today. Let me quote from the Project's Digest of Findings and Studies:

> Americans in the national political elite are increasingly losing a personal connection to the military. For the first 75 years of the 20th Century, there was a significant ''veteran's advantage'' in American politics: always a higher percentage of veterans in Congress than in the comparable age cohort in the general population. This veteran's advantage has eroded over the past twenty-five years in both chambers of Congress and across both parties. Beginning in the mid-1990s, there has been a lower percentage of veterans in the Senate and the House of Representatives than in the comparable cohort in the population at large . . . Compared to historical trends, military veterans seem now to be under-represented in the national political elite.

This particular growing disconnection is having a major impact on the central topic of our global role dialogues. To quote again from the Triangle Institute report:

> The presence of veterans in the national political elite has a profound effect on the use of force in American foreign policy. At least since 1816, there has been a very durable pattern in U.S. behavior: the more veterans in the national political elite, the less likely the United States is to initiate the use of force in the international arena. The effect is statistically stronger than many other factors known to influence the use of force . . . The trend of a declining rate of veterans in the national political elite may suggest a continued high rate of military involvement in conflicts in the coming years.

I find that statistic astounding.

One part of the Triangle Institute study, titled ''The Civilian-Military Gap and the American Use of Force 1816–1992,'' found:

> two broad clusters of opinion that track with military experience, yielding what we call civilian hawks and military doves.

Specifically, this particular survey discovered that civilian leaders are more willing to use force but more likely to want to impose restrictions on the level of force to be used, and more supportive of human rights objectives, while military leaders are more reluctant to use force but prefer fewer restrictions on what level of force to employ, and tend to support more traditional ''Realpolitik'' objectives for U.S. foreign policy. Fascinating. Interestingly, civilian leaders with prior military experience were found to hold views closer to the military rather than civilian leadership.

In other words, those who have seen the face of battle are more reticent about resorting to force than those who have not. This does not mean they—I should say we—are necessarily right in any particular case, but it should certainly give ''civilian hawks'' some pause in considering recourse to an instrument whose chief practitioners are wary of utilizing. Above all, as was the case with the government needing to engage the public far more effectively on questions of foreign policy, so must the military and the government—including the Congress—more effectively engage each other if we are ever going to achieve the kind of balance which Clausewitz wrote of.

This leads me to the third and final piece of the Clausewitz trinity: the government. As I noted earlier, Colonel Summers emphasized that military leaders must insist that the civilian leadership provide tangible, obtainable political goals. In this country, that duty rests squarely on the shoulders of the President and Congress when it comes to the business of war, as outlined by our Founding Fathers when they drafted our Constitution.

Under the Constitution, war powers are divided. Article I, Section 8, gives Congress the power to declare war and raise and support the armed forces, while Article II, Section 2 declares the President to be Commander in Chief. With this division of authority there has also been constant disagreement, not only between the executive and legislative branches, but between individual members of Congress as well, as we have seen in our most recent debates on authorizing the intervention in Kosovo and on the Byrd-Warner amendment concerning current funding of that very operation, dare I say war. Judging by the text of the Constitution and the debate that went into its drafting, however, members of Congress have a right, and I would say an obligation, to play a key role in the making of war and in determination of the proper use of our armed forces, which has brought Senator PAT ROBERTS and me to this floor, shoulder to shoulder, to see if we can't further articulate and work out a consensus on how do we commit American forces abroad.

It is generally agreed that the Commander in Chief role gives the President power to repel attacks against the United States and makes him responsible for leading the armed forces. During the Korean and Vietnam conflicts, however, this country found itself involved for many years in undeclared wars. Many members of Congress became concerned with the erosion of congressional authority to decide when the United States should become involved in a war or should use our armed forces in situations that might lead to war.

On November 7, 1973, the Congress passed the War Powers Resolution over the veto of President Nixon. As Dante Fascell, former Chairman of the House Committee on Foreign Affairs noted:

> The importance of this law cannot be discounted. Simply stated, the War Powers Resolution seeks to restore the balance created in the Constitution between the President and Congress on questions of peace and war. It stipulates the constitutional directions that the President and Congress should be partners in such vital questions—to act together, not in separate ways.

The War Powers Resolution has two key requirements. Section 4(a) requires the President to submit a report to Congress within forty-eight hours whenever troops are introduced into hostilities or situations where imminent involvement in hostilities is clearly indicated by the circumstances. Section 5(b) then stipulates that if U.S. armed forces have been sent into situations of actual or imminent hostilities the President must remove the troops within sixty days—ninety days if he requests a delay—unless Congress declares war or otherwise authorizes the use of force. The resolution also provides that Congress can compel the President to withdraw the troops at any time by passing a joint resolution. It is important to note, however, that since the adoption of the War Powers Resolution, every President has taken the position that it is an unconstitutional infringement by the Congress on the President's authority as Commander-in-Chief, and the courts have not directly addressed this vital question.

I would submit that although the Congress tried to reassert itself after the Vietnam War with the enactment of the War Powers Resolution, we have continued to be a timid, sometimes non-existent player in the government that Clausewitz emphasized must play a vital role in creating the balance necessary for an effective war-making effort. Since I came to the Senate, it has been my observation that the current system by which the Executive and Legislative Branches discharge their respective Constitutional duties in committing American servicemen and women into harm's way has become inadequate. Congress continually lacks sufficient and timely information as to policy objectives and means prior to the commitment of American forces. And then, in my opinion, Congress largely abdicates its responsibilities

for declaring war and controlling the purse with inadequate and ill-timed consideration of operations.

Perhaps this failure has been a long time in the making. My dear friend and colleague Senator BYRD so eloquently stated in an earlier address to this body on the history of the Senate,

> We remember December 7, 1941, as a day of infamy. We mourn the hundreds of American servicemen who died at Pearl Harbor, and the thousands who gave their lives in the war that followed. We might also mourn the abrupt ending of the debate over American foreign policy. While history proved President Roosevelt and his followers more correct than their isolationist opponents, it also buried for decades the warnings of the isolationists that the United States should not aspire to police the world, nor should it intervene at will in the affairs of other nations in this hemisphere or elsewhere.

A very wise statement by Senator BYRD.

Reasons for the failure of the War Powers Resolution and for our current difficulties abound. I believe that part of our problem stems from the disputed and uncertain role of the War Powers Resolution of 1973 in governing the conduct of the President, as well as the Congress, with respect to the introduction of American forces into hostile situations. Once again, these disputes continue to resound between both the branches and individual members of the legislative branch.

In all honesty, however, the realities of our government highlight the fact that while the legislature can urge, request, and demand that the President consult with members of Congress on decisions to use force, it cannot compel him to follow any of the advice that it might care to offer. With that in mind, as an institution, Congress can do no more than give or withhold its permission to use force. And while this ''use it or lose it'' quality of congressional authorizations may make many members leery about acting on a crisis too soon, delays will virtually guarantee, as Senator Arthur Vandenberg once stated, that crises will ''never reach Congress until they have developed to a point where congressional discretion is pathetically restricted.''

What a great quote. I felt that certainly as I tried to vote properly in this Chamber months ago in regard to Milosevic and his intervention in Kosovo.

Mr. President, I believe that in view of our obligations to the national interest, to the Constitution and to the young American servicemen and women whose very lives are at stake whether it be a ''contingency operation'' or a full-scale war, neither the executive or legislative branches should be satisfied with the current situation which results in uncertain signals to the American people, to overseas friends and foes, and to our armed forces personnel. In making our decision to authorize military action, Congress should work to elicit all advice and information from the President on down to the battlefield commanders, make a sound decision based on this information, and then leave battlefield management in the hands of those competent and qualified to carry out such a task. Only then will the proper roles and balance of the triad Clausewitz spoke of be obtained. And only then will our decisions to commit troops be based on the principles we spoke of in our earlier dialogs: (1) a vital national interest, (2) with clear national policy and objectives, and (3) with a well-defined exit strategy. As Senator Mansfield once stressed,

> In moments of crisis, at least, the President and the Congress cannot be adversaries; they must be allies who together, must delineate the path to guide the nation's massive machinery of government in a fashion which serves the interests of the people and is acceptable to the people.

Beautifully said.

In light of the problems and issues just discussed, I would like to take a moment to discuss S. 2851, a bill I recently introduced with Senators ROBERTS and JEFFORDS, which seeks to find a more workable system for Presidential and congressional interaction on the commitment of American forces into combat situations. It is a bill derived from the current system for Presidential approval and reporting to Congress on covert operations, a system which was established by Public Law 102–88 in 1991. By most accounts, this system has been accepted by both branches and has worked very well with respect to covert operations, producing both better decisionmaking in the executive branch and improved congressional input and oversight with respect to these operations. Since overt troop deployments into hostilities almost certainly constitute a greater risk to American interests and to American lives, I believe such a system represents the very least we should do to improve the approval and oversight process with respect to overt military operations. It does not bind or limit the executive branch or military, but seeks to build upon the principles we have covered throughout our global roles dialog.

Precisely because the United States is a democracy, it is important that policy decisions be made democratically. As Michael Walzer observes in his article ''Deterrence and Democracy'': ''The test of a democracy is not that the right side wins the political battle, but that there is a political battle.'' Policies that pass through public debate and inspection emerge all the stronger for it, because they enjoy greater respect both at home and abroad. Instead of seeing executive-legislative conflict over foreign policy as a cause for dismay, we should recognize that healthy democracies argue over the wisdom of policies. Debate is what, ultimately, produces better policy. And this is precisely the role of the government, both the President and Congress, in fulfilling our constitutional duties and achieving the proper balance of the Clausewitz trilogy.

I believe the case has clearly been made that the public, the military, and the government—the three underpinnings of successful national security policy—are not now in proper ''balance,'' to use Clausewitz' term. Each part of this trinity is skeptical and increasingly disengaged from the other two, with a number of significant and negative effects on our national interest which we have discussed today and in previous dialogs: a widening divide between the aspirations of American foreign policy-makers and the Congress' and the public's willingness to finance the necessary means is one such point; a military and civilian leadership which sees America's role in the world and the means appropriate to secure those ends in vastly different terms; a national government which is deeply divided along partisan lines and between the executive and legislative branches.

I suggest the chief responsibility for fixing this dysfunctional system lies squarely with us in the government. As Clausewitz said, ''the political aims are the business of government alone,'' and it is the political aims which drive, or at least should drive, both military requirements and the public's engagement, or disengagement, from American policy. We must find more and better ways of communicating with our constituents on the realities of our national interests and the real costs of securing them. We must find more and better ways to increase the exchange of experiences and ideas between the government and the military. And we must find more and better ways of ensuring that both the executive and legislative branches properly fulfill their constitutional responsibilities in the arena of national security policy.

Professor of Strategic Studies at Johns Hopkins University Eliot Cohen closed his paper on ''The Unequal Dialogue: The Civil-Military Gap and the Use of Force,'' which is a very interesting series of case studies on effective, and ineffective, civilian and military interaction during wartime, with these observations, which are extremely relevant to our discussion today:

> (The lessons of serious conflict) are, above all, that political leaders must immerse themselves in the conduct of war no less than they do in great projects of domestic legislation; that they must master their military briefs as thoroughly as they do their civilian ones; that they must demand and expect from their military subordinates a candor as bruising as it is necessary; that both groups must expect a running conversation in which, although civilian opinion will not dictate, it must dominate; that that conversation will include not only ends and policies, but ways and means.

In other words, we in Government, the constitutionally established political leaders, must step up to the plate and do our jobs when it comes to national security policy—especially when it comes to making war—with great humility as to our own limitations, with great care and forethought, but with diligence and determination.

Mr. President, it is my honor and distinct personal privilege to yield to the distinguished Senator from Kansas, Mr. ROBERTS, for further remarks.

Mr. ROBERTS. Mr. President, before I begin, I would like to pay tribute and special thanks to Scott Kindsvater, who happens to come from my hometown of Dodge City, KS, who is a major in the U.S. Air Force and is a congressional fellow in my office. He is an F–15 pilot second to none. He is going to be assigned to the Pentagon. His tour of duty will end about the same time as the election. I thank him for all of his help, all of his homework, all of his study, and for gathering together the material that has been so helpful to me to take part in this foreign policy dialog.

I thank my good friend and colleague, Senator CLELAND. We again come to the floor of the Senate for what is our fifth dialog with regard to our Nation's role in global affairs and our vital national security interests. This effort has been prompted by our conviction, as the Senator has said, that such a dialog, such a process is absolutely necessary, if we are to arrive at a better bipartisan consensus on national security policy, a consensus our Nation deserves and needs but has been lacking since the end of the cold war.

Both Senator CLELAND and I have the privilege of serving together on the Senate Armed Services Committee. The distinguished Presiding Officer also serves on that committee and provides very valuable service. As a matter of fact, Senator CLELAND and I sit directly opposite one another. During hearing after hearing on the leading national security issues of the past 4 years, it became obvious that while we did not agree on each and every issue, we shared many similar views and concerns. I call it ''the foreign policy and national security eyebrow syndrome''; that is to say, when MAX and I hear testimony we think is off the mark, a little puzzling, or downright silly, our eyebrows go up, and that is usually followed by a great deal of head shaking and commiserating.

The result has been a series of foreign policy dialogs: No. 1, what is the U.S. global role? No. 2, how do we define and defend U.S. vital national security interests? No. 3, what is the role of multilateral organizations in the world today and our role within them? No. 4, when and how should U.S. military forces be deployed?

Today Senator CLELAND has chosen a theme taken from the 19th century military strategist, Gen. Karl von Clausewitz, called ''The Trinity of War Making,'' or the role of government, the military, and the public in conducting and implementing our national security policy.

Finally, in closing these dialogs for this session of Congress by Senator CLELAND, I have prepared a summary of agreed upon principles which we suggest to this body that both he and I believe represent a suggested roadmap for the next administration and the Congress.

With regard to two of the Clausewitz so-called trinities, the need for government to gain public support for national security policy, Senator CLELAND already summarized our purpose very well when he said:

> We must find more and better ways of communicating with our constituents on the realities of our national interests and the costs in securing them.

Senator CLELAND went on to say:

> We must find more and better ways to increase the exchange of experiences and ideas between our Government and our military.

Finally, MAX said:

> We must find more and better ways of ensuring that both the executive and our legislative branches properly fulfill their constitutional responsibilities in the arena of national security policy.

In this regard, I will comment on the first of Senator CLELAND's points, the fact that our political leadership must make sure that the public understands and supports the use of military force.

Former Joint Chief of Staff, Gen. Colin Powell asserted our troops must go into battle with the support and understanding of the American people. General Powell contended back in 1993 that the key to using force is to first match the political expectations to military means in a wholly realistic way and, second, to attain very decisive results. He said a decision to use force must be made with clear purpose in mind and added that if the purpose is too murky—and, goodness knows, we have had a lot of that in recent years—our political leadership will eventually have to find clarity.

As Senator CLELAND has pointed out already, unfortunately, today it seems that national security and foreign policy issues represent little more than a blip on the public's radar screen. Obviously, the public this evening will be tuned to either the baseball playoffs or the debate. He quoted news surveys and polls showing foreign policy and defense ranking last among issues cited by the public as most important that face the country. That is amazing to me.

A case in point: While we are all hopeful that the situation in the former Yugoslavia will result in the end of the Slobodan Milosevic regime and the possible transition to a more democratic government, U.S. and NATO military intervention and continued presence in the Balkans lacks a clearly defined policy goal or any realistic timetable for any conclusion. As a result, while most Americans may have really forgotten about or are not focused on Kosovo today, nevertheless, 6,000 American troops still remain there and could remain there for another decade. That is a difficult sell with regard to public understanding.

In that regard, as Senator CLELAND has pointed out, Congress bears part of that responsibility. It is easy to criticize, but we bear part of that responsibility. Unclear political objectives do not allow our military leaders to create clear, concise, and effective military strategies to accomplish any specific goal. Unclear political goals lead to wars and involvement with no exit strategy.

A brief examination of the chain of events leading up to the use of force in Kosovo certainly proves the point:

On March 23 of 1999, the Senate conducted minimal debate regarding the use of force in Yugoslavia after troops had already been deployed. S. Con. Res. 21 passed, authorizing the President to conduct military air operations.

On March 24, one day later, combat air operations did begin.

On March 26, the President notified Congress, consistent with the War Powers Resolution, that operations began on March 24.

On March 27, after the fact, the House considered the use of force and failed to pass S. Con. Res. 21 on March 28.

On April 30, 18 Members of the House, having serious objection to that policy, filed suit against the President for conducting military activities without any authorization.

Then on May 20, 1999, the emergency supplemental appropriations bill for fiscal year 1999 finally passed, and it provided funding for the ongoing U.S. Kosovo operations.

On May 25, the 60-day deadline passed following Presidential notification of military operations, and the President didn't seek a 30-day extension, noting instead that the War Powers Resolution is constitutionally defective.

Then on February 18, 2000, a Federal appeals court affirmed the district court decision that the House of Representatives Members lacked standing to sue the President relative to the April 30 suit of the previous year.

I might add at this juncture that Senators CLELAND and SNOWE, I, and others had all previously successfully amended various appropriations measures mandating the administration report to the Congress specific policy goals and military strategy objectives prior to the involvement of any U.S. troops.

Most, if not all, of those reports were late, were not specific or pertinent to the fast changing situation in the Balkans. We at least tried.

And, Mr. President, I remember well the briefing by members of the Administration with regard to why the ongoing military operation in Kosovo was in our vital national interest. I still have my notebook and the list:

The Balkans represent a strategic bridge to Europe and the Middle East.

The current conflict could spin into Albania and include Macedonia, Greece and Turkey. After all World War I started in the same region.

We should act to prevent a humanitarian disaster and massacre of thousands of refugees.

If we do not act, it will endanger our progress in Bosnia.

The leadership and credibility of NATO into the next century is at stake.

We must oppose Serb aggression.

With all due respect Mr. President, these arguments did not match the fast-changing conditions in the Balkans. 20–20 hindsight now tells us the incremental bombing campaign and publicly ruling out the use of ground troops exacerbated the refugee tragedy.

The present Presiding Officer serves with me on the Senate Intelligence Committee, and we had a hearing after part of these problems developed. Somehow intelligence reports predicting the law of unintended effects went unheeded or were ignored.

And, in the end, U.S. stated goals changed when the original goals fell short. We were assured we were fighting, not for our national interest but selflessly to save lives and promote democracy, fighting in behalf of humanity. Mr. President, in my view, neither the Senate, the House or the administration can square these goals with what has actually taken place and is taking place in the Balkans. I don't question the intent.

The most optimistic lien today is that Kosovo is liberated after the mighty efforts of the U.S. led NATO coalition. Well, as described by James Warren of the Chicago Tribune, it is a liberated total mess.

He quotes British academic and international relations analyst Timothy Garton Ash, a professor at St. Antony's College, Oxford, who reviewed six books on the conflict with unbiased perspective.

According to Warren, most Americans have forgotten about the war by now, so they don't care much about the fact the so called winners are totally unprepared for dealing with peace. Violence and chaos reign in Kosovo. The victims and the ''good guys,'' the Kosovars have conducted reverse ethnic cleansing under the noses of U.S. and NATO troops.

We have, in fact, created a new Kosovo apartheid. Having failed to stop the killing, we are proving unable to win the peace or prevent revenge inspired reverse ethnic cleansing.

Moreover, since the Balkan war, badly fought and with no clear end game, other nations have increasingly been united in criticizing U.S. clout as we wield unparalleled power on the world stage and have reacted with what some refer to as a new arms race.

Since we can be sure there will be other calls for intervention in the world, it is incumbent on us to ask whether a more effective approach exists.

President Clinton has, in fact, proclaimed to the world, that if a state sought to wipe out large numbers of innocent civilians based on their race or religion, the United States should intervene in their behalf. Stated such, a public support can be garnered for such a policy.

But, as Kosovo has demonstrated, things are not that simple. As Adam Wolfson pointed out in his article within Commentary magazine;

Certainly the vast majority of Kosovars were subjected to harassment and much worse and their crisis was as President Clinton described, a humanitarian one. But, the Kosovars also had their political objectives and ambitions; an independent Kosovo ruled by themselves; a goal they press for today by political intimidation and violence.

The United States has, on the other hand, continued to oppose independence and has supported a multicultural society for Kosovo. Vice President GORE has said that in Kosovo there must be a genuine recognition and respect for difference and the creation of a tolerant and open society where everyone's rights are respected, regardless of ethnic or religious background and where all groups can participate in government, business, the arts and education.

These are fine and noble goals but they are ''ours'' not those of the Kosovars. We have two choices. First, we can accept the political ambitions for a mono-cultural and independent state purged of non Albanians or second, we can attempt to stay in Kosovo until we can somehow transform entrenched and long standing political and ethnic culture and teach the values of diversity and religious toleration. This is on small task and in my view, It may not sustainable over the long term both in terms of cost, benefit and public opinion.

Will the American people respond? Do they even care? In their book, ''Misreading the Public, the Myth of a New Isolationism,'' Steven Kull and I.M. Destler of the Brookings Institution, make the case that the notion that public attitudes are typified today by new isolationism, greater parochialism and declining interest in the world is simply not true.

They argue most Americans do not believe we should disengage from the world and support international engagement and for the United States to remain involved but with greater emphasis on cooperative and multilateral involvement. They also argue that when presented with facts, reasonable goals and alternatives, that public support can be gained.

That is the point, Mr. President. We have to do a better job. Member of the Senate need to participate in the daily grind of overseeing Administration policies, passing judgment, and behaving as a co-equal branch. When a majority, if a majority can be found, feels a President oversteps constitutional barriers or threatens to do so, we should respond with statutory checks, not floor speeches and sense-of-the-Senate resolutions.

In this regard Senator CLELAND has done us a favor with his proposal derived from the current system for Presidential approval and reporting to Congress on covert operations. Senator CLELAND has candidly pointed out his bill does not represent a consensus view and his introduction of the legislation is to stimulate further discussion. Let the discussion begin.

Mr. President, having spoken to the role of government and the public with the specific example of Kosovo, let me turn to the third topic of the ''Clausewitz Trinity'', the military.

Mr. President, I am sure that no General throughout history, be he Clausewitz or Eisenhower would condone sending troops that are not ready into battle. In the not-mincing-any-words department, I am concerned and frustrated that our United States Military today is stressed, strained, and in too many cases hollow.

I often say in Kansas that our first obligation as Members of Congress is to make sure our national security capability is equal to our vital national security responsibilities. How do we do this?

One way is to do exactly what Senator CLELAND and I try to do and that is to personally visit our men and women in uniform stationed here at home and throughout the world. We, along with a majority of members of the Armed Services Committee, visit with and seek advice from the ranks; our enlisted, our non-commissioned officers, officers and commanders.

Mr. President, when doing that and when making remarks and observations before many military groups; active duty, reserve and guard units, I always acknowledge those in the military must operate and perform their duties within the chain of command. But, I also ask them for their candor and honesty.

And they have provide me and others that with spades.

Those in the Navy tell me the Navy cannot or soon will not be able to perform assigned duties with current force structure. The bottom line is there are not enough ships or submarines in the fleet and training and weapons inventories are inadequate.

Those in the Army tell me the training and doctrine command is almost broken and peacekeeping operations are taking their toll on combat readiness.

Those in the Air Force repeat what is common knowledge—pilot retention problems are legion. The Air Force is short about 1,200 pilots today. Strategic lift in both air and sea is inadequate.

The Marines tell this former marine they have significant problems in the operation and maintenance of their Harrier and helicopter fleet. They tell me they are meeting their recruiting and retention challenges but they are working harder and harder to achieve that goal.

Overall, those in command tell us—and the figures are plain to see—that operation and maintenance accounts have been robbed for eight years to pay for ever increasing peace keeping and now peace enforcement missions.

Spare parts are hard to come by, we are short of weapons both for practice and combat. Mission capable rates are consistently down. Recent press reports state 12 of 20 major Army training centers are rated C–4, the lowest

readiness rating. A Navy Inspector General Report says Navy fliers are leaving port at a lower stage of readiness. The Air Force reports that its readiness rates for warplane squadrons continues to decline.

Many units are on frequent temporary duty assignments or are deployed most of the year on missions that many believe are of questionable value. When the troops come home, their training is shortchanged based on the lack of time available for training and lack of resources. Maintenance required for old equipment takes significant time away from other missions, from family and it is very costly.

There is another related problem and challenge, that of morale. There is a growing uneasiness with military men and women that their leadership either does not care or is out of touch with their problems. By leadership, I am including the Congress of the United States. Soldiers, sailors, airmen, marines tell me they are stressed out and dissatisfied and leaving.

This has been an anecdotal outpouring from military commanders in the field simply fed up with current quality of life and readiness stress. Pick up any service, military or defense publication or read any story in the press and what we have is equal opportunity frustration.

A February study by the Center for Strategic and International Studies warns us about ''stress on personnel and families, problems with recruiting and retention, and for some, declining trust and confidence in the military institution and its leaders.''

Half of the respondents in the survey said their unit did not have high morale and two thirds said stress was a problem. A recent Army study at Fort Leavenworth, the intellectual center of the Army, located in my homes state of Kansas, warned the number of lieutenants and captains leaving the Army is now over 60% compared to 48% a decade ago.

In a survey taken at Fort Benning, outgoing captains complained they were disillusioned with the Army mission and lifestyle, struggling to maintain a functional family life. The American soldier has gone from a homeland protector of vital national interests to nomadic peace keeper. His weapons, on the cutting edge, some complain are beginning to rust.

During this time there has been quite a transition period Mr. President. Stretching from the Reagan, Bush, and Clinton administrations, military personnel levels declined by 40 percent, spending dropped 35 percent and meanwhile the number of U.S. forces stationed abroad increased and remains high.

Under Secretary for Defense for Acquisition and Technology, Jacques Gansler recently stated:

We are trapped in a death spiral. The requirement to maintain our aging equipment is costing us more each year in repair costs, down time and maintenance tempo. But, we must keep this equipment in repair to maintain readiness. It drains our resources—resources we should apply to modernization of the traditional systems and development of new systems.

So we stretch out our replacement schedules to ridiculous lengths and reduce the quantities of new equipment we purchase, raising the cost and still durther delaying modernization.

I am very concerned if what I have described is even close to factual—and I am afraid it is based upon my own conversations with the men and women of our military, that we are headed in a very dangerous direction.

I realize the readiness of our military has become an issue in the current presidential campaign. And, it is not my intent to take sides in that debate during this policy forum. I might add I think in some ways this debate is long overdue.

Another way to determine our military readiness is to ask those in charge. And, Senator CLELAND and I, along with members of the Senate Armed Services Committee did just that last week. The joint chiefs of staff came before the committee. Not without some not so subtle advice from on high.

Prior to the joint chiefs testimony, Administration spokesman Kenneth Bacon said Defense Secretary Cohen told the Chiefs he expected them to play straight on the readiness issue, to give the facts, not to ''beat the drum with a tin cup'' but to talk honestly about the pressures they face from the operations their forces are undergoing.

Well, Mr. Bacon need not have worried. The Chiefs testified and shot pretty straight. On an annual basis the Marines said they needed approximately $1.5 billion to be the fully modernized 911 force in readiness we expect of them. The Air Force told us they needed $20 to $30 billion, the Navy some $17 billion and the Army $10 billion. That totaled up to somewhere between $48 to $60 billion more the Chiefs feel each service needs to perform its mission.

Those figures, by the way, compare with a recent estimate by the Congressional Budget Office regarding the cost the CBO deems necessary to enable the services to meet their mission obligations.

Lord knows what the Chiefs would have requested if they had beat the drum with a tin cup. And, I must admit I am disappointed by the suggestion in Mr. Bacon's warning that the chiefs would ever provide anything but their honest testimony before the Congress, after all each of the Chiefs swore to provide their honest, candid assessment during their nomination hearings.

I always assume they do just that.

With all of the pressures of the current political season, perhaps Mr. Bacon's concern was understandable, after all he is a spokesman.

I brought a tin cup to the hearings last week. The distinguished acting Presiding Officer looked with some shock and amazement as I had a tin cup and poured water into it. I described all the missions that the military had. Then I described what they had to work with. I said: Keep pouring the water and some water might come out. In other words, the services can't carry all the water they were intended to carry. Of course, what I didn't say was that I had drilled a hole in the cup. Of course, some of the water was coming out. But it made a good audiovisual tool.

I thank the distinguished Senator for his help. I didn't bring one here tonight. Don't worry. We are not going to get anybody wet.

To be fair, Mr. Bacon stated he believes our forces are well equipped, trained and led. I will acknowledge the ''led'' part. The point is too much attention has been placed on the tip of the spear of U.S. military might.

Mr. Bacon is correct, the Secretary of Defense is correct, and others are correct. I think we all agree that the tip of the spear is ready. It is tough and it is lethal.

But, just as important but not often discussed is the shaft of the spear. Range, sustainability, lethality, accuracy and the deterrence capacity of the spear as a weapon is greatly reduced if the shaft is weak or damaged.

What comprises the shaft of our military readiness spear?

Let us try the adequacy of critical air and sea lift to sustain the force or get the force to the fight in a timely manner.

Let us try the adequacy of the reserve of key repair parts and weapons inventory to sustain the battle.

Let us talk about the effectiveness and adequacy of training time and funding.

We should mention the impact of quality of life from pay to health care to housing on the warrior's willingness—and they are warriors—to commit to a career in the military.

We should mention the impact of the significant operational tempo of the military and the impact that has on the total military spear.

We should also mention the effect of mission quality and duration on readiness to fight and win the nation's wars; and

The services' preparation for the future, joint battlefield in an environment where asymmetric warfare will be the norm and the battlefield may be in an urban environment.

I do not mean to pick on Mr. Bacon, notwithstanding his comments, the primary purpose of our military as defined from Clausewitz to Colin Powell is the readiness of the force to carry out the National Strategy. I have grave concerns that if we look behind the tip of the spear of U.S. military readiness, our forces are not ready. And, if that is banging on our readiness capability with a tin cup, so be it.

The point is that we in the Congress have the obligation and responsibility to provide the resources our Armed Forces need to protect our vital national interests.

There is the real debate that should take place. Our former NATO allied commander, Wes Clark recently asked the real pertinent question. How should the armed services be used? If readiness is a priority, what is it we should be ready for? General Clark said it's high time we had this debate and settled the issue.

While I am not sure we will ever settle the issue, it is time for the debate and I have a suggestion, I even have a road map.

The Senator from Georgia has during our past dialogues referred to the Commission on America's National Interests and the Commission's valuable 1996 report. As a matter of fact, we have both referred to this report and we found it most helpful.

The good news is that the commission has updated its findings for the year 2000. I have it in my hand. It has set forth a clear and easy-to-understand list of recommendations that at least in part can answer the question posed by General Clark and many others: ''Ready for what?''

Senator CLELAND referred to this challenge during his testimony with the Joint Chiefs last week. He pointed out, as I have tried to do in some respects, America is adrift, spending a great deal of time in what may be important interests we all agree with but ignoring matters of vital national interest.

The authors have summarized the national interest by saying that we have vital national interests: We have extremely important, we have important, and less important or secondary interests.

My dear friend knows we are spending an awful lot of time on important issues and less important or secondary issues—as far as I am concerned, not enough time with extremely important and vital.

I commend this report to the attention of my colleagues and all interested parties. The commission has identified six cardinal challenges for our next President and the next Congress more along the lines of the principles that we have agreed to and we will recommended in just a moment.

I ask unanimous consent the executive summary from the report by the Commission on America's National Interests, which is much shorter than the book, be printed in the RECORD following the conclusion of our remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. ROBERTS. I yield to my distinguished friend.

Mr. CLELAND. I thank Senator ROBERTS for that wonderful presentation.

We have reached several conclusions in this year-long dialog regarding America's global role. Before I get to some of the conclusions, may I say a special thank-you to my key staff members. Mr. Bill Johnstone, who has been the absolute force behind my remarks and has helped my thought process for a number of years as we have discussed American foreign policy issues, a special thanks goes to him. A special thanks also to Tricia Heller of my staff, and Andy Vanlandingham; they have been invaluable in helping me form some of my conclusions about America's global role in the world.

I thank very much my dear friend from Kansas. It is an honor to be with him, continuing our dialog on America's role in the world in the 21st century, particularly in terms of military commitments, our footprint around the world, so to speak, and its rationale. It is a pleasure to stand shoulder to shoulder with him in a bipartisan way, to see if we can't find a consensus that might lead us well into the 21st century in terms of our foreign policy.

Mr. President, when Senator ROBERTS and I embarked on this series of Global Role Dialogues back in February, we set as our goal the initiation of a serious debate in this great institution of the United States Senate on the proper role of our country in the post-cold war world. We both believed—and continue to believe—that such a process is absolutely necessary if we are to arrive at the bipartisan consensus on national security policy which our Nation so badly needs, but has been lacking since the fall of the Soviet Union. While the vagaries of Senators' schedules have unfortunately limited somewhat our ability to involve more Senators in this process, I want to thank Senators HUTCHISON, HAGEL, LUGAR and LEVIN who all made important contributions to these discussions. Senator ROBERTS and I will be exploring ways in which we can broaden this dialogue in the next Congress.

When we began our discussions we also indicated that we had far more questions than definitive answers. And while we cannot claim to have found any magic solutions or panaceas for the challenges facing the United States on the global scene as we approach the end of the Twentieth Century, I believe I can speak for Senator ROBERTS when I say that we believe we have learned much from the writings and statements of many, many others, in this country and abroad, who have thoughtfully considered these questions we have been examining.

We have drawn heavily on the work of such entities as the Commission on America's National Interests—on which Senator ROBERTS serves with distinction—, the U.S. Commission on National Security/21st Century, and the ODC's America's National Interests in Multilateral Engagement: A Bipartisan Dialogue. We have consulted the work of a large number of academics, and governmental, military and opinion leaders from around the world. And, for myself, I have certainly learned a great deal from my friend and colleague, the distinguished Senator from Kansas.

While what we are about to say is far from complete and very much a work in progress, we believe it is only fair to provide the Senate—which has indulged us with many hours of floor time to pursue this project—and to those who have followed our efforts with interest and encouragement to lay out the lessons we have learned and some general principles which we believe should guide our national security policies in the years ahead.

At this point, I yield again to my partner in these dialogues, Senator PAT ROBERTS of Kansas, but first I want to thank him for all of his help in this undertaking. His experience, his good humor and his wisdom have made our dialogues both instructive and extremely enjoyable. I yield to Senator ROBERTS.

Mr. ROBERTS. Mr. President, with all those accolades, the Senator missed one—I had one other line in there.

I commend my good friend for his commonsense approach to our country's future. I thank him. I applaud him for his leadership. He has begun what I think is a trail-blazing initiative. This has been, as he has indicated, a year-long bipartisan foreign policy dialog endeavor. We thank staff and various folks on the floor for their patience. I learned a great deal from the distinguished Senator from Georgia. He said he learned from me. I learned from him.

As the Senator mentioned, we would now like to present our lessons learned from our year-long dialogs, these dialogs that we began because we both felt our foreign policy agenda had run aground. We wanted to start a series of these dialogs, these debates or colloquys, in order to arrive at a consensus concerning the future of our Nation's foreign and defense policies.

We condensed our five dialogs into seven foreign policy principles. These principles are not only a compilation of our dialogs, but also a summary of the lessons learned from the various discussions with colleagues, as the Senator has indicated, foreign policy elites, from academia and the government, and from several consultations with many military leaders. These seven foreign policy principles are simple. They are realistic. They are sustainable. We believe they would support and secure our national interests. We strongly believe the following principles are a step in the right direction.

We urge the next administration of Congress and all of our colleagues in the Congress to begin the process of trying to articulate a coherent national security strategy.

I again yield to the Senator from Georgia.

Mr. CLELAND. Mr. President, these are not the ''seven deadly sins,'' but I think in many ways it is a sin if we violate these basic fundamental lessons that we have learned.

First and foremost, we believe as a nation—including government, media, academia, personalities, and other leaders—we need to engage in a serious and sustained national dialog to do

several things: First, define our national interests and differentiate the level of interest involved, spell out what we should be prepared to do in defense of those interests; second, build a bipartisan consensus in support of the resulting set of interests and policies.

As a starting point, within the Senate, we would encourage the Foreign Relations Committee and our own Armed Services Committee upon which we both sit to hold hearings on the finished products of the Commission on America's National Interests, the U.S. Commission on National Security/21st Century and other relevant considerations of these critical topics.

I yield to the Senator from Kansas.

Mr. ROBERTS. Here is principle No. 2 that the distinguished Senator and I have agreed upon.

The President and the Congress need to, first, find more and better ways to increase communications with the American public. We both have talked about this at length in our previous discussion with the American public on the realities of our international interests and the costs of securing them.

I could go into a long speech on how I tried to convince the Kansas wheat farmer that first he must have security, then he must have stability, then he must have an economic future, then he may get $4 wheat at the country elevator, but it all starts with security.

Second, it finds more and better ways to increase the exchange of ideas and experiences between government and the military to avoid the broadening lack of military experience in the political elite. We must find more and better ways of ensuring that both the executive and legislative branches fulfill their constitutional responsibilities in national security policy concerning military operations other than declared war.

And, as a result of our second principle, Senator CLELAND sponsored the bill of which I was proud to cosponsor, S. 2851, requiring the President to report on certain information before deployments of armed forces. This bill basically requires the President to report information of overt operations very similar to the law requiring the President to report certain information prior to covert operations. It makes sense to me. I yield to the Senator from Georgia.

Mr. CLELAND. Third, the President and the Congress need to urgently address the mismatch between our foreign policy ends and means, and between commitments and forces by:

Determining the most appropriate instrument—diplomatic, military, or other—for securing policy objectives;

Reviewing carefully current American commitments—especially those involving troop deployments—including the clarity of objectives, and the presence of an exit strategy; and

Increasing the relatively small amount of resources devoted to the key instruments for securing our national interests—all of which can be supported by the American public, as detailed in ''The Foreign Policy Gap: How Policymakers Misread the Public'' from the University of Maryland's Center for International and Security Studies.

These include:

Armed Forces—which need to be reformed to meet the requirements of the 21st Century;

Diplomatic Forces;

Foreign Assistance;

United Nations Peacekeeping Operations—which also need to be reformed to become much more effective;

Key Regional Organizations—including NATO, the Organization of American States, the Organization for African Unity and the Association of South East Asian Nations.

I again yield to Senator ROBERTS.

Mr. ROBERTS. Let's try principle No. 4. We are the only global superpower, and in order to avoid stimulating the creation of a hostile coalition of other nations, the United States should, and can afford to, forego unilateralist actions, except where our vital national interests are involved.

The U.S. should pay international debt.

The U.S. must continue to respect and honor international commitments and not abdicate our global role leadership.

Finally, the U.S. must avoid unilateral economic and trade sanctions. Unilateral sanctions simply don't work as a foreign policy tool. They put American businesses, workers, and farmers at a huge competitive disadvantage. The U.S. needs to take a harder look at alternatives, such as multilateral pressure and more effective U.S. diplomacy.

I yield to the distinguished Senator from Georgia.

Mr. CLELAND. Fifth, with respect to multilateral organizations, the United States should:

More carefully consider NATO's new Strategic Concept, and the future direction of this, our most important international commitment; Press for reform of the UN's and Security Council's peacekeeping operations and decisionmaking processes; Fully support efforts to strengthen the capabilities of regional organizations including the European Union, the Organization of American States, the Organization for African Unity, and the Association of Southeast Asian Nations—to deal with threats to regional security; and

Promote a thorough debate, at the UN and elsewhere, on proposed standards for interventions within sovereign states.

I yield to the distinguished Senator from Kansas.

Mr. ROBERTS. Principle No. 6: In the post-cold-war world, the U.S. should adopt a policy of realistic restraint with respect to the use of U.S. military force in situations other than those involving the defense of vital national interests. In all other situations, we must: Insist on well-defined political objectives; determine whether nonmilitary means will be effective, and if so, try them prior to any recourse to military force. We should remember the quote from General Shelton:

> The military is the hammer in our foreign policy toolbox but not every problem is a nail.

We should ascertain whether military means can achieve the political objectives.

We should determine whether the benefits outweigh the costs (political, financial, military), and that we are prepared to bear those costs.

We should determine the ''last step'' we are prepared to take if necessary to achieve the objectives.

I wonder what that last step would be. It is one thing to have a cause to fight for. It is another thing to have a cause that you are willing to die for. In too many cases today, it doesn't seem to me that we have the willingness to enter into a cause in which we are ready to die but it seems to me we are sure willing to risk the lives of others in regards to limited policy objectives. That's not part of the principle. That's just an observation in regard to the last step recommendation.

We should insist that we have a clear, concise exit strategy, including sufficient consideration of the subsequent role of the United States, regional parties, international organizations and other entities in securing the long-term success of the mission—Kosovo is a great example.

Finally, insist on Congressional approval of all deployments other than those involving responses to emergency situations.

The Senator referred to the amendment introduced by the distinguished chairman of the Armed Services Committee, Senator WARNER, and that of Senator BYRD. I voted for that. I do not think it was an abdication of our responsibilities.

Again, those of us in Congress, the majority, should approve all deployments other than those involving responses to emergency situations.

I yield to the Senator.

Mr. CLELAND. Beautifully said. I could not have said it better, nor concur more.

Finally, the United States can, and must, continue to exercise international leadership, while following a policy of realistic restraint in the use of military forces in particular, by:

Pursuing policies that promote a strong and growing economy, which is the essential underpinning of any nation's strength; maintaining superior, ready and mobile armed forces, capable of rapidly responding to threats to our national interests; strengthening the non-military tools discussed above for securing our national interests; and making a long-term commitment to promoting democracy abroad via a comprehensive, sustained program which makes a realistic assessment of the capabilities of such a program as described by Thomas Carothers in his

excellent primer on ''Aiding Democracy Abroad: The Learning Curve''.

I hope it is very clear that Senator ROBERTS and I are not advocating a retreat from America's global leadership role, and are not advocating a new form of isolationism. We both believe our country has substantial and inescapable self-interests which necessitate our leadership. However, when it comes to the way we exercise that leadership, especially when it involves military force, we do believe that our national interests sometimes require that we use restraint. The alternatives—whether a unilateralism which imposes direct resource costs far beyond what the Congress or the American people have shown a willingness to finance or an isolationism which would fail to secure our national interests in this increasingly interconnected world—are, in our judgment, unacceptable.

Over the course of these dialogues, Senator ROBERTS and I have both turned to the following words from the editor of the publication National Interest, Owen Harries:

I advocate restraint because every dominant power in the last four centuries that has not practiced it—that has been excessively intrusive and demanding—has ultimately been confronted by a hostile coalition of other powers. Americans may believe that their country, being exceptional, need have no worries in this respect. I do not agree. It is not what Americans think of the United States but what others think of it that will decide the matter.

On his desk at the Pentagon when he was Chairman of the Joint Chiefs of Staff, Colin Powell kept a quote from the great Athenian historian Thucydides:

Of all manifestations of power, restraint impresses men most.

With great thanks to my distinguished colleague, Senator ROBERTS, and to the Senate, I conclude these dialogs on the global role of the United States. I yield the floor.

EXHIBIT 1

COMMISSION ON AMERICA'S NATIONAL INTERESTS—EXECUTIVE SUMMARY

This report of the Commission on America's National Interests focuses on one core issue: what are U.S. national interests today? The U.S. enters a new century as the world's most powerful nation, but too often seems uncertain of its direction. We hope to encourage serious debate about what must become an essential foundation for a successful American foreign policy: America's interests. We have sought to identify the central questions about American interests. Presuming no monopoly of wisdom, we nevertheless state our own best answers to these questions as clearly and precisely as we can—not abstractly or diplomatically. Clear assertions that some interests are more important than others will unavoidably give offense. We persist—with apologies—since our aim is to catalyze debate about the most important U.S. national interests. Our six principal conclusions are these:

America advantaged.—Today the U.S. has greater power and fewer adversaries than ever before in American history. Relative to any potential competitor, the U.S. is more powerful, more wealthy, and more influential than any nation since the Roman empire. With these extraordinary advantages, America today is uniquely positioned to shape the international system to promote international peace and prosperity for decades or even generations to come.

America adrift.—Great power implies great responsibility. But in the wake of the Cold War, the U.S. has lost focus. After four decades of unprecedented single-mindedness in containing Soviet Communist expansion, the United States has seen a decade of ad hoc fits and starts. A defining feature of American engagement in recent years has been confusion. The reasons why are not difficult to identify. From 1945 to 1989, containment of expansionist Soviet communism provided the fixed point for the compass of American engagement in the world. It concentrated minds in a deadly competition with the Soviet Union in every region of the world; motivated and sustained the build-up of large, standing military forces and nuclear arsenals with tens of thousands of weapons; and precluded the development of truly global systems and the possibility of cooperation to address global challenges from trade to environmental degradation. In 1989 the Cold War ended in a stunning, almost unimaginable victory that erased this fixed point from the globe. Most of the coordinates by which Americans gained their bearings in the world have now been consigned to history's dustbin: the Berlin Wall, a divided Germany, the Iron Curtain, captive nations of the Warsaw Pact, communism on the march, and, finally, the Soviet Union. Absent a compelling cause and understandable coordinates, America remains a superpower adrift.

Opportunities missed and threats emerging.—Because of the absence of coherent, consistent, purposive U.S. leadership in the years since the Cold War, the U.S. is missing one-time-only opportunities to advance American interests and values. Fitful engagement actually invites the emergence of new threats, from nuclear weapons-usable material unaccounted for in Russia and assertive Chinese risk-taking, to the proliferation of weapons of mass destruction (WMD) and the unexpectedly rapid emergence of ballistic missile threats.

The foundation for sustainable American foreign policy.—The only sound foundation for a sustainable American foreign policy is a clear sense of America's national interests. Only a foreign policy grounded in America's national interests can identify priorities for American engagement in the world. Only such a policy will allow America's leaders to explain persuasively how and why American citizens should support expenditures of American treasure or blood.

The hierarchy of American national interests.—Clarity about American national interests demands that the current generation of American leaders think harder about international affairs than they have ever been required to do. During the Cold War we had clearer, simpler answers to questions about American national interests. Today we must confront again the central questions: Which regions and issues should Americans care about—for example, Bosnia, Rwanda, Russia, Mexico, Africa, East Asia, or the Persian Gulf? Which issues matter most—for example, opening markets for trade, investment opportunities, weapons of mass destruction (WMD), international crime and drugs, the environment, or human rights? Why should Americans care? How much should citizens be prepared to pay to address these threats or seize these opportunities?

The Commission has identified a hierarchy of U.S. national interests: ''vital interests,'' ''extremely important interests,'' ''important interests,'' and ''less important or secondary interests.'' This Report states our own best judgment about which specific American national interests are vital, which are extremely important, and which are just important. Readers will note a sharp contrast between the expansive, vague assertions about vital interests in most discussion today, and the Commission's sparse list. While others have claimed that America has vital interests from the Balkans and the Baltics to pandemics and Taiwan, the Commission identifies only five vital U.S. national interests today. These are (1) to prevent, deter, and reduce the threat of nuclear, biological, and chemical weapons attacks on the United States or its military forces abroad; (2) to ensure U.S. allies' survival and their active cooperation with the U.S. in shaping an international system in which we can thrive; (3) to prevent the emergence of hostile major powers or failed states on U.S. borders; (4) to ensure the viability and stability of major global systems (trade, financial markets, supplies of energy, and the environment); and (5) to establish productive relations, consistent with American national interests, with nations that could become strategic adversaries, China and Russia.

Challenges for the decade ahead.—Developments around the world pose threats to U.S. interests and present opportunities for advancing Americans' well-being. Because the United States is so predominant in the economic, technical, and military realms, many politicians and pundits fall victim to a rhetoric of illusion. They imagine that as the sole superpower, the U.S. can simply instruct other nations to do this or stop that and expect them to do it. But consider how many American presidents have come and gone since President Kennedy consigned Fidel Castro to the dustbin of history. Students of history will recognize a story-line in which a powerful state emerges (even if accidentally), engenders resentment (even when it acts benevolently), succumbs to the arrogance of power, and thus provokes new threats, from individual acts of terrorism to hostile coalitions of states. Because America's resources are limited, U.S. foreign policy must be selective in choosing which issues to address seriously. The proper basis for making such judgments is a lean, hierarchical conception of what American national interests are and what they are not. Media attention to foreign affairs reflects access to vivid, compelling images on a screen, without much consideration of the importance of the U.S. interest threatened. Graphic international problems like Bosnia or Kosovo make consuming claims on American foreign policy to the neglect of issues of greater importance, like the rise of Chinese power, the unprecedented risks of nuclear proliferation, the opportunity to increase the openness of the international trading and financial systems, or the future of Mexico.

Based on its assessment of specific threats to and opportunities for U.S. national interests in the final years of the century, the Commission has identified six cardinal challenges for the next U.S. president:

Strengthen strategic partnerships with Japan and the European allies despite the absence of an overwhelming, immediate threat;

Facilitate China's entry onto the world stage without disruption;

Prevent loss of control of nuclear weapons and nuclear weapons-usable materials, and contain the proliferation of biological and chemical weapons;

Prevent Russia's reversion to authoritarianism or disintegration into chaos;

Maintain the United States' singular leadership, military, and intelligence capabilities, and its international credibility; and

Marshal unprecedented economic, technological, military, and political advantages to shape a twenty-first century global system that promotes freedom, peace, and prosperity for Americans, our allies, and the world.

For each of these challenges, and others, our stated hierarchy of U.S. national interests provides coordinates by which to navigate the uncertain, fast-changing international terrain in the decade ahead.

SUMMARY OF U.S. NATIONAL INTERESTS

Vital

Vital national interests are conditions that are strictly necessary to safeguard and enhance Americans' survival and well-being in a free and secure nation.

Vital U.S. national interests are to:

1. Prevent, deter, and reduce the threat of nuclear, biological, and chemical weapons attacks on the United States or its military forces abroad;
2. Ensure U.S. allies' survival and their active cooperation with the U.S. in shaping an international system in which we can thrive;
3. Prevent the emergence of hostile major powers or failed states on U.S. borders;
4. Ensure the viability and stability of major global systems (trade, financial markets, supplies of energy, and the environment); and
5. Establish productive relations, consistent with American national interests, with nations that could become strategic adversaries, China and Russia.

Instrumentally, these vital interests will be enhanced and protected by promoting singular U.S. leadership, military and intelligence capabilities, credibility (including a reputation for adherence to clear U.S. commitments and even-handedness in dealing with other states), and strengthening critical international institutions—particularly the U.S. alliance system around the world.

Extremely Important

Extremely important national interests are conditions that, if compromised, would severely prejudice but not strictly imperil the ability of the U.S. government to safeguard and enhance the well-being of Americans in a free and secure nation.

Extremely important U.S. national interests are to:

1. Prevent, deter, and reduce the threat of the use of nuclear, biological, or chemical weapons anywhere;
2. Prevent the regional proliferation of WMD and delivery systems;
3. Promote the acceptance of international rules of law and mechanisms for resolving or managing disputes peacefully;
4. Prevent the emergence of a regional hegemon in important regions, especially the Persian Gulf;
5. Promote the well-being of U.S. allies and friends and protect them from external aggression;
6. Promote democracy, prosperity, and stability in the Western Hemisphere;
7. Prevent, manage, and, if possible at reasonable cost, end major conflicts in important geographic regions;
8. Maintain a lead in key military-related and other strategic technologies, particularly information systems;
9. Prevent massive, uncontrolled immigration across U.S. borders;
10. Suppress terrorism (especially state-sponsored terrorism), transnational crime, and drug trafficking; and
11. Prevent genocide.

Important

Important national interests are conditions that, if compromised, would have major negative consequences for the ability of the U.S. government to safeguard and enhance the well-being of Americans in a free and secure nation.

Important U.S. national interests are to:

1. Discourage massive human rights violations in foreign countries;
2. Promote pluralism, freedom, and democracy in strategically important states as much as is feasible without destabilization;
3. Prevent and, if possible at low cost, end conflicts in strategically less significant geographic regions;
4. Protect the lives and well-being of American citizens who are targeted or taken hostage by terrorist organizations;
5. Reduce the economic gap between rich and poor nations;
6. Prevent the nationalization of U.S.-owned assets abroad;
7. Boost the domestic output of key strategic industries and sectors;
8. Maintain an edge in the international distribution of information to ensure that American values continue to positively influence the cultures of foreign nations;
9. Promote international environmental policies consistent with long-term ecological requirements; and
10. Maximize U.S.-GNP growth from international trade and investment.

Instrumentally, the important U.S. national interests are to maintain a strong UN and other regional and functional cooperative mechanisms.

Less Important or Secondary

Less important or secondary national interests are not unimportant. They are important and desirable conditions, but ones that have little direct impact on the ability of the U.S. government to safeguard and enhance the well-being of Americans in a free and secure nation.

Less important or secondary U.S. national interests include:

1. Balancing bilateral trade deficits;
2. Enlarging democracy everywhere for its own sake;
3. Preserving the territorial integrity or particular political constitution of other states everywhere; and
4. Enhancing exports of specific economic sectors.

The PRESIDING OFFICER. The distinguished Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I have been fascinated and informed by the colloquy that has been ongoing between the Senator from Kansas and the Senator from Georgia. I have been honored to serve on the Armed Services Committee with the two of them. I know they take these issues seriously, and it is, indeed, appropriate we begin to think through clearly what the role of the United States is and what the role of Congress is in establishing U.S. policy.

I thank them for those observations. They are very valuable. I agree with them that we need to involve the American people in this. The great American experiment that has guided us so far has allowed the people to rule. We do not need to do it under the table without full and open debate.

I strongly believe we must not as a nation abdicate our ability to act unilaterally when our national interest is at stake, or else why have we invested so greatly to establish this magnificent military? We cannot rely on a majority vote of the U.N. We cannot rely on the fact that we may override or avoid a veto in the Security Council. We have to be prepared to take care of our own interests. I thank my colleagues for the dialog.

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ENERGY

Mr. SESSIONS. Mr. President, energy prices are going up; gasoline prices are up. I doubt there are many families who do not spend $60 a month on gasoline. Those who commute, those who have children with vehicles, a husband and wife working may have two or three vehicles per family and not be wealthy. They may be paying $100 a month or more for gasoline. If they were paying $60 a month for gasoline 18 months ago, they are now paying over $90 a month. If they were paying $100 a month last year, they are probably paying over $150 a month this year.

That is $50 a month or $30 a month, perhaps more in some families, withdrawn from the usable income of that family, money with which they no longer can buy shoes, a new set of tires for their car, to go on a vacation with their children, take the kids to a ball game, buy shoes for them to play soccer or basketball, baseball, or volley ball. That is $50 a month extra of aftertax money that American citizens had 15, 18 months ago and no longer have today. That is because the price of energy has gone up.

In addition, businesses are facing those same increases. I traveled a couple of months ago with a full-time truck driver and his wife. I traveled from north of Birmingham to Clanton to Montgomery and discussed with them the problems they are facing. They are paying up to $800 to $1,000 a month extra to operate their truck. They try to pass it on, which increases the costs down the road, but they are not able to pass it all on and it is reducing their standard of living. They have, in fact, less money with which to go to the store and buy products.

What does that ultimately mean? It means there are going to be fewer widgets bought, there are going to be fewer shoes bought, there are going to be fewer new cars bought, fewer new houses bought and many other things we would like to purchase. We will not be able to purchase those items because OPEC, through its price-gouging cartel, has fixed the oil and gas prices and driven them up to an extraordinary degree. As a result, it is hurting us. We know this. We know the economy appears to have some slowing. We know that profit margins across the board have been shrinking significantly, and we know that higher energy costs are a big reason for that.

I say that because we are talking about some very big issues. If you do not have money to purchase, let's say you purchase 8 things this month instead of what you would normally purchase, 10, there is somebody who would have made those other 2 items, somebody who would have sold those other 2 items; they may not be able to continue to do that. What does that do to

the producing business? It puts stress on them. It can cool off this robust economy with which we have been blessed for quite a number of years.

Kofi Annan, the Secretary General of the U.N., wrote an editorial recently which I was pleased to read. He pointed out how it hurts poor nations more than wealthy nations, but it hurts wealthy nations, too. Wealthy nations are hurt when poor nations do not have money to buy products from us. We sell all over the world. Whatever cools off the entire world economy cools off the American economy and jeopardizes jobs.

What caused us to come to this point? I say with confidence that it is the Clinton-Gore policies, primarily Vice President AL GORE's energy policies, that have been involved here. The simple fact is that those policies are driven by and motivated at the deepest level by his adoption of a radical, no-growth agenda that is playing in his book. He set it out some years ago. People are astounded when they read that book because he is deeply revealing of a philosophy that we ought to reduce spending on energy and that will somehow drive up costs and we will use less oil, less gas, we will ride bicycles and use solar cells, and that is how we are going to meet our national energy policy.

The trouble is that solar cells cost 4, 5, 10 times as much as fossil fuels do to produce energy. Who is going to pay for that? Working Americans are going to pay for that while some elite people think it is a cool idea and for which they are not paying the price. They can afford to pay it perhaps. We are into that mood now. This radical agenda is demonstrated by the policies that have been carried out systematically since this administration took office.

It has been steady, and it has been regular. They have not said our policy is to raise prices. They are too clever for that. They are not going to allow that spin to get about. What have they done against the consistent opposition of Members in this body who have warned over and over that reducing production of American fuels was going to lead us to a crisis? What have they done? They have opposed drilling in the ANWR region of Alaska which has huge reserves equal to 30 years of the production in Saudi Arabia. This one little area amounts to the size of Dulles Airport. It is a very small area with huge reserves. They vetoed legislation that would have allowed us to produce oil and gas to help meet our needs. Over vigorous debate in this Senate and a strong majority vote, it was vetoed by the Clinton-Gore administration.

What else? They steadfastly oppose nuclear power. France has gone from 60 percent of their power nuclear to 80 percent. Industrialized nations realize it is the cleanest, safest of all sources of energy with unlimited capacity to produce electricity, with no air pollution—virtually no air pollution, and only a small amount of waste that we can easily store in the Nevada desert. Oh, no, President Clinton and Vice President GORE vetoed the ability for us to store that waste in the Nevada desert, therefore, helping shut down our nuclear energy. We have not brought on a nuclear plant in over 20 years in this country.

We are denying ourselves that capacity to produce energy. There are huge reserves of natural gas in the Rocky Mountain areas. Natural gas is the cleanest burning of all our fossil fuels. All our electric-generating plants today are natural gas plants. We are hitting a crisis in the production of natural gas. They refuse to allow those Federal lands in the Rocky Mountain areas, almost all of it owned by the Federal Government, to produce natural gas, which isn't a dangerous fuel to produce. It doesn't pour oil all out on the ground; it is an evaporative gas. It is safe to produce. Certainly we could do that.

They are opposed to drilling offshore. In fact, Vice President GORE, during his campaigning in New Hampshire, promised not only to not approve any additional offshore drilling of natural gas but to consider rolling back existing leases that have already been issued.

How are we going to meet our energy needs for natural gas if we cannot produce it? There are many other areas where, through regulation, we basically shut off coal as a viable option for expanding our energy needs. In fact, even though we are much more efficient than we have ever been with electric energy, we need more. The projections are that we will have a substantial increase in demand even though we are improving our efficiency steadily. So that is the problem we are facing.

The problem is that when OPEC realized our demand was increasing, and the world demand was increasing, and our own domestic production was decreasing 14 percent, while demand was going up 18 to 20 percent, they were able to reduce production, force the price up to exorbitant levels, and make themselves rich. In fact, it was a political decision by governmental leaders to force up the price. It was not even a free market decision. It was a political decision by the leaders of these oil-producing nations because of our failure to produce energy and because we have become dependent on their oil. So they have been able to demand what they want to in price. Our politicians lost to their politicians. Their politicians beat our politicians.

And who is paying the price? The American citizen, when he goes to the gas pump, when he buys his heating oil, when he goes and buys a product. It is more expensive today to buy that product than it was before because of increased gasoline prices in the whole production system. That is what has happened. We have been taken to the cleaners. To me it is as if we put a tax on the gasoline, but instead of taxing gasoline 50, 60 cents a gallon extra where the revenue comes to Washington so it at least can be spent in the United States, it is, in effect, a 50-, 60-cent tax that goes to Saudi Arabia, Venezuela, and the Middle East. The OPEC cartel gets our tax. They are taxing our wealth and sending it abroad.

This has the capacity to kill the economic growth this Nation has been experiencing. It has the capacity to drain our wealth to the degree that this economy could slow down. It could even go into recession because we have done nothing to deal with it. We have done nothing. The only thing, in the long run, that we can do is to make sure we produce what we have.

We have virtually unlimited reserves of natural gas and oil in the United States—certainly for decades to come. There are myths that we do not have enough. We have large reserves. We should have been producing those more effectively. But the policies of this administration have been to reduce our production.

And as night follows day, the price is going to go up. It threatens not only the pocketbook of a mother who is trying to now get by—she was paying $100 a month for the family's gasoline; now she is paying $150 a month for the family's gasoline. She cannot buy things at the store she used to buy. And the producers of those products are now going to have to lay off workers because people are not buying those products at the rate they were previously buying them.

This is not an itty-bitty issue. This is a tremendous issue for our country. I hope it will be discussed tonight in the debate. I hope it will be made a part of this campaign. I believe, with an absolute conviction, that if we allow these international greedy producing nations to jerk us around, to take money from the average mother and father and working American when they go to the gas pump, having their money sent to those nations, they can hurt us badly. It hurts a lot of people.

I pumped gas a few months ago and washed people's windshields. I talked to them about the costs they were facing. I talked to a young lady in her early twenties. She was going to college 3 days a week. The college she attended was 30 miles up the road. She talked about how much her gas bill was. She was trying to save money for tuition. Her car was not a new car. She said she would like to have a new car, but she could not afford it. That extra cost was coming out of her pocket.

This is a real issue. It hurts our families. They have less money in their pocket and in the family budget because it has to be spent on gasoline. It is hurting businesses. Their profits are down. Home building is down.

What will happen in the future? I don't know. But if we do not get in this ballgame, if we do not challenge OPEC and figure out a way to break that cartel, and if we do not increase our own production of energy, we will have

what we have had numerous times before; and that is, a recession driven by increased energy costs. What a tragedy that will be. It should not happen.

Our projections are and our needs as a nation are to continue this prosperity, to continue the surplus we have been able to generate in this Government, and to pay down our debt and to be able to do some things we wish we could have done before. This is a glorious time for us.

I believe we have to take strong action. I have been frustrated that this administration remains steadfast in blocking, time and again, any step to increase our production of energy. And that has no more consequence but one: When you reduce production, it will drive up costs.

I thank the Chair and, again, express my appreciation for his fine remarks on national defense.

Mr. President, I yield the floor.

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ORDERS FOR WEDNESDAY, OCTOBER 4, 2000

Mr. ROBERTS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it recess until the hour of 9:30 a.m. on Wednesday, October 4. I further ask unanimous consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the conference report to accompany H.R. 4578, the Interior appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

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PROGRAM

Mr. ROBERTS. Mr. President, for the information of all Senators, the Senate will immediately resume the Interior appropriations conference report at 9:30 a.m. tomorrow morning. The Senate will remain on the conference report until it is disposed of. It is hoped that a final vote will occur no later than tomorrow afternoon. The Senate could consider any other appropriations conference reports as well as the continuing resolution providing for the continued operations of the Federal Government until October 14, 2000.

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RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERTS. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 7:49 p.m., recessed until Wednesday, October 4, 2000, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 3, 2000:

DEPARTMENT OF STATE

RICHARD A. MESERVE, OF VIRGINIA, TO BE AN ALTERNATIVE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE FORTY-FOURTH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

PHILLIP N. BREDESEN, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2005, VICE WALTER ANDERSON, TERM EXPIRED.

THE JUDICIARY

MELVIN C. HALL, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF OKLAHOMA VICE RALPH G. THOMPSON, RETIRED.

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CONFIRMATIONS

Executive nominations confirmed by the Senate October 3, 2000:

THE JUDICIARY

MICHAEL J. REAGAN, OF ILLINOIS, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ILLINOIS.

SUSAN RITCHIE BOLTON, OF ARIZONA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA.

MARY H. MURGUIA, OF ARIZONA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA.

JAMES A. TEILBORG, OF ARIZONA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA.

EXTENSIONS OF REMARKS

HONORING ROBERT CROISSANT

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. McINNIS. Mr. Speaker, I would like to take this moment to celebrate the life of a truly remarkable human being, Robert Croissant. Bob recently passed away after a battle with heart troubles. He lived every day to its fullest and truly enjoyed the gifts life had to offer. As family and friends mourn this immense loss, I would like to pay tribute to this great Coloradan.

Bob was born in Kuner, Colorado, a small farming town on the eastern plains. The communities where he grew up were wholly dependent upon agriculture, and growing up he very quickly learned to appreciate the importance of this trade. After graduating from Greeley High School, he attended Colorado A&M, which is known today as Colorado State University. Attending college was not Bob's original plan in life, but after realizing the possibilities it held for his future in the agricultural profession, he was hooked. Eventually, he earned his degree in Agronomy.

Bob's love and fascination for farming soon drew him back to eastern Colorado. Soon after graduating, the university's agricultural extension office was in need of an Assistant County Agent, and he took the position. After helping the farmers of Logan County in this position, he moved to Burlington, Colorado, where he was promoted to County Director.

Bob's knowledge of agriculture was unparalleled in eastern Colorado and his aid to farmers was immeasurable. He was well known for meeting farmers at breakfast where he would examine the crops that were brought in on-sight. Bob's widespread efforts in the agricultural arena were slowed down significantly when a heart condition required him to stop his extensive travels. He and his wife then moved to Ft. Collins, where Bob continued to work at Colorado State University as a professor.

Although he may not have been as agile as he once was, he still found a way to stay involved in the profession he loved. He could also be found at nearby 4–H events, where he passed along his expertise in agriculture to young people.

Bob Croissant was a truly remarkable person and he will be greatly missed. He leaves behind a wonderful and loving family. Mr. Speaker, on behalf of the State of Colorado and the U.S. Congress I ask that we take this moment to honor a beloved and cherished Coloradan.

INTRODUCTION OF THE BUSINESS METHOD PATENT IMPROVEMENT ACT OF 2000

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. BOUCHER. Mr. Speaker, I am pleased to join my colleague from California, Mr. Berman, in introducing the Business Method Patent Improvement Act of 2000. As we look forward to shaping intellectual property law for the 21th Century, few issues in the 107th Congress will be more important than deciding whether, and under what conditions, the government should be issuing ''business method'' patents.

Two years ago, the U.S. Court of Appeals for the Federal Circuit ruled in the State Street Bank decision that a patent could be issued on a method of doing business. Since then, the Patent and Trademark Office has been deluged with applications for business method patents. Unfortunately, the PTO has granted some highly questionable ones. Last year, it awarded a patent to Amazon.com for its ''one-click'' method of shopping at a web site. The press recently reported that the PTO is now on the verge of awarding a patent covering any computer-to-computer international commercial transaction.

Something is fundamentally wrong with a system that allows individuals to get patents for doing the seemingly obvious. The root of the problem is that the PTO does not have adequate information—what is called ''prior art''—upon which to determine whether a business method is truly non-obvious and therefore entitled to patent protection. We're introducing this legislation in an effort to repair the system before the PTO awards more monopoly power to people doing the patently obvious.

Not surprisingly, there has been a great deal of concern in the high-tech community that the continued award of business method patents could lead to a significant amount of wasteful litigation, could stifle the development of new technology, and could retard the development of the Internet. Consider for a moment a few of the more extreme cases now in the courts:

Amazon.com has sued Barnesandnoble.com, alleging that it infringed its ''one click'' shopping method, forcing its principal rival and other website merchants either to pay Amazon.com royalties for the use of any one click method or to use a ''two click'' means of selling books and records;

Priceline has sued Microsoft for offering a ''name your price'' service on its Expedia travel site, even though the market economy of the Western world and the theory of microeconomics is predicated on individuals setting a price at which they are willing to purchase something; and

The Red Cross has been sued for using computers to solicit contributions and donations from the public at large, even though philanthropy in this country has always depended on organizations making requests for contributions, whether by phone, in person, or through other means.

It should be said that in these instances, the patent covers the basic concept of the business method, such as the one click to check-out or using computers to solicit donations or accomplish commercial transactions across international borders. The creator of the intellectual property can always obtain a copyright on the software that implements a particular method of doing these things, and no one would complain. What is new and disturbing is obtaining ownership of the entire concept of performing seemingly obvious acts whatever individual method of implementation is used, foreclosing the opportunity for competitors to develop new and different means of entering the business.

I am hard-pressed to understand how the award of these kinds of patents will advance the greater public good. Under the Constitution, Congress has the power to grant inventors exclusive rights to their discoveries ''[t]o promote the Progress of Science and useful Arts. . . .'' Rewarding someone for ''inventing'' a method of doing something obvious on its face hardly seems to meet standard. In fact, rather than encouraging innovation, which is the purpose of the patent laws, it has the opposite effect by foreclosing entire markets to competition.

Our purpose in introducing this bill today is threefold. First, given the importance of the subject and the critical need to support the development of new technology and the growth of the Internet, we believe it is important to begin a public debate now about how Congress should respond to the State Street Bank decision. Second, we want to develop through legislation an appropriate framework for the PTO to assess the claims asserted by would-be business method inventors and to give the public a meaningful opportunity to participate before—not just after—a patent is awarded. And finally, we hope to force business method patent applicants to disclose all the relevant prior art to the PTO, rather than hiding the ball as some do now.

I want to stress that our bill does not outlaw or prohibit the award of business method patents. Rather, it is designed to ensure that these kinds of patents will only be issued when they truly represent something new and innovative—in other words, something that deserves protection.

Our bill makes one important substantive change to the law and addresses two fundamental procedural defects in the current system. And in doing so, it will help create an urgently needed database of prior art so that patent examiners will have a better basis for evaluating claims made by applicants in the future.

On substance, our bill would create the presumption that the computer-assisted implementation of an analog-world business method is obvious and thus is not patentable. In these

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

cases, the burden would be on the applicant to rebut the presumption of obviousness.

On procedure, we would add new protections at the beginning and at the end of the current process. Unfortunately, the public rarely knows when the PTO is evaluating a proposed business method patent application, and thus has no opportunity to bring prior art and other information to the attention of a patent examiner or to argue that the statutory criteria for the award of a patent is for other reasons not met before it is too late to do any good. We, therefore, would require the PTO to give the public at large an opportunity early in the patent review process to submit prior art information and evidence that the claimed invention is already in public use or is obvious. In addition, if asked, the PTO would be required to conduct a proceeding comparable to the discretionary public use proceeding already on the books.

At the end of the process, we would establish an opposition procedure so that the public at large would have one additional opportunity to challenge the award of a business method patent short of having to file a lawsuit. Decisions in these proceedings would be made by an administrative opposition judge chosen from a panel of examiners with special expertise in evaluating business method patents.

The bill makes two other important procedural changes. In cases involving business method patents, the burden of proof on the party seeking to show invalidity would be lowered from the current ''clear and convincing evidence standard'' to the ''preponderance of the evidence'' standard. And because we share the concern the PTO has about the lack of prior art being accessible to examiners, our bill would require an applicant for a business method patent to disclose the extent to which the applicant has searched for prior art.

Taken together, these changes will enable the PTO to do a better job when examining business method patent applications, and they will ensure that the American public has an opportunity to participate more fully in the process, which should reduce the risk of the PTO awarding any more patents on the patently obvious.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Ms. WOOLSEY. Mr. Speaker, due to an event in my District, I missed roll call votes #503–505. Had I been present, I would have voted:

Roll Call #503—Yea.

Roll Call #504—Yea.

Roll Call #505—No.

Regarding H.R. 3088, I wholeheartedly agree that victims of rape should be able to learn whether their assailant could have passed on the HIV virus to them. That's why I support addressing this issue in the Violence Against Women Act, and support women who have been raped and want to undergo an HIV test. However, H.R. 3088 could force innocent individuals to undergo HIV tests and have that information involuntarily disclosed to others. This Congress should not force the accused to undergo an HIV test until he has been proven guilty. Under this legislation, an individual who is indicted and may be able to prove his innocence would still be forced to undergo an HIV test. This bill has not been considered by the Judiciary Committee, and I believe that it strongly violates the principle that Americans are innocent until proven guilty.

PRIVACY COMMISSION ACT

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, October 2, 2000

Mrs. MINK of Hawaii. Mr. Speaker, I rise today to voice my strong opposition to H.R. 4049, the Privacy Commission Act.

H.R. 4049 will establish a commission to study how best to protect individual privacy. In eighteen months this commission will provide its findings to Congress and the President.

Congress is already well aware of the ability of public and private institutions to gather and share data. While the gathering of personal data has heralded improvements in customer services and national security efforts, it threatens to undermine an individual's ability to protect their most private medical and financial information. Internationally, an individual's ability to control their most private information is considered a human right.

I am very concerned about the invasion of our private rights and that is why Congress should act now, not postpone action for another eighteen months when the commission's report is completed.

There is legislation before this body that would provide adequate protection for individual privacy. I am a cosponsor of three such bills: H.R. 1941, H.R. 2447, and H.R. 3320. These three bills will protect personal health information by limiting use and disclosure of such information, prohibit employment or health insurance discrimination based on genetic information, and amend the privacy provisions in the Gramm-Leach-Bliley Act to prohibit financial institutions from disclosing, or making use of, nonpublic personal credit information. On May 1, 2000, President Clinton announced his consumer privacy plan which he presented to Congress stating ''we cannot allow new opportunities to erode old and fundamental rights.''

These bills and the President's plan should be considered by the full House. Individual privacy protection greatly concerns individuals in my district. They deserve to have this issue debated in full and addressed immediately. H.R. 4049 will serve only to delay this process, and in the end inform us and the American people what is already abundantly apparent: Congress must act immediately to protect individual privacy.

RECOGNIZING EMMA BEATRICE TAYLOR—95 YEARS YOUNG

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. TOWNS. Mr. Speaker, today I honor Emma Beatrice Taylor, a resident of Brooklyn, on her 95th birthday. I ask my colleagues assembled here today to please join me in acknowledging Mrs. Taylor's remarkable life.

On this day, October 3, 1905, here in Washington, D.C., her father, an immigrant from Africa, and her mother, an immigrant from England, were blessed with the birth of their daughter, Emma. As a young girl, Emma possessed excellence, greatness, the favor of God, love and honor, the law of kindness in tongue, morality and character. Emma married Elbert James Robinson, and their union was blessed with three beautiful daughters, including my very good friend, Delores Chainey. Mr. Speaker, all of the amazing blessings bestowed upon Emma Taylor are the result of a God-centered life.

Mr. Speaker, Emma Beatrice Taylor is more than worthy of receiving our birthday wishes, and I hope that all of my colleagues will join me today in honoring this outstanding woman.

HONORING THE HUMBOLDT COUNTY, CALIFORNIA BRANCH OF THE AMERICAN ASSOCIATION OF UNIVERSITY WOMEN

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. THOMPSON of California. Mr. Speaker, today I recognize the 50th anniversary of the Humboldt County, California Branch of the American Association of University Women (AAUW).

The AAUW's mission is to promote equity, lifelong education, and positive change for all women. This vision has made a significant impact on the lives of Humboldt County women.

The American Association of University Women is committed to promoting diversity, undertaking research, and providing scholarships, grants and awards. This admirable association takes action on behalf of women in the educational system. For America to prosper we must be sure to foster a learning environment that is accessible to young women and the American Association of University Women has always served as an advocate in this cause. The AAUW is one of the largest private sources of educational grants for women.

During the past 50 years the Humboldt chapter of the AAUW has benefited the community in countless ways. Thanks to community action projects, fundraising and special activities—including an educational foundation, cross cultural exchange, and book and food drives—the Humboldt Branch has provided service as well as a forum for policy discussion and community building.

Mr. Speaker, it is appropriate at this time that we acknowledge the outstanding efforts of the Humboldt County, California Branch of the American Association of University Women.

HONORING FLORENCE WALTON RICHARDSON WYCKOFF

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. FARR of California. Mr. Speaker, today I pay tribute to a woman who helped shape

the history of the State of California, and in the process touched the lives of countless individuals. Ms. Florence Walton Richardson Wyckoff, who would have been 95 this week, died in her sleep on September 20, 2000 in her Watsonville, California home.

Florence was born on October 5, 1905, to Leon J. Richardson and Maud Wilkinson Richardson in Berkeley, California. She earned a B.A. in fine arts at the University of California, Berkeley, in 1926, and it was there that she met her future husband, Hubert Coke Wyckoff. In 1931 they married and moved to San Francisco, where Florence became involved with politics and what would become her life's work, activism. While in San Francisco, she worked with the San Francisco Theater Union and the National Consumers League for Fair Labor Standards. She also worked with the gubernatorial campaign of Cuthbert L. Olsen, and was appointed by Governor Olsen as Director of Community Relations for the California State Relief Administration. It was in this position that she began traveling and investigating the living conditions of farm laborers in this country.

Shocked by the standards she saw, and by the lack of access to such basic necessities as education and healthcare for migrant workers, she became a powerful lobbyist for social change in these areas. During World War II, her husband, Hubert, recruited my father, the late Senator Farr, to work at his side in Washington, DC as a Deputy Administrator in the War Shipping Administration. While in Washington, Florence testified before congressional committees for minimum wages and public health improvements for farm workers. It was at this time that she also served on the Boards of Directors of the National Consumers League and Food For Freedom.

After returning to California, she worked to begin the first citizen's health council in Santa Cruz County, and was appointed by Governor Earl Warren to the Advisory Committee on Children and Youth. She served on this board for twenty years under four governors, and worked to establish health-care clinics for farm workers along the migrant routes used in the nation. Additionally, she was appointed by Governor Edmund G. ''Pat'' Brown to the State Board of Public Health in 1961, and it was during this time that Florence was integral to the creation and passage of the Federal Migrant Health Act, which remains in effect today.

Never one to sit down when she was needed, she continued to work tirelessly almost until the day she passed away. She helped found organizations that would assist migrant children in attending college, and was a crusader in promoting reading and education among all children. Her last project was the successful recent opening of the Freedom Branch Library, which began as a small library for the children of migrant workers. Florence was also active in many organizations, including Migration, Adaptation in the Americas (MAIA), The Friends of the Freedom Library, The Corralitos Valley Community Council, the Coastal Resource Management Project, the Migrant Agricultural History Archive at the University of California, Santa Cruz, and the Santa Cruz County Community Foundation Board.

I will really miss one of my late mother and father's best friends. I will miss her smile, charm, love for friends and never ending support and stories of my parents as young activists. As described to me, she was a leader in her life in creating a more compassionate and just society. We have lost a person of history who made this country a better place because of her deeds.

Described by friends and family as ''tenacious and determined,'' ''influential'' and ''caring,'' and ''A woman that made a difference,'' Florence Wyckoff will be sorely missed by her sister, Jane R. Hanks of North Bennington, Vermont, as well as the many nephews, nieces, friends and the California community, in general.

RECOGNITION OF THE QUEENS COURIER

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. ACKERMAN. Mr. Speaker, today I pay tribute to the Queens Courier, a weekly community newspaper in the borough Queens, New York, which is celebrating its 15th anniversary.

The Queens Courier was launched late in the last century by Victoria Schneps and John Toscano. Victoria was a school teacher who teamed-up with then WABC–TV reporter Geraldo Rivera to expose abhorrent conditions at the Willowbrook State School for the Mentally Retarded. Victoria's daughter Lara had resided at the facility. John meanwhile, a former political editor at the New York Daily News published the weekly newspaper Queens Week. The two entrepreneurs invested a mere $250 each to embark on their journalistic quest where in the beginning they worked out of Victoria's living room and did not take salaries for the first year.

The first issue of the newspaper hit the streets on May 9, 1985 as the Whitestone/College Point Courier. The front page headline read ''Whitestone-College Point Courier: First Issue Today.'' That first edition included stories on traffic tie-ups on the Throgs Neck Bridge, local school news and political and gardening columns. Within the next few years, Victoria bought John out and the newspaper attracted many loyal readers and established a strong identity in the area. Then as readership increased, Victoria Schneps expanded the newspaper to cover most communities throughout Queens and subsequently renamed the paper to the Queens Courier.

Today the borough-wide publication includes five newspapers serving 36 neighborhoods in Queens. The newspaper features quality writing and reporting in a contemporary and easy to read format. It is available both by paid subscription and can be obtained at hundreds of outlets throughout Queens.

The Queens Courier has also won numerous awards for excellence in community journalism while affording local businesses and merchants, the opportunities to reach their customers in an efficient and cost-effective manner. In addition, the publication has ventured into the broadcasting and Internet domain with the weekly public affairs show ''Queens on the Air'' on local cable and an informative site on the world wide web at www.queenscourier.com. I encourage everybody to log onto this site to see what community journalism is all about.

Yes, from humble beginnings—including that stint until 4 a.m. to get the very first edition out—to obtaining the respect and trust of thousands of Queens citizens, the Queens Courier has become a newspaper heavyweight in the new millennium. Yet the publication continues to stay on the original mission that it set 15 years ago—to provide local news coverage in a fair, accurate and balanced manner. Whether through the breadth of its stories, the quality of its editorials, the informative advertisements, special features and insightful columns—the Queens Courier remains on the cutting edge of community journalism.

Mr. Speaker, I ask all my colleagues in the House of Representatives to join me now in congratulating Victoria Schneps and the entire staff of the Queens Courier for a terrific 15 years of service to the Queens community. I am confident that the Queens Courier will continue to enjoy success for many more years to come.

FOR BREAD AND FOR FREEDOM: THE 20TH ANNIVERSARY OF THE FOUNDING OF SOLIDARITY

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. SMITH of New Jersey. Mr. Speaker, I want to add my voice to those who commemorate the 20'' anniversary of the founding of Solidarity and join as a co-sponsor of this resolution, H. Con. Res 416. Significantly, one of the original 21 demands of the Gdansk workers was a call for the implementation of the Helsinki Final Act. As Chairman of the Helsinki Commission, I therefore take special satisfaction in hailing one of the success stories of the Helsinki process.

Stalin is reputed to have once said that trying to impose communism on Poland was like trying to put a saddle on a cow. Certainly, there were few places in Central Europe where communism was more unwelcome and unnatural. The peaceful dismantlement of a totalitarian system imposed by force is testimony to the heroism, ingenuity, and integrity of Solidarity activists and the millions of Solidarity's supporters throughout the country.

Of course, the events at the Gdansk shipyard in the summer of 1980 were the continuation—and elevation—of the opposition to communism that was the inevitable by-product of communism itself in Poland, from the workers' strikes in Poznan in 1956, to the university dissent in 1968, to the Gdansk riots of 1970. But Solidarity was unique in two critical ways. First, it established an unprecedented union between workers and intellectuals, making the whole more than the sum of the parts. Second, it evolved into a mass movement, drawing support from all segments of society. With the critical support of the Catholic Church, Solidarity came to embody the hopes and aspirations not only of the people of Poland, but of dissidents and democrats throughout the region. When Lech Walesa was awarded the Nobel Peace prize, that award rightly recognized the achievements of an extraordinary individual as well as the historic role of the Solidarity movement itself and the people who comprised it.

Indeed, there are many well known heroes of this movement, in addition to Lech Walesa:

Bronislaw Geremek, Adam Michnik, Wladislaw Frasyniuk, Bogdan Lis, Jacek Kuron, Anna Walentynowicz, Janusz Onyszkiewicz, to name but a few of the legions of Solidarity's activists. There were also martyrs, including Father Jerzy Popieluszko, and the miners and others who died when martial law was imposed in 1981. Millions of other Poles, in small ways and large, contributed to world freedom through their support of freedom in Poland.

Mr. Speaker, the resolution we support today seeks to honor them and their movement.

A NEW DAY FOR THE NATIONAL ENVIRONMENTAL POLICY ACT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. DINGELL. Mr. Speaker, more than 30 years ago, I was the co-author of one of the strongest federal laws to protect our air, water and lands. The National Environmental Policy Act recognized that many federal activities, and many federally supported activities, affect the quality of our air, waters, and lands. As a result, federal agencies have been required for more than three decades to report on their activities' impact on the human environment in environmental impact statements.

NEPA was passed by a Democratic Congress and signed by a Republican President. It has withstood years of attack from many special interests and has contributed greatly to improvements in our environment and human health. I have been a stalwart defender of NEPA throughout its history and even defended the Act when different administrations tried to undermine its intent.

One continuing focus of concern was over the role of the President's Council On Environmental Quality (CEQ), about which I helped several administrations, including the current one, understand the benefits of having a single Presidential agency coordinate environmental policy for very diverse interests within the Executive Branch.

I was proud to have fought on behalf of CEQ in the past. However, as occasionally happens with some government agencies, I have come to realize that CEQ has outlived its usefulness now that federal agencies have instilled a stronger environmental ethic in their decision making. I fact, CEQ's role has evolved from one of facilitation to one of obfuscation. It has become an assemblage of irksome meddlers who cost much and do little. In my opinion, their recent efforts on behalf of the environment have been counterproductive from the standpoint of sound conservation practices.

Mr. Speaker, I am therefore proposing legislation today that abolishes the CEQ and leaves the protections of NEPA in place for coordination within each federal agency. This will allow the Appropriations Committee next year to have another $2.9 million every year for much more valuable conservation purposes.

ORIENTATION AND MOBILITY SECTION, WESTERN BLIND REHABILITATION CENTER, VA PALO ALTO HEALTH CARE FACILITY, PALO ALTO, CALIFORNIA RECEIVES OLIN E. TEAGUE AWARD

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. STUMP. Mr. Speaker, in a ceremony on Wednesday, September 13, 2000, in the House Veterans' Affairs Committee hearing room, the Orientation and Mobility Section, Western Blind Rehabilitation Center, VA Palo Alto Health Care Facility, Palo Alto, California, received on Olin E. Teague Award for their efforts on behalf of disabled veterans.

The Teague Award is presented annually to VA employees whose achievements have been of extraordinary benefit to veterans with service-connected disabilities, and is the highest honor at VA in the field of rehabilitation.

The Orientation and Mobility Section was selected to receive this prestigious award in honor of their work to develop the first power scooter training program for low vision blinded veterans with ambulatory problems. Realizing that current support items such as canes, walkers and scooters did not meet the needs of the less mobile, blind veteran, the team determined to find a solution. The team worked with specialists in Physical Therapy, Physical Medicine, and Prosthetics Service to study the various types of power scooters available for sighted individuals. In addition to their full daily schedules, the team members made the time to actually become power scooter travelers to learn to navigate on the scooters as sighted individuals. When they became fully knowledgeable of power scooter travel, they began to develop options to adapt the power scooter for use by blind veterans. Their enthusiasm, persistence and creativity paid off. Two distinct power scooter programs were developed to meet the differing needs and capabilities of legally blind low vision veterans. These programs offer veterans a higher quality of life and a highly valued commodity—their independence.

Mr. Speaker, the name Olin E. ''Tiger'' Teague is synonymous with exemplary service to the Nation's veterans. The late Congressman Teague served on the House Veterans Affairs Committee for 32 years, 18 of those years as its distinguished chairman. No one who opposed him on veterans' issues ever had to ask why he was called Tiger. He set the standards by which we can best serve all veterans. I know my colleagues join me in offering our deep appreciation to the Orientation and Mobility Section for their concern, dedication, and innovation in meeting the special rehabilitation needs of disabled veterans. We congratulate them for the excellence of their work and for the distinguished award they received.

IN HONOR OF JOSEPH ROE CRAWFORD SMITH

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. ROGERS. Mr. Speaker, today, as I speak, in Brentwood, Tennessee, the family, friends, and loved ones of Joseph Roe Crawford Smith are celebrating his life, which was so tragically and prematurely ended this past Friday in a freak outdoor accident.

Mr. Speaker, I am taking the unusual step of bringing before the U.S. Congress the news of Crawford's passing because Crawford was such an extraordinary 22-year-old young man and because his death seems so senseless and inexplicable. In fact, this was a double, horrible tragedy, because the same accident took the life of his friend and fellow University of Tennessee senior Chris Dowdle, also of Brentwood.

Mr. Speaker, perhaps one day we will know why these model young men were taken, in their prime, just as their preparation for adult life was so nearly complete. Maybe, ''in the sweet by and by'' in the words of that hymn. But, for now, we are hurting and terribly saddened.

I knew young Crawford. He was handsome, personable and brilliant. He was a devout Christian. He was devoted to his parents Joe and Claudette and to his sister, Frances. He was a model of good behavior and courtesy. He was an inspiration to his colleagues and to adults like this Member who had the good fortune to know him. Why, oh why, did he have to go so soon?

Mr. Speaker, in special tribute to Crawford Smith, I have requested that an American flag be flown over the United States Capitol this day in his honor.

Mr. Speaker, our hearts are hurting for Joe and Claudette and to Chris Dowdle's parents, Douglas and Anita. They are living through a parent's worst nightmare. I know all my colleagues join me in praying God's most merciful presence with them as they travel through this valley of the shadow of death.

PERSONAL EXPLANATION

HON. TERRY EVERETT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. EVERETT. Mr. Speaker, due to sickness and the inability to arrive in Washington, DC yesterday, I was unable to vote during the following rollcall votes. Had I been present, I would have voted as indicated below.

Rollcall No. 503 (H.R. 4049, Privacy Commission Act)—''yea'';

Rollcall No. 504 (H.R. 4147, Stop Material Unsuitable for Teens Act)—''yea'';

Rollcall No. 505 (H.R. 3088, Victims of Rape Health Protection Act)—''yea''.

HONORING DR. JULIAN SEBASTIAN AS A MEMBER OF THE RWJ EXECUTIVE NURSE FELLOW PROGRAM

HON. ERNIE FLETCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. FLETCHER. Mr. Speaker, it is my honor to recognize a distinguished member of the medical community of Central Kentucky. Dr. Juliann Sebastian is an Associate Professor and Assistant Dean for advanced practice nursing as well as the Director of Graduate Studies for the MSN degree program of the College of Nursing at the University of Kentucky. Dr. Sebastian is a dedicated medical professional who has educated countless students during their journey through nursing school.

Recently, Dr. Sebastian was honored by the Robert Wood Johnson Nurse Fellows Program at the Friends of the National Institute of Nursing Research's Annual Gala. This honor will allow Dr. Sebastian to embark on a three year self-study program while continuing her current duties at the University of Kentucky.

It is a pleasure to recognize Dr. Juliann Sebastian in the United States House of Representatives today, on her prestigious achievement. It is clear that the Fellows program recognized Dr. Sebastian's many talents and abilities to contribute so much to the medical community. As a fellow member of the medical community, I salute you, Dr. Sebastian.

RETIREMENT OF SANDY GOSS, DEPUTY CHIEF OF COBB COUNTY FIRE AND EMERGENCY SERVICES

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. BARR of Georgia. Mr. Speaker, I rise today to recognize Sandy Goss, Deputy Chief of Cobb County Fire and Emergency Services, for his dedication and commitment to the entire Cobb community, and to congratulate him on his retirement after 37 years of service.

Mr. Goss, who grew up around the fire department and following in his father's footsteps, joined the fire department full time immediately following his graduation from high school, in 1965.

Over the years, he worked his way through the ranks. In 1968, he was promoted to lieutenant; he made captain in 1983; he became the battalion chief in 1996; the following year he made colonel; and in 1998, he became deputy chief. While deputy chief, he was in charge of 85 percent of the department, with special operations, the HAZMAT team, technical rescue, vehicle maintenance, armored guards, and the fire suppression division all under his supervision.

He will be sorely missed, and will leave behind a legacy hard to match. I join many others in wishing Sandy and his family the very best.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM REAUTHORIZATION ACT OF 2000

SPEECH OF

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 25, 2000

Mrs. MORELLA. Mr. Speaker, today I ask my colleagues to join me in supporting the passage of H.R. 2392, a bill to reauthorize the Small Business Innovation Research Program, or SBIR.

Last year around this time, the House passed H.R. 2392. After months of work by the House and Senate, the Senate took action and passed H.R. 2392, with an amendment in July of this year. Their amendment incorporated both changes to the House provisions and new Senate provisions.

Now, H.R. 2392 is to go back to the Senate with additional Small Business provisions attached to the bill, but with the agreed-to provisions relating to SBIR untouched, These include: extending the program through fiscal year 2007; requiring small businesses to submit a concise commercialization plan with their proposals; requiring agencies participating in SBIR to provide an annual performance plan in accordance with the Government Performance and Results Act; requiring the collection and maintenance of data which will allow program evaluation; and a National Research Council report on how SBIR has used small businesses to stimulate technological innovation and how agencies have used SBIR in meeting their research and development needs.

The above are the main provisions that emanated from the House. The Senate has added provisions, including: a partnership grant program between small businesses and states (FAST, Federal and State Technology Partnership Program), and a mentoring network developed through the funds provided for in the FAST program.

Overall, the provisions contained in this bill improve upon the SBIR program and I am confident that we can again work with the Senate to reach an agreement allowing for the continuation of this excellent program. I urge my colleagues to support this important reauthorization.

NEW YORK'S MOST OUTSTANDING OLDER WORKER

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mrs. MCCARTHY of New York. Mr. Speaker, today I name Bernard Tzall, a microbiologist at a research laboratory in Nassau County, as New York's Most Outstanding Older Worker for the year 2000.

I admire Bernard's dedication and commitment. At the age of 85, he is still working tirelessly to improve the lives of those around him through his research.

Bernard began working at the laboratory in the 1940s, after serving his country in the Army. Over his six decades of service, he has received awards from national, state, and local organizations for his outstanding research and contributions to the community. In 1953, he was promoted to managing director of the Lab.

About ten years ago, Bernard was diagnosed with throat cancer and was forced to stop working. Miraculously, he was able to successfully fight off the cancer and he returned to work after his surgery.

Even with the handicap of using a voice-assisting prosthesis, he played an instrumental role in discovering the cure for an unknown virus in New York waters. Mr. Tzall is currently enrolled as a PhD. Candidate, becoming one of the oldest engineering students in the country. He continues to work at his laboratory, training new employees and managing its library.

The Prime Time 2000 award, sponsored by Green Thumb, was presented to an outstanding senior over the age of 65 from each state who works more than 20 hours per week. Mr. Tzall demonstrated excellence and commitment that put him in a class with a select few Prime Time recipients.

I commend Bernard for all he has overcome and all he has accomplished. I am honored to give him this recognition he well deserves.

PHARMACIA & UPJOHN ABUSE OF AVERGE WHOLESALE PRICE SYSTEM: STARK CALLS FOR FDA INVESTIGATION

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. STARK. Mr. Speaker, I have today sent the following letter to Pharmacia & Upjohn, highlighting the extent to which this company has been inflating its drug prices and engaging in other deceptive business practices.

The evidence I have been provided shows that Pharmacia & Upjohn has knowingly and deliberately inflated their representations of the average wholesale price (''AWP''), wholesale acquisition cost (''WAC'') and direct price (''DP'') which are utilized by the Medicare and Medicaid programs in establishing drug reimbursements to providers.

In doing so, Pharmacia & Upjohn is abusing the public trust, endangering patients by affecting physician prescribing practices, and exploiting America's seniors and disabled who are forced to pay 20% of these inflated drug costs. American taxpayers pick up the rest of the tab.

These findings are particularly timely as the Ways and Means Subcommittee on Health will today markup a Medicare bill that seeks to delay any administrative action by the Department of Health and Human Services (HHS) to alleviate this problem. This is bad policy. And I strongly oppose this provision of the bill. Reform of current Medicare drug reimbursement policy is needed now to protect taxpayer funds and public health.

To help bring an end to these harmful, misleading practices, I have today called on the FDA to conduct a full investigation into Pharmacia & Upjohn business practices.

These practices must stop and these companies must return the money that is owed to the public because of their abusive practices.

I would like to submit the following letter to Pharmacia & Upjohn into the RECORD.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 3, 2000.

Mr. FRED HASSAN,
Chief Executive Officer, Pharmacia & Upjohn Co., Inc., Peapack, NJ.

DEAR MR. HASSAN: You should by now be aware of Congressional investigations suggesting that Pharmacia & Upjohn has for many years been reporting and publishing inflated and misleading price data and has engaged in other deceptive business practices in order to manipulate and inflate the prices of certain drugs. The price manipulation scheme is executed through Pharmacia & Upjohn's inflated representations of average wholesale price (''AWP'') and direct price (''DP''), which are utilized by the Medicare and Medicaid programs in establishing drug reimbursements to providers. The difference between the inflated representations of AWP and DP versus the true prices that providers pay is regularly referred to in your industry as ''the spread.'' In turn, this has caused the Medicare and Medicaid Programs to expend excessive amounts in paying claims for certain drugs. The evidence amassed by Congress clearly shows that Pharmacia & Upjohn has reported inflated prices and has engaged in other improper business practices in order to cause its customers to receive a windfall profit from Medicare and Medicaid.

The manipulated disparities between your company's reported AWPs and DPs are staggering. For example, in 1997, Pharmacia & Upjohn reported an AWP of $946.94 for 200 mg. of Adriamycin PFS while offering to sell it to American Oncology Resources (AOR) for $168.00 and to Comprehensive Cancer Center for $152.00 (Composite Exhibit 1''). Your company then aggressively marketed its cancer drugs to health care providers by touting financial inducements and other types of incentives. Pharmacia & Upjohn created and marketed the financial inducements for the express purpose of influencing the professional judgment of doctors and other health care providers in order to increase the company's market share.

Pharmacia & Upjohn's strategy of increasing the sales of its drugs by enriching with taxpayer dollars, the doctors and others who administer the drugs is reprehensible and a blatant abuse of the privileges that Pharmacia & Upjohn enjoys as a major pharmaceutical manufacturer in the United States. This is perhaps best illustrated by Pharmacia & Upjohn's own internal documents which reveal that the company abused its position as a drug innovator in an initial Phase III FDA clinical trial for a cancer drug used to treat lymphoma (Composite Exhibit ''2'').

''. . . Clinical Research Trials

Initial Phase III Protocol trial for ''Oral Idamycin'' in lymphomas. This trial will offer AOR $1.1M [million] in additional revenues. Two hundred twenty-five (225) patients at $5,000 per patient. . . .

The above . . . items are contingent on the signing of the AOR Disease Management Partner Program. AOR's exclusive compliance to the purchase of the products listed in the contract product attachment is also necessary for the above items to be in effect.''

The linking of doctor participation in FDA clinical drug trials to their purchase and administration of profit-generating oncology drugs is entirely inconsistent with the objective scientific testing that is essential to the integrity of the trial. I am hopeful that the FDA will take immediate action to stop such behavior by your company. The FDA's inability to act to ensure the validity of drug trials will necessitate legislative action.

Doctors must be free to choose drugs based on what is medically best for their patients. It is highly unethical for drug companies to provide physicians with payments for FDA clinical trials and inflated price reports that financially induce doctors to administer Pharmacia & Upjohn's drugs to patients. In particular, Pharmacia & Upjohn's conduct, along with the conduct of other drug companies, is estimated to have cost taxpayers over a billion dollars. It also has a corrupting influence on the exercise of independent medical judgment both in the treatment of severely ill cancer patients and in the medical evaluation of new oncological drugs.

In addition to Pharmacia & Upjohn's action in the context of the Phase III FDA clinical trial, internal Pharmacia & Upjohn documents secured through Congressional investigations clearly establish that Pharmacia & Upjohn created and then exploited misleading information about its prices. Following is one example: ''Some of the drugs on the multi-source list offer you savings of over 75% below list price of the drug. For a drug like Adriamycin, the reduced pricing offers AOR a reimbursement of over $8,000,000 profit when reimbursed at AWP. The spread from acquisition cost to reimbursement on the multi-source products offered on the contract give AOR a wide margin for profit'' (Exhibit ''3'').

It is clear that Pharmacia & Upjohn targeted health care providers, who might be potential purchasers, by creating and then touting the windfall profits arising from the price manipulation. For example, Pharmacia & Upjohn routinely reported inflated average wholesale prices for its cancer drug Bleomycin, 15u, as well as direct prices. The actual prices paid by industry insiders was in many years less than half of what Pharmacia & Upjohn represented. Pharmacia & Upjohn reported that the average wholesale price for Bleomycin, 15u, rose from $292.43 to $309.98, while the price charged to industry insiders fell by $43.15 (Composite Exhibit ''4'').

Congress attempted to address the issue of inflated drug reimbursement, in part, in 1997 legislation requiring Medicare to reimburse drug costs at 95% of AWP.

Unfortunately, Congress was unaware that, while it intended to improve Medicare's solvency, Pharmacia & Upjohn was submitting false price reports to further inflate reimbursement amounts for both Medicare and Medicaid that would nullify the effects of Congressional action. Composite Exhibit ''5'' demonstrates that Pharmacia & Upjohn increased its price representations for its cancer drug Toposar by 5% in October 1997 while taking care to ensure customers that the change in reported prices would not have any impact on the lower, true prices being paid, but would increase government reimbursement.

The following excerpt, addressing Medicaid reimbursement, is illustrative of the steps Pharmacia & Upjohn took to ensure that government health programs paid the inflated reimbursement resulting from false price reports: ''FYI—Heads up. The following P&U price increases may create a spread between purchase price and Medicaid reimbursement that may create sales complaints if not resolved in reasonable time period by customary Medicaid updates. Therefore, your action may be required in some instances if over the next few months Medicaid does not automatically pick up the price changes'' (Exhibit ''6'').

Pharmacia & Upjohn reported price increases in October 1997 with full knowledge that the true prices of the drugs were falling. For example, Composite Exhibit ''7'' reveals that Pharmacia & Upjohn voluntarily lowered its price of Adriamycin PFS 200 mg to $152.00 while reporting an AWP of $946.94: ''Dear Willie, A (VPR) Voluntary Price Reduction will become effective May 9, 1997. The wholesalers have been notified, however it may take two weeks to complete the transition. . . .''

Additionally, internal Pharmacia & Upjohn documents secured through the Congressional investigations show that Pharmacia & Upjohn also utilized a large array of other inducements to stimulate product sales. These inducements, including ''educational grants'' and free goods, were designed to result in a lower net cost to the purchaser while concealing the actual price beneath a high invoice price. Through these means, drug purchasers were provided substantial discounts that induced their patronage while maintaining the fiction of a higher invoice price—the price that corresponded to reported AWPs and inflated reimbursements from the government. Composite Exhibit ''8'' highlights these inducements:

AOR/PHARMACIA & UPJOHN PARTNERSHIP PROPOSAL: Medical Education Grants. A $55,000 grant has been committed for 1997 for the AOR Partnership for excellence package including: Education/Disease Management, Research Task Force, AOR Annual Yearbook. A $40,000 grant to sponsor the AOR monthly teleconference. This sponsorship was committed and complete in February 1997. . . .

PHARMACIA & UPJOHN, INC. INTEROFFICE MEMO: If needed, you have a ''free goods'' program to support your efforts against other forms of generic doxorubicin. . . .

Use your ''free goods,'' wisely to compete against other generic forms of Adriamycin, not to shift the customer to direct shipments. The higher we can keep the price of Adriamycin, the easier it is for you to meet your sales goals for Adriamycin.

My reading of the Federal Food, Drug, and Cosmetic Act and the corresponding regulations suggests that the FDA should pay particular attention to Pharmacia & Upjohn's misleading price reports. Accordingly, I am today requesting that the Commissioner of the FDA, Dr. Jane Henney, conduct a full investigation into Pharmacia & Upjohn's business practices.

I urge Pharmacia & Upjohn to immediately cease these acts and make arrangements to compensate taxpayers for the financial injury caused to federally funded programs. Any refusal to accept responsibility will most certainly be indicative of the need for Congress to control drug prices. If we cannot rely upon drug companies to make honest and truthful representations about their prices, then Congress will be left with no alternative but to take decisive action to protect the public.

Please share this letter with your Board of Directors and in particular with the Board's Corporate Integrity Committee.

Sincerely,

PETE STARK,
Member of Congress.

INTRODUCTION OF H.R. 5361, THE PIPELINE SAFETY ACT OF 2000

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 3, 2000

Mr. OBERSTAR. Mr. Speaker, before we adjourn we need to pass legislation to improve pipeline safety. The recent explosions in Bellingham, Washington (three fatalities) and Carlsbad, New Mexico (12 fatalities) are the most visible indications of a serious, long-term

problem. Today I am introducing H.R. 5361, the Pipeline Safety Act of 2000, a bill that I believe will help us to go forward quickly and pass this badly needed legislation. The bill is cosponsored by Congressmen DINGELL, INSLEE, UDALL (NM), PASCRELL, LEWIS (GA), PALLONE, SMITH (WA), and TIERNEY; many of the cosponsors represent citizens in States that have had serious pipeline accidents.

Our Nation has 2.2 million miles of pipeline carrying 617 million ton-miles of oil and refined oil products, and 20 trillion cubic feet of natural gas. The pipeline system and the volume of products transported continue to grow. In the last ten years, pipeline mileage has grown by ten percent—at the same time that our Nation's suburbanization continues to bring more families near pipelines.

Regrettably, as the industry has grown, safety has declined. In the last decade, there were 2,241 major pipeline accidents resulting in death, serious injury, or substantial property damage. These explosions killed 226 people and caused more than $700 million of damage to property and the environment. And pipeline safety is deteriorating: the General Accounting Office (GAO) has found that the rate of pipeline accidents is increasing by four percent a year.

To exacerbate the problem, we are dealing with an aging pipeline system. About 24 percent of gas pipelines are now more than 50 years old. The section of pipeline involved in the recent Carlsbad, New Mexico tragedy was almost 50 years old and had suffered substantial internal corrosion.

Congress and the National Transportation Safety Board (NTSB) have long been aware of the unacceptable state of pipeline safety. A series of laws and NTSB recommendations have given the responsible federal agency, the Office of Pipeline Safety (OPS) of the Department of Transportation, direction as to the steps that need to be taken. Regrettably, OPS has not been responsive.

A recent GAO study found that OPS has failed to implement 22 statutory directives for regulations and studies. Twelve of these provisions date from 1992 or earlier. OPS has the lowest rate of any transportation agency for compliance with NTSB recommendations. In addition, GAO has challenged OPS'new policy of reduced reliance on enforcement fines.

During the past year, we have made progress in developing legislation to improve pipeline safety. The Senate has passed a bill, S. 2438, that includes some provisions that would enhance safety but, at the same time, the bill fails to deal satisfactorily with the most important safety issues. It is my judgment that it would be a serious mistake to adopt the Senate bill unchanged. The minimal contributions that the bill would make to safety are outweighed by the legislative reality that passage of this bill would make it extremely difficult to pass additional pipeline safety legislation during the period of the three-year authorization Provided by the bill.

The Senate bill, as passed, is opposed by the families of the victims of the Bellingham, Washington, pipeline explosion, and the following organizations: the National Pipeline Reform Coalition; League of Conservation Voters; Environmental Defense; Clean Water Action; National Environmental Trust; Natural Resources Defense Council; Physicians for Social Responsibility; U.S. Public Interest Research Group; AFL–CIO Transportation Trades Department; the International Brotherhood of Teamsters; and the AFL–CIO Building and Construction Trades Department.

I believe that the House should go forward with its own legislation and then work with the Senate to develop a joint product that would make an effective contribution to pipeline safety.

Until a few weeks ago, this was the path we were following in the House. Several good pipeline safety bills had been introduced, including H.R. 4792, a bill sponsored by Congressman INSLEE and 15 other Members. Within the Transportation and Infrastructure Committee, the Committee with primary jurisdiction over this issue, there had been extensive bipartisan discussions and staff work, and draft legislation had been prepared and was within days of being ready for a markup in early

I find the industries' assessment of the legislative situation to be obviously selfserving. When was the last time we heard an industry demand that a ''tough'' bill be passed to Improve its safety? How could anyone, three weeks ago, say with a straight face that the last five weeks, or the last two weeks, of this Congress provide insufficient time for negotiations on this relatively limited issue, when during the last two weeks the House and the Senate will have to resolve all the major issues associated with 11 of the 13 appropriation bills?

The bill I am introducing today does not include all the provisions that I would like to see included in a pipeline safety bill. In the interest of facilitating prompt House action on pipeline safety, my bill is based largely on the House bipartisan staff draft bill that had been developed for an early September markup.

I believe that this bill is a major improvement over the Senate product and can make important contributions to pipeline safety. In accordance with a joint statement of principles for improving pipeline safety endorsed by Congressman JOHN DINGELL, Ranking Democratic Member of the Committee on Commerce which also has jurisdiction over pipeline safety, and me, the bill requires pipeline integrity management programs; requires periodic pipeline inspections; ensures that pipeline employees are qualified, well trained, and certified; expands the public's right to know; provides environmental accountability and increases enforcement; expands States' role in pipeline safety; enables more citizen involvement; and increases funding to improve pipeline safety. A summary of the bill may be found at the end of this statement. Although the Senate bill includes provisions on some of these issues, in most cases they are not effective to deal with the problem.

Let me just focus on a couple of issues to illustrate the difference between my objectives and the Senate bill. I believe that any pipeline safety bill must require pipeline operators to adopt integrity management programs and must require periodic inspections of pipelines at least once every five years.

Why is that so important?—two reasons: First, required inspections will prevent tragedy. The need for regular inspections is particularly acute because of the age of our pipeline system. As I have already said, about 24 percent of gas pipelines are now more than 50 years old. The section of pipeline involved in the recent Carlsbad, New Mexico tragedy was almost 50 years old, and the National Transportation Safety Board (NTSB) has found that the failed sections had significant internal corrosion and pipe wall loss in some areas of more than 50 percent. The NTSB stated that, based on their initial investigation, the 50-year-old pipeline was never properly tested. The company never conducted an internal inspection of the pipeline involved in the explosion. I believe that inspections probably would have uncovered these corrosion problems before they led to a tragedy. Without requiring pipeline inspections, there will be more tragedies. We don't need another Carlsbad, New Mexico, Bellingham, Washington, Edison, New Jersey or Mounds View, Minnesota.

Second, a subtle, but important, distinction between this bill and the Senate bill is that the Senate bill does not require the pipeline companies to do anything. The Senate bill only requires the Office of Pipeline Safety to adopt regulations dealing with the issue. This approach has been tried and failed. In 1992, Congress passed legislation that directed OPS to adopt regulations requiring inspections by 1995. Now, 13 years after the NTSB recommended required periodic inspections and eight years after the statutory mandate, the Office of Pipeline Safety has not issued a single regulation imposing pipeline inspection requirements. For important parts of the industry NTSB has not even issued a Notice of Proposed Rulemaking.

The failure of the Office of Pipeline Safety's failure to comply with statutory inspections mandates is just one example of OPS' lack of responsiveness to Congressional directives and NTSB recommendations when it comes to pipeline safety. The GAO has found that the Office of Pipeline Safety has not complied with 22 existing statutory requirements regarding pipeline safety, many of which had statutory deadlines that have long since past. We should not pass a bill, like S. 2438, that imposes a 23rd statutory requirement telling OPS to do the right thing.

It is time for the House to lead; it is time for these needless pipeline tragedies to stop. The House should go forward with its own pipeline safety legislation and we should get a truly effective pipeline safety bill on the President's desk before we adjourn.

Summary of H.R. 5361, The Pipeline Safety Act of 2000

1. Requires pipeline integrity management programs

Statutorily requires that hazardous liquid and natural gas pipeline operators adopt integrity management programs, regardless of whether the Department of Transportation's Office of Pipeline Safety (OPS) completes pending and planned rulemakings to require these programs.

The Department of Transportation (DOT) must review each operator's integrity management program, and either accept it or require changes.

2. Requires Periodic Inspections (at least once every five years)

Statutorily requires periodic inspections of pipelines at least once every five years in areas of high population or environmental sensitivity; methods for monitoring cathodic protection on the operator's entire system; follow-up actions which will be taken if inspections reveal deficiencies; and programs for installing emergency flow restricting devices.

3. Ensures that pipeline employees are qualified, well trained, and certified

Statutorily requires that each pipeline operator develop and implement a program for ensuring that all employees performing safety sensitive functions are qualified.

Qualifications of employees must be established by testing and may not be established by observing on-the-job performance only (as would be permitted under a recent OPS regulation).

Requires DOT to review all pipeline operator programs, and either accept them or require changes.

Establishes a pilot program in which DOT will develop a test for certifying persons who operate computer-based systems which control pipeline operations. OPS will use its test to certify these employees at three companies.

4. Expands the public's right to know

Requires pipeline operators to establish programs to educate the public on the use of the one call program prior to excavation, and on how to identify and respond to a pipeline release.

Requires pipeline operators to make useful information available to state emergency response committee and local emergency planning committees, and to make maps of pipelines available to municipalities.

Requires pipeline operators to provide DOT, and DOT to provide the public, with pipeline segment reports including histories of incidents and inspection, enforcement actions affecting the segment, and the results of periodic testing of the segment.

5. Provides environmental accountability and increases enforcement

Establishes a new penalty with strict liability (no fault required) for oil spills, of $1,000 per barrel of hazardous liquid (e.g., oil) discharged. This is the same penalty as is currently imposed for oil spills in water.

Raises maximum civil penalties from the current law level of $25,000 per violation and $500,000 for a related series of violations to $100,000 per violation and $1,000,000 for a series of violations.

Expands the Attorney General's authority to pursue civil actions and get appropriate relief.

6. Expands States' role in pipeline

Authorizes the Department of Transportation to enter into agreements with states to enable the states to participate in pipeline safety inspections and oversight, and to comment on pipeline operators' integrity management programs.

7. Enables more citizen involvement

Establishes a pilot program to establish and fund nine Regional Advisory Councils to enable public and local government representatives to make substantive recommendations to the pipeline industry and regulators regarding improving pipeline safety.

8. Increases funding to improve pipeline safety

Significantly increases authorizations for pipeline safety programs to enable the Office of Pipeline Safety to carry out an active, aggressive inspection program.

Daily Digest

HIGHLIGHTS

The House agreed to the conference report on H.R. 4578, Interior and Related Agencies Appropriations.

The House passed H.J. Res. 110, Making Further Continuing Appropriations for FY 2001.

Senate

Chamber Action

Routine Proceedings, pages S9643–S9785

Measures Introduced: Seven bills and three resolutions were introduced, as follows: S. 3149–3156, S. Res. 364–365, and S. Con. Res. 141. **Pages S9701–02**

Measures Reported:

Reported on Friday, September 29, during the adjournment:

H.R. 4447, to designate the facility of the United States Postal Service located at 919 West 34th Street in Baltimore, Maryland, as the "Samuel H. Lacy, Sr. Post Office Building".

S. 1848, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project, with an amendment in the nature of a substitute. (S. Rept. No. 106–437)

S. 2195, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Truckee watershed reclamation project for the reclamation and reuse of water, with an amendment in the nature of a substitute. (S. Rept. No. 106–438)

S. 2301, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Lakehaven water reclamation project for the reclamation and reuse of water, with an amendment in the nature of a substitute. (S. Rept. No. 106–439)

S. 2345, to direct the Secretary of the Interior to conduct a special resource study concerning the preservation and public use of sites associated with Harriet Tubman located in Auburn, New York, with an amendment in the nature of a substitute. (S. Rept. No. 106–440)

S. 2749, to establish the California Trail Interpretive Center in Elko, Nevada, to facilitate the interpretation of the history of development and use of trails in the setting of the western portion of the United States. (S. Rept. No. 106–441)

S. 2865, to designate certain land of the National Forest System located in the State of Virginia as wilderness. (S. Rept. No. 106–442)

S. 2959, to amend the Dayton Aviation Heritage Preservation Act of 1992, with an amendment. (S. Rept. No. 106–443)

H.R. 1680, to provide for the conveyance of Forest Service property in Kern County, California, in exchange for county lands suitable for inclusion in Sequoia National Forest, with an amendment in the nature of a substitute. (S. Rept. No. 106–444)

H.R. 2919, to promote preservation and public awareness of the history of the Underground Railroad by providing financial assistance, to the Freedom Center in Cincinnati, Ohio. (S. Rept. No. 106–445)

H.R. 4063, to establish the Rosie the Riveter/World War II Home Front National Historical Park in the State of California, with amendments. (S. Rept. No. 106–446)

H.R. 4285, to authorize the Secretary of Agriculture to convey certain administrative sites for National Forest System lands in the State of Texas, to convey certain National Forest System land to the New Waverly Gulf Coast Trades Center. (S. Rept. No. 106–447)

H.R. 2302, to designate the building of the United States Postal Service located at 307 Main Street in Johnson City, New York, as the "James W. McCabe, Sr. Post Office Building".

H.R. 3030, to designate the facility of the United States Postal Service located at 757 Warren Road in Ithaca, New York, as the ''Matthew F. McHugh Post Office''.

H.R. 3454, to designate the United States post office located at 451 College Street in Macon, Georgia, as the ''Henry McNeal Turner Post Office''.

H.R. 3909, to designate the facility of the United States Postal Service located at 4601 South Cottage Grove Avenue in Chicago, Illinois, as the ''Henry W. McGee Post Office Building''.

H.R. 3985, to redesignate the facility of the United States Postal Service located at 14900 Southwest 30th Street in Miramar City, Florida, as the ''Vicki Coceano Post Office Building''.

H.R. 4157, to designate the facility of the United States Postal Service located at 600 Lincoln Avenue in Pasadena, California, as the ''Matthew 'Mack' Robinson Post Office Building''.

H.R. 4169, to designate the facility of the United States Postal Service located at 2000 Vassar Street in Reno, Nevada, as the ''Barbara F. Vucanovich Post Office Building''.

H.R. 4448, to designate the facility of the United States Postal Service located at 3500 Dolfield Avenue in Baltimore, Maryland, as the ''Judge Robert Bernard Watts, Sr. Post Office Building''.

H.R. 4449, to designate the facility of the United States Postal Service located at 1908 North Ellamont Street in Baltimore, Maryland, as the ''Dr. Flossie McClain Dedmond Post Office Building''.

H.R. 4484, to designate the facility of the United States Postal Service located at 500 North Washington Street in Rockville, Maryland, as the ''Everett Alvarez, Jr. Post Office Building''.

H.R. 4517, to designate the facility of the United States Postal Service located at 24 Tsienneto Road in Derry, New Hampshire, as the ''Alan B. Shepard, Jr. Post Office Building''.

H.R. 4534, to redesignate the facility of the United States Postal Service located at 114 Ridge Street in Lenoir, North Carolina, as the ''James T. Broyhill Post Office Building''.

H.R. 4554, to redesignate the facility of the United States Postal Service located at 1602 Frankford Avenue in Philadelphia, Pennsylvania, as the ''Joseph F. Smith Post Office Building''.

H.R. 4615, to redesignate the facility of the United States Postal Service located at 3030 Meredith Avenue in Omaha, Nebraska, as the ''Reverend J.C. Wade Post Office''.

H.R. 4658, to designate the facility of the United States Postal Service located at 301 Green Street in Fayetteville, North Carolina, as the ''J.L. Dawkins Post Office Building''.

H.R. 4884, to redesignate the facility of the United States Postal Service located at 200 West 2nd Street in Royal Oak, Michigan, as the ''William S. Broomfield Post Office Building''.

S. 2804, to designate the facility of the United States Postal Service located at 424 South Michigan Street in South Bend, Indiana, as the ''John Brademas Post Office''.

Reported today:

H.R. 4110, to amend title 44, United States Code, to authorize appropriations for the National Historical Publications and Records Commission for fiscal years 2002 through 2005. (S. Rept. No. 106–466)

S. 2688, to amend the Native American Languages Act to provide for the support of Native American Language Survival Schools, with an amendment an the nature of a substitute. (S. Rept. No. 106–467)

S. 2686, to amend chapter 36 of title 39, United States Code, to modify rates relating to reduced rate mail matter. (S. Rept. No. 106–468)

S. 3062, to modify the date on which the Mayor of the District of Columbia submits a performance accountability plan to Congress. (S. Rept. No. 106–469)

Report to accompany S. 3144, to amend the Inspector General Act of 1978 (5 U.S.C. App.) to establish police powers for certain Inspector General agents engaged in official duties and provide an oversight mechanism for the exercise of those powers. (S. Rept. No. 106–470)

H.R. 34, to direct the Secretary of the Interior to make technical corrections to a map relating to the Coastal Barrier Resources System, with amendments. (S. Rept. No. 106–471)

H.R. 4320, to assist in the conservation of great apes by supporting and providing financial resources for the conservation programs of countries within the range of great apes and projects of persons with demonstrated expertise in the conservation of great apes. (S. Rept. No. 106–472)

H.R. 4435, to clarify certain boundaries on the map relating to Unit NC01 of the Coastal Barrier Resources System. (S. Rept. No. 106–473)

H.R. 4643, to provide for the settlement of issues and claims related to the trust lands of the Torres-Martinez Desert Cahuilla Indians. (S. Rept. No. 106–474)

H.R. 4844, to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries, with an amendment in the nature of a substitute. (S. Rept. No. 106–475)

S. 2111, to direct the Secretary of Agriculture to convey for fair market value 1.06 acres of land in the

San Bernardino National Forest, California, to KATY 101.3 FM, a California corporation, with an amendment in the nature of a substitute. (S. Rept. No. 106–476)

S. 2331, to direct the Secretary of the Interior to recalculate the franchise fee owed by Fort Sumter Tours, Inc., a concessioner providing service to Fort Sumter National Monument, South Carolina, with an amendment in the nature of a substitute. (S. Rept. No. 106–477)

S. 2350, to direct the Secretary of the Interior to convey certain water rights to Duchesne City, Utah, with an amendment in the nature of a substitute. (S. Rept. No. 106–478)

S. 2547, to provide for the establishment of the Great Sand Dunes National Park and the Great Sand Dunes National Preserve in the State of Colorado, with an amendment in the nature of a substitute. (S. Rept. No. 106–479)

S. 3022, to direct the Secretary of the Interior to convey certain irrigation facilities to the Nampa and Meridian Irrigation District, with an amendment in the nature of a substitute. (S. Rept. No. 106–480)

H.R. 3023, to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry, with an amendment. (S. Rept. No. 106–481)

H. Con. Res. 89, recognizing the Hermann Monument and Hermann Heights Park in New Ulm, Minnesota, as a national symbol of the contributions of Americans of German heritage. (S. Rept. No. 106–482)

S. 870, to amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspector General within Federal departments, with an amendment in the nature of a substitute. **Pages S9700–01**

Measures Passed:

H–1B Nonimmigrant Visa: By 96 yeas to 1 nay (Vote No. 262), Senate passed S. 2045, to amend the Immigration and Nationality Act with respect to H–1B nonimmigrant aliens, as amended. **Pages S9643–57**

Visa Waiver: Senate passed H.R. 3767, to amend the Immigration and Nationality Act to make improvements to, and permanently authorize, the visa waiver pilot program under section 217 of such Act, as amended. **Page S9657**

Microenterprise for Self-Reliance Act: Committee on Foreign Relations was discharged from further consideration of H.R. 1143, to establish a program to provide assistance for programs of credit and other financial services for microenterprises in developing countries, and the bill was then passed, after agreeing to the following amendment proposed thereto: **Pages S9681–82**

DeWine (for Helms) Amendment No. 4287, in the nature of a substitute. **Page S9682**

Air Force Memorial Foundation: Committee on Energy and Natural Resources was discharged from further consideration of H.R. 4583, to extend the authorization for the Air Force Memorial Foundation to establish a memorial in the District of Columbia or its environs, and the bill was then passed, clearing the measure for the President. **Page S9768**

National Transportation Safety Board: Senate passed S. 2412, to amend title 49, United States Code, to authorize appropriations for the National Transportation Safety Board for fiscal years 2000, 2001, 2002, and 2003, after agreeing to the following amendment proposed thereto: **Pages S9768–69**

Roberts (for McCain) Amendment No. 4288, to make minor and technical corrections in the bill as reported. **Page S9769**

Death in Custody Reporting Act: Committee on the Judiciary was discharged from further consideration of H.R. 1800, to amend the Violent Crime Control and Law Enforcement Act of 1994 to ensure that certain information regarding prisoners is reported to the Attorney General, and the bill was then passed, clearing the measure for the President. **Pages S9769–70**

"The United States Capitol" Publication: Senate agreed to S. Con. Res. 141, to authorize the printing of copies of the publication entitled "The United States Capitol" as a Senate document. **Page S9770**

Washington's Farewell Address: Committee on Rules and Administration was discharged from further consideration of S. Res. 360, to authorize the printing of a document entitled "Washington's Farewell Address", and the resolution was then agreed to. **Page S9770**

Senate Rules and Manual Revisions: Committee on Rules and Administration was discharged from further consideration of S. Res. 361, to authorize the printing of a revised edition of the Senate Rules and Manual, and the resolution was then agreed to. **Page S9770**

Airport Security Improvement Act: Senate passed S. 2440, to amend title 49, United States Code, to improve airport security, after agreeing to a committee amendment in the nature of a substitute. **Pages S9770–72**

Veterans Service Organizations Commemorative Stamp: Committee on Governmental Affairs was discharged from further consideration of S. Con. Res.

70, requesting that the United States Postal Service issue a commemorative postage stamp honoring the national veterans service organizations of the United States, and the resolution was then agreed to.

Page S9772

U.S.S. Wisconsin Commemorative Stamp: Committee on Governmental Affairs was discharged from further consideration of S. Con. Res. 60, expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her, and the resolution was then agreed to. Pages S9772–73

Abraham Lincoln Interpretative Center: Senate passed H.R. 3084, to authorize the Secretary of the Interior to contribute funds for the establishment of an interpretative center on the life and contributions of President Abraham Lincoln, after agreeing to a committee amendment. Page S9773

Wekiva Wild and Scenic River Act: Senate passed H.R. 2773, to amend the Wild and Scenic Rivers Act to designate the Wekiva River and its tributaries of Wakiwa Springs Run, Rock Springs Run, and Black Water Creek in the State of Florida as components of the national wild and scenic rivers system, clearing the measure for the President.

Page S9773

Lincoln County Land Act: Senate passed H.R. 2752, to direct the Secretary of the Interior to sell certain public land in Lincoln County through a competitive process, clearing the measure for the President. Pages S9773–74

Utah West Desert Land Exchange Act: Senate passed H.R. 4579, to provide for the exchange of certain lands within the State of Utah, clearing the measure for the President. Pages S9773–74

Interior Appropriations—Conference Report: Senate began consideration of H.R. 4578, making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001. Page S9683

A unanimous-consent agreement was reached providing for further consideration of the conference report on Wednesday, October 4, 2000. Page S9785

Nominations Confirmed: Senate Confirmed the following nominations:

By unanimous vote of 95 yeas (Vote No. EX. 263), James A. Teilborg, of Arizona, to be United States District Judge for the District of Arizona vice a new position created by Public Law 106–113, approved November 29, 1999.

Michael J. Reagan, of Illinois, to be United States District Judge for the Southern District of Illinois.

Susan Ritchie Bolton, of Arizona, to be United States District Judge for the District of Arizona vice Robert C. Broomfield, retired.

Mary H. Murguia, of Arizona, to be United States District Judge for the District of Arizona vice a new position created by Public Law 106–113, approved November 29, 1999. Pages S9657–81, S9785

Nominations Received: Senate received the following nominations:

Richard A. Meserve, of Virginia, to be an Alternative Representative of the United States of America to the Forty-fourth Session of the General Conference of the International Atomic Energy Agency.

Phillip N. Bredesen, of Tennessee, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 2005.

Melvin C. Hall, of Oklahoma, to be United States District Judge for the Western District of Oklahoma vice Ralph G. Thompson, retired. Page S9785

Messages From the House: Pages S9699–S9700

Measures Referred: Page S9700

Measures Placed on Calendar: Page S9700

Communications: Page S9700

Statements on Introduced Bills: Pages S9702–58

Additional Cosponsors: Pages S9758–59

Amendments Submitted: Pages S9761–68

Additional Statements: Pages S9693–99

Enrolled Bills Presented: Page S9700

Privileges of the Floor: Page S9768

Record Votes: Two record votes were taken today. (Total—263) Pages S9651, S9680

Recess: Senate convened at 9:31 a.m., and recessed at 7:49 p.m., until 9:30 a.m., on Wednesday, October 4, 2000. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S9785.)

Committee Meetings

(Committees not listed did not meet)

NOMINATION

Committee on Armed Services: Committee concluded hearings on the nomination of Robert B. Pirie, Jr., of Maryland, to be Under Secretary of the Navy, after the nominee testified and answered questions in his own behalf.

INTERNET PRIVACY

Committee on Commerce, Science, and Transportation: Committee concluded hearings on S. 809, to require

the Federal Trade Commission to prescribe regulations to protect the privacy of personal information collected from and about private individuals who are not covered by the Children's Online Privacy Protection Act of 1998 on the Internet, to provide greater individual control over the collection and use of that information, S. 2606, to protect the privacy of American consumers, and S. 2928, to protect the privacy of consumers who use the Internet, after receiving testimony from Scott Cooper, Hewlett-Packard Company, and Marc Rotenberg, Electronic Privacy Information Center, both of Washington, D.C.; George Vradenberg III, America Online, Dulles, Virginia; Paul Rubin, Emory University, Atlanta, Georgia; and Simson Garfinkel, Cambridge, Massachusetts.

ENVIRONMENTAL THREAT ASSESSMENT

Committee on Environment and Public Works: Committee concluded oversight hearings to examine the Environmental Protection Agency's use of comparative assessment to evaluate and compare risks posed by certain environment threats, and EPA's Science Advisory Board report on EPA's method for comparing risk, focusing on lessons learned from the application of comparative risk analysis in defining strategic goals for the environment and setting priorities at the Federal, State, and local level, after receiving testimony from Al McGartland, Assistant Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency; Peter F. Guerrero, Director, Environmental Protection Issues, Resources, Community, and Economic Development Division, General Accounting Office; Katherine Hartnett, New Hampshire Comparative Risk Project, Concord; Michael J. Pompili, Columbus Health Department, Columbus, Ohio; J. Clarence Davies, Resources for the Future, Washington, D.C.; and Elizabeth L. Anderson, Sciences International, Inc., Alexandria, Virginia.

PERFORMANCE MANAGEMENT IN THE DISTRICT OF COLUMBIA

Committee on Governmental Affairs: Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia concluded hearings to examine the progress and challenges of performance management in the District of Columbia, after receiving testimony from J. Christopher Mihm, Director, Strategic Issues, General Accounting Office; and Mayor Anthony A. Williams, and Deputy-Mayor John Koskinen, both of Washington, D.C.

WEN HO LEE INVESTIGATION

Committee on the Judiciary: Subcommittee on Administrative Oversight and the Courts resumed oversight hearings to examine certain decisions that were made in the investigation and prosecution of the Wen Ho Lee case, receiving testimony from Stephen M. Younger, Associate Laboratory Director for Nuclear Weapons, John Richter, Consultant, and Ron Wilkins, Computer Network Specialist, all of the Los Alamos National Laboratory, Department of Energy; Robert S. Vrooman, Bozeman, Montana, former Chief, Los Alamos National Lab Counterintelligence; and Notra Trulock III, Falls Church, Virginia, former Director of Intelligence, Department of Energy.

Hearings recessed subject to call.

OFFICE OF JUSTICE PROGRAMS

Committee on the Judiciary: Subcommittee on Youth Violence concluded oversight hearings to examine the financial and performance accountability of the Office of Justice Programs in preventing and controlling illegal drug use, particularly among young people, after receiving testimony from Mary Lou Leary, Acting Assistant Attorney General, Office of Justice Programs, Department of Justice; Judge Michael E. McMaken, District Court of Alabama, Mobile; Associate Judge Richard S. Gebelein, Superior Court of Delaware, Wilmington; Steven Belenko, Columbia University National Center on Addiction and Substance Abuse, New York, New York; and John S. Goldkamp, Temple University, Philadelphia, Pennsylvania.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

Committee on Health, Education, Labor, and Pensions: Committee concluded hearings to examine issues relating to the energy crisis and high fuel cost impact on low-income families, the effectiveness of the Low Income Home Energy Assistance Program (LIHEAP) to provide heating assistance to those in need, and a proposed increase in LIHEAP funding, after receiving testimony from Olivia A. Golden, Assistant Secretary of Health and Human Services for Children and Families; Richard H. Moffi, Vermont Agency of Human Services, Waterbury; Jerry McKim, Iowa Department of Human Rights, Des Moines; John Howat, National Consumer Law Center, Boston, Massachusetts; Mark Seetin, New York Mercantile Exchange, Washington, D.C.; Callie Parker, Little Deer Isle, Maine; and Cathy Duncan, Johnson, Vermont.

House of Representatives

Chamber Action

Bills Introduced: 16 public bills, H.R. 5360–5375; 1 private bill, H.R. 5376 and; 4 resolutions, H. Con. Res. 416, and H. Res. 606–608, were introduced. **Page H8735**

Reports Filed: Reports were filed today as follows.

H.R. 3850, to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, amended (H. Rept. 106–926);

H.R. 1293, to amend title 46, United States Code, to provide equitable treatment with respect to State and local income taxes for certain individuals who perform duties on vessels (H. Rept. 106–927, Pt. 1);

H.R. 4721, to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States, amended (H. Rept. 106–928);

H.R. 4828, to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon, amended (H. Rept. 106–929, Pt. 1); and

H. Res. 609, providing for consideration of H.R. 4828, to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon (H. Rept. 106–930). **Pages H8734–35**

Recess: The House recessed at 9:50 a.m. and reconvened at 10 a.m. **Page H8626**

Private Calendar: On the call of the Private Calendar, the House passed the following private bills:

H.R. 3414, for the relief of Luis A. Leon-Molina, Ligia Padron, Juan Leon Padron, Rendy Leon Padron, Manuel Leon Padron, and Luis Leon Padron; **Page H8627**

H.R. 3184, for the relief of Zohreh Farhang Ghahfarokhi; **Page H8627**

H.R. 848, for the relief of Sepandan Farnia and Farbod Farnia; **Page H8627**

H.R. 5266, for the relief of Saeed Rezai; and **Pages H8627–28**

S. 302, for the relief of Kerantha Poole-Christian clearing the measure for the President. **Page H8628**

Interior and Related Agencies Appropriations Conference Report: The House agreed to the conference report on H.R. 4578, making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 2001 by a yea and nay vote of 348 yeas to 69 nays, Roll No. 507. **Pages H8649–57**

H. Res. 603, the rule that waived points of order against the conference report was agreed to by a yea and nay vote of 354 yeas to 65 nays, Roll No. 506. **Pages H8641–49**

Further Continuing Appropriations: The House passed H.J. Res. 110, making further continuing appropriations for the fiscal year 2001 by a yea and nay vote of 415 yeas to 1 nay, Roll No. 509. **Pages H8659–63**

H. Res. 604, the rule that provided for consideration of the joint resolution was agreed to by voice vote. **Pages H8658–59**

Suspensions: The House agreed to suspend the rules and pass the following measures:

Conveyance of Property to Carl Vinson VA Medical Center, Dublin, Georgia. H.R. 5139, to provide for the conveyance of certain real property at the Carl Vinson Department of Veterans Affairs Medical Center, Dublin, Georgia; **Pages H8630–31**

Participation by Reservists in Funeral Honor Guards for Veterans: H.R. 284, amended, to amend title 38, United States Code, to require employers to give employees who are members of a reserve component a leave of absence for participation in an honor guard for a funeral of a veteran; **Pages H8631–34**

Importance of Efforts in the Fight Against Breast Cancer: H. Res. 278, expressing the sense of the House of Representatives regarding the importance of education, early detection and treatment, and other efforts in the fight against breast cancer (agreed to by a yea and nay vote of 420 yeas with none voting "nay", Roll No. 508); **Pages H8634–38, H8657–58**

Significance of Cervical Cancer Public Awareness: H. Con. Res. 64, recognizing the severity of the issue of cervical health; **Pages H8638–40**

Disaster Mitigation: H. Res. 607, providing for the concurrence by the House with an amendment in the Senate amendment to H.R. 707, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize a program for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance; **Pages H8663–73**

Needlestick Safety and Prevention: H.R. 5178, amended, to require changes in the bloodborne

pathogens standard in effect under the Occupational Safety and Health Act of 1970; **Pages H8673–80**

Portable Skills Training: H.R. 4216, amended, to amend the Workforce Investment Act of 1998 to authorize reimbursement to employers for portable skills training. Agreed to amend the title; **Pages H8680–82**

Independent Telecommunications Consumer Enhancement: H.R. 3850, amended, to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers; **Pages H8682–86**

Prevention and Early Detection of Colon Cancer: H. Con. Res. 133, recognizing the severity of the disease of colon cancer, the preventable nature of the disease, and the need for education in the areas of prevention and early detection; **Pages H8686–88**

Fairness and Voluntary Arbitration: H.R. 534, amended, to amend chapter 1 of title 9 of the United States Code to permit each party to certain contracts to accept or reject arbitration as a means of settling disputes under the contracts. Agreed to amend the title; **Pages H8688–90**

Strengthening Abuse and Neglect Court Grants: S. 2272, to improve the administrative efficiency and effectiveness of the Nation's abuse and neglect courts and for other purposes consistent with the Adoption and Safe Families Act of 1997—clearing the measure for the President; **Pages H8690–94**

Increased Penalties for Smugglers Trafficking in Human Beings: H.R. 238, amended, to amend section 274 of the Immigration and Nationality Act to impose mandatory minimum sentences, and increase certain sentences, for bringing in and harboring certain aliens and to amend title 18, United States Code, to provide enhanced penalties for persons committing such offenses while armed penalties for persons committing such offenses while armed. Agreed to amend the title; **Pages H8694–97**

Child Sex Crimes Wiretapping: H.R. 3484, amended, to amend title 18, United States Code, to provide that certain sexual crimes against children are predicate crimes for the interception of communications; **Pages H8697–99**

American Competitiveness in the Twenty-first Century: S. 2045, to amend the Immigration and Nationality Act with respect to H–1B nonimmigrant aliens—clearing the measure for the President; **Pages H8699–H8706**

Truth in Regulating: S. 1198, to amend chapter 8 of title 5, United States Code, to provide for a report by the General Accounting Office to Congress on agency regulatory actions—clearing the measure for the President; **Pages H8706–10**

Acquisition of Certain Property in Washington County, Utah: H.R. 4721, amended, to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States; **Pages H8710–11**

Women's Public College and University Historic Building Preservation Grants: H.R. 4503, amended, to provide for the preservation and restoration of historic buildings at historically women's public colleges or universities; **Pages H8711–13**

Salt River Pima-Maricopa Indian Community Ownership of Reservation Irrigation Works: H.R. 2820, to provide for the ownership and operation of the irrigation works on the Salt River Pima-Maricopa Indian Community's reservation in Maricopa County, Arizona, by the Salt River Pima-Maricopa Indian Community; **Pages H8713–17**

Frederick Douglass National Memorial and Gardens, Anacostia, Washington, D.C.: H.R. 5331, to authorize the Frederick Douglass Gardens, Inc., to establish a memorial and gardens on Department of the Interior lands in the District of Columbia or its environs in honor and commemoration of Frederick Douglass; **Pages H8717–20**

El Camino Real de Tierra Adentro National Historic Trail: S. 366, to amend the National Trails System Act to designate El Camino Real de Tierra Adentro as a National Historic Trail clearing the measure for the President; **Pages H8720–21**

Conveyance of Facilities to the Northern Colorado Water Conservancy: H.R. 4389, amended, to direct the Secretary of the Interior to convey certain water distribution facilities to the Northern Colorado Water Conservancy District; **Page H8721**

Regarding the Russian Sale of Moskit Missiles to China: H.R. 4022, amended, regarding the sale and transfer of Moskit anti-ship missiles by the Russian Federation; and **Pages H8724–26**

Importance of Taiwan's Participation in the United Nations: H. Con. Res. 390, amended, expressing the sense of the Congress regarding Taiwan's participation in the United Nations. Agreed to amend the title. **Pages H8726–28**

Suspension—Proceedings Postponed: The House completed debate on the motion to suspend the rules and pass the following measure. Further proceedings were then postponed:

American War Veterans Oral History Program: H.R. 5212, amended, to direct the American Folklife Center at the Library of Congress to establish a program to collect video and audio recordings of personal histories and testimonials of American war veterans; **Pages H8721–24**

Committee Election: The House agreed to H. Res. 608, electing Representative Martinez to the Committee on Transportation and Infrastructure and Representative Wilson to the Committee on Armed Services. **Page H8728**

Recess: The House recessed at 10 p.m. and reconvened at 11:17 p.m. **Page H8734**

Senate Messages: Messages received from the Senate today appear on pages H8626–27 and H8663.

Amendments: Amendment ordered printed pursuant to the rule appears on pages H8736–41.

Quorum Calls Votes: Four yea-and-nay votes developed during the proceedings of the House today and appear on pages H8648–49, H8657, H8658, and H8662–63. There were no quorum calls.

Adjournment: The House met at 9 a.m. and adjourned at 11:18 p.m.

Committee Meetings

IRS—ELECTRONIC TAX ADMINISTRATION

Committee on Appropriations: Subcommittee on Treasury, Postal Service and General Government held a hearing on IRS-Electronic Tax Administration. Testimony was heard from Charles Rossotti, Director, IRS, Department of the Treasury; and public witnesses.

FARM CREDIT ADMINISTRATION'S NATIONAL CHARTER INITIATIVE

Committee on Banking and Financial Services: Held a hearing on the Farm Credit Administration's National Charter Initiative. Testimony was heard from Michael M. Reyna, Chairman and CEO, Farm Credit Administration; and public witnesses.

EPA—ROLE OF OMBUDSMAN ADDRESSING CONCERNS OF LOCAL COMMUNITIES

Committee on Commerce: Subcommittee on Finance and Hazardous Materials and the Subcommittee on Health and Environment held a joint hearing on the Role of the EPA Ombudsman in Addressing Concerns of Local Communities. Testimony was heard from the following officials of the EPA: Robert Martin, Ombudsman; Tim Fields, Assistant Administrator, Office of Solid Waste and Emergency Response; and public witnesses.

COUNTERFEIT BULK DRUGS

Committee on Commerce: Subcommittee on Oversight and Investigations held a hearing on counterfeit bulk drugs and related concerns.. Testimony was heard from Jane E. Henney, M.D., Commissioner, FDA, Department of Health and Human Services; Raymond Kelly, Commissioner, U.S. Customs Service, Department of the Treasury; Patricia L. Maher, Deputy Assistant Attorney General, Civil Division, Department of Justice; and a public witness.

INJURED FEDERAL WORKERS

Committee on Education and the Workforce, Subcommittee on Workforce Protections held a hearing on Injured Federal Workers on Hold: Customer Communications at DOL's Office of Workers' Compensation Programs. Testimony was heard from the following officials of the Department of Labor: Shelby Hallmark, Acting Director, Office of Workers' Compensation Programs, Employment Standards Administration; and Patricia A. Dalton, Acting Inspector General; Michael Brostek, Director, Tax Administration and Justice, GAO.

ANTHRAX VACCINE IMMUNIZATION PROGRAM

Committee on Government Reform: Held a hearing on the Anthrax Vaccine Immunization Program—What Have We Learned? Testimony was heard from Representative Metcalf; Mark Elengold, Deputy Director, Operations, FDA's Center for Biologics Evaluation and Research, Department of Health and Human Services; the following officials of the Department of Defense: Charles Cragin, Principal Deputy Assistant Secretary, Reserve Affairs; Col. Arthur Friedlander, USA, Senior Military Scientist, Medical Branch, Institute of Infectious Diseases; Jarrett Clinton, Acting Assistant Secretary, Health Affairs; Anna Johnson-Winegar, Deputy Assistant to the Secretary (Chemical-Biological Defense); and Senior Airman Thomas J. Collosimo, USAF; and public witnesses.

MISCELLANEOUS MEASURES

Committee on International Relations: Ordered reported, as amended, H. Res. 596, calling upon the President to ensure that the foreign policy of the United States reflects appropriate understanding and sensitivity concerning issues related to human rights, ethnic cleansing, and genocide documented in the United States record relating to the Armenian Genocide.

The Committee also favorably considered the following measures and adopted a motion urging the Chairman to request that they be considered on the Suspension Calendar; H. Res. 577, amended, to honor the United Nations High Commissioner for Refugees (UNHCR) for its role as a protector of the

world's refugees, to celebrate UNHCR's 50th anniversary, and to praise the High Commissioner Sadako Ogata for her work with UNHCR for the past ten years; H. Con. Res. 397, amended, voicing concern about serious violations of human rights and fundamental freedoms in the most states of Central Asia, including substantial noncompliance with their Organization for Security and Cooperation in Europe (OSCE) commitments on democratization and the holding of free and fair elections; S. 2682, to authorize the Broadcasting Board of Governors to make available to the Institute for Media Development certain materials of the Voice of America; H. Con. Res. 404, calling for the immediate release of Mr. Edmond Pope from prison in the Russian Federation of Humanitarian reasons; S. 1453, amended, Sudan Peace Act; H. Res. 588, amended, expressing the sense of the House of Representatives with respect to violations in Western Europe of provisions of the Helsinki Final Act and other international agreements relating to the freedom of individuals to profess and practice religion or belief; H. Con. Res. 414, amended, relating to the reestablishment of representative government in Afghanistan; H. Con. Res. 410, condemning the assassination of Father John Kaiser and others who worked to promote human rights and justice in the Republic of Kenya; H. Con. Res. 361, amended, commending the Republic of Benin; and H.Con.Res. 382, amended, calling on the government of Azerbaijan to hold free and fair parliamentary elections in November, 2000.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Subcommittee on Immigration and Claims approved for full Committee action the following: H.R. 5285; amended, Serious Human Rights Abusers Accountability Act of 2000; three original measures amending the Immigration and Nationality Act; and requests for INS reports for private relief bills.

STEENS MOUNTAIN OREGON WILDERNESS ACT

Committee on Rules: Granted by voice vote an open rule providing one hour of general debate on H.R. 4828, to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon, equally divided between the chairman and ranking minority member of the Committee on Resources. The rule waives all points of order against consideration of the bill. The rule makes in order as an original bill for the purpose of amendment the Walden amendment in the nature of a substitute printed in the Congressional Record and numbered 1, which shall be open for amendment at any point. The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The rule allows 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 Representative Walden of Oregon.

VA—CHIROPRACTIC SERVICES

Committee on Veterans' Affairs: Subcommittee on Health held a hearing on Chiropractic Services in the VA. Testimony was heard from Frances M. Murphy, M.D., Acting Deputy Under Secretary, Health, Veterans Health Administration, Department of Veterans Affairs; Rear Adm. Michael L. Cowan, U.S.N., Deputy Executive Director and CEO, TRICARE Management Activity, Office of the Assistant Secretary, Health Affairs, Department of Defense; and public witnesses.

MEDICARE REFINEMENT AND BENEFIT IMPROVEMENT ACT

Committee on Ways and Means: Subcommittee on Health approved for full Committee action, as amended, the Medicare Refinement and Benefit Improvement Act of 2000.

FLEXIBLE FUNDING FOR CHILD PROTECTION ACT

Committee on Ways and Means: Subcommittee on Human Resources held a hearing on H.R. 5292, Flexible Funding for Child Protection Act of 2000. Testimony was heard from Kathleen A. Kearney, Secretary, Department of Children and Families, State of Florida; and public witnesses.

BRIEFING GLOBAL HOT SPOTS

Permanent Select Committee on Intelligence: Met in executive session to receive a briefing on Global Hot Spots. The Committee was briefed by departmental witnesses.

Joint Meetings

APPROPRIATIONS—AGRICULTURE

Conferees met to resolve the differences between the Senate and House passed versions of H.R. 4461, making appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies programs for the fiscal year ending September 30, 2001, but did not complete action thereon, and recessed subject to call.

APPROPRIATIONS—TRANSPORTATION

Conferees agreed to file a conference report on the differences between the Senate and House passed

versions of H.R. 4475, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2001.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D1013)*

S. 1638, to amend the Omnibus Crime Control and Safe Streets Act of 1968 to extend the retroactive eligibility dates for financial assistance for higher education for spouses and dependent children of Federal, State, and local law enforcement officers who are killed in the line of duty. Signed October 2, 2000. (P.L. 106–276)

S. 2460, to authorize the payment of rewards to individuals furnishing information relating to persons subject to indictment for serious violations of international humanitarian law in Rwanda. Signed October 2, 2000. (P.L. 106–277)

COMMITTEE MEETINGS FOR WEDNESDAY, OCTOBER 4, 2000

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Commerce, Science, and Transportation: to hold oversight hearings to review the findings and recommendations of the Interagency Commission on Crime and Security in U.S. Seaports, 9:30 a.m., SR–253.

Committee on Health, Education, Labor, and Pensions: to hold hearings to examine health care coverage issues, 9:30 a.m., SD–430.

Committee on Indian Affairs: to hold hearings to examine alcohol and law enforcement in Alaska, 9:30 a.m., SD–366.

Select Committee on Intelligence: to hold closed hearings on pending intelligence matters, 2:30 p.m., SH–219.

Committee on Small Business: to hold hearings on U.S. Forest Service issues relating to small business, 9:30 a.m., SR–428A.

House

Committee on Agriculture, hearing to review wildlife risks on federal lands, 10 a.m., 1300 Longworth.

Committee on Commerce, Subcommittee on Finance and Hazardous Materials, hearing on lost Security Holders: Reuniting Security Holders with their Investments, 10 a.m., 2322 Rayburn.

Committee on Education and the Workforce, Subcommittee on Oversight and Investigations, hearing on Safety in Study Abroad Programs, 10:30 a.m., 2175 Rayburn.

Committee on Government Reform, Subcommittee on Civil Service, hearing on Oversight of Wage—Grade Pay in Georgia and Oklahoma, 10 a.m., 2203 Rayburn.

Subcommittee on Criminal Justice, Drug Policy and Human Resources, hearing on Anti-Drug Media Campaign: Program and Contract Accountability and Administration, 10 a.m., 2154 Rayburn.

Committee on International Relations, hearing to review the Policy Blueprint for Approving U.N. Peacekeeping Missions, 10 a.m., 2172 Rayburn.

Committee on the Judiciary, Subcommittee on Crime, hearing on H.R. 469, Jeremy and Julia's Law, 1:30 p.m., 2237 Rayburn.

Committee on Resources, hearing on H.R. 4751, Puerto Rico-United States Bilateral Pact of Non-Territorial Permanent Union and Guaranteed Citizenship Act, 11 a.m., 1324 Longworth.

Committee on Science, hearing on Intolerance at EPA-Harming People, Harming Science? 10 a.m., 2318 Rayburn.

Subcommittee on Basic Research, hearing on Benchmarking U.S. Science: What Can It Tell Us? 2:30 p.m., 2318 Rayburn.

Joint Meetings

Conference: meeting of conferees on H.R. 3244, to combat trafficking of persons, especially into the sex trade, slavery, and slavery-like conditions in the United States and countries around the world through prevention, through prosecution and enforcement against traffickers, and through protection and assistance to victims of trafficking, 3:30 p.m., S–116, Capitol.

Next Meeting of the **SENATE**

9:30 a.m., Wednesday, October 4

Senate Chamber

Program for Wednesday: Senate will continue consideration of the Conference Report on H.R. 4578, Interior Appropriations.

Next Meeting of the **HOUSE OF REPRESENTATIVES**

10 a.m., Wednesday, October 4

House Chamber

Program for Wednesday: Consideration of H.R. 4828, Steens Mountain Wilderness Act (open rule, one hour of debate);

Motion to go to conference on H.R. 820, Coast Guard Authorization;

Motion to go to conference on S. 835, Estuary Habitat and Chesapeake Bay Restoration; and

Motion to go to conference on H.R. 4942, District of Columbia Appropriations, 2001.

Extensions of Remarks, as inserted in this issue

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