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REPORT ON THE ACTIVITY OF THE COMMITTEE ON COMMERCE FOR THE 106TH CONGRESS

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Mr. BLILEY, from the Committee on Commerce,
submitted the following

REPORT

The jurisdiction of the Committee on Commerce, as prescribed by Clause 1(f) of Rule X of the Rules of the House of Representatives, is as follows:

- (1) Biomedical research and development.
- (2) Consumer affairs and consumer protection.
- (3) Health and health facilities (except health care supported by payroll deductions).
- (4) Interstate energy compacts.
- (5) Interstate and foreign commerce generally.
- (6) Exploration, production, storage, supply, marketing, pricing, and regulation of energy resources, including all fossil fuels, solar energy, and other unconventional or renewable energy resources.
- (7) Conservation of energy resources.
- (8) Energy information generally.
- (9) The generation and marketing of power (except by federally chartered or Federal regional power marketing authorities); reliability and interstate transmission of, and ratemaking for, all power; siting of generation facilities (except the installation of interconnections between Government waterpower projects).
- (10) General management of the Department of Energy, and the management and all functions of the Federal Energy Regulatory Commission.
- (11) National energy policy generally.
- (12) Public health and quarantine.
- (13) Regulation of the domestic nuclear energy industry, including regulation of research and development reactors and nuclear regulatory research.

- (14) Regulation of interstate and foreign communications.
- (15) Securities and exchanges.
- (16) Travel and tourism.

The Committee shall have the same jurisdiction with respect to regulation of nuclear facilities and of use of nuclear energy as it has with respect to regulation of nonnuclear facilities and of use of nonnuclear energy.

In addition, clause 3(c) of Rule X of the Rules of the House of Representatives provides that the Committee on Commerce shall review and study on a continuing basis laws, programs, and Government activities relating to nuclear and other energy research and development including the disposal of nuclear waste.

RULES FOR THE COMMITTEE ON COMMERCE, U.S. HOUSE OF
REPRESENTATIVES, 106TH CONGRESS

Rule 1. General Provisions.

(a) Rules of the Committee. The Rules of the House are the rules of the Committee on Commerce (hereinafter the "Committee") and its subcommittees so far as is applicable, except that a motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, is nondebatable and privileged in the Committee and its subcommittees.

(b) Rules of the Subcommittees. Each subcommittee of the Committee is part of the Committee and is subject to the authority and direction of the Committee and to its rules so far as applicable. Written rules adopted by the Committee, not inconsistent with the Rules of the House, shall be binding on each subcommittee of the Committee.

Rule 2. Time and Place of Meetings.

(a) Regular Meeting Days. The Committee shall meet on the fourth Tuesday of each month at 10 a.m., for the consideration of bills, resolutions, and other business, if the House is in session on that day. If the House is not in session on that day and the Committee has not met during such month, the Committee shall meet at the earliest practicable opportunity when the House is again in session. The chairman of the Committee may, at his discretion, cancel, delay, or defer any meeting required under this section, after consultation with the ranking minority member.

(b) Additional Meetings. The chairman may call and convene, as he considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business. The Committee shall meet for such purposes pursuant to that call of the chairman.

(c) Vice Chairmen; Presiding Member. The chairman shall designate a member of the majority party to serve as vice chairman of the Committee, and shall designate a majority member of each subcommittee to serve as vice chairman of each subcommittee. The vice chairman of the Committee or subcommittee, as the case may be, shall preside at any meeting or hearing during the temporary absence of the chairman. If the chairman and vice chairman of the Committee or subcommittee are not present at any meeting or

hearing, the ranking member of the majority party who is present shall preside at the meeting or hearing.

(d) Open Meetings and Hearings. Except as provided by the Rules of the House, each meeting of the Committee or any of its subcommittees for the transaction of business, including the markup of legislation, and each hearing, shall be open to the public including to radio, television and still photography coverage, consistent with the provisions of Rule XI of the Rules of the House.

Rule 3. Agenda.

The agenda for each Committee or subcommittee meeting (other than a hearing), setting out the date, time, place, and all items of business to be considered, shall be provided to each member of the Committee at least 36 hours in advance of such meeting.

Rule 4. Procedure.

(a)(1) Hearings. The date, time, place, and subject matter of any hearing of the Committee or any of its subcommittees shall be announced at least one week in advance of the commencement of such hearing, unless the Committee or subcommittee determines in accordance with clause 2(g)(3) of Rule XI of the Rules of the House that there is good cause to begin the hearing sooner.

(2)(A) Meetings. The date, time, place, and subject matter of any meeting (other than a hearing) scheduled on a Tuesday, Wednesday, or Thursday when the House will be in session, shall be announced at least 36 hours (exclusive of Saturdays, Sundays, and legal holidays except when the House is in session on such days) in advance of the commencement of such meeting.

(B) Other Meetings. The date, time, place, and subject matter of a meeting (other than a hearing or a meeting to which subparagraph (A) applies) shall be announced at least 72 hours in advance of the commencement of such meeting.

(b)(1) Requirements for Testimony. Each witness who is to appear before the Committee or a subcommittee shall file with the clerk of the Committee, at least two working days in advance of his or her appearance, sufficient copies, as determined by the chairman of the Committee or a subcommittee, of a written statement of his or her proposed testimony to provide to members and staff of the Committee or subcommittee, the news media, and the general public. Each witness shall, to the greatest extent practicable, also provide a copy of such written testimony in an electronic format prescribed by the chairman. Each witness shall limit his or her oral presentation to a brief summary of the argument. The chairman of the Committee or of a subcommittee, or the presiding member, may waive the requirements of this paragraph or any part thereof.

(2) Additional Requirements for Testimony. To the greatest extent practicable, the written testimony of each witness appearing in a non-governmental capacity shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of any federal grant (or subgrant thereof) or contract (or sub-contract thereof) received during the current fiscal year or either of the two preceding fiscal years by the witness or by an entity represented by the witness.

(c) Questioning Witnesses. The right to interrogate the witnesses before the Committee or any of its subcommittees shall alternate

between majority and minority members. Each member shall be limited to 5 minutes in the interrogation of witnesses until such time as each member who so desires has had an opportunity to question witnesses. No member shall be recognized for a second period of 5 minutes to interrogate a witness until each member of the Committee present has been recognized once for that purpose. While the Committee or subcommittee is operating under the 5-minute rule for the interrogation of witnesses, the chairman shall recognize in order of appearance members who were not present when the meeting was called to order after all members who were present when the meeting was called to order have been recognized in the order of seniority on the Committee or subcommittee, as the case may be.

(d) Explanation of Subcommittee Action. No bill, recommendation, or other matter reported by a subcommittee shall be considered by the full Committee unless the text of the matter reported, together with an explanation, has been available to members of the Committee for at least 36 hours. Such explanation shall include a summary of the major provisions of the legislation, an explanation of the relationship of the matter to present law, and a summary of the need for the legislation. All subcommittee actions shall be reported promptly by the clerk of the Committee to all members of the Committee.

(e) Opening Statements. Opening statements by members at the beginning of any hearing or markup of the Committee or any of its subcommittees shall be limited to 5 minutes each for the chairman and ranking minority member (or their respective designee) of the Committee or subcommittee, as applicable, and 3 minutes each for all other members.

Rule 5. Waiver of Agenda, Notice, and Layover Requirements.

Requirements of rules 3, 4(a)(2), and 4(d) may be waived by a majority of those present and voting (a majority being present) of the Committee or subcommittee, as the case may be.

Rule 6. Quorum.

Testimony may be taken and evidence received at any hearing at which there are present not fewer than two members of the Committee or subcommittee in question. A majority of the members of the Committee shall constitute a quorum for the purposes of reporting any measure or matter, of authorizing a subpoena, or of closing a meeting or hearing pursuant to clause 2(g) of Rule XI of the Rules of the House (except as provided in clause 2(g)(2)(A) and (B)). For the purposes of taking any action other than those specified in the preceding sentence, one-third of the members of the Committee or subcommittee shall constitute a quorum.

Rule 7. Official Committee Records.

(a)(1) Journal. The proceedings of the Committee shall be recorded in a journal which shall, among other things, show those present at each meeting, and include a record of the vote on any question on which a record vote is demanded and a description of the amendment, motion, order, or other proposition voted. A copy of the journal shall be furnished to the ranking minority member.

(2) Record Votes. A record vote may be demanded by one-fifth of the members present or, in the apparent absence of a quorum, by any one member. No demand for a record vote shall be made or obtained except for the purpose of procuring a record vote or in the apparent absence of a quorum. The result of each record vote in any meeting of the Committee shall be made available in the Committee office for inspection by the public, as provided in Rule XI, clause 2(e) of the Rules of the House.

(b) Archived Records. The records of the Committee at the National Archives and Records Administration shall be made available for public use in accordance with Rule VII of the Rules of the House. The chairman shall notify the ranking minority member of any decision, pursuant to clause 3 (b)(3) or clause 4 (b) of the Rule, to withhold a record otherwise available, and the matter shall be presented to the Committee for a determination on the written request of any member of the Committee. The chairman shall consult with the ranking minority member on any communication from the Archivist of the United States or the Clerk of the House concerning the disposition of noncurrent records pursuant to clause 3(b) of the Rule.

Rule 8. Subcommittees.

There shall be such standing subcommittees with such jurisdiction and size as determined by the majority party caucus of the Committee. The jurisdiction, number, and size of the subcommittees shall be determined by the majority party caucus prior to the start of the process for establishing subcommittee chairmanships and assignments.

Rule 9. Powers and Duties of Subcommittees.

Each subcommittee is authorized to meet, hold hearings, receive testimony, markup legislation, and report to the Committee on all matters referred to it. Subcommittee chairmen shall set hearing and meeting dates only with the approval of the chairman of the Committee with a view toward assuring the availability of meeting rooms and avoiding simultaneous scheduling of Committee and subcommittee meetings or hearings whenever possible.

Rule 10. Reference of Legislation and Other Matters.

All legislation and other matters referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within two weeks of the date of receipt by the Committee unless action is taken by the full committee within those two weeks, or by majority vote of the members of the Committee, consideration is to be by the full Committee. In the case of legislation or other matter within the jurisdiction of more than one subcommittee, the chairman of the Committee may, in his discretion, refer the matter simultaneously to two or more subcommittees for concurrent consideration, or may designate a subcommittee of primary jurisdiction and also refer the matter to one or more additional subcommittees for consideration in sequence (subject to appropriate time limitations), either on its initial referral or after the matter has been reported by the subcommittee of primary jurisdiction. Such authority shall include the authority to refer such legislation or matter to an ad hoc subcommittee appointed by the chairman, with the approval of the

Committee, from the members of the subcommittee having legislative or oversight jurisdiction.

Rule 11. Ratio of Subcommittees.

The majority caucus of the Committee shall determine an appropriate ratio of majority to minority party members for each subcommittee and the chairman shall negotiate that ratio with the minority party, provided that the ratio of party members on each subcommittee shall be no less favorable to the majority than that of the full Committee, nor shall such ratio provide for a majority of less than two majority members.

Rule 12. Subcommittee Membership.

(a) Selection of Subcommittee Members. Prior to any organizational meeting held by the Committee, the majority and minority caucuses shall select their respective members of the standing subcommittees.

(b) Ex Officio Members. The chairman and ranking minority member of the Committee shall be ex officio members with voting privileges of each subcommittee of which they are not assigned as members and may be counted for purposes of establishing a quorum in such subcommittees.

Rule 13. Managing Legislation on the House Floor.

The chairman, in his discretion, shall designate which member shall manage legislation reported by the Committee to the House.

Rule 14. Committee Professional and Clerical Staff Appointments.

(a) Delegation of Staff. Whenever the chairman of the Committee determines that any professional staff member appointed pursuant to the provisions of clause 9 of Rule X of the House of Representatives, who is assigned to such chairman and not to the ranking minority member, by reason of such professional staff member's expertise or qualifications will be of assistance to one or more subcommittees in carrying out their assigned responsibilities, he may delegate such member to such subcommittees for such purpose. A delegation of a member of the professional staff pursuant to this subsection shall be made after consultation with subcommittee chairmen and with the approval of the subcommittee chairman or chairmen involved.

(b) Minority Professional Staff. Professional staff members appointed pursuant to clause 9 of Rule X of the House of Representatives, who are assigned to the ranking minority member of the Committee and not to the chairman of the Committee, shall be assigned to such Committee business as the minority party members of the Committee consider advisable.

(c) Additional Staff Appointments. In addition to the professional staff appointed pursuant to clause 9 of Rule X of the House of Representatives, the chairman of the Committee shall be entitled to make such appointments to the professional and clerical staff of the Committee as may be provided within the budget approved for such purposes by the Committee. Such appointee shall be assigned to such business of the full Committee as the chairman of the Committee considers advisable.

(d) Sufficient Staff. The chairman shall ensure that sufficient staff is made available to each subcommittee to carry out its responsibilities under the rules of the Committee.

(e) Fair Treatment of Minority Members in Appointment of Committee Staff. The chairman shall ensure that the minority members of the Committee are treated fairly in appointment of Committee staff.

(f) Contracts for Temporary or Intermittent Services. Any contract for the temporary services or intermittent service of individual consultants or organizations to make studies or advise the Committee or its subcommittees with respect to any matter within their jurisdiction shall be deemed to have been approved by a majority of the members of the Committee if approved by the chairman and ranking minority member of the Committee. Such approval shall not be deemed to have been given if at least one-third of the members of the Committee request in writing that the Committee formally act on such a contract, if the request is made within 10 days after the latest date on which such chairman or chairmen, and such ranking minority member or members, approve such contract.

Rule 15. Supervision, Duties of Staff.

(a) Supervision of Majority Staff. The professional and clerical staff of the Committee not assigned to the minority shall be under the supervision and direction of the chairman who, in consultation with the chairmen of the subcommittees, shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(b) Supervision of Minority Staff. The professional and clerical staff assigned to the minority shall be under the supervision and direction of the minority members of the Committee, who may delegate such authority as they determine appropriate.

Rule 16. Committee Budget.

(a) Preparation of Committee Budget. The chairman of the Committee, after consultation with the ranking minority member of the Committee and the chairmen of the subcommittees, shall for the 106th Congress prepare a preliminary budget for the Committee, with such budget including necessary amounts for professional and clerical staff, travel, investigations, equipment and miscellaneous expenses of the Committee and the subcommittees, and which shall be adequate to fully discharge the Committee's responsibilities for legislation and oversight. Such budget shall be presented by the chairman to the majority party caucus of the Committee and thereafter to the full Committee for its approval.

(b) Approval of the Committee Budget. The chairman shall take whatever action is necessary to have the budget as finally approved by the Committee duly authorized by the House. No proposed Committee budget may be submitted to the Committee on House Administration unless it has been presented to and approved by the majority party caucus and thereafter by the full Committee. The chairman of the Committee may authorize all necessary expenses in accordance with these rules and within the limits of the Committee's budget as approved by the House.

(c) Monthly Expenditures Report. Committee members shall be furnished a copy of each monthly report, prepared by the chairman for the Committee on House Administration, which shows expenditures made during the reporting period and cumulative for the year by the Committee and subcommittees, anticipated expenditures for the projected Committee program, and detailed information on travel.

Rule 17. Broadcasting of Committee Hearings.

Any meeting or hearing that is open to the public may be covered in whole or in part by radio or television or still photography, subject to the requirements of clause 4 of Rule XI of the Rules of the House. The coverage of any hearing or other proceeding of the Committee or any subcommittee thereof by television, radio, or still photography shall be under the direct supervision of the chairman of the Committee, the subcommittee chairman, or other member of the Committee presiding at such hearing or other proceeding and may be terminated by such member in accordance with the Rules of the House.

Rule 18. Comptroller General Audits.

The chairman of the Committee is authorized to request verification examinations by the Comptroller General of the United States pursuant to Title V, Part A of the Energy Policy and Conservation Act (Public Law 94-163), after consultation with the members of the Committee.

Rule 19. Subpoenas.

The Committee, or any subcommittee, may authorize and issue a subpoena under clause 2(m)(2)(A) of Rule XI of the House, if authorized by a majority of the members of the Committee or subcommittee (as the case may be) voting, a quorum being present. Authorized subpoenas may be issued over the signature of the chairman of the Committee or any member designated by the Committee, and may be served by any person designated by such chairman or member. The chairman of the Committee may authorize and issue subpoenas under such clause during any period for which the House has adjourned for a period in excess of 3 days when, in the opinion of the chairman, authorization and issuance of the subpoena is necessary to obtain the material set forth in the subpoena. The chairman shall report to the members of the Committee on the authorization and issuance of a subpoena during the recess period as soon as practicable but in no event later than one week after service of such subpoena.

Rule 20. Travel of Members and Staff.

(a) Approval of Travel. Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, travel to be reimbursed from funds set aside for the Committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the Committee or any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under

the general jurisdiction of the Committee. Before such authorization is given there shall be submitted to the chairman in writing the following: (1) the purpose of the travel; (2) the dates during which the travel is to be made and the date or dates of the event for which the travel is being made; (3) the location of the event for which the travel is to be made; and (4) the names of members and staff seeking authorization.

(b) Approval of Travel by Minority Members and Staff. In the case of travel by minority party members and minority party professional staff for the purpose set out in (a), the prior approval, not only of the chairman but also of the ranking minority member, shall be required. Such prior authorization shall be given by the chairman only upon the representation by the ranking minority member in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a).

CLAUSES 2 AND 4 OF RULE XI AND CLAUSES 2 AND 3 OF RULE XIII
OF THE RULES OF THE HOUSE OF REPRESENTATIVES FOR THE
106TH CONGRESS

January 6, 1999

RULE XI: PROCEDURES OF COMMITTEES AND UNFINISHED
BUSINESS.

CLAUSE 2: COMMITTEE RULES

Adoption of written rules

2. (a)(1) Each standing committee shall adopt written rules governing its procedure. Such rules—

(A) shall be adopted in a meeting that is open to the public unless the committee, in open session and with a quorum present, determines by record vote that all or part of the meeting on that day shall be closed to the public;

(B) may not be inconsistent with the Rules of the House or with those provisions of law having the force and effect of Rules of the House; and

(C) shall in any event incorporate all of the succeeding provisions of this clause to the extent applicable.

(2) Each committee shall submit its rules for publication in the Congressional Record not later than 30 days after the committee is elected in each odd-numbered year.

Regular meeting days

(b) Each standing committee shall establish regular meeting days for the conduct of its business, which shall be not less frequent than monthly. Each such committee shall meet for the consideration of a bill or resolution pending before the committee or the transaction of other committee business on all regular meeting days fixed by the committee unless otherwise provided by written rule adopted by the committee.

Additional and special meetings

(c)(1) The chairman of each standing committee may call and convene, as he considers necessary, additional and special meetings of the committee for the consideration of a bill or resolution pend-

ing before the committee or for the conduct of other committee business, subject to such rules as the committee may adopt. The committee shall meet for such purpose under that call of the chairman.

(2) Three or more members of a standing committee may file in the offices of the committee a written request that the chairman call a special meeting of the committee. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If the chairman does not call the requested special meeting within three calendar days after the filing of the request (to be held within seven calendar days after the filing of the request) a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held. The written notice shall specify the date and hour of the special meeting and the measure or matter to be considered. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered. Only the measure or matter specified in that notice may be considered at that special meeting.

Temporary absence of chairman

(d) A member of the majority party on each standing committee or subcommittee thereof shall be designated by the chairman of the full committee as the vice chairman of the committee or subcommittee, as the case may be, and shall preside during the absence of the chairman from any meeting. If the chairman and vice chairman of a committee or subcommittee are not present at any meeting of the committee or subcommittee, the ranking majority member who is present shall preside at that meeting.

Committee records

(e)(1)(A) Each committee shall keep a complete record of all committee action which shall include—

(i) in the case of a meeting or hearing transcript, a substantially verbatim account of remarks actually made during the proceedings, subject only to technical, grammatical, and typographical corrections authorized by the person making the remarks involved; and

(ii) a record of the votes on any question on which a record vote is demanded.

(B)(i) Except as provided in subdivision (B)(ii) and subject to paragraph (k)(7), the result of each such record vote shall be made available by the committee for inspection by the public at reasonable times in its offices. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition, the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and the names of those members of the committee present but not voting.

(ii) The result of any record vote taken in executive session in the Committee on Standards of Official Conduct may not be made

available for inspection by the public without an affirmative vote of a majority of the members of the committee.

(2)(A) Except as provided in subdivision (B), all committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as its chairman. Such records shall be the property of the House, and each Member, Delegate, and the Resident Commissioner shall have access thereto.

(B) A Member, Delegate, or Resident Commissioner, other than members of the Committee on Standards of Official Conduct, may not have access to the records of that committee respecting the conduct of a Member, Delegate, Resident Commissioner, officer, or employee of the House without the specific prior permission of that committee.

(3) Each committee shall include in its rules standards for availability of records of the committee delivered to the Archivist of the United States under rule VII. Such standards shall specify procedures for orders of the committee under clause 3(b)(3) and clause 4(b) of rule VII, including a requirement that nonavailability of a record for a period longer than the period otherwise applicable under that rule shall be approved by vote of the committee.

(4) Each committee shall make its publications available in electronic form to the maximum extent feasible.

Prohibition against proxy voting

(f) A vote by a member of a committee or subcommittee with respect to any measure or matter may not be cast by proxy.

Open meetings and hearings

(g)(1) Each meeting for the transaction of business, including the markup of legislation, by a standing committee or subcommittee thereof (other than the Committee on Standards of Official Conduct or its subcommittee) shall be open to the public, including to radio, television, and still photography coverage, except when the committee or subcommittee, in open session and with a majority present, determines by record vote that all or part of the remainder of the meeting on that day shall be in executive session because disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, would tend to defame, degrade, or incriminate any person, or otherwise would violate a law or rule of the House. Persons, other than members of the committee and such noncommittee Members, Delegates, Resident Commissioner, congressional staff, or departmental representatives as the committee may authorize, may not be present at a business or markup session that is held in executive session. This subparagraph does not apply to open committee hearings, which are governed by clause 4(a)(1) of rule X or by subparagraph (2).

(2)(A) Each hearing conducted by a committee or subcommittee (other than the Committee on Standards of Official Conduct or its subcommittees) shall be open to the public, including to radio, television, and still photography coverage, except when the committee or subcommittee, in open session and with a majority present, determines by record vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure

of testimony, evidence, or other matters to be considered would endanger national security, would compromise sensitive law enforcement information, or would violate a law or rule of the House.

(B) Notwithstanding the requirements of subdivision (A), in the presence of the number of members required under the rules of the committee for the purpose of taking testimony, a majority of those present may—

(i) agree to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger national security, would compromise sensitive law enforcement information, or would violate clause 2(k)(5); or

(ii) agree to close the hearing as provided in clause 2(k)(5).

(C) A Member, Delegate, or Resident Commissioner may not be excluded from nonparticipatory attendance at a hearing of a committee or subcommittee (other than the Committee on Standards of Official Conduct or its subcommittees) unless the House by majority vote authorizes a particular committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members, Delegates, and the Resident Commissioner by the same procedures specified in this subparagraph for closing hearings to the public.

(D) The committee or subcommittee may vote by the same procedure described in this subparagraph to close one subsequent day of hearing, except that the Committee on Appropriations, the Committee on Armed Services, and the Permanent Select Committee on Intelligence, and the subcommittees thereof, may vote by the same procedure to close up to five additional, consecutive days of hearings.

(3) The chairman of each committee (other than the Committee on Rules) shall make public announcement of the date, place, and subject matter of a committee hearing at least one week before the commencement of the hearing. If the chairman of the committee, with the concurrence of the ranking minority member, determines that there is good cause to begin a hearing sooner, or if the committee so determines by majority vote in the presence of the number of members required under the rules of the committee for the transaction of business, the chairman shall make the announcement at the earliest possible date. An announcement made under this subparagraph shall be published promptly in the Daily Digest and made available in electronic form.

(4) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness.

(5)(A) Except as provided in subdivision (B), a point of order does not lie with respect to a measure reported by a committee on the

ground that hearings on such measure were not conducted in accordance with this clause.

(B) A point of order on the ground described in subdivision (A) may be made by a member of the committee that reported the measure if such point of order was timely made and improperly disposed of in the committee.

(6) This paragraph does not apply to hearings of the Committee on Appropriations under clause 4(a)(1) of rule X.

Quorum requirements

(h)(1) A measure or recommendation may not be reported by a committee unless a majority of the committee is actually present.

(2) Each committee may fix the number of its members to constitute a quorum for taking testimony and receiving evidence, which may not be less than two.

(3) Each committee (other than the Committee on Appropriations, the Committee on the Budget, and the Committee on Ways and Means) may fix the number of its members to constitute a quorum for taking any action other than the reporting of a measure or recommendation, which may not be less than one-third of the members.

Limitation on committee sittings

(i) A committee may not sit during a joint session of the House and Senate or during a recess when a joint meeting of the House and Senate is in progress.

Calling and questioning of witnesses

(j)(1) Whenever a hearing is conducted by a committee on a measure or matter, the minority members of the committee shall be entitled, upon request to the chairman by a majority of them before the completion of the hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(2)(A) Subject to subdivisions (B) and (C), each committee shall apply the five-minute rule during the questioning of witnesses in a hearing until such time as each member of the committee who so desires has had an opportunity to question each witness.

(B) A committee may adopt a rule or motion permitting a specified number of its members to question a witness for longer than five minutes. The time for extended questioning of a witness under this subdivision shall be equal for the majority party and the minority party and may not exceed one hour in the aggregate.

(C) A committee may adopt a rule or motion permitting committee staff for its majority and minority party members to question a witness for equal specified periods. The time for extended questioning of a witness under this subdivision shall be equal for the majority party and the minority party and may not exceed one hour in the aggregate.

Investigative hearing procedures

(k)(1) The chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and of this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) Whenever it is asserted that the evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person—

(A) notwithstanding paragraph (g)(2), such testimony or evidence shall be presented in executive session if, in the presence of the number of members required under the rules of the committee for the purpose of taking testimony, the committee determines by vote of a majority of those present that such evidence or testimony may tend to defame, degrade, or incriminate any person; and

(B) the committee shall proceed to receive such testimony in open session only if the committee, a majority being present, determines that such evidence or testimony will not tend to defame, degrade, or incriminate any person.

In either case the committee shall afford such person an opportunity voluntarily to appear as a witness, and receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpoena additional witnesses.

(7) Evidence or testimony taken in executive session, and proceedings conducted in executive session, may be released or used in public sessions only when authorized by the committee, a majority being present.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinence of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

Supplemental, minority, or additional views

(1) If at the time of approval of a measure or matter by a committee (other than the Committee on Rules) a member of the committee gives notice of intention to file supplemental, minority, or additional views for inclusion in the report to the House thereon, that member shall be entitled to not less than two additional calendar days after the day of such notice (excluding Saturdays, Sundays, and legal holidays except when the House is in session on such a day) to file such views, in writing and signed by that member, with the clerk of the committee.

Power to sit and act; subpoena power

(m)(1) For the purpose of carrying out any of its functions and duties under this rule and rule X (including any matters referred to it under clause 2 of rule XII), a committee or subcommittee is authorized (subject to subparagraph (2)(A))—

(A) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings as it considers necessary; and

(B) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it considers necessary.

(2) The chairman of the committee, or a member designated by the chairman, may administer oaths to witnesses.

(3)(A)(i) Except as provided in subdivision (A)(ii), a subpoena may be authorized and issued by a committee or subcommittee under subparagraph (1)(B) in the conduct of an investigation or series of investigations or activities only when authorized by the committee or subcommittee, a majority being present. The power to authorize and issue subpoenas under subparagraph (1)(B) may be delegated to the chairman of the committee under such rules and under such limitations as the committee may prescribe. Authorized subpoenas shall be signed by the chairman of the committee or by a member designated by the committee.

(ii) In the case of a subcommittee of the Committee on Standards of Official Conduct, a subpoena may be authorized and issued only by an affirmative vote of a majority of its members.

(B) A subpoena duces tecum may specify terms of return other than at a meeting or hearing of the committee or subcommittee authorizing the subpoena.

(C) Compliance with a subpoena issued by a committee or subcommittee under subparagraph (1)(B) may be enforced only as authorized or directed by the House.

* * * * *

CLAUSE 4: AUDIO AND VISUAL COVERAGE OF COMMITTEE PROCEEDINGS

4. (a) The purpose of this clause is to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee hearings or committee meetings that are open to the public may be covered by audio and visual means—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body, and regarding the measures, public issues, and other matters before the House and its committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution as an institution of the Federal Government.

(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause may not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(c) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered under authority of this clause by audio or visual means, and the personal behavior of the committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting, shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations, and may not be such as to—

(1) distort the objects and purposes of the hearing or other meeting or the activities of committee members in connection with that hearing or meeting or in connection with the general work of the committee or of the House; or

(2) cast discredit or dishonor on the House, the committee, or a Member, Delegate, or Resident Commissioner or bring the House, the committee, or a Member, Delegate, or Resident Commissioner into disrepute.

(d) The coverage of committee hearings and meetings by audio and visual means shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause.

(e) Whenever a hearing or meeting conducted by a committee or subcommittee is open to the public, those proceedings shall be open to coverage by audio and visual means. A committee or subcommittee chairman may not limit the number of television or still cameras to fewer than two representatives from each medium (except for legitimate space or safety considerations, in which case pool coverage shall be authorized).

(f) Each committee shall adopt written rules to govern its implementation of this clause. Such rules shall contain provisions to the following effect:

(1) If audio or visual coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) The allocation among the television media of the positions or the number of television cameras permitted by a committee or subcommittee chairman in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(3) Television cameras shall be placed so as not to obstruct in any way the space between a witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(4) Television cameras shall operate from fixed positions but may not be placed in positions that obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(5) Equipment necessary for coverage by the television and radio media may not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(6)(A) Except as provided in subdivision (B), floodlights, spotlights, strobolights, and flashguns may not be used in providing any method of coverage of the hearing or meeting.

(B) The television media may install additional lighting in a hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in a hearing or meeting room to the lowest level necessary to provide adequate television coverage of a hearing or meeting at the current state of the art of television coverage.

(7) In the allocation of the number of still photographers permitted by a committee or subcommittee chairman in a hearing or meeting room, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests are made by more of the media than will be permitted by a committee or subcommittee chairman for coverage of a hearing or meeting by still photography, that coverage shall be permitted on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(8) Photographers may not position themselves between the witness table and the members of the committee at any time during the course of a hearing or meeting.

(9) Photographers may not place themselves in positions that obstruct unnecessarily the coverage of the hearing by the other media.

(10) Personnel providing coverage by the television and radio media shall be currently accredited to the Radio and Television Correspondents' Galleries.

(11) Personnel providing coverage by still photography shall be currently accredited to the Press Photographers' Gallery.

(12) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

* * * * *

RULE XIII: CALENDARS AND COMMITTEE REPORTS

CLAUSE 2: FILING AND PRINTING OF REPORTS

2. (a)(1) Except as provided in subparagraph (2), all reports of committees (other than those filed from the floor as privileged) shall be delivered to the Clerk for printing and reference to the proper calendar under the direction of the Speaker in accordance with clause 1. The title or subject of each report shall be entered on the Journal and printed in the Congressional Record.

(2) A bill or resolution reported adversely shall be laid on the table unless a committee to which the bill or resolution was referred requests at the time of the report its referral to an appropriate calendar under clause 1 or unless, within three days thereafter, a Member, Delegate, or Resident Commissioner makes such a request.

(b)(1) It shall be the duty of the chairman of each committee to report or cause to be reported promptly to the House a measure or matter approved by the committee and to take or cause to be taken steps necessary to bring the measure or matter to a vote.

(2) In any event, the report of a committee on a measure that has been approved by the committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which a written request for the filing of the report,

signed by a majority of the members of the committee, has been filed with the clerk of the committee. The clerk of the committee shall immediately notify the chairman of the filing of such a request. This subparagraph does not apply to a report of the Committee on Rules with respect to a rule, joint rule, or order of business of the House, or to the reporting of a resolution of inquiry addressed to the head of an executive department.

(c) All supplemental, minority, or additional views filed under clause 2(l) of rule XI by one or more members of a committee shall be included in, and shall be a part of, the report filed by the committee with respect to a measure or matter. When time guaranteed by clause 2(l) of rule XI has expired (or, if sooner, when all separate views have been received), the committee may arrange to file its report with the Clerk not later than one hour after the expiration of such time. This clause and provisions of clause 2(l) of rule XI do not preclude the immediate filing or printing of a committee report in the absence of a timely request for the opportunity to file supplemental, minority, or additional views as provided in clause 2(l) of rule XI.

Clause 3: Content of reports

3. (a)(1) Except as provided in subparagraph (2), the report of a committee on a measure or matter shall be printed in a single volume that—

(A) shall include all supplemental, minority, or additional views that have been submitted by the time of the filing of the report; and

(B) shall bear on its cover a recital that any such supplemental, minority, or additional views (and any material submitted under paragraph (c)(3) or (4)) are included as part of the report.

(2) A committee may file a supplemental report for the correction of a technical error in its previous report on a measure or matter.

(b) With respect to each record vote on a motion to report a measure or matter of a public nature, and on any amendment offered to the measure or matter, the total number of votes cast for and against, and the names of members voting for and against, shall be included in the committee report. The preceding sentence does not apply to votes taken in executive session by the Committee on Standards of Official Conduct.

(c) The report of a committee on a measure that has been approved by the committee shall include, separately set out and clearly identified, the following:

(1) Oversight findings and recommendations under clause 2(b)(1) of rule X.

(2) The statement required by section 308(a) of the Congressional Budget Act of 1974, except that an estimate of new budget authority shall include, when practicable, a comparison of the total estimated funding level for the relevant programs to the appropriate levels under current law.

(3) An estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 if timely submitted to the committee before the filing of the report.

(4) A summary of oversight findings and recommendations by the Committee on Government Reform under clause 4(c)(2) of rule X if such findings and recommendations have been submitted to the reporting committee in time to allow it to consider such findings and recommendations during its deliberations on the measure.

(d) Each report of a committee on a public bill or public joint resolution shall contain the following:

(1) A statement citing the specific powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.

(2)(A) An estimate by the committee of the costs that would be incurred in carrying out the bill or joint resolution in the fiscal year in which it is reported and in each of the five fiscal years following that fiscal year (or for the authorized duration of any program authorized by the bill or joint resolution if less than five years);

(B) A comparison of the estimate of costs described in subdivision (A) made by the committee with any estimate of such costs made by a Government agency and submitted to such committee; and

(C) When practicable, a comparison of the total estimated funding level for the relevant programs with the appropriate levels under current law.

(3)(A) In subparagraph (2) the term ‘Government agency’ includes any department, agency, establishment, wholly owned Government corporation, or instrumentality of the Federal Government or the government of the District of Columbia.

(B) Subparagraph (2) does not apply to the Committee on Appropriations, the Committee on House Administration, the Committee on Rules, or the Committee on Standards of Official Conduct, and does not apply when a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been included in the report under paragraph (c)(3).

(e)(1) Whenever a committee reports a bill or joint resolution proposing to repeal or amend a statute or part thereof, it shall include in its report or in an accompanying document—

(A) the text of a statute or part thereof that is proposed to be repealed; and

(B) a comparative print of any part of the bill or joint resolution proposing to amend the statute and of the statute or part thereof proposed to be amended, showing by appropriate typographical devices the omissions and insertions proposed.

(2) If a committee reports a bill or joint resolution proposing to repeal or amend a statute or part thereof with a recommendation that the bill or joint resolution be amended, the comparative print required by subparagraph (1) shall reflect the changes in existing law proposed to be made by the bill or joint resolution as proposed to be amended.

MEMBERSHIP AND ORGANIZATION OF THE COMMITTEE ON
COMMERCE

ONE HUNDRED SIXTH CONGRESS

(Ratio: 29-24)

COMMITTEE ON COMMERCE

TOM BLILEY, Virginia, *Chairman*

W.J. "BILLY" TAUZIN, Louisiana	JOHN D. DINGELL, Michigan
MICHAEL G. OXLEY, Ohio	HENRY A. WAXMAN, California
MICHAEL BILIRAKIS, Florida	EDWARD J. MARKEY, Massachusetts
JOE BARTON, Texas	RALPH M. HALL, Texas
FRED UPTON, Michigan	RICK BOUCHER, Virginia
CLIFF STEARNS, Florida	EDOLPHUS TOWNS, New York
PAUL E. GILLMOR, Ohio	FRANK PALLONE, Jr., New Jersey
<i>Vice Chairman</i>	SHERROD BROWN, Ohio
JAMES C. GREENWOOD, Pennsylvania	BART GORDON, Tennessee
CHRISTOPHER COX, California	PETER DEUTSCH, Florida
NATHAN DEAL, Georgia	BOBBY L. RUSH, Illinois
STEVE LARGENT, Oklahoma	ANNA G. ESHOO, California
RICHARD BURR, North Carolina	RON KLINK, Pennsylvania
BRIAN P. BILBRAY, California	BART STUPAK, Michigan
ED WHITFIELD, Kentucky	ELIOT L. ENGEL, New York
GREG GANSKE, Iowa	TOM SAWYER, Ohio
CHARLIE NORWOOD, Georgia	ALBERT R. WYNN, Maryland
TOM A. COBURN, Oklahoma	GENE GREEN, Texas
RICK LAZIO, New York	KAREN MCCARTHY, Missouri
BARBARA CUBIN, Wyoming	TED STRICKLAND, Ohio
JAMES E. ROGAN, California	DIANA DEGETTE, Colorado
JOHN SHIMKUS, Illinois	THOMAS M. BARRETT, Wisconsin
HEATHER WILSON, New Mexico	BILL LUTHER, Minnesota
JOHN B. SHADEGG, Arizona	LOIS CAPPS, California
CHARLES W. "CHIP" PICKERING, Mississippi	
VITO FOSSELLA, New York	
ROY BLUNT, Missouri	
ED BRYANT, Tennessee	
ROBERT L. EHRlich, Jr., Maryland	

SUBCOMMITTEE MEMBERSHIPS AND JURISDICTION

SUBCOMMITTEE ON TELECOMMUNICATIONS, TRADE, AND CONSUMER PROTECTION

(Ratio: 16-13)

W.J. "BILLY" TAUZIN, Louisiana, *Chairman*

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NATHAN DEAL, Georgia	ANNA G. ESHOO, California
STEVE LARGENT, Oklahoma	ELIOT L. ENGEL, New York
BARBARA CUBIN, Wyoming	ALBERT R. WYNN, Maryland
JAMES E. ROGAN, California	BILL LUTHER, Minnesota
JOHN SHIMKUS, Illinois	RON KLINK, Pennsylvania
HEATHER WILSON, New Mexico	TOM SAWYER, Ohio
CHARLES W. "CHIP" PICKERING, Mississippi	GENE GREEN, Texas
VITO FOSSELLA, New York	KAREN MCCARTHY, Missouri
ROY BLUNT, Missouri	JOHN D. DINGELL, Michigan, (Ex Officio)
ROBERT L. EHRLICH, Jr., Maryland	
TOM BLILEY, Virginia, (Ex Officio)	

Jurisdiction: Interstate and foreign telecommunications including, but not limited to, all telecommunication and information transmission by broadcast, radio, wire, microwave, satellite, or other mode; interstate and foreign commerce, including trade matters within the jurisdiction of the full committee, regulation of commercial practices (the FTC); consumer affairs and consumer protection in general; consumer product safety (the CPSC); product liability; and motor vehicle safety.

SUBCOMMITTEE ON FINANCE AND HAZARDOUS MATERIALS

(Ratio: 16-13)

MICHAEL G. OXLEY, Ohio, *Chairman*

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CHRISTOPHER COX, California	ELIOT L. ENGEL, New York
STEVE LARGENT, Oklahoma	DIANA DEGETTE, Colorado
BRIAN P. BILBRAY, California	THOMAS M. BARRETT, Wisconsin
GREG GANSKE, Iowa	BILL LUTHER, Minnesota
RICK LAZIO, New York	LOIS CAPP, California
JOHN SHIMKUS, Illinois	EDWARD J. MARKEY, Massachusetts
HEATHER WILSON, New Mexico	RALPH M. HALL, Texas
JOHN B. SHADEGG, Arizona	FRANK PALLONE, Jr., New Jersey
VITO FOSSELLA, New York	BOBBY L. RUSH, Illinois
ROY BLUNT, Missouri	JOHN D. DINGELL, Michigan, (Ex Officio)
ROBERT L. EHRLICH, Jr., Maryland	
TOM BLILEY, Virginia, (Ex Officio)	

Jurisdiction: Securities, exchanges, and finance; solid waste, hazardous waste and toxic substances, including Superfund and RCRA (excluding mining, oil, gas, and coal combustion wastes); noise pollution control; insurance, except health insurance; and regulation of travel, tourism, and time.

SUBCOMMITTEE ON HEALTH AND ENVIRONMENT

(Ratio: 17-14)

MICHAEL BILIRAKIS, Florida, *Chairman*

FRED UPTON, Michigan	SHERROD BROWN, Ohio
CLIFF STEARNS, Florida	HENRY A. WAXMAN, California
JAMES C. GREENWOOD, Pennsylvania	FRANK PALLONE, Jr., New Jersey
NATHAN DEAL, Georgia	PETER DEUTSCH, Florida
RICHARD BURR, North Carolina	BART STUPAK, Michigan
BRIAN P. BILBRAY, California	GENE GREEN, Texas
ED WHITFIELD, Kentucky	TED STRICKLAND, Ohio
GREG GANSKE, Iowa	DIANA DEGETTE, Colorado
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JOHN B. SHADEGG, Arizona	JOHN D. DINGELL, Michigan,
CHARLES W. "CHIP" PICKERING, Mississippi	(Ex Officio)
ED BRYANT, Tennessee	
TOM BLILEY, Virginia, (Ex Officio)	

Jurisdiction: Public health and quarantine; hospital construction; mental health and research; biomedical programs and health protection in general, including Medicaid and national health insurance; food and drugs; drug abuse; and Clean Air Act and environmental protection in general, including the Safe Drinking Water Act.

SUBCOMMITTEE ON ENERGY AND POWER

(Ratio: 17-14)

JOE BARTON, Texas, *Chairman*

MICHAEL BILIRAKIS, Florida	RICK BOUCHER, Virginia
CLIFF STEARNS, Florida	RALPH M. HALL, Texas ¹
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CHARLIE NORWOOD, Georgia	SHERROD BROWN, Ohio
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JOHN SHIMKUS, Illinois	ALBERT R. WYNN, Maryland
HEATHER WILSON, New Mexico	TED STRICKLAND, Ohio
JOHN B. SHADEGG, Arizona	PETER DEUTSCH, Florida
CHARLES W. "CHIP" PICKERING, Mississippi	RON KLINK, Pennsylvania
VITO FOSSELLA, New York	JOHN D. DINGELL, Michigan, (Ex Officio)
ED BRYANT, Tennessee	
ROBERT L. EHRLICH, Jr., Maryland	
TOM BLILEY, Virginia, (Ex Officio)	

Jurisdiction: National energy policy generally; fossil energy, renewable energy resources, and synthetic fuels; energy conservation; energy information; energy regulation and utilization; utility issues and regulation of nuclear facilities; interstate energy compacts; nuclear energy and waste; mining, oil, gas, and coal combustion wastes; and all laws, programs, and government activities affecting such matters.

¹Mr. Hall served as the Ranking Minority Member of the Subcommittee on Energy and Power during the first session of the 106th Congress.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

(Ratio: 10-8)

FRED UPTON, Michigan, *Chairman*

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CHRISTOPHER COX, California
RICHARD BURR, North Carolina
Vice Chairman
BRIAN P. BILBRAY, California
ED WHITFIELD, Kentucky
GREG GANSKE, Iowa
ROY BLUNT, Missouri
ED BRYANT, Tennessee
TOM BLILEY, Virginia,
(Ex Officio)

RON KLINK, Pennsylvania
HENRY A. WAXMAN, California
BART STUPAK, Michigan
GENE GREEN, Texas
KAREN McCARTHY, Missouri
TED STRICKLAND, Ohio
DIANA DEGETTE, Colorado
JOHN D. DINGELL, Michigan,
(Ex Officio)

Jurisdiction: Responsibility for oversight of agencies, departments, and programs within the jurisdiction of the full committee, and for conducting investigations within such jurisdiction.

COMMITTEE STAFF

JAMES E. DERDERIAN, *Chief of Staff*
 CURRY ANN HAGERTY, *Deputy Chief of Staff*
 JAMES D. BARNETTE, *General Counsel*
 MARK A. PAOLETTA, *Chief Counsel for Oversight and Investigations*
 STEPHEN SCHMIDT, *Director of Communications*
 HUGH NATHANIAL HALPERN, *Parliamentarian*
 KARINE ALEMIAN, *Professional Staff Member*
 JASON R. BENTLEY, *Counsel*
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 LINDA BLOSS-BAUM, *Counsel*
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 WILLIAM CARTY, *Staff Assistant*
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 YONG CHOE, *Legislative Clerk*
 CHARLES M. CLAPTON, *Counsel*
 JOHN CLOCKER, *Systems Administrator*
 KEVIN V. COOK, *Counsel*
 JULIE CORCORAN, *Counsel*
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 MICHAEL O'RIELLY, *Professional Staff Member*
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 CLIFFORD M. RICCIO, JR., *Legislative Analyst*
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 AMIT SACHDEV, *Environmental Counsel*
 PAUL G. SCOLESE, *Professional Staff Member*
 PETER V. SHEFFIELD, *Deputy Director of Communications*
 JEROME SIKORSKI, *Archivist*
 ROBERT E. SIMISON, *Legislative Clerk*
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 CHARLES SYMINGTON, *Counsel*
 JONATHAN TRIPP, *Deputy Communications Director*
 DAVID A. UMPHLETT, *Staff Assistant*
 CATHERINE VAN WAY, *Counsel*
 SHANNON VILDOSTEGUI, *Professional Staff Member*
 ANN WASHINGTON, *Professional Staff Member*
 MARK JOSEPH WASHKO, *Counsel for Special Projects*
 JOHN MARC WHEAT, *Counsel*
 BRENDAN E. WILLIAMS, *Staff Assistant*
 KELLY ZERZAN, *Counsel*

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DAVID R. SCHOOLER, *Minority Deputy Staff Director and General Counsel*
SHARON E. DAVIS, *Chief Minority Clerk*
CANDACE E. BUTLER, *Assistant Minority Clerk / LAN Administrator*
AMY DROSKOSKI, *Minority Professional Staff Member*
JOHN P. FORD, *Minority Counsel*
RICHARD A. FRANSEN, *Minority Counsel*
M. BRUCE GWINN, *Minority Professional Staff Member*
EDITH HOLLEMAN, *Minority Counsel*
CARLA R.V. HULTBERG, *Minority Senior Secretary / Assistant LAN Administrator*
COURTNEY L. JOHNSON, *Minority Staff Assistant*
BRENDAN C. KELSAY, *Minority Research Assistant*
NICOLE B. KENNER, *Minority Staff Assistant*
RAYMOND R. KENT, JR., *Minority Finance Assistant*
RICK KESSLER, *Minority Professional Staff Member*
CHRISTOPHER KNAUER, *Minority Investigator*
ANDREW W. LEVIN, *Minority Counsel*
D. ELAINE SHEETS, *Minority Senior Secretary*
SUE D. SHERIDAN, *Minority Counsel*
ALISON L. TAYLOR, *Minority Counsel*
BRIDGETT E. TAYLOR, *Minority Professional Staff Member*
CONSUELA M. WASHINGTON, *Minority Counsel*

LEGISLATIVE AND OVERSIGHT ACTIVITY OF THE COMMITTEE

During the 106th Congress, 1,198 bills and resolutions were referred to the Committee on Commerce. The Full Committee reported 58 measures to the House (not including conference reports). Fifty measures regarding issues within the Committee's jurisdiction were enacted into law.²

In areas as diverse as health, telecommunications, securities, and the environment, the Committee made great strides toward the goal of creating a more effective, less expensive, and more accountable government that better serves all Americans.

The following is a summary of the legislative and oversight activities of the Committee on Commerce during the 106th Congress, including a summary of the activities taken by the Committee to implement its Oversight Plan for the 106th Congress.

²A number of these measures were enacted by reference as part of other legislation.

COMMITTEE ON COMMERCE

FULL COMMITTEE

(Ratio: 29-24)

TOM BLILEY, Virginia, *Chairman*

W.J. "BILLY" TAUZIN, Louisiana	JOHN D. DINGELL, Michigan
MICHAEL G. OXLEY, Ohio	HENRY A. WAXMAN, California
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JOE BARTON, Texas	RALPH M. HALL, Texas
FRED UPTON, Michigan	RICK BOUCHER, Virginia
CLIFF STEARNS, Florida	EDOLPHUS TOWNS, New York
PAUL E. GILLMOR, Ohio	FRANK PALLONE, Jr., New Jersey
<i>Vice Chairman</i>	SHERROD BROWN, Ohio
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JOHN SHIMKUS, Illinois	THOMAS M. BARRETT, Wisconsin
HEATHER WILSON, New Mexico	BILL LUTHER, Minnesota
JOHN B. SHADEGG, Arizona	LOIS CAPPS, California
CHARLES W. "CHIP" PICKERING, Mississippi	
VITO FOSSELLA, New York	
ROY BLUNT, Missouri	
ED BRYANT, Tennessee	
ROBERT L. EHRLICH, Jr., Maryland	

LEGISLATIVE ACTIVITIES

THE MEDICARE, MEDICAID AND SCHIP BENEFITS IMPROVEMENT AND
PROTECTION ACT OF 2000

Public Law 106-554 (H.R. 4577, H.R. 2614, H.R. 5543, H.R. 5291)

To amend the Social Security Act to provide benefits improvements and beneficiary protections in the Medicare and Medicaid programs and the State Children's Health Insurance Program.

Summary

H.R. 5543 improves and protects patient access to Federal health care programs. The legislation restores more than \$30 billion over five years to Medicare, Medicaid and SCHIP. The savings achieved through changes to the Medicare and Medicaid programs enacted as part of the Balanced Budget Act of 1997 were integral to bal-

ancing the budget. However, since passage of that legislation, the Congressional Budget Office has estimated that the savings from the Medicare and Medicaid programs has exceeded the original targets, and there is concern that beneficiaries in these programs may experience difficulty in accessing health services. This legislation seeks to address many of these access concerns.

Most notably, the legislation improves and expands the preventive benefits Medicare will pay for, including coverage of colonoscopies for average risk individuals and medical nutrition therapy services for beneficiaries with diabetes or a renal disease. In addition, this legislation preserves coverage of drugs and biologicals under Medicare Part B and removes the 36 month time limitation on coverage of immunosuppressive drugs and waives the 24-month waiting period (otherwise required for an individual to establish Medicare eligibility on the basis of a disability) for persons medically determined to have amyotrophic lateral sclerosis (ALS).

Legislative History

On September 26, 2000, the Full Committee met in open markup session to consider a committee print entitled the “Beneficiary Improvement and Protection Act of 2000,” which was introduced later that day by Mr. Bliley and 45 bipartisan cosponsors as H.R. 5291. The bill was ordered reported, with an amendment, by a voice vote. The Committee reported H.R. 5291 to the House, with an amendment, on October 30, 2000 (H. Rept. 106–1019, Part 1). The Committee on Ways and Means was granted an extension of its referral of the bill through December 15, 2000.

H.R. 5543, the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, was introduced by Mr. Thomas and 2 cosponsors on October 25, 2000. The text of this bill consisted of the text of H.R. 5291, and text developed by the Committee on Ways and Means and the Senate Committee on Finance.

The text of H.R. 5543 was incorporated into the conference report to accompany H.R. 2614, the Certified Development Company Program Improvements Act of 2000 (H. Rept. 106–1004). On October 26, 2000, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 2641 (H.Res. 652). H.Res. 652 was passed by the House by a record vote of 207 yeas and 200 nays. The House agreed to the conference report by a record vote of 237 yeas and 174 nays, 1 voting present.

On October 26, 2000, the Senate agreed to a motion to proceed to the consideration of the conference report by a roll call vote of 55 yeas and 25 nays. The Senate considered the conference report on October 26 and 31, 2000.

The provisions of H.R. 5543 were introduced as a new bill, H.R. 5661 on December 15, 2000, and incorporated by reference into the conference report to accompany H.R. 4577 (H. Rept. 106–1033), which was filed in the House on December 15, 2000. On December 15, 2000, the conference report was considered pursuant to a previous order of the House and agreed to by a record vote of 292 yeas and 60 nays. On December 15, 2000, the Senate agreed to the conference report by unanimous consent.

H.R. 4577 was presented to the President on December 15, 2000, and was signed into law on December 21, 2000 (Public law 106–554).

PATIENT PROTECTION ACT

(H.R. 5122)

To amend the Health Quality Improvement Act of 1986 to provide for the availability to the public of information reported to the National Practitioner Data Bank under such Act, to establish additional reporting requirements, and for other purposes.

Summary

H.R. 5122, the Patient Protection Act of 2000, would allow the public free Internet access to information in the NPDB concerning physicians (doctors and dentists). The NPDB disciplinary information, which consists of adverse actions taken against physician licenses and hospital privileges, would be disclosed in its current form with minor changes. Medical malpractice payment information, which consists of verdicts and settlements, would be disclosed with additional contextual information to compare physicians within a particular specialty and within a given State. H.R. 5122 would also expand the NPDB to include all felony and certain misdemeanor convictions of physicians. Additionally, each disclosure would be required to include a physician statement, if so submitted, in which the subject physician would be given an opportunity to explain the report and the facts underlying the report.

Legislative History

On September 7, 2000, Mr. Bliley introduced H.R. 5122 and the bill was referred to the Committee on Commerce. On September 20, 2000, the Full Committee held a legislative hearing on H.R. 5122 to examine the Patient Protection Act of 2000. The Committee heard from a diverse group of witnesses who expressed their views on the legislation.

No further action was taken on H.R. 5122 in the 106th Congress.

OVERSIGHT ACTIVITIES

GLOBAL NEED FOR SAFE DRINKING WATER

On October 12, 2000, the Commerce Committee held a hearing entitled “The Global Need for Access to Safe Drinking Water.” At this hearing, the Full Committee received testimony from a variety of private and public sector witnesses.

The hearing provided the Committee with information and expert testimony concerning a substantial public health threat. Specifically, the hearing examined current problems and future prospects for access to safe drinking water and sanitation around the world, the specific problems of lack of access to safe drinking water and sanitation associated with disasters and other emergency situations, the relationship of access to safe drinking water and sanitation to disease, and the possibility of conflict stemming from access to drinking water and other water resources.

SUMMER ENERGY CONCERNS FOR THE AMERICAN CONSUMER

On June 28, 2000, the Commerce Committee held a hearing on Summer Energy Concerns for the American Consumer. During the summer of 2000 serious questions regarding the availability and price of oil, gasoline, natural gas, and electricity were raised. Energy prices, especially gasoline prices in the Midwest, began to rise significantly. Witnesses attributed this price rise to a number of factors, including inconsistent environmental regulations requiring seasonal fuels, pipeline and refinery outages, high crude oil prices, and the fact that a late cold snap meant refineries did not switch to refining gasoline until later than usual. This hearing took a closer look at some of these causes of the price spikes and measures the government and consumers could take to address these high prices. Witnesses included Administration representatives, refiners, electricity suppliers, and energy consumers.

THE RUDMAN REPORT: SCIENCE AT ITS BEST, SECURITY AT ITS WORST

On June 15, 1999, the President's Foreign Intelligence Advisory Board issued a report—prepared at the President's request after a series of high-profile security lapses at the Department of Energy's (DOE) nuclear weapons laboratories—that was highly critical of DOE's management of the labs on security matters. The report, called the Rudman Report after the Board's chairman, former U.S. Senator Warren Rudman, condemned DOE as responsible for "the worst security record on secrecy that members of this panel have ever encountered." The panel found that security at DOE sites has been lacking in many critical areas for the last 20 years, and that many of these deficiencies "still exist today." These deficiencies—particularly in personnel assurance, information security, and counterintelligence—"invite attack by foreign intelligence services." The panel also found that these problems had been "blatantly and repeatedly ignored," and placed the blame on "organizational disarray, managerial neglect, and a culture of arrogance—both at DOE headquarters and the labs themselves." The panel criticized DOE for taking over a year to order the implementation of counterintelligence measures mandated by a Presidential Decision Directive from February 1998 (PDD-61), and found that DOE had yet to fully implement those or other corrective actions ordered by the President and Secretary. Accordingly, the panel's report concluded that Secretary Richardson "has overstated the case when he asserts, as he did several weeks ago, that 'Americans can be reassured: our nation's secrets are, today, safe and secure.'" The panel also expressed its view that Secretary Richardson's announced reforms "simply do not go far enough," and that DOE was "incapable of reforming itself." The report's key recommendation was that DOE's weapons research and stockpile management functions should be placed within a new semi-autonomous agency within DOE, with a clear mission, streamlined bureaucracy, and simplified lines of authority.

On June 22, 1999, the Full Committee held a hearing on the Rudman Report, at which Senator Rudman testified about the report's findings and his recommendations for reform. Secretary Richardson testified on the same panel, and was questioned about

his prior public statements, criticizing the Rudman Report and attesting to adequate security at the weapons labs. At the hearing, however, the Secretary accepted the key findings of the Rudman Report and acknowledged DOE's need to further improve security. But Secretary Richardson rejected calls for a new independent or semi-autonomous agency within DOE to manage these labs. Notwithstanding such opposition, Congress eventually ordered the creation of a semi-autonomous agency for this purpose, known as the National Nuclear Security Administration (NNSA), in the Defense Authorization Act of 2000.

HEARINGS HELD

The Rudman Report: Science at its Best, Security at its Worst.—Oversight hearing on the Rudman Report: Science at its Best, Security at its Worst. Hearing held on June 22, 1999. PRINTED, Serial Number 106–57.

Summer Energy Concerns for the American Consumer.—Oversight Hearing on Summer Energy Concerns for the American Consumer. Hearing held on June 28, 2000. PRINTED, Serial Number 106–136.

Patient Protection Act of 2000.—Hearing on H.R. 5122, the Patient Protection Act of 2000. Hearing held on September 20, 2000.

Global Need for Access to Safe Drinking Water.—Oversight hearing on the Global Need for Access to Safe Drinking Water. Hearing held on October 12, 2000.

SUBCOMMITTEE ON TELECOMMUNICATIONS, TRADE, AND CONSUMER PROTECTION

(Ratio: 16-13)

W.J. "BILLY" TAUZIN, Louisiana, *Chairman*

MICHAEL G. OXLEY, Ohio, <i>Vice Chairman</i>	EDWARD J. MARKEY, Massachusetts
CLIFF STEARNS, Florida	RICK BOUCHER, Virginia
PAUL E. GILLMOR, Ohio	BART GORDON, Tennessee
CHRISTOPHER COX, California	BOBBY L. RUSH, Illinois
NATHAN DEAL, Georgia	ANNA G. ESHOO, California
STEVE LARGENT, Oklahoma	ELIOT L. ENGEL, New York
BARBARA CUBIN, Wyoming	ALBERT R. WYNN, Maryland
JAMES E. ROGAN, California	BILL LUTHER, Minnesota
JOHN SHIMKUS, Illinois	RON KLINK, Pennsylvania
HEATHER WILSON, New Mexico	TOM SAWYER, Ohio
CHARLES W. "CHIP" PICKERING, Mississippi	GENE GREEN, Texas
VITO FOSSELLA, New York	KAREN McCARTHY, Missouri
ROY BLUNT, Missouri	JOHN D. DINGELL, Michigan, (Ex Officio)
ROBERT L. EHRLICH, Jr., Maryland	
TOM BLILEY, Virginia, (Ex Officio)	

Jurisdiction: Interstate and foreign telecommunications including, but not limited to, all telecommunication and information transmission by broadcast, radio, wire, microwave, satellite, or other mode; interstate and foreign commerce, including trade matters within the jurisdiction of the full committee, regulation of commercial practices (the FTC); consumer affairs and consumer protection in general; consumer product safety (the CPSC); product liability; and motor vehicle safety.

LEGISLATIVE ACTIVITIES

WIRELESS COMMUNICATIONS AND PUBLIC SAFETY ACT

Public Law 106–81 (H.R. 438, S. 800)

To promote and enhance public safety through use of 9-1-1 as the universal emergency assistance number, further deployment of wireless 9-1-1 service, support of States in upgrading 9-1-1 capabilities and related functions, encouragement of construction and operation of seamless, ubiquitous, and reliable networks for personal wireless services, and for other purposes.

Summary

H.R. 438 requires that the FCC designate "911" as the universal emergency telephone number for both wireline and wireless telephone calls. H.R. 438 also requires the FCC to provide support to the States in the development of State-wide coordinated plans for the deployment of end-to-end communications infrastructure for emergency services, and provides incentives for greater deployment and use of wireless telecommunications services. To encourage the rapid deployment of wireless telecommunications facilities, the bill provides the same degree of protection from liability for emergency

telephone and other services to wireless carriers in each State as provided in that State to a wireline carrier. The bill also encourages the provision and use of wireless services by providing protection to users' location information by specifying the conditions under which such information may be disclosed to third parties.

Legislative History

On February 2, 1999, Mr. Shimkus and six cosponsors introduced H.R. 438. The bill was referred to the Committee on Commerce. On February 3, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on the bill. Testimony was received from the Federal regulators, and representatives from industry trade groups, telecommunications companies and privacy advocates.

On February 10, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved the bill, as amended, for Full Committee consideration by a voice vote. On February 11, 1999, the Full Committee met in open markup session and ordered H.R. 438 reported to the House, with an amendment, by a voice vote. The Committee on Commerce reported H.R. 438 to the House on February 23, 1999 (H. Rept. 106-25).

The Committee on Rules met on February 23, 1999 and granted a rule for the consideration of H.R. 438 (H.Res. 76). On February 24, 1999, the House passed H.Res. 76 by a voice vote. The House considered H.R. 438 on February 24, 1999 pursuant to the rule, and passed the bill, as amended, by a record vote of 415 yeas and 2 nays.

On February 25, 1999, the bill was received in the Senate, read twice, and referred to the Senate Committee on Commerce, Science, and Transportation. No further action was taken by the Senate on H.R. 438 in the 106th Congress.

S. 800, the Senate companion bill, was introduced in the Senate by Mr. Burns and three cosponsors on April 14, 1999, read twice, and referred to the Senate Committee on Commerce, Science, and Transportation. On June 23, 1999, the Senate Committee on Commerce, Science, and Transportation ordered S. 800 reported to the Senate, as amended. The Senate Committee on Commerce, Science, and Transportation reported S. 800 to the Senate on August 4, 1999 (S. Rpt. 106-138).

On August 5, 1999, by unanimous consent, the Senate proceeded to the immediate consideration of S. 800 and passed the bill, as amended, by voice vote. S. 800 was received in the House and held at the desk on September 8, 1999.

The House considered S. 800 under suspension of the rules on October 12, 1999. On October 12, 1999, the House passed S. 800 by a record vote of 424 to 2.

On October 14, 1999, S. 800 was presented to the President. The President signed S. 800 into law on October 26, 1999 (Public Law 106-81).

OPEN-MARKET REORGANIZATION FOR THE BETTERMENT OF
INTERNATIONAL TELECOMMUNICATIONS (ORBIT) ACT

Public Law 106–180 (S. 376, H.R. 3261)

To amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

Summary

The fundamental purposes of the bill are to encourage privatization of the intergovernmental satellite organizations (IGOs) that dominate international satellite communications and to promote a robustly competitive satellite communications marketplace. The bill eliminates the provision of commercial satellite communications by intergovernmental organizations. The bill also ensures that the privatized entities be independent of the IGO “signatories.” By privatizing INTELSAT and Inmarsat as outlined in S. 376, the advantages now enjoyed by these organizations are eliminated, in favor of a level playing field for all competitors.

The bill promotes the privatization of INTELSAT and Inmarsat by using the incentive of access to the U.S. marketplace if the IGOs privatize in an expeditious and pro-competitive manner. The bill is also designed to eliminate any unfair advantages of IGOs or their spin-offs or successors over their competitors gained through their intergovernmental status. Pro-competitive privatization is sought by requiring the FCC to determine that the IGOs and their privatized “successor” or “separated” follow-ons have been privatized in a manner that will not harm competition in the U.S. prior to authorizing the provision of advanced services in the U.S. market.

The primary incentive in the bill for INTELSAT and Inmarsat to privatize is to limit their access to the U.S. market if they do not privatize in a pro-competitive manner by a date certain. In order to provide these organizations with a reasonable transition period in which to accomplish a full privatization, the bill provides INTELSAT until April 1, 2001, and Inmarsat until April 1, 2000. If privatization does not occur by the dates provided, the bill requires the FCC to limit, deny, or revoke authority for the provision of “non-core services” to the U.S. market. Furthermore, the bill prohibits separated entities from being authorized to provide services in the United States if they are not structured in a pro-competitive manner.

Another key part of the bill is the possibility of restrictions on additional services during the pendency of privatization. INTELSAT and Inmarsat cannot provide additional services under new contracts unless the FCC annually determines that: (1) substantial and material progress is being made towards privatization; and (2) INTELSAT and Inmarsat are not hindering competitors’ access to foreign markets.

The bill explicitly eliminates COMSAT’s monopoly for the provision of IGO services in the United States by permitting other service providers direct access to the IGOs’ satellites.

Lastly, the bill includes a number of additional deregulatory measures designed to ensure that all U.S. satellite service pro-

viders can compete as efficiently as possible within the U.S. satellite marketplace. The bill also prohibits the FCC from auctioning orbital slots or spectrum assignments for global satellite systems and requires the Administration to oppose such spectrum auctions in international fora.

Legislative History

On February 2, 1999, S. 376 was introduced in the Senate by Mr. Burns and five cosponsors. The bill was read twice and referred to the Senate Committee on Commerce, Science, and Transportation.

The Senate Committee on Commerce, Science, and Transportation met to consider S. 376 on May 5, 1999, and ordered the bill reported to the Senate, as amended. On June 30, 1999, the Senate Committee on Commerce, Science and Transportation reported S. 376 to the Senate (S. Rpt. 106–100).

On July 1, 1999, by unanimous consent, the Senate proceeded to the immediate consideration of S. 376 and passed the bill, as amended. S. 376 was received in the House and referred to the Committee on Commerce.

The House companion bill, H.R. 3261, was introduced on November 9, 1999, by Mr. Bliley and 16 cosponsors. H.R. 3261 was referred to the Committee on Commerce. The House considered H.R. 3261 on November 10, 1999 under suspension of the rules and passed the bill by a voice vote.

On November 10, 1999, the Commerce Committee was discharged from the further consideration of S. 376. On the same day, the House, by unanimous consent, considered and passed S. 376, as amended, with the text of H.R. 3261 as passed by the House. The House then insisted on its amendment to S. 376, requested a conference with the Senate, and appointed conferees. H.R. 3261 was laid upon the table.

On November 19, 1999, the Senate disagreed to the House amendment to S. 376, requested a conference, and appointed conferees. On January 24, 2000, the Senate withdrew its request for a conference and agreed to the request of the House. On February 29, 2000, the Committee of Conference met, the Senate chairing. The conference report on S. 376 was filed in the House on March 2, 2000 (H. Rept. 106–509).

On March 2, 2000, the Senate, by unanimous consent, proceeded to the immediate consideration of the conference report to accompany S. 376, and agreed to the conference report.

On March 8, 2000, the House Committee on the Rules met and granted a rule for the consideration of the conference report to accompany S. 376 (H.Res. 432). The House considered the conference report on March 9, 2000, and agreed to the conference report by a voice vote.

S. 376 was presented to the President on March 10, 2000. The President signed S. 376 into law on March 17, 2000 (Public Law 106–180).

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000

Public Law 106–65 (S. 1059, H.R. 1401)

(Telecommunications Provisions)

To authorize appropriations for fiscal year 2000 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Summary

Section 1062 of S. 1059 prevents the surrender of frequencies where the Department of Defense (DoD) currently has the primary assignment, unless the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Secretary of Commerce jointly certify to Congress that the surrender of such portions of the spectrum will not degrade essential military capability. Alternative frequencies, with the necessary comparable technical characteristics, would have to be identified and made available to the DoD, if necessary, to restore the essential military capability that will be lost as a result of the surrender of the original spectrum.

In addition, the provision would require that 8 MHz that were identified for auction in the Balanced Budget Act of 1997 be re-assigned to the Federal Government for primary use by the DoD.

S. 1062 provides for an interagency review, and assessment and report to Congress and the President on the progress made in implementation of national spectrum planning, the reallocation of Federal Government spectrum to non-Federal use, and the implications of such reallocations to the affected Federal agencies, which would include the effects of the reallocation on critical military and intelligence capabilities, civil space programs, and other Federal Government systems used to protect public safety.

Legislative History

H.R. 1401 was introduced by request by Mr. Spence and Mr. Skelton on April 14, 1999. The Committee on Armed Services met in open markup session and ordered the bill reported, with an amendment, on May 19, 1999 by a record vote of 55 yeas and 1 nay. On May 24, 1999, the bill was reported by the Committee on Armed Services to the House, with an amendment (H. Rept. 106–162).

On June 9 and 10, 1999, the House considered H.R. 1401 pursuant to the provisions of H.Res. 200. The House passed the bill by a record vote of 365 yeas and 58 nays.

S. 1059, the Senate companion legislation, was passed by the Senate on May 27, 1999 by a roll call vote of 92 yeas and 3 nays and received in the House on June 7, 1999 and held at the desk. On June 14, 1999, the House considered S. 1059, struck all after the enacting clause and amended the bill with the text of H.R. 1401 as it passed the House, and passed the bill by unanimous consent. On June 16, 1999, the Senate disagreed to the House amendment, requested a conference, and appointed conferees.

On July 1, 1999, House insisted upon its amendment and agreed to the conference requested by the Senate. The Speaker appointed conferees from the Committee on Commerce for consideration of matters contained in the Senate bill and the House amendment falling within the Committee's jurisdiction. The Committee of Conference met on July 13 and 15, 1999.

The conference report on S. 1059 was filed on August 6, 1999. The House considered and agreed to the conference report, pursuant to H.Res. 288, on September 15, 2000. Mr. Dingell offered a motion to recommit with instructions, addressing the role of the NNSA with respect to certain authorities previously delegated to the Secretary of Energy. The motion to recommit failed by a record vote of 139 yeas and 281 nays. The House agreed to the conference report by a record vote of 375 yeas and 45 nays.

The Senate considered the conference report on September 21 and 22, 1999. The Senate agreed to the conference report on September 22, 1999 by a roll call vote of 93 yeas and 5 nays. The bill was presented to the President on September 23, 1999, and signed into law on October 5, 1999 (Public Law 106-65).

THE FLOYD D. SPENCE NATIONAL DEFENSE AUTHORIZATION ACT FOR
FISCAL YEAR 2001

(H.R. 4205, H.R. 5408, S. 2549)

(Telecommunications Provisions)

To authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Summary

Section 1705 of the Conference report to H.R. 4205, which incorporates by reference the content of H.R. 5408, requires the Secretary of Defense, in consultation with the Attorney General and the Secretary of Commerce, to conduct of an engineering study to identify: (1) any portion of the 138 to 144 megahertz band that the Department of Defense can share in various geographic regions with public safety radio services; (2) any measures required to prevent harmful interference between Department of Defense systems and the public safety systems proposed for operation on those frequencies; and (3) a reasonable schedule for implementation of such sharing of frequencies. An interim report prepared by the Secretary of Defense on the progress of the study is required to be submitted to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives within one year from date of enactment. The completed final report of the Secretary of Defense and the FCC is required to be submitted not later than January 1, 2002.

Legislative History

H.R. 4205 was introduced in the House by Mr. Spence and Mr. Skelton by request on April 6, 2000. The bill was referred to the

Committee on Armed Services. The Committee on Armed Services reported the bill to the House, with an amendment, on May 12, 2000 (H. Rept. 106–616).

A rule providing for the consideration of H.R. 4205, H.Res. 503, passed the House by a record vote of 220 yeas and 201 nays. The House considered H.R. 4205 on May 17 and 18, 2000. On May 18, 1999, the House passed the bill, as amended, by a record vote of 353 yeas and 63 nays. H.R. 4205 was received in the Senate on May 22, 2000.

S. 2549, the Senate companion legislation, was considered by the Senate on June 6 through 8, June 14, June 19 through 20, June 29 through 30, and July 11 through 13, 2000. The Senate amended the text of H.R. 4205 with S. 2549, as amended by the Senate, and passed H.R. 4205 by a roll call vote of 97 yeas and 3 nays on July 13, 2000 by a roll call vote of 92 yeas and 3 nays. The Senate also insisted on its amendment, requested a conference with the House, and appointed conferees. On July 26, 2000, the House disagreed to the amendment of the Senate, and agreed to the conference requested by the Senate by unanimous consent.

On July 27, 2000, the Speaker appointed conferees. The Speaker appointed conferees from the Committee on Commerce for consideration of matters contained in the House bill and the Senate amendment falling within the Committee's jurisdiction. As a result, certain provisions were accepted without significant change, certain provisions were modified substantially, and certain provisions were deleted outright .

The conference report on H.R. 4205 was filed in the House on October 6, 2000 (H. Rept. 106–945). The House adopted a rule providing for the consideration of the conference report, H.Res. 616, by a voice vote. The House agreed to the conference report by a record vote of 382 yeas and 31 nays on October 11, 2000. The Senate agreed to the conference report by a roll call vote of 90 yeas and 3 nays on October 12, 2000. The bill was presented to the President on October 19, 2000, and signed into law on October 30, 2000 (Public Law 106–398).

ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

Public Law 106–229 (H.R. 1714, S. 761)

To facilitate the use of electronic records and signatures in interstate or foreign commerce.

Summary

H.R. 1714 is intended to facilitate the use and acceptance of electronic signatures and records in interstate and foreign commerce. The legislation is narrowly drawn so as to remove barriers to the use and acceptance of electronic signatures and records without establishing a regulatory framework that would hinder the growth of electronic commerce. The bill adds greater legal certainty and predictability to electronic commerce by according the same legal effect, validity, and enforceability to electronic signatures and records as are accorded written signatures and records. Such certainty, in turn, will further contribute to the growth of electronic commerce.

H.R. 1714 provides that with respect to any transaction in or affecting interstate commerce, the legal effect, validity, and enforceability of a signature, contract or other record may not be denied on the ground that it is in electronic form or that an electronic signature or electronic record was used in its formation. H.R. 1714 provides authority to the States to modify, limit, or supersede this law provided that any modification complies with certain minimum standards and principles appropriate for interstate commerce. H.R. 1714 also provides for the creation, control and transfer of certain notes secured by real property.

In addition, the bill directs the Secretary of Commerce to promote the acceptance internationally of electronic signatures and electronic signature products.

H.R. 1714 also contains important consumer protection provisions. Electronic transactions using electronic signatures must be voluntarily undertaken and consumers will enjoy the same protections and rights as they would in any paper-based transaction. Businesses engaging in electronic commerce transactions must take steps to ensure that consumers have the technological ability to receive, print, and save any electronic records as part of the transactions. Finally, H.R. 1714 leaves important Federal and State consumer protection laws intact.

Legislative History

H.R. 1714 was introduced by Mr. Bliley and five cosponsors on May 16, 1999. The bill was referred to the Committee on Commerce.

The Subcommittee on Telecommunications, Trade and Consumer Protection held a legislative hearing on H.R. 1714 on June 9, 1999. The Subcommittee on Finance and Hazardous Materials held a legislative hearing on H.R. 1714 on June 24, 1999. Witnesses for both hearings included a representative of the Department of Commerce, representatives of the States, and industry representatives.

On July 21, 1999, the Subcommittee on Finance and Hazardous Materials met in open markup session and approved H.R. 1714 for Full Committee consideration, as amended, by a voice vote. On July 29, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved H.R. 1714 for Full Committee consideration, as amended, by a voice vote. On August 5, 1999, the Full Committee met in open markup session and ordered H.R. 1714 reported to the House, with an amendment, by a voice vote, a quorum being present. The Commerce Committee filed the report to H.R. 1714 on September 27, 1999 (H. Rept. 106-341, Part 1).

On September 27, 1999, H.R. 1714 was sequentially referred to the Committee on the Judiciary. The Subcommittee on Courts and Intellectual Property held a legislative hearing on H.R. 1714 on September 30, 1999. On October 7, 1999 the Subcommittee met to consider H.R. 1714 and to forward the bill, as amended, to the Full committee. The Committee on the Judiciary met on October 13, 1999 to consider H.R. 1714 and ordered the bill reported by a voice vote. The Committee on the Judiciary filed the report to H.R. 1714 on October 15, 1999 (H. Rpt 106-341, Part 2).

The House considered H.R. 1714 under suspension of the rules on November 1, 1999, and failed to pass the bill by a record vote of 234 yeas and 122 nays.

On November 18, 1999, the House Committee on the Rules met and approved a resolution providing for the consideration of H.R. 1714 (H.Res. 366). On November 19, 1999, the House approved H.Res. 366 by a voice vote. Pursuant to H.Res. 366, the House reconsidered H.R. 1714 on November 9, 1999, and passed the bill by a record vote of 356 yeas and 66 nays. On November 10, 1999, H.R. 1714 was received in the Senate and read twice. On November 19, 1999 the Senate passed a companion bill, S. 761 by unanimous consent.

On February 16, 2000, the House, by unanimous consent, passed S. 761 with an amendment consisting of the text of H.R. 1714, as passed by the House. By unanimous consent the House insisted upon its amendments, requested a conference and appointed conferees.

On March 29, 2000, the Senate disagreed to the House amendment to S. 761 and agreed to a conference. On May 18, 2000, the Conferees met, the House chairing. The conference report on S. 761 was filed in the House on June 8, 2000 (H. Rept. 106-661). On June 14, 2000 the House considered the conference report pursuant to a rule (H.Res. 523) and agreed to the conference report by a record vote of 426 yeas and 4 nays. On June 15, 2000 the Senate began consideration of the conference report and on June 16, 2000, agreed to the conference report by a record vote of 87 yeas and no nays.

S. 761 was presented to the President on June 20, 2000. The President signed S. 761 into law on June 30, 2000 (Public Law 106-229).

STATE AND LOCAL GOVERNMENT ENFORCEMENT OF CERTAIN
FEDERAL COMMUNICATIONS COMMISSION REGULATIONS
REGARDING USE OF CITIZENS BAND RADIO EQUIPMENT

Public Law 106-521 (H.R. 2346)

To authorize the enforcement by State and local governments of certain Federal Communications Commission regulations regarding use of citizens band radio equipment.

Summary

H.R. 2346 amends section 302 of the Communications Act to allow State or local governments to enact, and enforce, an ordinance or statute that prohibits a person from violating Commission rules prohibiting: (1) the use of unauthorized CB radio equipment, or (2) unauthorized operation of CB equipment on a frequency between 24 megahertz and 35 megahertz. In exercising this authority the State or locality must identify that they are taking such action pursuant to this new section of the Communications Act. H.R. 2346 also requires the Commission to provide such technical assistance to the State and local governments on this matter to the extent practicable. A person affected by a decision of a State or local government ordinance or statute may file an appeal, within 30 days, of the decision to the FCC. The Commission is given 180 days to

rule on the appeal and can preempt the decision of a State or local government agency if it determines that a State or local government acted outside its authority granted by H.R. 2346.

H.R. 2346 clarifies that: (1) the bill does not preclude the FCC from taking enforcement action notwithstanding action taken by a State or local government, and (2) the FCC's authority over matters involving the interference of radio devices is not altered. Lastly, the bill requires that a State or local government must have probable cause to find that a commercial mobile vehicle with CB radio equipment on board is in violation of Commission rules before taking enforcement action.

Legislative History

On June 24, 1999, H.R. 2346 was introduced in the House by Mr. Ehlert and seven cosponsors. The bill was referred to the Committee on Commerce.

On September 14, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection was discharged from further consideration of the bill.

On September 14, 2000, the Committee on Commerce met in open markup session and ordered H.R. 2346 reported by a voice vote, a quorum being present. The Committee on Commerce reported the bill to the House on September 22, 2000 (H. Rept. 106-883).

On September 27, 2000, considered H.R. 2346 under suspension of the rules, and passed the bill by a voice vote.

On September 28, 2000, the bill was received in the Senate and read twice. On October 31, 2000, the Senate considered and passed the bill, with an amendment, by unanimous consent.

On November 13, 2000, the House considered the Senate amendment under suspension of the rules. The House concurred in the Senate amendment by a voice vote, clearing the bill for the White House.

The bill was presented to the President on November 14, 2000. The President signed the bill on November 22, 2000 (Public Law 106-521).

TRADEMARK CYBERPIRACY PREVENTION ACT

Public Law 106-113 (H.R. 3028, S. 1255, S. 1948, H.R. 3194)

To amend certain trademark laws to prevent the misappropriation of marks.

Summary

S. 1255 prohibits the registration of an Internet domain name with the bad-faith intent to profit from the goodwill of the trademark of another party if the registered domain name is identical or confusingly similar to a distinctive mark or dilutive of a famous mark.

The bill further authorizes a court to order the forfeiture or cancellation of the domain name or its transfer to the mark owner and provides for statutory damages.

Legislative History

S. 1255 was introduced in the Senate by Mr. Abraham and three cosponsors on June 21, 1999. The bill was read twice and referred to the Senate Committee on the Judiciary. H.R. 3028, a companion bill, was introduced by Mr. Rogan and three cosponsors on October 6, 1999 and referred to the House Committee on the Judiciary.

The Senate Committee on the Judiciary met to consider S. 1255 on July 29, 1999, and ordered the bill reported to the Senate, as amended. On August 5, 1999, by unanimous consent, the Senate passed the bill, amended. S. 1255 was received in the House on September 8, 1999 and held at the desk.

The House Subcommittee on Courts and Intellectual Property met in open markup session to consider H.R. 3028 on October 7, 1999 and forwarded the bill to the Full Committee on the Judiciary by voice vote. The House Committee on the Judiciary met in open markup session to consider H.R. 3028 on October 13, 1999 and ordered the bill reported to the House, with an amendment. On October 25, 1999 the House Committee on the Judiciary reported H.R. 3028 to the House (H. Rept. 106-412). On October 26, 1999 the House approved H.R. 3028 under suspension of the rules, by voice vote. On the same day the House took up S. 1255, struck all after the enacting clause and inserted in lieu thereof the provisions of H.R. 3028.

On October 28, 1999, Mr. Bliley sent a letter to the Speaker of the House indicating that H.R. 3028, as passed by the House, included provisions within the jurisdiction of the House Committee on Commerce, particularly a provision directing the Secretary of Commerce to establish a “.us” Internet domain.

The text of H.R. 3028 was included in S. 1948, introduced by Senator Lott and incorporated by reference in section 1000(a)(5) of the conference report to accompany H.R. 3194, the Consolidated Appropriations Act (H. Rept. 106-479). On November 18, 1999, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 3194 (H.Res. 386) which passed the House by a voice vote, with an amendment. The House considered the conference report on November 18, 1999 and approved the conference report by a record vote of 296 yeas and 135 nays.

On November 18, 1999, the Senate agreed to consider the conference report by a roll call vote of 80 yeas and 8 nays and a cloture motion was filed. On November 19, 1999, the Senate invoked cloture by a roll call vote of 87 yeas and 9 nays and agreed to the conference report by a roll call vote of 74 yeas and 24 nays, and the bill was cleared for the White House.

H.R. 3194 was presented to the President on November 22, 1999 signed into law on November 29, 1999 (Public Law 106-113).

SATELLITE COMPETITION AND CONSUMER PROTECTION ACT

Public Law 106–113 (H.R. 851, H.R. 1554, S.247, S. 1948, H.R. 3194)

To amend the provisions of title 17, United States Code, and the Communications Act of 1934, relating to copyright licensing and carriage of broadcast signals by satellite.

Summary

H.R. 851, as enacted, permits satellite companies to immediately offer local-into-local television service and directs the FCC to establish rules applying must-carry, retransmission consent, syndicated exclusivity, sports blackout, and network nonduplication rules to satellite carriers. The must-carry requirements become effective January 1, 2002, allowing a 3-year phase-in period, allows satellite carriers 6 months to obtain retransmission consent agreements from broadcasters for local-into-local service; prohibits broadcasters from engaging in discriminatory practices regarding retransmission consent through January 1, 2006 and allows subscribers who do not receive a Grade A intensity signal and whose distant network signals were earlier terminated, or who were receiving them on October 31, 1999, to receive distant network signals until December 31, 2004.

H.R. 851 retains the Grade B signal intensity standard as the determining factor for who may receive distant network signals, but requires a one-year FCC study of signal intensity standards. Subscribers who do not receive a Grade B intensity signal, as well as recreational vehicles and commercial trucks that are not fixed dwellings, to receive no more than two distant network signals of each television network on a single day. A formal process for consumers was created to seek waivers if signal strength is in doubt. H.R. 85 allows existing C-band satellite customers to continue receiving the distant network TV signals they have been receiving and extends the existing satellite copyright compulsory license for distant network signals until December 31, 2004. The bill creates a new compulsory license for local network signals with no sunset date and reduces the rate increase for copyright royalty payments satellite companies must pay by 45% for distant network signals and 30% for distant superstation signals and eliminates the 90-day waiting period for cable subscribers, with special rules for the Public Broadcasting Service.

The 6-month phase-in period for retransmission consent and 3-year phase-in period for must-carry may mean that consumers once again could face losing television signals received via satellite. If satellite companies and broadcasters cannot reach agreement on retransmission consent for local-into-local within 6 months, signals will be discontinued. When must-carry provisions go into effect on January 1, 2002, satellite carriers may have to reassign satellite channels to meet those requirements.

The bill also made a number of perfecting changes to section 1405 of the Child Online Protection Act (47 U.S.C. 231 note) in order to allow the Commission to operate more efficiently.

Legislative History

H.R. 851 was introduced in the House on February 25, 1999 by Mr. Tauzin and 18 cosponsors. The bill was referred to the Committee on Commerce, and additionally, to the Committee on the Judiciary.

On March 3, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved H.R. 851, as amended, by voice vote. On March 25, 1999, the Full Committee met in open markup session and ordered H.R. 851 reported to the House, with an amendment, by a voice vote. The Committee on Commerce filed the report to H.R. 851 (H. Rept. 106-79, Part 1) on April 4, 1999.

On March 10, 1999, H.R. 851 was referred to the Subcommittee on Courts and Intellectual Property of the Committee on the Judiciary. On April 7, 1999, the Committee on the Judiciary was granted an extension for further consideration until April 16, 1999. On April 16, 1999, the Committee on the Judiciary was discharged from the further consideration H.R. 851.

The text of H.R. 851 was incorporated into H.R. 1554, which was introduced in the House by Mr. Coble on April 26, 1999. H.R. 1554 was considered by the House, under suspension of the rules, on April 27, 1999 and passed by a record vote of 422 yeas and 1 nay.

On April 28, 1999, H.R. 1554 was received in the Senate and read twice. On May 20, 1999, H.R. 1554 was laid before the Senate by unanimous consent, where the Senate struck all after the enacting clause and substituted the language of S. 247, as amended. H.R. 1554 was passed in the Senate on May 20, 1999 by unanimous consent.

On June 8, 1999, the Senate insisted on its amendment, asked for a conference, and appointed conferees. On June 23, 1999, the House disagreed to the Senate amendment to H.R. 1554 and agreed to a conference with the Senate, and appointed conferees. The Committee of Conference met on September 28, 1999, the Senate chairing. The conference report to accompany H.R. 1554 was filed in the House on November 9, 1999 (H. Rept. 106-464).

On November 9, 1999, under suspension of the rules, the House passed the conference report by a record vote of 411 yeas and 8 nays.

A revised version of H.R. 1554 was introduced in the Senate as S. 1948 on November 17, 1999 and incorporated by cross-reference in the conference report to accompany H.R. 3194, the Consolidated Appropriations Act (H. Rept. 106-479). On November 18, 1999, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 3194 (H.Res. 386) which passed the House by a voice vote, with an amendment. The House considered the conference report on November 18, 1999 and approved the conference report by a record vote of 296 yeas and 135 nays.

On November 18, 1999, the Senate agreed to consider the conference report by a roll call vote of 80 yeas and 8 nays and a cloture motion was filed. On November 19, 1999, the Senate invoked cloture by a roll call vote of 87 yeas and 9 nays and agreed to the conference report by a roll call vote of 74 yeas and 24 nays, and the bill was cleared for the White House.

H.R. 3028 was presented to the President on November 22, 1999. The President signed H.R. 3194 into law on November 29, 1999 (Public Law 106–113).

CORRECTING ERRORS IN THE AUTHORIZATION OF THE NATIONAL
HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Public Law 106–39 (H.R. 2035, S. 1248)

To correct errors in the authorizations of certain programs administered by the National Highway Traffic Administration.

Summary

H.R. 2035, a bill to correct errors in the authorizations of certain programs administered by the National Highway Traffic Safety Administration, is intended to correct mistakes made in the authorizations for the National Highway Traffic Safety Administration's (NHTSA's) motor vehicle safety and information programs during consideration of H.R. 2691, the National Highway Traffic Safety Administration Act of 1998, in the 105th Congress, when the Administration failed to inform the Committee of changes in their budget request for those programs. For fiscal years 1999-2001, the bill provides annual authorizations for motor vehicle safety programs in the amount of \$98,313,500 and for motor vehicle information programs in the amount of \$9,562,500.

Legislative History

H.R. 2035 was introduced in the House on June 8, 1999 by Mr. Tauzin. On June 10, 1999, the Full Committee met in open markup session and ordered H.R. 2035 reported to the House, without amendment, by a voice vote, a quorum being present. The Committee reported the bill on June 25, 1999 (H. Rept. 106–200).

On July 12, 1999, the House considered H.R. 2035 under suspension of the rules. The House approved the bill by a voice vote.

On June 21, 1999, Senator McCain introduced companion legislation, S. 1248, in the Senate for himself and Senator Hollings. On July 14, the Senate Committee on Commerce, Science, and Transportation reported the bill, without amendment, by a voice vote (S. Rpt. 106–107).

On July 15, 1999, the Senate passed H.R. 2035 by unanimous consent and laid S. 1248 on the table, clearing the bill for the White House. The bill was presented to the President on July 20, 1999, and approved on July 28, 1999 (Public Law 106–39).

TRANSPORTATION RECALL ENHANCEMENT, ACCOUNTABILITY, AND
DOCUMENTATION (TREAD) ACT

Public Law 106–414 (H.R. 5164, S. 3059, H. Con. Res. 428)

To amend title 49, United States Code, to require reports concerning defects in motor vehicles or tires or other motor vehicle equipment in foreign countries, and for other purposes.

Summary

H.R. 5164, the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act, is a bill to require re-

ports concerning defects in motor vehicles or tires or other motor vehicle equipment, both domestically and in foreign countries.

The bill requires that manufacturers report to the Secretary of Transportation regarding defects occurring in foreign countries, and certain other data. The legislation also lengthens the period in which a motor vehicle equipment or tire manufacturer must provide a defect remedy at no charge, strengthens the statute's civil penalty structure, imposes a criminal penalty for falsifying or withholding information, and requires the Secretary to update the motor vehicle safety standards applicable to tires and improve tire labeling standards. Further, the legislation addresses the availability of parts during a recall, reimbursement for parts replaced immediately prior to a recall, and the resale of replaced equipment. Finally, the legislation authorizes appropriations for the activities authorized by the bill and addresses a number of other public information and standard setting rulemakings.

Legislative History

H.R. 5164 was introduced in the House on September 13, 2000 by Mr. Upton, for himself and 15 other Members. The Subcommittee on Telecommunications, Trade, and Consumer Protection began to markup the legislation on September 21, 2000 and completed consideration on September 27, 2000, approving the bill for Full Committee consideration, amended, by a record vote of 23 yeas and no nays. The Full Committee marked up the legislation on October 5, 2000, and ordered the bill reported, with an amendment, by a record vote of 42 yeas and no nays. The bill was reported to the House on October 10, 2000 (H. Rept. 106-954).

On October 10, the Chairman of the Committee on the Judiciary wrote to the Chairman of the Committee on Commerce indicating that, although provisions of the bill fell within the jurisdiction of the Committee on the Judiciary, the Committee on the Judiciary would not seek a sequential referral of the bill. On October 12, 2000, the Chairman of the Committee on Commerce responded that the Judiciary Committee's decision would not prejudice the Judiciary Committee with respect to its jurisdictional prerogatives on the bill.

On October 10, 2000, the bill was considered under suspension of the rules. On October 11, 2000 (legislative day of October 10), the House passed H.R. 5164, with an amendment, by a voice vote.

On September 15, 2000 Senator McCain introduced S. 3059, the Motor Vehicle and Motor Vehicle Equipment Defect Notification Improvement Act. The Senate Committee on Commerce, Science, and Transportation ordered the bill reported on September 20, 2000, and reported the bill to the Senate, with an amendment, on September 27, 2000 (S. Rpt. 106-423). The Senate passed H.R. 5164 by unanimous consent on October 11, 2000.

Due to a drafting error, a provision approved by the Committee was not included in H.R. 5164 as it was reported and passed by the House. Accordingly, on October 12, 2000, Mr. Upton introduced H. Con. Res. 428, to correct the enrollment of H.R. 5164, and the House passed the measure by unanimous consent that same day. The concurrent resolution was received by the Senate on October 13, 2000, and passed by unanimous consent on October 17.

On October 20, 2000, the bill was presented to the President and was signed by the President on November 1, 2000 (Public Law 106–414).

CHILD PASSENGER PROTECTION ACT OF 2000

Public Law 106–414 (H.R. 5164, H.R. 4145, S. 2070)

To improve safety standards for child restraints in motor vehicles.

Summary

The bill directs the Secretary of Transportation to update and improve crash test standards and conditions for child restraints in motor vehicles. It also sets forth certain child restraint testing requirements and authorizes appropriations.

The bill also directs the Secretary to develop and implement a safety rating program for child restraints to provide practicable, understandable, and timely information to parents and caretakers for use in making informed purchases of child restraints.

Legislative History

H.R. 4145 was introduced by Mr. Shimkus and 16 cosponsors on March 30, 2000. The bill was referred to the Committee on Commerce.

On May 16, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a hearing entitled “Consumer Safety Initiatives: Protecting the Vulnerable” which focused, in part, on H.R. 4145. The Subcommittee heard testimony from the National Highway Traffic Safety Administration, industry representatives, and consumer advocates.

S. 2070, the Senate companion bill, was introduced by Senator Fitzgerald on February 10, 2000. On September 20, 2000, the Senate Committee on Commerce ordered S. 2070 reported, with an amendment.

An amendment to H.R. 5164, the TREAD Act, consisting of the text of S. 2070 as ordered reported by the Senate Committee on Commerce, was approved at the Full Committee markup of that legislation. The Full Committee marked up the legislation on October 5, 2000, and ordered the bill reported, with an amendment, by a record vote of 42 yeas and no nays. The bill was reported to the House on October 10, 2000 (H. Rept. 106–954).

On October 10, the Chairman of the Committee on the Judiciary wrote to the Chairman of the Committee on Commerce indicating that, although provisions of the bill fell within the jurisdiction of the Committee on the Judiciary, the Committee on the Judiciary would not seek a sequential referral of the bill. On October 12, 2000, the Chairman of the Committee on Commerce responded that the Judiciary Committee’s decision would not prejudice the Judiciary Committee with respect to its jurisdictional prerogatives on the bill.

On October 10, 2000, the bill was considered under suspension of the rules. On October 11, 2000 (legislative day of October 10), the House passed H.R. 5164, with an amendment, by a voice vote.

On September 15, 2000 Senator McCain introduced S. 3059, the Motor Vehicle and Motor Vehicle Equipment Defect Notification Improvement Act. The Senate Committee on Commerce, Science, and Transportation ordered the bill reported on September 20, 2000, and reported the bill to the Senate, with an amendment, on September 27, 2000 (S. Rpt. 106–423). The Senate passed H.R. 5164 by unanimous consent on October 11, 2000.

Due to a drafting error, a provision approved by the Committee was not included in H.R. 5164 as it was reported and passed by the House. Accordingly, on October 12, 2000, Mr. Upton introduced H. Con. Res. 428, to correct the enrollment of H.R. 5164, and the House passed the measure by unanimous consent that same day. The concurrent resolution was received by the Senate on October 13, 2000, and passed by unanimous consent on October 17.

On October 20, 2000, the bill was presented to the President and was signed by the President on November 1, 2000 (Public Law 106–414).

MUHAMMAD ALI BOXING REFORM ACT

Public Law 106–210 (S. 305, H.R. 1832)

Summary

H.R. 1832, the Muhammad Ali Boxing Reform Act, protects the rights and welfare of professional boxers on an interstate basis by preventing certain exploitive, oppressive, and unethical business practices. It assists State boxing commissions in their efforts to provide more effective public oversight of the sport, promotes honorable competition in professional boxing, and enhances the overall integrity of the industry.

The Muhammad Ali Boxing Reform Act amends the Professional Boxing Safety Act of 1996 (15 U.S.C. 6301 et seq.) to establish certain minimum requirements for contracts between boxers and their promoters and managers. In particular, it limits exclusive promotional rights to a maximum of 12 months and prohibits a promoter or a sanctioning organization from requiring a boxer to grant further promotional rights in order to fight a match that is a mandatory bout. The bill also prohibits promoters from having a financial interest in the management of a boxer, and vice versa, although only for boxers who fight over 10 rounds. It requires the establishment of objective and consistent written criteria for the ratings of professional boxers and requires a publishing of any change in a top ten boxer's rankings.

Sanctioning organizations are required to submit to the Federal Trade Commission (FTC), or post on the Internet, a complete description of their ratings criteria, policies, general sanctioning fee schedule, bylaws, and appeals procedure. Officers and employees of sanctioning organizations are prohibited from receiving any non-deminimis compensation or gifts from a promoter, boxer, or manager, other than their published fees for sanctioning a match and any reasonable expenses. Sanctioning organizations are required to provide to a State's boxing commission before a fight a statement of all charges, fees, and costs the organization will assess any boxer

participating in that match, and all payments the organization will receive for its affiliation with the event from all sources.

Promoters are required to provide to the appropriate State boxing commission copies of any agreements they have with a boxer, a statement of all expenses that will be assessed the boxer, any benefits the promoter is providing to sanctioning organizations affiliated with the event, and any reduction in a boxer's purse contrary to previous agreements, as well as disclosing other sources of revenue. These disclosures are protected by a confidentiality provision.

Judges and referees are required to be certified and approved by State boxing commissions, and are also required to disclose their sources of compensation for participating in a fight. Unsportsmanlike conduct is added to the list of suspendible offenses under the Act. The Association of Boxing Commissions (ABC) is directed to develop and approve guidelines on boxing contract requirements, uniform rules, and rating criteria. The record keeping burden on the States is reduced by extending boxing licenses from two years to four years.

Legislative History

H.R. 1832 was introduced in the House by Mr. Oxley and three cosponsors on May 17, 1999. The bill was referred to the Committee on Commerce, and additionally to the Committee on Education and the Workforce.

The Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 1832 on June 29, 1999. The Subcommittee received testimony from the a boxing trade association, representatives of boxing sanctioning bodies, boxing promoters, boxing managers, and from a professional boxer.

On September 24, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session to consider H.R. 1832 and approved the bill for Full Committee consideration, amended, by a record vote of 15 yeas and 1 nay. On September 29, 1999, the Full Committee met in open markup session and ordered H.R. 1832 reported to the House, with an amendment, by a voice vote, a quorum being present.

On November 4, 1999, the House Committee on Education and the Workforce was granted an extension for further consideration ending not later than November 4, 1999 and discharged from the further consideration of the bill.

On November 8, 1999, H.R. 1832 was considered under suspension of the rules. The motion to suspend the rules and pass the bill, as amended Agreed to by voice vote. A motion to reconsider was laid on the table and agreed to without objection.

On November 9, 1999, H.R. 1832 was received in the Senate. On November 19, 1999, the bill was read twice and placed on Senate Legislative Calendar. On April 7, 2000, the measure was laid before Senate and passed with an amendment by unanimous consent.

On May 22, 2000, the House considered the Senate amendment under suspension of the rules and agreed to the Senate amendment by a voice vote, clearing the bill for the White House. On May 23, 2000, the bill was presented to the President. The President signed H.R. 1832 into law on May 26, 2000 (Public Law No: 106-210).

YEAR 2000 READINESS AND RESPONSIBILITY ACT

Public Law 106–37 (H.R.775; H.Res.166, H.Res.234, S.96, S.461)

To establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes.

Summary

The Year 2000 Readiness and Responsibility Act (Y2K Act) protects businesses from liability relating to certain failures because of the so-called Y2K problem, which jeopardized computer software and systems with year 2000 date-related data. It establishes an affirmative defense of “Y2K upset,” i.e., an exceptional incident involving temporary noncompliance with applicable Federally enforceable measurement or reporting requirements because of factors related to a Y2K failure that are beyond the reasonable control of the defendant charged with compliance. The Act also sets forth provisions regarding consumer protection from Y2K failures. The legislation further contains extensive alternative dispute resolution mechanisms for Y2K actions and special protections for small business Y2K failures.

Legislative History

H.R. 775 was introduced on February 23, 1999 by Mr. Davis of Virginia and 5 cosponsors. The bill was referred to the Committee on the Judiciary, and additionally to the Committee on Small Business.

On April 29 and May 4, 1999, the Committee on the Judiciary met in open markup session and on May 4, 1999, ordered H.R. 775 reported with an amendment by a record vote of 15 yeas and 14 nays. On May 7, 2000, the Committee on the Judiciary reported the bill to the House (H. Rept. 106–131, Part 1) and the Committee on the Small Business was discharged from the further consideration of the bill.

On May 7, 1999, the Committee on Commerce was granted a sequential referral of the introduced bill through May 11, 1999. On May 10, 1999, the Chairman of the Committee on Commerce wrote to the Chairman of the Committee on the Judiciary indicating that the Committee on Commerce would not exercise its right to consider the legislation, and requesting his support for the appointment of conferees from the Committee on Commerce if the bill was the subject of a House-Senate conference. On May 11, 1999, the Committee on Commerce was discharged from the further consideration of the bill.

On May 11, 1999, the Committee on Rules reported a rule providing for the consideration of H.R. 775 (H.Res. 166). On May 12, 1999, the House passed H.Res. 166 by a record vote of 236 yeas and 188 nays and considered H.R. 775. The House passed H.R. 775, as amended, by a record vote of 236 yeas and 190 nays on May 12, 1999.

The Senate received the bill on May 13, 1999. On June 15, 1999, the Senate considered and passed H.R. 775 with an amendment in the nature of a substitute consisting of the text of S. 96, as amend-

ed by the Senate. On June 16, 1999, the Senate insisted on its amendment, asked for a conference, and appointed conferees.

On June 24, 1999, the House disagreed to the Senate amendment and agreed to the conference by unanimous consent. Conferees were appointed from the Committees on the Judiciary and Commerce.

On June 24, 1999, the Conference met. On June 29, 1999, the conference report to accompany H.R. 775 was filed in the House (H. Rept. 106–212). On June 30, 1999, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 775 (H.Res. 234). On July 1, 1999, the House passed H.Res. 234 by a record vote of 423 yeas and 1 nay and considered the conference report pursuant to the rule. The House passed the conference report on July 1, 1999, by a record vote of 404 yeas and 24 nays. On July 1, 1999, the Senate considered and passed the conference report by a roll call vote of 81 yeas and 18 nays, clearing the measure for the White House. The bill was presented to the President on July 16, 1999 and signed on July 20, 1999 (Public Law 106–37).

WIRELESS PRIVACY ENHANCEMENT ACT

(H.R. 514)

To amend the Communications Act of 1934 to strengthen and clarify prohibitions on electronic eavesdropping, and for other purposes.

Summary

H.R. 514 has four main components. First, the bill extends current scanning receiver manufacturing restrictions to prevent the manufacture of scanners that are capable of intercepting communications in frequencies allocated to new wireless communications, namely personal communications services, and protected paging and specialized mobile radio services. Second, the bill prohibits the modification of scanners and requires the Federal Communications Commission (the Commission or FCC) to strengthen its rules to prevent the modification of scanning receivers, including through the adoption of additional requirements to prevent the tampering of scanning receivers. Third, the bill makes it illegal to intentionally intercept or divulge the content of radio communications. Lastly, the bill improves the enforcement of privacy law by increasing the penalties available for violators and requires the Commission to move expeditiously on investigations of potential violations.

Legislative History

On February 3, 1999, Mrs. Wilson and 12 cosponsors introduced H.R. 514. The bill was referred to the Committee on Commerce. On the same day, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a hearing on the bill. Testimony was received from the Federal regulators, and representatives from industry trade groups, telecommunications companies and privacy advocates.

On February 10, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup ses-

sion and approved the bill for Full Committee consideration by a voice vote. On February 11, 1999, the Full Committee met in open session and ordered H.R. 514 reported to the House by a voice vote. The Committee on Commerce reported H.R. 514 to the House on February 23, 1999 (H. Rept. 106-24).

The Committee on Rules met on February 23, 1999, and granted a rule for the consideration of H.R. 514 (H.Res. 77). On February 25, 1999, the House passed H.Res. 77 by a voice vote. The House considered H.R. 514 on February 25, 1999 pursuant to the rule, and passed the bill, as amended, by a record vote of 403 yeas and 3 nays.

On March 3, 1999, the bill was received in the Senate, read twice, and referred to the Committee on Commerce, Science, and Transportation.

No further action was taken by the Senate on H.R. 514 in the 106th Congress.

SECURITY AND FREEDOM THROUGH ENCRYPTION (SAFE) ACT

(H.R. 850)

To amend title 18, United States Code, to affirm the rights of United States persons to use and sell encryption and to relax export controls on encryption.

Summary

H.R. 850, as amended by the Committee on Commerce, clarifies U.S. policy regarding the domestic use of encryption products, including prohibiting the Federal government or State governments from requiring key recovery or a similar technique in most circumstances and adding criminal penalties for the use of encryption products in the cover-up of felonious activity. H.R. 850 also relaxes U.S. export policies by permitting mass-market encryption products to be exported under a general license exception. It also permits other custom-made computer hardware and software encryption products to be exported on an expedited basis. The bill includes a specified role for the National Telecommunications and Information Administration (NTIA) in the consideration of the export of certain encryption products. H.R. 850 establishes a National Electronic Technologies Center (NET Center) to help Federal, State, and local law enforcement agencies obtain access to encrypted communications. The NET Center will aid law enforcement in accessing encrypted communications and information by promoting a positive relationship with the related industry. H.R. 850 also requires: an annual in-depth analysis of the relationship between network reliability, network security, and data security and the conduct of transactions in interstate commerce; an examination of foreign barriers to the importation of U.S. encryption products and positive steps to be taken to remove these barriers; and that the Attorney General compile information regarding instances when law enforcement's efforts have been stymied because of the use of strong encryption products.

Legislative History

H.R. 800 was introduced in the House by Mr. Goodlatte and 204 cosponsors on February 25, 1999. The bill was referred to the Committee on the Judiciary, and in addition, to the Committee on International Relations.

The Committee on the Judiciary met on March 24, 1999, to consider H.R. 850 and ordered the bill reported to the House by a voice vote. On April 27, 1999, the Committee on the Judiciary reported H.R. 695 to the House (H. Rept. 106–117, Part 1). On April 27, 1999, the referral of H.R. 850 to the Committee on International Relations was extended for a period ending not later than July 2, 1999 and the bill was sequentially referred to the Committees on Commerce and Armed Services, and the House Permanent Select Committee on Intelligence for a period ending not later than July 2, 1999.

The Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 850 on May 25, 1999. The Subcommittee received testimony from government experts and representatives of private industry.

On June 16, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved the bill, as amended, for Full Committee consideration by a voice vote. On June 23, 1999, the Full Committee on Commerce met in open markup session and ordered H.R. 850 reported to the House, with an amendment, by a voice vote. On July 2, 1999, the Committee reported H.R. 850 to the House (H. Rept. 106–117, Part 2).

On July 2, 1999, the referral of H.R. 850 to the Committee on International Relations was extended for a period ending not later than July 16, 1999 and the referral to the Committee on Armed Services was extended for a period ending not later than July 23, 1999. The Committee on International Relations met on July 13, 1999 to consider H.R. 850, and ordered the bill reported to the House, as amended, by a record vote of 33 yeas and 5 nays. On July 16, 1999, the referral of H.R. 850 to the Committee on International Relations was extended for a period not later than July 19, 1999. On July 19, 1999, the Committee on International Relations reported H.R. 850 to the House (H. Rept. 106–117, Part 3).

The Committee on Armed Services met on July 21, 1999, and ordered H.R. 850 reported to the House, as amended, by a record vote of 47 yeas and 6 nays. On July 23, 1999, the Committee on Armed Services reported H.R. 850 to the House (H. Rept. 106–117, Part 4).

The Permanent Select Committee on Intelligence met in an open session on July 15, 1999, and ordered H.R. 850 reported to the House, as amended, by voice vote. On July 23, 1999, the Permanent Select Committee on Intelligence reported H.R. 850 to the House (H. Rept. 106–117, Part 5).

No further action was taken on H.R. 850 in the 106th Congress.

WIRELESS TELECOMMUNICATIONS SOURCING AND PRIVACY ACT

(H.R. 3489)

To amend the Communications Act of 1934 to regulate interstate commerce in the use of mobile telephones and to strengthen and clarify prohibitions on electronic eavesdropping, and for other purposes.

Summary

The purpose of the bill is to address three interrelated issues relevant to the provision of wireless services to the American people: taxation of wireless telephone calls by States and localities; regulatory fees paid by wireless telecommunications companies to the FCC; and the privacy protections afforded users of wireless telecommunications services. Together, these provisions affect the overall service that wireless telecommunications providers are able to offer consumers. The bill provides a uniform national rule for determining the location from which mobile telecommunications services are provided in order to properly apply State and local taxes, charges, and fees. Additionally the bill establishes a GAO report to determine whether the FCC has correctly imposed fees on wireless providers. Section 5 and 6 of the bill enhance the privacy of users of cellular and other mobile communications services. Further, the bill prohibits modification of currently available scanners and to prevent the development of a market for new digital scanners capable of intercepting digital communications.

Legislative History

On November 18, 1999, H.R. 3489 was introduced by Mr. Pickering and four cosponsors. The bill was referred to the Committee on Commerce and additionally referred to the Committee on the Judiciary.

On April 6, 2000, the Subcommittee on Telecommunications, Trade and Consumer Protection held a legislative hearing on the bill. Testimony was received from representatives of industry trade groups and representatives of associations for State and local governments.

On May 12, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved the bill, as amended, for Full Committee consideration by a voice vote. On May 17, 2000, the Full Committee on Commerce met in open markup session and ordered H.R. 3489 reported to the House, with an amendment, by a voice vote.

On May 24, 2000, the Committee on the Judiciary met and ordered H.R. 3489 reported to the House, as amended, by a voice vote.

On July 11, 2000, the Committee on Commerce reported H.R. 3489 to the House (H. Rept. 106-725, Part 1). On July 11, 2000, the Committee on Judiciary reported H.R. 3489 to the House (H. Rept. 106-725, Part 2) by a voice vote.

No further action was taken on H.R. 3489 in the 106th Congress.

FAMILY FRIENDLY PROGRAMMING FORUM

(H. Con. Res. 184)

Expressing the sense of Congress regarding the importance of “family friendly” programming on television.

Summary

H. Con. Res. 184 recognizes and honors the efforts of the Family Friendly Programming Forum and other entities supporting family friendly programming, expresses support for efforts of the television network and production community to produce more quality family friendly programming, as well as the Family Friendly Programming Awards, development fund, and scholarships, encourages the media and American advertisers to further a family friendly television environment with appropriate advertisements accompanying the programming.

Legislative History

On September 9, 1999, Mr. Portman and ten cosponsors introduced H. Con. Res. 184. The House considered H. Con. Res. 184 on September 13, 1999 under suspension of the rules. On September 13, 1999, the House passed H. Con. Res. 184 by a record vote of 396 yeas and no nays.

On September 14, 1999, the resolution was received in the Senate, read twice, and referred to the Committee on Commerce, Science, and Transportation.

No further action was taken by the Senate on H. Con. Res. 184 in the 106th Congress.

NTIA REAUTHORIZATION ACT OF 1999

(H.R. 2630)

To reauthorize the National Telecommunications and Information Administration (NTIA), and for other purposes.

Summary

H.R. 2630 authorizes the NTIA salaries and expenses at \$10.940 million for FY 2000 and FY 2001 (the same as the appropriation level for FY 1999); requires the NTIA to receive reimbursement for all spectrum management functions conducted for other Federal agencies. The bill requires the GAO to conduct and conclude, within 180 days, a study of the fair market value of the Institute for Telecommunication Sciences (ITS), the laboratories owned and operated by the NTIA that are located in Boulder, Colorado. H.R. 2630 amends current law to provide the GAO and the Department of Commerce’s Inspector General to conduct an extensive review of the NTIA, and submit appropriate recommendations to Congress and the NTIA on areas and recommendations for improvement, and requires the Secretary of Commerce to complete an analysis on the effect of previous spectrum reallocations, done pursuant to Congressional action, that have taken spectrum from Federal agencies to make it available for commercial purposes. NTIA is given the authority to combine the submissions of various reports required by

the statute into a single submission in order to save time and money if doing so would not delay the submission of any report. The Secretary of Commerce within 180 days must revise its spectrum management process to remove the U.S. Postal Service from the coordination process of managing and assigning spectrum for Federal government spectrum users (known as the Interdepartmental Radio Advisory Committee or IRAC). NTIA is given new statutory authority for the Telecommunications and Information Infrastructure Assistance Program, which has received appropriations since FY1994 but has never been formally authorized by the Committee on Commerce.

Legislative History

On May 11, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on an unintroduced bill entitled, "H.R. ———, NTIA Reauthorization Act of 1999." Testimony was received by NTIA, other Federal regulators, and representatives of the telecommunications industry.

On July 29, 1999, Representative Tauzin introduced H.R. 2630. The bill was referred to the Committee on Commerce.

On September 29, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved the bill, as amended, for Full Committee consideration by a voice vote.

No further action was taken on H.R. 2630 in the 106th Congress.

SPECTRUM RESOURCE ASSURANCE ACT

(H.R. 4758)

To permit wireless carriers to obtain sufficient spectrum to meet the growing demand for existing services and ensure that such carriers have the spectrum they need to deploy fixed and advanced services, and for other purposes.

Summary

H.R. 4758 prevents the FCC from imposing any spectrum aggregation limit when approving the license, authorization, transfer, or assignment for a commercial mobile radio service granted by competitive bidding after January 1, 2000.

Legislative History

On June 26, 2000, Mr. Stearns and five cosponsors introduced H.R. 4758. The bill was referred to the Committee on Commerce. On July 19, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 4758. Testimony was received from industry representatives and government officials.

No further action was taken on H.R. 4758 in the 106th Congress.

JUVENILE JUSTICE REFORM ACT

Public Law 106-554 (H.R. 4577, H.R. 5656, H.R. 1501, S. 254)

(Telecommunications Provisions)

To amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide grants to ensure increased accountability for juvenile offenders; to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide quality prevention programs and accountability programs relating to juvenile delinquency; and for other purposes.

Summary

Title XIV of the House bill is also known as the Children's Internet Protection Act. Title XIV prevents a school or library from using any funding from Universal Service programs pursuant to section 254 of the Communications Act of 1934. This program is also known as "E-Rate." The bill prevents access to the Internet unless the school or library receives a certification by the FCC that it filters or blocks access to child pornographic material, obscene material, or material harmful to minors. The bill establishes a mechanism to determine certification but makes clear that what material must be filtered or blocked is determined by the local community. A school or library that has failed to obtain a certification is required to repay any E-rate funding used for accessing the Internet after failing to comply with the provisions of this title. The provisions of title XIV become effective four months after the date of enactment.

Section 1515 of the Senate amendment amends the Communications Act of 1934 to include caller identification services within the list of services that schools and libraries receive discounts under the E-Rate program. This section also requires the FCC to notify schools and libraries of the availability of caller identification services and how to apply to receive funding under the E-Rate.

Section 1504 of the Senate amendment requires the Office of Juvenile Justice and the Federal Trade Commission (FTC) to conduct annual surveys for three years to determine which Internet service providers (ISPs) are offering filtering technologies to prevent access by minors to harmful material. If the annual surveys shows that ISPs are not meeting annual thresholds for voluntarily offering such technologies to residential consumers, then section 1504 mandates that all ISPs offer, at the time of starting the subscription, each residential customer filtering technology to prevent access to harmful material by minors. The section establishes that an ISP may not charge a residential consumer for such filtering technology more than its cost for obtaining and offering such technology.

Legislative History

H.R. 1501 was introduced in the House by Mr. McCollum and 18 cosponsors on April 21, 1999. The bill was referred to the Committee on the Judiciary.

On April 22, 1999, the Subcommittee on Crime met in open markup session and approved H.R. 1501 for consideration of the Full Committee by a voice vote.

On June 16, 1999, the House Committee on Rules met and approved a resolution for the consideration of H.R. 1501 (H.Res. 209). On June 16, 1999, the House approved H.Res. 209 by a record vote of 240 yeas and 189 nays. Pursuant to H.Res. 209, the House considered H.R. 1501 on June 17, 1999. The House passed H.R. 1501, as amended, by a record vote of 287 yeas and 139 nays. A motion to recommit was defeated by a record vote of 191 yeas and 233 nays.

On June 18, 1999, the bill was received in the Senate, read twice, and placed on Senate Legislative Calendar.

On July 22, 1999, the Senate proceeded to consider H.R. 1501 under a cloture motion. This motion was withdrawn. On July 26, the bill was laid before the Senate by unanimous consent. On July 28, 1999, the Senate invoked cloture by a roll call vote of 77 yeas and 22 nays. On July 28, 1999, the Senate passed an amendment in the nature of substitute.

On July 28, 1999, the Senate passed the bill by unanimous consent, insisted on its amendment, requested a conference, and appointed conferees.

On July 30, 1999, the House disagreed to the Senate amendment, agreed to a conference, and appointed conferees. Members of the Committee on Commerce were appointed as conferees on H.R. 1501 for consideration of matters committed to conference within the jurisdiction of the Committee.

On July 30, 1999, a motion to instruct conferees by Mr. Conyers was agreed to by a vote of 305 yeas and 84 nays. On September 22, 1999, a motion to instruct conferees by Ms. Lofgren was agreed to by a record vote of 305 yeas and 117 nays. On September 23, 1999, the House debated a motion to instruct conferees by Ms. McCarthy. On September 24, 1999, the House defeated the motion by Ms. McCarthy to instruct conferees by a record vote of 190 yeas and 218 nays. On September 24, 1999, a motion to instruct conferees by Mr. Doolittle was agreed to by a record vote of 337 yeas and 73 nays. On September 24, 1999, a motion to instruct conferees by Ms. Lofgren was agreed to by a record vote of 241 yeas and 67 nays. On October 14, 1999, a motion to instruct conferees by Ms. Jackson-Lee was defeated by a record vote of 174 yeas and 249 nays. On March 15, 2000, a motion to instruct conferees by Ms. Lofgren was agreed to by a record vote of 218 yeas and 205 nays. On April 11, 2000, a motion to instruct conferees by Mr. Conyers was agreed to by a record vote of 406 yeas and 22 nays.

These provisions were later included in H.R. 5656, a new bill containing the Departments of Labor and Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001, which was incorporated by reference into the conference report to accompany H.R. 4577 (H. Rept. 106-1033), which was filed in the House on December 15, 2000. On December 15, 2000, the conference report was considered pursuant to a previous order of the House and agreed to by a record vote of 292 yeas and 60 nays. On December 15, 2000, the Senate agreed to the conference report by unanimous consent.

H.R. 4577 was presented to the President on December 15, 2000, and was signed into law on December 21, 2000 (Public Law 106-554).

INTERNET ACCESS CHARGES

(H.R. 1291, H.R. 4202)

To prohibit the imposition of access charges on Internet service providers, and for other purposes.

Summary

H.R. 1291, the Internet Access Charge Prohibition Act, amends the Communications Act of 1934 to preclude the FCC from imposing on any information service provider (including Internet Service Providers) any access charge that is intended for the support of universal service based on the amount of time a consumer spends on-line.

Legislative History

H.R. 1291 was introduced in the House on March 25, 1999 by Mr. Upton along with 141 cosponsors and was referred to the Committee on Commerce.

A similar bill, H.R. 4202, the Internet Services Promotion Act of 2000, was introduced in the House by Mr. Ehrlich and nine cosponsors on April 6, 2000. The bill was referred to the Committee on Commerce, and additionally to the Committee on the Judiciary.

On May 3, 2000 the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 1291 and H.R. 4202. Testifying before the Subcommittee was a Member of Congress and industry representatives.

On May 10, 2000 the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved the bill, as amended, for Full Committee consideration by a voice vote. On May 12, 2000, the Full Committee met in open markup session and ordered H.R. 1291 reported to the House, as amended, by a voice vote. The Committee on Commerce reported H.R. 1291 to the House (H. Rept. 106-615) on May 12, 2000.

The House considered H.R. 1291 under suspension of the rules, on May 16, 2000 and passed H.R. 1291 by a voice vote.

On May 17, 2000, H.R. 1291 was received in the Senate. On May 24, 2000 H.R. 1291 was read the first time and placed on Senate Legislative Calendar. On May 25, 2000 H.R. 1291 was read the second time and placed on the Senate Legislative Calendar.

No further action was taken on H.R. 1291 or H.R. 4202 during the 106th Congress.

UNSOLICITED COMMERCIAL ELECTRONIC MAIL

(H.R. 3113)

To protect individuals, families, and Internet service providers from unsolicited and unwanted electronic mail.

Summary

The intent of H.R. 3113 is to protect individuals, families, and Internet service providers from unsolicited and unwanted electronic mail. The bill prohibits any person from sending an unsolicited commercial electronic mail (e-mail) message unless the message

contains a valid e-mail address, conspicuously displayed, to which a recipient may send notice of a desire not to receive further messages. This notice further prohibits a person from sending other unsolicited commercial e-mail messages after a reasonable period of time, and considers such notice as termination of any pre-existing business relationship between the parties.

H.R. 3113 prohibits any person who sends such messages from taking an action that causes any Internet routing information contained in or accompanying such message to: (1) be inaccurate or invalid; or (2) fail to accurately reflect the routing of such information. The bill also requires any such message to include information that: (1) identifies the message as unsolicited commercial e-mail; and (2) contains notice of the opportunity for the recipient to request to not receive further messages.

H.R. 3113 also allows a provider of Internet access service (provider) to enforce a policy regarding unsolicited commercial e-mail messages that complies with specified requirements, including requirements for notice and public availability of such policy and for an opportunity for subscribers to opt not to receive such messages. The bill also protects a provider against liability for: (1) blocking the transmission or receipt of such messages; or (2) retransmitting unsolicited bulk commercial mail messages unless such provider has knowledge that a transmission is prohibited.

H.R. 3113 directs the FTC to notify violators, to prohibit further initiation of such messages, and to require the initiator to delete the names and e-mail addresses of the recipients and providers from all mailing lists. The bill requires the names and e-mail addresses of any children of the recipient to be included in such notification. H.R. 3113 authorizes the FTC: (1) to serve a complaint upon an initiator who fails to comply; and (2) after an opportunity for a hearing, to order such initiator to comply, and grants U.S. district courts jurisdiction to order compliance. The bill also provides a right of action by a recipient or provider against e-mail initiators who violate the above requirements and requires the FTC to report to Congress on the effectiveness and enforcement of this legislation.

Legislative History

H.R. 3113 was introduced by Mrs. Wilson and 13 cosponsors on October 20, 1999, and referred to the Committee on Commerce.

On November 11, 1999 the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on Unsolicited Commercial Electronic Mail entitled, "Spam: the E-Mail You Want to Can." At the hearing the Subcommittee heard from Members of Congress with legislation pending on the issue as well as government and industry representatives.

On March 13, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved the bill, as amended, for Full Committee consideration by a voice vote. On June 14, 2000, the Full Committee met in open session and ordered H.R. 3113 reported to the House, with an amendment, by a voice vote. The Committee on Commerce reported H.R. 3113 to the House on June 26, 2000 (H. Rept. 106-700).

The House considered H.R. 3113 under suspension of the rules on July 18, 2000. On July 18, 2000 the House passed H.R. 3113 by a record vote of 427 yeas and 1 nay.

On July 19, 2000 H.R. 3113 was received in the Senate, and read twice and referred to the Committee on Commerce, Science, and Transportation.

No further action was taken on H.R. 3113 during the 106th Congress.

REGULATION OF CONSUMER AND INVESTOR DATABASES

(H.R. 1858, H.R. 354)

To promote electronic commerce through improved access for consumers to electronic databases, including securities market information databases.

Summary

Title I of H.R. 1858, the Consumer and Investor Access to Information Act, prohibits a person from selling or distributing a duplicate of a database collected and organized by another person that competes in commerce with the original database. The legislation defines a duplicate of a database as a database which is substantially the same as the first database. Further, a discrete section of a database may also be treated as a database. Thus, H.R. 1858 prevents the distribution of pirated databases which could threaten investment in database creation. At the same time, it does not prevent reuse of information for purposes of creating a new database.

Title I sets forth a variety of permitted acts, such as those related to news reporting, law enforcement, and academic research. Title I also excludes certain databases from any protection altogether, such as government databases, databases related to Internet communications, and computer programs. In addition, title I of H.R. 1858 limits the liability of a provider of telecommunications or information services, so long as the such provider did not initially place a pirated database on its network. Title I authorizes the FTC to take appropriate actions under the Federal Trade Commission Act to prevent violations of title I.

Title II addresses issues within the jurisdiction of the Subcommittee on Finance and Hazardous Materials.

Legislative History

H.R. 354 was introduced in the House by Mr. Coble on January 19, 1999. H.R. 354 was referred to the Committee on the Judiciary. The Subcommittee on Courts and Intellectual Property held a hearing on March 18, 1999. Witnesses included government, industry and academic representatives. The Subcommittee reported the bill to the full Judiciary Committee, as amended, by a voice vote, on May 20, 2000.

On May 19, 1999 H.R. 1858 was introduced by Mr. Bliley and five cosponsors. H.R. 1858 was referred to the Committee on Commerce. The Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on title I of H.R. 1858 on June 15, 1999. Testimony was received from government and industry representatives.

The Committee on the Judiciary met in open markup session on May 26, 1999, and ordered H.R. 354 to be reported, with an amendment, by a voice vote.

On July 21, 1999, the Subcommittee on Finance and Hazardous Materials met in open markup session and approved H.R. 1858 for Full Committee Consideration, as amended, by a voice vote. On July 29, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved H.R. 1858 for Full Committee consideration, as amended, by a voice vote.

The Committee on Commerce met in open markup session and ordered H.R. 1858 reported to the House, with an amendment, on August 5, 1999.

On September 30, 1999, the Committee on the Judiciary reported H.R. 354 to the House (H. Rept. 106-349, Part 1) and the bill was referred sequentially to the House Committee on Commerce for a period ending not later than October 8, 1999. Also on September 30, 1999, the Committee on Commerce reported H.R. 1858 to the House (H. Rept. 106-350, Part 1) and the bill was referred sequentially to the House Committee on the Judiciary for a period ending not later than October 8, 1999.

The Committee on Commerce and the Committee on the Judiciary were discharged from the further consideration of H.R. 354 and H.R. 1858, respectively, on October 8, 1999.

No further action was taken on H.R. 354 or H.R. 1858 during the 106th Congress.

INTERNET GAMBLING PROHIBITION ACT

(H.R. 3125)

To prohibit Internet gambling, and for other purposes.

Summary

H.R. 3125 prohibits any person engaged in a gambling business from using the Internet to place, receive, or otherwise make a bet or wager, or to send, receive, or invite information assisting in the placing of a bet or wager, and establishes mechanisms tailored to the Internet to enforce that prohibition. The bill provides criminal penalties for violations, authorize civil enforcement proceedings by Federal and State authorities, establishes mechanisms for requiring Internet service providers to terminate or block access to material or activity that violates the prohibition, and authorizes other relief.

Legislative History

On October 21, 1999, H.R. 3125 was introduced in the House by Mr. Goodlatte and 34 cosponsors. It was referred to the Committee on the Judiciary. On November 3, 1999, the Subcommittee on Crime met in open markup session and approved H.R. 3125 for consideration by the Committee on the Judiciary, as amended, by a record vote of 5 yeas and 3 nays. On March 10, 2000 the Subcommittee on Crime held a hearing on H.R. 3125.

On April 5 and 6, 2000 the Committee on the Judiciary met in open markup session to consider H.R. 3125. On April 6, 2000, the

Committee ordered H.R. 3113 reported to the House, with an amendment, by a record vote of 21 yeas and 8 nays. The Committee on the Judiciary reported H.R. 3125 to the House (H. Rept. 106–655, Part 1) on June 7, 2000.

On June 7, 2000, H.R. 3125 was sequentially referred to the Committee on Commerce for a period ending not later than June 23, 2000.

On June 15, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 3125. Testifying before the Subcommittee was a Member of Congress and government and industry representatives.

On June 23, 2000, the Committee on Commerce was discharged from the further consideration of H.R. 3125. The House considered H.R. 3125 under suspension of the rules on July 17, 2000. Passage of H.R. 3125 failed by a record vote of 245 yeas and 159 nays.

No further action was taken on H.R. 3125 in the 106th Congress.

COMMUNITY BROADCASTERS PROTECTION ACT

Public Law 106–113 (H.R. 3194, S. 1948, H.R. 486)

To amend the Communications Act of 1934 to require the Federal Communications Commission to preserve low-power television stations that provide community broadcasting, and for other purposes.

Summary

H.R. 486 requires the FCC to provide “qualified” low power stations with a “Class A” television license that would put low power licensees on par with full power broadcast stations. To qualify for a Class A license under the bill, low power stations have to meet certain criteria, including broadcasting at least 18 hours a day, broadcasting at least 3 hours of local programming, and operating outside certain frequencies designated to be used for the digital conversion of full power stations and other purposes. In addition, prospective low power stations cannot qualify if the station will cause interference to other licensees. H.R. 486 also provides an exemption for Class A low power licenses from the general requirement that the FCC use competitive bidding process to award licenses. The bill requires the FCC to design a new mechanism to award Class A low power licenses if more than one applicant applies for an available license.

Legislative History

H.R. 486 was introduced in the House by Mr. Norwood and eight cosponsors on February 2, 1999. The bill was referred to the Committee on Commerce.

The Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on April 13, 1999 addressing the regulatory classification of low power television licensees. The Subcommittee received testimony from representatives of the FCC, television broadcasters, and organizations representing broadcasters.

On July 29, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session to

consider H.R. 486 which was approved for Full Committee consideration, as amended, by a record vote of 18 yeas and 3 nays.

The Full Committee met in open markup session to consider the bill on August 5, 1999. The Committee approved the bill, as amended, by a voice vote, a quorum being present.

The text of H.R. 486 was included in S. 1948, introduced by Senator Lott and incorporated by reference in section 1000(a)(5) of the conference report to accompany H.R. 3194, the Consolidated Appropriations Act (H. Rept. 106-479). On November 18, 1999, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 3194 (H.Res. 386) which passed the House by a voice vote, with an amendment. The House considered the conference report on November 18, 1999 and approved the conference report by a record vote of 296 yeas and 135 nays.

On November 18, 1999, the Senate agreed to consider the conference report by a roll call vote of 80 yeas and 8 nays and a cloture motion was filed. On November 19, 1999, the Senate invoked cloture by a roll call vote of 87 yeas and 9 nays and agreed to the conference report by a roll call vote of 74 yeas and 24 nays, and the bill was cleared for the White House.

H.R. 3194 was presented to the President on November 22, 1999 signed into law on November 29, 1999 (Public Law 106-113)..

RURAL LOCAL BROADCAST SIGNAL ACT

Public Law 106-553 (H.R. 4942, H.R. 3615, S. 2097)

To amend the Rural Electrification Act of 1936 to ensure improved access to the signals of local television stations by multi-channel video providers to all households which desire such service in unserved and underserved rural areas by December 31, 2006.

Summary

H.R. 3615 amends the Rural Electrification Act of 1936 to authorize the Rural Utility Service (RUS), upon certification from the National Telecommunications and Information Administration (NTIA), to guarantee \$1.25 billion in loans for the construction of subscription-based multi-video programming distribution (MVPD) systems (e.g., cable, satellite, wireless cable) that can deliver local broadcast signals to rural areas. Borrowers would be permitted to use guaranteed loans to enter the MVPD market by any means. Specifically, under new section 602(c)(3), a borrower can use a guaranteed loan "to finance the acquisition, improvement, enhancement, construction, deployment, launch, or rehabilitation of the means, including spectrum rights, by which local television broadcast signals will be delivered" to consumers who currently do not have satellite-based access to local broadcast signals. Moreover, upon entry into the MVPD market, and to the extent system capacity is available, a borrower is not be precluded from offering its subscribers non-broadcast services, such as high-speed data services.

The RUS is authorized to guarantee a single loan up to \$625 million; all other guaranteed loans have to be \$100 million or less. RUS borrowers have to pay their loans in full within the lesser of

25 years or the useful life of the assets purchased. The bill imposes a variety of underwriting requirements on borrowers (e.g., insurance, collateral, perfected security interests), and also allows the Federal government's guarantee to be subordinate to any private-sector financing. The bill also gives the RUS broad authority to modify the terms and conditions of loans. The RUS' authority to guarantee loans would be contingent upon future appropriations and sunsets on December 31, 2006.

The bill also makes clear that the RUS, in deciding which loans to guarantee, should give priority to borrowers that plan to serve the unserved and underserved rural markets, taking into account such factors as feasibility, population, terrain, prevailing market conditions, and projected costs to consumers. Priority borrowers are required to agree to performance schedules, subject to penalties. The RUS is also authorized to require a borrower to indemnify the Federal government for any losses it incurs as a result of a judgment against the borrower, or any breach of the borrower's obligations. Finally, the bill makes clear that RUS borrowers have the same intellectual property rights and carriage obligations that currently apply to other MVPDs (e.g., compulsory licensing, must carry, retransmission consent).

Legislative History

On February 10, 2000, Mr. Goodlatte and 104 cosponsors introduced H.R. 3615 in the House. The bill was referred to the Committee on Agriculture, and additionally, the Committees on Commerce and the Judiciary.

On February 16, 2000, the Agriculture Committee met in open markup session to consider H.R. 3615, and ordered the bill to be reported, as amended, by a record vote of 41 yeas and no nays. (H. Rept. 106-508, Part 1). The Committees on Commerce and the Judiciary were granted an extension for the further consideration of the bill for a period ending not later than March 31, 2000.

On March 16, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 3615. The Subcommittee heard testimony from Members of Congress, Federal agencies, and industry representatives.

On March 23, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session to consider H.R. 3615. The Subcommittee reported the bill, as amended, to the Full Committee by a voice vote. On March 29, 2000, the Full Committee ordered H.R. 3615 reported to the House, with an amendment, by a voice vote. On March 31, 2000, the Committee on the Judiciary was discharged from the further consideration of the bill. The referral of the Committee on Commerce was extended for a period ending not later than April 6, 2000. The Committee reported the bill to the House, with an amendment on April 6, 2000 (H. Rept. 106-508, Part 2). On April 12, the Committee on Rules reported a rule providing for the consideration of H.R. 3615 (H. Res. 475). On April 13, 2000, the House agreed to procedures for the consideration of H.R. 3615 (substantially similar to those of H. Res. 475) by unanimous consent, and laid H. Res. 475 on the table. The House proceeded to consider H.R. 3615 pursuant to the order of the House and passed the bill, as amended, a record vote of 375 yeas

and 37 nays. On May 2, 2000, H.R. 3615 was received in the Senate, read twice, and placed on Senate Legislative Calendar.

A modified version of H.R. 3615 is contained in the conference report to accompany H.R. 4942, a bill making appropriations for the District of Columbia and the Departments of Commerce, Justice, and State for FY 2001 (H. Rept. 106–1005), which was filed on October 26, 2000.

The Committee on Rules reported a resolution providing for consideration of the conference report on October 26, 2000 (H.Res. 653). The House passed the rule by a record vote of 212 yeas and 192 nays. On October 26, 2000, the House considered the conference report pursuant to the rule, and agreed to the conference report by a record vote of 206 yeas and 198 nays. The Senate agreed to the conference report on October 27, 2000, by a roll call vote of 48 yeas and 43 nays, clearing the bill for the White House.

The bill was presented to the President on December 15, 2000 and signed into law on December 21, 2000 (Public Law 106–553).

RADIO BROADCASTING PRESERVATION ACT

Public Law 106–553 (H.R. 4942, H.R. 3439, S. 2068)

To require the Federal Communications Commission to revise its regulations authorizing the operation of new, low-power FM radio stations.

Summary

H.R. 3439 prohibits the FCC from prescribing any rules authorizing the operation of new low power FM radio stations, or establishing a low power radio service, as proposed in FCC MM Docket No. 99-25 (final rule issued January 20, 2000), and terminates any rules prescribed by the FCC before the date of enactment that would violate such a prohibition and voids any low power radio licenses previously issued.

Legislative History

H.R. 3439 was introduced in the House by Mr. Oxley and four cosponsors on November 17, 1999. The bill was referred to the Committee on Commerce.

On February 17, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 3439. The Subcommittee received testimony from the FCC, industry and academic representatives.

On March 23, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session to consider H.R. 3439. H.R. 3439 was approved for Full Committee consideration by a voice vote.

On March 29, 2000, the Full Committee met in open markup session to consider H.R. 3439 and ordered the bill reported, as amended, to the House by a voice vote. On April 10, 2000, the Committee on Commerce reported H.R. 3439 to the House on April 10, 2000 (H. Rept. 106–567).

The Committee on Rules met on April 12, 2000 and granted a rule providing for the consideration of H.R. 3436 (H.Res. 472). After H.Res. 472 was reported, the House agreed by unanimous

consent to provide for consideration of H.R. 3439 in a manner substantially similar to H.Res. 472.

The House considered H.R. 3439 on April 13, 2000, and passed the bill by a record vote of 274 yeas and 110 nays. On May 2, 2000, H.R. 3436 was received in the Senate and on May 16, 2000, the bill was read twice and referred to the Senate Committee on Commerce, Science, and Transportation.

A modified version of H.R. 3439 is contained in the conference report to accompany H.R. 4942, a bill making appropriations for the District of Columbia and the Departments of Commerce, Justice, and State for FY 2001 (H. Rept. 106–1005), which was filed on October 26, 2000.

The Committee on Rules reported a resolution providing for consideration of the conference report on October 26, 2000 (H.Res. 653). The House passed the rule by a record vote of 212 yeas and 192 nays. On October 26, 2000, the House considered the conference report pursuant to the rule, and agreed to the conference report by a record vote of 206 yeas and 198 nays. The Senate agreed to the conference report on October 27, 2000, by a roll call vote of 48 yeas and 43 nays, clearing the bill for the White House.

The bill was presented to the President on December 15, 2000 and signed into law on December 21, 2000 (Public Law 106–553).

RELIGIOUS BROADCASTING

(H.R. 4201, H.R. 3525)

To amend the Communications Act of 1934 to clarify the service obligations of noncommercial educational broadcast stations.

Summary

H.R. 4201 amends the Communications Act of 1934 to allow a nonprofit organization to hold a noncommercial educational (NCE) radio or television license if the station is used primarily to broadcast material that such organization or entity determines serves an educational, instructional, cultural, or religious purpose in that community, unless such determination is arbitrary or unreasonable.

The bill also prohibits the FCC from imposing any quantitative requirements for such educational programming. The FCC may not prevent an organization from determining that religious programming, including religious services, qualifies as educational, instructional or cultural. The bill also prohibits the FCC from imposing any additional content requirements on a noncommercial licensee that are not imposed on a commercial licensee. The FCC must make the aforementioned revisions to its regulations within 270 days after enactment. The bill requires a rulemaking to modify any requirements relating to the service obligations of NCE stations.

Legislative History

H.R. 3525 was introduced in the House by Mr. Oxley and 125 cosponsors on January 24, 2000. On April 6, 2000, H.R. 4201 was introduced in the House by Mr. Pickering and four cosponsors. Both bills were referred to the Committee on Commerce.

On April 13, 2000 the Subcommittee held a legislative hearing and on H.R. 4201 and H.R. 3525. The Subcommittee heard testimony from FCC Commissioners, industry and family organization representatives.

On May 10, 2000, the Telecommunications, Trade, and Consumer Protection Subcommittee met in open markup session on H.R. 4201. The Subcommittee approved the bill for Full Committee consideration, as amended, by a record vote of 11 to 5. The Full Committee on Commerce ordered the bill reported, as amended, by voice vote on May 17, 2000 (H. Rept. 106-662). On June 9, the bill was placed on the Union Calendar.

The Committee on Rules met on June 19, 2000 and granted a rule providing for consideration of H.R. 4201 on June 20, 2000. The rule was filed in the House as H.Res. 527.

The House considered H.R. 4201 on June 20, 2000 under the provisions of H.Res. 527. The House passed the bill, as amended, by record vote of 264 to 159. On June 21, 2000, the bill was received in the Senate. On July 27, 2000, the bill was read for the first time. On September 5, 2000, the bill was read the second time.

No further action was taken on H.R. 4201 or H.R. 3525 in the 106th Congress.

TELECOMMUNICATIONS MERGER REVIEW ACT

(H.R. 4019)

To place certain constraints and limitations on the authority of the Federal Communications Commission to review mergers and to impose conditions on licenses and other authorizations assigned or transferred in the course of mergers or other transactions.

Summary

H.R. 4019 creates a new section 417 of the Communications Act of 1934. The bill precludes the FCC from denying a transfer-of-control application, unless the transfer of control would result in a violation of FCC rules or regulations in effect at the time the application is filed, and such violation cannot be cured through a conditional approval of the application. The bill also precludes the FCC from conditionally approving a transfer-of-control application, except to the extent necessary to ensure that a transferee is in compliance with FCC rules and regulations in effect at the time the application is approved, or to permit the orderly disposition of assets to comply with FCC rules and regulations.

H.R. 4019 gives the FCC 90 days to complete all action on transfer-of-control applications, unless the applicant requests an extension and gives the FCC 60 days to complete all action on transfer-of-control applications involving local exchange carriers that, upon consummation of the proposed merger, would control no more than two percent of local telephone lines in the United States, unless, the applicant requests an extension. H.R. 4019 applies to any transfer-of-control application that is pending on, or submitted to the FCC, on or after, the date of enactment. With regard to any applications pending before the FCC for more than 30 days as of the date of enactment, the FCC would have 60 days to complete all

action on transfer-of-control applications without a request of extension.

Legislative History

H.R. 4019 was introduced in the House by Rep. Pickering and 11 cosponsors on March 16, 2000. H.R. 4019 was referred to the Committee on Commerce.

On March 17, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 4019. The Subcommittee received testimony from the FCC and industry representatives.

On June 27, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session, and approved the bill, as amended, for Full Committee consideration by a voice vote.

No further action was taken on H.R. 4019 during the 106th Congress.

SCHOOLS AND LIBRARIES INTERNET ACCESS ACT

(H.R. 1746)

To amend the Communications Act of 1934 to reduce telephone rates, provide advanced telecommunications services to schools, libraries, and certain health care facilities, and for other purposes.

Summary

H.R. 1746 replaces the FCC's existing schools and libraries program with a clearly defined system administered by the States to ensure that discounted telecommunications services are provided to organizations that most need assistance. The bill first reduces the existing telephone excise tax from three percent to one percent, effective January 1, 2000. The one percent excise tax would remain in effect until October 1, 2003, and would be repealed altogether on October 1, 2004.

The bill directs that all telephone excise tax proceeds be deposited into the "Technology Trust Fund," which would be administered by the National Telecommunications and Information Administration (NTIA) for the provision of telecommunications services to qualified schools, libraries and rural health care providers. Specifically, NTIA allocates funds among the 50 States, the District of Columbia and Puerto Rico based on each State's school-age population (ages 5-17), as well as its participation in the Federal school lunch program. No State can receive less than one-half of one percent of the total fund. To be eligible for funding, each State is required to submit a plan for disbursing funds to schools, libraries and rural health care providers. NTIA is authorized to direct the States to take into account the relative economic condition of the entities that apply for funding. The bill prohibits the subsidization of schools with endowments larger than \$50 million. Likewise, to prevent misallocation of funds, the bill requires States to keep their administrative expenses to a minimum, permitting them to use no more than two percent of their grant towards administrative costs. The fund sunsets on October 1, 2004, when the remaining one percent excise tax is repealed.

The bill also sets parameters to ensure that spending does not exceed the amount of available funds. For the first year, spending is capped at \$1.7 billion. In subsequent years, administrators are not permitted to spend more than was received the previous year from the excise tax. Any balance in excess of the needs of the program is paid to the general Treasury. If needs continue to exist after the excise tax is repealed in 2004, the bill authorizes Treasury allocations (not to exceed \$500 million) to continue furnishing assistance to entities in need.

Legislative History

On May 11, 2000, Mr. Tauzin and 10 cosponsors introduced H.R. 1746. The bill was referred to the Committee on Commerce, and additionally to the Committee on Ways and Means.

On September 30, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 1746. Testimony was received from Members of Congress, Federal agencies, and industry representatives.

No further action was taken on H.R. 1746 in the 106th Congress.

REAUTHORIZATION OF THE CORPORATION FOR PUBLIC BROADCASTING

(H.R. 2384)

To reauthorize the Corporation for Public Broadcasting (CPB).

Summary

H.R. 2384 authorizes the CPB for the FY 2000 through FY 2006. The bill allots an amount equal to 40 percent of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year, except that the amount so appropriated shall not exceed \$475 million for the fiscal year 2002. In addition, the bill also authorizes, for the transition to digital broadcasting, \$15 million for fiscal year 1999 and \$100 million dollars for each of the fiscal years 2000, 2001, 2002 and 2003 for the costs associated with the transition of public broadcasting to provide digital broadcasting services, including for the support of digital program production, development and distribution. Finally, H.R. 2384 authorizes funds for the Public Telecommunications Facilities Program of the National Telecommunications and Information Administration in the amount of \$35 million for fiscal year 2000, \$110 million for fiscal year 2001, \$100 million for fiscal year 2002, \$89 million for fiscal year 2003 and such sums as may be necessary for fiscal year 2004, to be used by the Secretary of Commerce to assist in the planning and construction of public telecommunications facilities, including analog and digital broadcast facilities.

Legislative History

H.R. 2384 was introduced in the House by Mr. Tauzin and two cosponsors on June 29, 1999. The bill was referred to the Committee on Commerce.

On June 30, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 2384. The Subcommittee received testimony from representatives of the public broadcasting industry.

On July 20, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a second legislative hearing on H.R. 2384. The Subcommittee received testimony from representatives of the public broadcasting industry and industry trade associations.

No further action was taken on H.R. 2384 in the 106th Congress.

THE INTERNET FREEDOM AND BROADBAND DEPLOYMENT ACT

(H.R. 2420)

To deregulate the Internet and high speed data services, and for other purposes.

Summary

H.R. 2420 preempts the FCC and the States from regulating the rates, charges, terms or conditions for, or entry into the provision of, any high-speed data service or Internet access service, and the facilities used to provide either service. H.R. 2420 also preserves the authority of the States to regulate voice telephone exchange services, and also preserves the rights of local cable franchising authorities to establish requirements that are otherwise consistent with the Communications Act. H.R. 2420 permits the FCC to retain or modify both its interstate access charge exemption for so-called “enhanced service providers,” and its existing universal service rules.

H.R. 2420 exempts the incumbent local exchange carriers (ILECs) from their obligation to provide competitive local exchange carriers (CLECs) with unbundled access to any network element that is used in the provision of broadband services (unless the FCC required such element to be unbundled as of January 1, 1999). H.R. 2420 further exempts the incumbent local exchange carriers (ILECs) from their obligation to make their broadband services available for resale by CLECs at wholesale rates. H.R. 2420 authorizes the FCC to reduce (but not increase) the number of network elements that would be subject to an unbundling requirement, and expand the FCC’s authority to forbear from enforcing its unbundling rules.

H.R. 2420 requires the ILECs to permit: (1) Internet users to have access to any Internet Service Provider (ISP) that interconnects with the ILEC’s broadband service; (2) ISPs to acquire facilities and services necessary to interconnect with the ILEC’s broadband service for the provision of Internet access service; and (3) ISPs to co-locate their equipment at the ILEC’s offices.

H.R. 2420 provides interLATA relief for the ILECs by classifying their broadband services as an “incidental” service, thereby enabling the Bell Operating Companies (BOCs) to bypass compliance with the 1996 Telecommunications Act’s competitive checklist as a pre-condition to offering in-region broadband services on an interLATA basis. In addition, H.R. 2420 bars the ILECs from “marketing” or “billing” in-region Internet telephony services until they satisfy the checklist. H.R. 2420 also repeals the requirement that an ILEC offer its interLATA information services through a structurally separate subsidiary.

Legislative History

On July 1, 1999, Mr. Tauzin, and 31 cosponsors introduced H.R. 2420 in the House. The bill was referred to the Committee on Commerce.

On July 27, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 2420. Testimony was received from telecommunications industry representatives.

No further action was taken on H.R. 2420 in the 106th Congress.

TRUTH IN TELEPHONE BILLING

(H.R. 3011, H.R. 3022)

To amend the Communications Act of 1934 to improve the disclosure of information concerning telephone charges, and for other purposes.

Summary

H.R. 3011, the Truth in Telephone Billing Act, adds a new section 258(c) to the Communications Act of 1934 that requires each telecommunications carrier to identify (in plain language and not longer than one line on the bill) on each subscriber's monthly statement: (1) the government program for which the carrier is being taxed, and the government entity imposing the tax; (2) the form in which the tax is assessed (e.g., per subscriber, per line, percentage of revenues); and (3) a separate line-item that identifies the dollar amount of the subscriber's bill that is being used by the carrier to pay for the government program. H.R. 3011 also requires the GAO to conduct an examination, and report its finding to Congress, of the current implicit and explicit subsidy mechanisms in the telecommunications industry.

Legislative History

On October 10, 1999, Mr. Bliley introduced H.R. 3011 with one cosponsor. H.R. 3022, the Rest of the Telephone Truth in Billing Act, was introduced in the House by Mr. Markey on October 5, 1999. Both bills were referred to the Committee on Commerce.

On March 9, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 3011 and H.R. 3022, the Rest of the Telephone Truth in Billing Act. Testimony was received from industry representatives and academic associations.

On September 13, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved the bill, as amended, for Full Committee consideration by a voice vote.

On October 5, 2000, the Full Committee met in open markup session and ordered H.R. 3011 reported to the House, as amended, by a voice vote. The Committee on Commerce filed the report to H.R. 3011 in the House on October 13, 2000 (H. Rept. 106-978).

No further action was taken on H.R. 3011 in the 106th Congress.

RECIPROCAL COMPENSATION ADJUSTMENT ACT

(H.R. 4445)

To exempt from reciprocal compensation requirement telecommunications traffic to the Internet.

Summary

H.R. 4445 bars the inter-carrier compensation mechanism known as “reciprocal compensation” for local telephone, wireless, and Internet-bound traffic. Under reciprocal compensation, a telecommunications carrier charges other carriers for terminating traffic on its telecommunications network. The bill replaces reciprocal compensation with a “bill and keep” system of compensation. Under bill and keep, carriers do not exchange payments for terminating each others traffic but merely bill and keep revenue for all calls made by their subscribers.

H.R. 4445 establishes that Internet-bound traffic is interstate in nature, subject to the exclusive jurisdiction of the FCC, and makes clear that the FCC shall not impose access charges on Internet telecommunications. H.R. 4445 grandfathers existing reciprocal compensation arrangements in interconnection agreements, but it eliminates the requirement that carriers to be allowed to “pick and choose” select portions of grandfathered reciprocal compensation agreements. In addition, H.R. 4445 extends for six months any reciprocal compensation arrangement that is scheduled to expire within six months after enactment. H.R. 4445 requires each telecommunications carrier to negotiate in good faith to establish points of interconnection for the transport of Internet telecommunications in order to ensure network integrity and service quality. Lastly, H.R. 4445 requires the GAO, within 90 days after enactment, to report on the impact of bill and keep on consumers’ Internet access bills. If the GAO finds that bill and keep will cause an unreasonable increase in the aggregate or average costs to consumers nationwide for access to the Internet, then the FCC has 90 days to prescribe an alternative cost-based mechanism that gives each local carrier and equivalent opportunity to recover the costs of delivering Internet telecommunications.

Legislative History

H.R. 4445 was introduced in the House by Mr. Tauzin and three cosponsors. The bill was referred to the Committee on Commerce. On June 22, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 4445. Testimony was received from industry representatives, State public service commissioners, and a stock market analyst.

On September 14, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved the bill, as amended, for Full Committee consideration by a voice vote.

No further action was taken on H.R. 4445 in the 106th Congress.

TELEMARKETING REFORM

(H.R. 3100, H.R. 3180)

To amend the Communications Act of 1934 to prohibit telemarketers from interfering with the caller identification service of any person to whom a telephone solicitation is made, and for other purposes.

Summary

H.R. 3100 amends the Communications Act of 1934 by making it unlawful for any person making a telephone solicitation to interfere with or circumvent a caller identification service from accessing or providing the call recipient with the name and valid working telephone number of the caller. The bill also prevents telemarketers from using “do not call” lists for any marketing purpose. The bill directs the FCC to prescribe regulations implementing such a prohibition. Lastly, the bill provides a cause of action to a person or entity, or a State attorney general on behalf of its residents, for violations of such prohibitions or regulations.

H.R. 3180 amends the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6102) by mandating the FTC to include in its rules requirements that telemarketers: (1) notify consumers that they have the right to be placed on either the Direct Marketing Association’s or the appropriate State’s “do not call” list; (2) notify the Association or State if a consumer elects to be placed on such a list; (3) obtain and reconcile such lists on a regular basis; (4) not make any telemarketing calls during the hours of 5:00 p.m. to 7:00 p.m.; and (5) not block the identity of the telephone from which they are making a telemarketing call. The bill also directs the FTC to study and report to Congress on the violations of the Telemarketing and Consumer Fraud and Abuse Prevention Act.

Legislative History

H.R. 3100 was introduced in the House by Mr. Frelinghuysen on October 19, 1999. H.R. 3180 was introduced in the House by Mr. Salmon and five cosponsors on October 28, 1999. Both bills were referred to the Committee on Commerce.

On June 13, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 3100 and H.R. 3180. The Subcommittee received testimony from two Members of Congress, and representatives from the FTC, the Arizona House of Representatives, and organizations representing retired persons and the telemarketing industry.

On September 14, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection was discharged from the further consideration of H.R. 3100. The Full Committee met in open markup session to consider H.R. 3100 on September 14, 2000. The Committee ordered H.R. 3100 reported to the House, with an amendment, by a voice vote, a quorum being present. The Committee on Commerce filed the report to accompany H.R. 3100 on September 20, 2000 (H. Rept. 106–872).

The House considered H.R. 3100 on September 27, 2000 under suspension of the rules and passed the bill by a record vote of 420

yeas and no nays. On September 28, 2000, H.R. 3100 was received in the Senate.

No further action was taken on H.R. 3100 or H.R. 3180 in the 106th Congress.

INDEPENDENT TELECOMMUNICATIONS CONSUMER ENHANCEMENT ACT

(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.

Summary

H.R. 3850 amends the Communications Act of 1934 for two percent carriers, defined as local exchange carriers with fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide. The bill requires the FCC to adopt less burdensome regulatory, compliance or reporting requirements for two percent carriers than apply to regional bell operating companies. If the FCC adopts a burdensome rule applicable to incumbent local exchange carriers which does not separate two percent carriers, the two percent carrier may seek a waiver or reconsideration of the rule. The bill exempts two percent carriers from filing or maintaining audited cost allocation manuals and annual Automated Reporting and Management Information Systems reports. The bill prevents the FCC from adopting or enforcing any regulation which impairs the ability of a two percent carrier to integrate its operations in one or more entities.

The bill allows two percent carriers to participate in one or more study areas for NECA's common line tariff, and elect to be regulated under the price cap scheme for one or more study areas. It also allows two percent carriers to introduce new interstate services by filing a tariff with one day's notice and prevents the FCC from approving or disapproving the rate structure.

In the event of facilities-based or resale-based competition with a two percent carrier, the bill allows pricing flexibility for the two percent carrier, allowing it to deaverage its interstate switched or special access rates, file a tariff with one days notice, or file contract-based tariffs for interstate switched or special access services. The bill provides full pricing deregulation for a two percent carrier when a facilities-based carrier enters its service area. The right to participate in the NECA common line tariff is preserved in both instances. The bill eliminates the applicability of FCC's section 214 merger review (transfer of authority to operate a telephone line) for two percent carriers, making such carriers subject only to the section 310 (transfer of control of a wireless license) public interest analysis. Moreover, the bill requires the FCC to complete review of two percent carrier mergers within 45 days. Failure to act within 45 days will constitute merger approval.

The bill amends section 405 of the Communications Act by requiring the FCC to act on waiver and reconsideration petitions by

two percent carriers within 90 days of filing. If no action is taken within 90 days, the petition is deemed granted and final.

Legislative History

H.R. 3850 was introduced in the House by Mrs. Cubin and three cosponsors on March 8, 2000. The bill was referred to the Committee on Commerce.

On July 20, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 3850. The Subcommittee received testimony from representatives of the FCC, a telecommunications economist, and organizations representing two percent telecommunications carriers and competitive local exchange carriers.

On September 14, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection was discharged from the further consideration of H.R. 3850. The Full Committee met in open markup session to consider H.R. 3850 on September 14, 2000. The Committee ordered H.R. 3850 reported to the House, with an amendment, by a voice vote. The Committee on Commerce reported the bill to the House on October 3, 2000 (H. Rept. 106–926).

The House considered H.R. 3850 on October 3, 2000 under suspension of the rules and passed the bill by a voice vote. On October 4, 2000, H.R. 3850 was received in the Senate.

No further action was taken on H.R. 3850 during the 106th Congress.

PERMITTING INTERSTATE COMMERCE IN LIMOUSINE SERVICE

(H.R. 1689)

To prohibit States from imposing restrictions on the operation of motor vehicles providing limousine service between a place in a State and a place in another State, and for other purposes.

Summary

H.R. 1689 is a bill to prohibit States from imposing restrictions on the operation of motor vehicles providing limousine service between a place in a State and a place in another State. The legislation prohibits a State, local jurisdiction, public authority or other similar entity from enforcing any law, ordinance, rule or regulation that has the effect of restricting the operation of a motor vehicle providing pre-arranged ground transportation service if the motor carrier providing that service is registered with the Secretary of Transportation, meets all applicable State requirements in the State in which they are domiciled, and was hired pursuant to a contract for interstate travel.

Legislative History

H.R. 1689 was introduced by Mr. Andrews and two cosponsors on May 19, 1999. The bill was referred to the Committee on Commerce.

On September 14, 2000, the Subcommittee on Telecommunications, Trade, and Consumer protection was discharged from the further consideration of H.R. 1689. The Full Committee met on September 14, 2000 in open markup session and ordered H.R. 1689

reported, with an amendment, by a voice vote. The Committee on Commerce reported the bill to the House, with an amendment, on October 25, 2000 (H. Rept. 106–1003, Part 1).

The Committee on Transportation and Infrastructure was granted a sequential referral of the bill through December 15, 2000.

No further action was taken on H.R. 1689 in the 106th Congress.

LOW-SPEED ELECTRIC BICYCLES

(H.R. 2592)

To amend the Consumer Products Safety Act to provide that low-speed electric bicycles are consumer products subject to such Act.

Summary

H.R. 2592 amends the Consumer Product Safety Act to provide that low-speed electric bicycles are consumer products subject to such Act. The bill removes low-speed electric bicycles from the definition of “motor vehicle” within the jurisdiction of the Department of Transportation, where such bicycles are required to be regulated in the same manner as motorcycles. The bill then amends the Consumer Product Safety Act to transfer jurisdiction over electric bicycles to the Consumer Product Safety Commission (CPSC), where such bicycles would be regulated similarly to human powered bicycles.

Legislative History

H.R. 2592 was introduced in the House by Mr. Rogan and 17 cosponsors on July 22, 1999. The bill was referred to the Committee on Commerce.

The Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 2592 on May 16, 2000. The Subcommittee received testimony from the Commissioners and Chairman of the Consumer Product Safety Commission, and representatives of the National Highway Traffic Safety Administration and manufacturers of electric bicycles.

The Full Committee met in open markup session on September 14, 2000, and ordered H.R. 2592 reported to the House, with amendment, by a voice vote, a quorum being present. The Subcommittee on Telecommunications, Trade, and Consumer Protection was discharged from the further consideration of the legislation. On October 18, 2000, H.R. 2592 was considered by the House under suspension of the rules and was agreed to as amended by a voice vote.

No further action was taken on H.R. 2592 in the 106th Congress.

NATIONAL AMUSEMENT PARK RIDE SAFETY ACT OF 1999

(H.R. 3032)

Summary

H.R. 3032 amends the Consumer Product Safety Act to expand the definition of “consumer product” to include amusement park roller coasters that are permanently fixed to a site. The bill also authorizes additional annual appropriations of \$500,000 to the

Consumer Product Safety Commission to regulate such fixed site amusement park roller coasters.

Legislative History

H.R. 3032 was introduced in the House by Mr. Markey and 10 cosponsors on October 6, 1999. The bill was referred solely to the Committee on Commerce.

The Subcommittee on Telecommunications, Trade, and Consumer Protection held a legislative hearing on H.R. 3032 on May 16, 2000. The Subcommittee received testimony from the Commissioners and Chairman of the Consumer Product Safety Commission, consumers, and representatives of the amusement park industry.

No further action was taken on H.R. 3032 in the 106th Congress.

SMALL BUSINESS LIABILITY REFORM ACT

(S. 1185, H.R. 2366)

Summary

H.R. 2366 provides small businesses certain protections from litigation excesses and limits the product liability of product sellers.

Title I: Small Business Lawsuit Abuse Protection. Title I allows punitive damages to be awarded against a small business only if the claimant establishes by clear and convincing evidence that conduct carried out by the defendant with a conscious, flagrant indifference to the rights or safety of others was the proximate cause of the harm that is the subject of the action. Such punitive damages are limited to the lesser of three times the amount awarded for economic and noneconomic losses, or \$250,000. The limitations are inapplicable if the court finds that the defendant acted with specific intent to cause the type of harm for which the action is brought.

Title I further states that in any civil action against a small business: (1) each defendant shall be liable only for the amount of noneconomic loss allocated to that defendant in direct proportion to the percentage of responsibility of that defendant for the harm caused to the plaintiff; and (2) the court shall render a separate judgment against each defendant describing such percentage of responsibility. Excepted from such liability limitations are any misconduct of a defendant: (1) that constitutes a crime of violence, international terrorism, or a hate crime; (2) that results in liability for damages under specified provisions of the Oil Pollution Control Act of 1990 or the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; (3) that involves a sexual offense or violation of a Federal or State civil rights law; (4) caused by being under the influence of intoxicating alcohol or a drug; or (5) relating to false claims or actions brought by the United States relating to fraud or false statements. Inconsistent State laws are preempted.

Title II: Product Seller Fair Treatment. Title II governs any product liability action brought in any Federal or State court, except for actions for commercial loss, negligent entrustment, negligence per se concerning firearms and ammunition, and actions brought under a dram-shop or third-party liability arising out of the sale or provi-

sion of alcohol to an intoxicated person or a minor. The title mandates that, in any product liability action covered by this Act, a product seller other than a manufacturer shall be liable to a claimant only if such claimant establishes that: (1) the product that caused the harm was sold, rented, or leased by the seller, the seller failed to exercise reasonable care with respect to the product, and such failure was the proximate cause of harm to the plaintiff; (2) the seller made an express warranty applicable to such product, the product failed to conform to the warranty, and such failure caused the harm to the plaintiff; or (3) the product seller engaged in intentional wrongdoing (as determined under applicable State law), and such wrongdoing caused the harm to the plaintiff. The title further provides that a seller shall not be considered to have failed to exercise reasonable care with respect to a product based upon a failure to inspect if: (1) there was no reasonable opportunity to inspect; or (2) such inspection would not have revealed the aspect of the product that allegedly caused the claimant's harm. A seller is allowed to be held liable as a manufacturer if: (1) the manufacturer is not subject to appropriate service of process; or (2) the court determines that the claimant is or would be unable to enforce a judgment against the manufacturer. Limited liability is provided for persons engaged in the business of renting or leasing a product.

Title III: Effective Date. Title III sets forth the effective date of this Act.

Legislative History

H.R. 2366 was introduced on June 25, 1999, by Mr. Rogan and three cosponsors. The bill was referred to the Committee on the Judiciary, and additionally to the Committee on Commerce.

On September 29, 1999, the House Committee on the Judiciary held hearings on H.R. 2366. The Committee on the Judiciary met in open markup session to consider H.R. 2366 on October 19, 1999, November 2, 1999, and February 1, 2000. On February 1, 2000, the Committee on the Judiciary ordered H.R. 2366 to be reported to the House, with an amendment, by a voice vote.

On February 7, 2000, the House Committee on Commerce was granted an extension for the further consideration of the bill ending not later than February 14, 2000. On February 14, 2000, the Committee on Commerce was discharged from the further consideration of H.R. 2366.

On February 15, 2000, the Committee on Rules granted a rule providing for the consideration of H.R. 2366 (H.Res. 423). On February 16, 2000, H.Res. 423 passed the House by a record vote of 223 yeas and 187 nays. The House passed H.R. 2366, as amended, by a record vote of 221 yeas and 193 nays.

On February 22, 2000, H.R. 2366 was received in the Senate. No further action was taken on H.R. 2366 in the 106th Congress.

WORKPLACE GOODS JOB GROWTH AND COMPETITIVENESS ACT OF 1999
(H.R. 2005)

Summary

H.R. 2005 prohibits the filing of a civil action against a manufacturer or seller of a durable good (except a motor vehicle, vessel, aircraft, or train that is used primarily to transport passengers for hire) more than 18 years after it was delivered to its first purchaser or lessee for: (1) damage to property arising out of an accident involving such good; or (2) damages for death or personal injury arising out of an accident involving such good if the claimant has received or is eligible to receive worker compensation and the injury does not involve a toxic harm (including, but not limited to, all asbestos-related harm). However, the Act: (1) shall not bar an action against a defendant who made an express warranty in writing as to the safety or life expectancy of a specific product which was longer than 18 years, except that this Act shall apply at the expiration of such warranty; and (2) does not supersede or modify any statute or common law that authorizes an action for civil damages, cost recovery, or any other form of relief for remediation of the environment.

Legislative History

H.R. 2005 was introduced in the House on June 7, 1999, by Mr. Chabot and 2 cosponsors. It was referred to the House Committee on the Judiciary, which ordered H.R. 2005 to be reported as amended on September 22, 1999. On October 21, the Committee on Judiciary reported H.R. 2005 (H. Rept. 106–410, Part 1), and it was referred sequentially to the House Committee on Commerce for a period ending not later than October 22, 1999. On October 22, 1999, the Committee on Commerce was discharged from the further consideration of H.R. 2005.

On February 1, 2000, the Committee on Rules granted a rule providing for the consideration of H.R. 2005 (H.Res. 412). H.Res. 412 passed the House on February 2, 2000 by a voice vote. On February 2, 2000, the House considered and passed the bill, as amended, by a record vote of 222 yeas and 194 nays. A motion to reconsider was laid on the table without objection. On February 3, 2000, H.R. 2005 was received in the Senate, read twice, and referred to the Committee on Commerce, Science, and Transportation.

No further action was taken on H.R. 2005 in the 106th Congress.

OVERSIGHT ACTIVITIES

HIGH DEFINITION TELEVISION (HDTV) AND RELATED MATTERS

On July 25, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the status of high definition television (HDTV) and related matters. The hearing examined a number of issues facing the development of high definition in the U.S., including (1) the rate of deployment of digital televisions and equipment by consumers and broadcasters; (2) the differing standards for broadcasting digital television; (3) FCC regulatory issues related to digital television; and

(4) the use of spectrum allocated for digital television for supplemental or ancillary services. Testimony was received from industry representatives and government witnesses.

OBSCENE MATERIAL AVAILABLE VIA THE INTERNET

On May 23, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on obscene material transmitted via the Internet. The hearing explored the current state of the law and enforcement practices surrounding obscene material available on the Internet. The witnesses addressed what types of material exist in cyberspace today, as well as the technological methods to limit and control the proliferation of obscene material in the digital arena, particularly regarding young children's exposure to such material. Witnesses included government officials, representatives of family groups, and victims of obscene material transmitted via the Internet.

ACCESS TO BUILDINGS AND FACILITIES BY TELECOMMUNICATIONS SERVICE PROVIDERS

On May 13, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on access to buildings and facilities by telecommunications providers. The hearing examined related issues including: (1) whether the Federal government has a role with regard to building access and inside wiring to promote competition; (2) whether building owners or landlords should be prohibited from granting exclusive telecommunications carrier access to a building; (3) whether building owners and landlords should be required to offer non-discriminatory access to all telecommunications companies; (4) whether the terms, conditions, and compensation for the installation of telecommunications facilities should be comparably equivalent for all telecommunications entrants; (5) whether the compensation building owners and managers receive should be reasonable and should be based on cost; and (6) whether FCC rules governing inside wiring should be changed to encourage use of existing wires within buildings. Witnesses included a representative of the FCC, and representatives from the telecommunications industry and the real estate industry.

THE WHITE HOUSE, THE NETWORKS, AND TV CENSORSHIP

On February 9, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the Clinton Administration's practice of trading advertising time purchased from national media outlets by the Federal government, or free time provided by the television networks, in exchange for the inclusion of anti-drug messages in television network programs and related media outlets. Witnesses included government officials, a constitutional expert, a media expert, and representatives of the broadcasting industry.

STATUS OF DEPLOYMENT OF BROADBAND TECHNOLOGIES

The Subcommittee on Telecommunications, Trade, and Consumer Protection held three oversight hearings on the status of broadband deployment. The hearings were held on: June 24, 1999; April 11, 2000; and May 25, 2000. The hearings focused on the current state of broadband deployment. In particular, the hearings focused on the deployment of broadband as it relates to applications that utilize broadband networks, and use of the broadband networks to provide service to traditionally unserved or underserved areas of America. Testimony was received from industry representatives and government representatives involved in the provision of broadband services.

A REVIEW OF THE FCC'S SPECTRUM POLICIES

On July 19, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing reviewing the FCC's spectrum policies and H.R. 4758, the Spectrum Resource Assurance Act. The oversight portion of the hearing explored the current spectrum management policies of the U.S. Government. In particular, the Subcommittee examined a specific allocation decision of the FCC involving medical telemetry to the detriment of meter reading equipment. Testimony was received from Members of Congress, Federal agency representatives, and industry representatives. For information on H.R. 4758, see previous section.

REPORT OF THE ADVISORY COMMISSION ON ELECTRONIC COMMERCE

On April 6, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing to receive the report of the Advisory Commission on Electronic Commerce (ACEC). The purpose of the hearing was to have the Chairman of the Advisory Commission provide the Subcommittee with a summary of the Commission's report to Congress. Pursuant to the Internet Tax Freedom Act (Public Law 105-277), Congress directed ACEC to examine a broad set of international, Federal, State, and local tax issues that affect electronic commerce. Specifically, Congress sought ACEC's views on ways in which to clarify, reduce, or simplify current tax laws as they apply to electronic commerce, Internet-related activities, and telecommunications services that underlie Internet services. The Subcommittee heard testimony from the Honorable James Gilmore, the Governor of the Commonwealth of Virginia, and Chairman of the ACEC.

VIDEO IN THE INTERNET: ICRAVETV.COM AND OTHER RECENT DEVELOPMENTS

On February 16, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing to address a variety of public policy and technological issues stemming from the delivery of video programming over the Internet, a service typically known as "webcasting." The hearing focused on what, if any, role Congress should play in facilitating the delivery of video over the Internet. In addition, the hearing addressed

iCraveTV.com's distribution of local broadcast signals over the Internet. The hearing also focused on the debate over whether Internet service providers should be permitted to use existing statutory licenses to distribute broadcast programming over cable and satellite networks, and whether Congress should create a separate licensing regime for delivery of Internet video. Witnesses included representatives from the different industries affected, including several content providers and Internet content distributors.

WIPO ONE YEAR LATER

On October 28, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing to mark the anniversary of the passage of the Digital Millennium Copyright Act (DMCA). The DMCA implemented two World Intellectual Property Organization (WIPO) treaties into U.S. law. The DMCA is intended to give copyright owners (such as the film and record industries) enhanced copyright protection in a digital environment, while also ensure that consumers have ongoing access to copyrighted works. The hearing sought to assess the current status of consumer access to digital entertainment on the Internet and other media, in particular, the progress that has been made in bringing entertainment products in digital video and digital audio formats to consumers; how the affected industries propose to resolve any remaining impediments; and whether there was a further role for the Subcommittee to play in speeding the resolution of these issues. Witnesses included representatives from the copyright community and the information technology industry.

FEDERAL COMMUNICATIONS COMMISSION REFORM

On May 20, 1999, and October 26, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held oversight hearings on reform of the FCC. The May hearing specifically focused on reform from the States' perspective and testimony was received from four State Public Service Commissioners. The October hearing focused on the FCC's perspective and testimony was received from all five FCC Commissioners.

REAUTHORIZATION OF THE FCC

On March 17, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the statutory reauthorization of the FCC. The hearing explored various issues relating to the reauthorization, such as whether the FCC is effectively implementing the Telecommunications Act of 1996 and whether the FCC organizational structure is consistent with the deregulatory framework of the Telecommunications Act of 1996. Witnesses included the five FCC Commissioners.

ONLINE PRIVACY

On July 13, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the status of privacy protections for online consumers. The Subcommittee received the FTC's findings and recommendation on pri-

vacy self-regulation from its recently released report. In addition, the Subcommittee reviewed two industry-wide surveys of the privacy policies and practices of commercial websites. The hearing explored the efforts of industry to develop self-regulatory guidelines to protect the privacy of online consumers and the need for government regulations to establish minimum privacy protections for consumers. Witnesses included the Chairman and Commissioners of the FTC and representatives from industry and privacy advocates.

On October 11, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on recent developments in privacy protections for consumers. The Subcommittee reviewed a recent GAO report comparing the privacy policies of Federal government websites to the privacy policies of commercial websites. The hearing also explored other developments such as the latest privacy-enhancing technologies, recent efforts by the Internet advertising industry to promote standardized privacy practices and the status of privacy policies of commercial websites. Witnesses included representatives from the GAO, relevant Federal agencies, representatives from industry, and privacy advocates.

FOREIGN GOVERNMENT OWNERSHIP OF AMERICAN TELECOMMUNICATIONS COMPANIES

On September 7, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the issue of foreign government ownership of American telecommunications companies. The hearing explored the proposed merger between Deutsche Telekom AG and Voicestream Wireless Corporation, the impact of trade treaties on such mergers, and the implications of legal limitations on foreign government ownership of American telecommunications firms. Witnesses included representatives from Federal government agencies, the telecommunications industry, competition organizations, and academia.

BROADCAST OWNERSHIP REGULATIONS

On September 15, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the status of the broadcast ownership rules and recent revisions to those rules. Witnesses included newspaper and broadcast industry representatives.

FUTURE OF THE INTERACTIVE TELEVISION SERVICES MARKETPLACE

On September 27, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the future of the interactive television services marketplace. The hearing explored the impact of the pending merger between America Online and Time Warner on the future of interactive television and related services. Witnesses included representatives from both America Online and Time Warner.

On October 6, 2000, the Subcommittee on Telecommunications, Trade and Consumer Protection continued the oversight hearing on the future of the interactive television services marketplace. The hearing explored the impact of the merger between America Online and Time Warner on other industry market participants. Witnesses

included representatives from the Internet and television industries.

THE FIRESTONE TIRE RECALL ACTION INVOLVING FORD EXPLORERS

On September 6, 2000, and September 21, 2000, the Subcommittees on Telecommunications, Trade and Consumer Protection and Oversight and Investigations held joint hearings on the August 2000 Firestone Tire Recall Action as it pertains to Ford Explorers. At the hearings, the Subcommittees heard testimony from the two companies' top executives, as well as Federal safety regulators, an insurance company official who warned the regulators years ago about this problem, and a representative from an auto safety interest group.

The Committee's investigation and hearings uncovered damaging evidence that both companies—as well as Federal safety regulators—knew or were warned repeatedly about dangerous problems with the recalled tires years ago, but failed to take prompt action to investigate and remove them from the market. The Committee found that the National Highway Traffic Safety Administration (NHTSA) failed to fully or timely analyze the numerous—and increasing—reports it received from various sources (including Mr. Samuel Boyden of State Farm Insurance Company, who testified at the first hearing), citing accidents and deaths involving these tires, particularly when mounted on Ford Explorers. The Committee also uncovered evidence that Ford Motor Company and Firestone discussed their concerns with respect to notifying safety regulators in the United States about foreign recall actions on related tires, and that neither company ever conducted high-speed tests of these tires on the Ford Explorer at Ford's recommended tire air pressure prior to or during routine production of the Explorer. The evidence also showed that Firestone was analyzing its problems with these tires as early as 1996, that Firestone's own random compliance testing at its key plant in 1996 resulted in a 10% failure rate on the high-speed tests, and that Firestone made a significant change to the tire design in 1998 to reduce the incidence of tread belt separations. The investigation also raised questions about the adequacy of Ford's decisions on tire-vehicle safety margins and tire pressure recommendations, both domestically and abroad.

Partially because of the Committee's oversight hearings on this matter, the House passed—and the Senate and White House agreed to—new legislation that requires companies to report significant defect claims or lawsuits, as well as foreign recall actions, to Federal safety regulators on a regular basis. The law also provides NHTSA with additional resources to evaluate such data, and requires that NHTSA strengthen its organization and management to avoid similar failures in the future. For more information on this legislation, see H.R. 5164 in the Subcommittee on Telecommunications, Trade, and Consumer Protection section of this report.

IDENTITY THEFT: IS THERE ANOTHER YOU?

On Thursday, April 22, 1999, the Subcommittees on Telecommunications, Trade, and Consumer Protection and Finance and Hazardous Materials held a joint oversight hearing on identity

theft. The focus of the hearing was to examine how identity theft occurs, what type of enforcement activities are being conducted or planned to combat identity theft, and what actions can be taken to reduce identity theft. The Subcommittees received testimony from the Federal Trade Commission, credit bureaus, and a victim of identity theft.

REAUTHORIZATION OF THE SATELLITE HOME VIEWER ACT

On February 24, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on reform and reauthorization of the Satellite Home Viewer Act. The Subcommittee received testimony from the government, industry and consumer protection representatives.

WTO 2000: THE NEXT ROUND

On Thursday, November 4, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a hearing on the World Trade Organization 2000: The Next Round. The purpose of the hearing was to inform the Subcommittee of the United States Trade Representative's (USTR) goals for the Seattle Ministerial Conference. Witnesses included representatives from USTR, Federal Communications Commission (FCC), and representatives from financial and commercial industries.

FOREIGN OWNERSHIP OF AMERICAN TELECOMMUNICATIONS COMPANIES

On September 7, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on foreign ownership of American telecommunications companies, due to concerns that the United States Trade Representative (USTR) was not doing enough to encourage foreign governments to reduce their ownership interests in incumbent telecommunications monopolies who were seeking access to the U.S. market. As a follow up to this hearing, on September 12, 2000, the Chairman and other relevant Committee Members wrote to Ambassador Charlene Barshefsky to request information and documents regarding USTR's efforts to urge the end of foreign ownership of incumbent telecommunications monopolies. On September 21, 29, and October 20, 2000, USTR produced written responses and documents to the Committee. The Committee's preliminary review of this material supports the belief that USTR has not adequately encouraged privatization of these foreign incumbent telecommunications monopolies.

LOW-POWER TELEVISION LICENSES

On April 13, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on Low-Power Television Licenses. The purpose of the hearing was to focus on the regulatory classification of low power television licensees, including the benefits of low power broadcast stations, potential interference of such stations, and the impact to low-power stations of

the conversion to digital transmission. Witnesses included representatives from the FCC and broadcast organizations.

SPAMMING: THE E-MAIL YOU WANT TO CAN

On November 3, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on Spamming: The E-Mail You Want to Can. The purpose of the hearing was to examine the practice of sending unsolicited commercial e-mail, also otherwise known as “spam” e-mail. The hearing provided information relating to four pieces of legislation: H.R. 1910, the E-mail User Protection Act; H.R. 2162, the Can Spam Act; H.R. 3113, the Unsolicited Electronic Mail Act of 1999; and H.R. 3024, the Netizens Protection Act of 1999. Witnesses included Members of Congress, representatives from the Federal Trade Commission, privacy organizations, marketing organizations, and academia.

HEARINGS HELD

Wireless Communications and Public Safety Act.—Hearing on H.R. 438, the Wireless Communications and Public Safety Act of 1999. Hearing held on February 3, 1999. PRINTED, serial number 106–2.

Wireless Privacy Enhancement Act.—Hearing on H.R. 514, the Wireless Privacy Enhancement Act of 1999. Hearing held on February 3, 1999. PRINTED, serial number 106–2.

Reauthorization of the Satellite Home Viewer Act.—Oversight hearing on Reauthorization of the Satellite Home Viewer Act. Hearing held on February 24, 1999. PRINTED, serial number 106–6.

Reauthorization of the Federal Communications Commission.—Oversight hearing on Reauthorization of the Federal Communications Commission. Hearing held on March 17, 1999. PRINTED, serial number 106–13.

Regulatory Classification of Low-Power Television Licensees.—Oversight hearing on Regulatory Classification of Low-Power Television Licensees. Hearing held on April 13, 1999. PRINTED, serial number 106–21.

Identity Theft: Is There Another You?—Joint oversight hearing with the Subcommittee on Finance and Hazardous Materials on Identity Theft: Is There Another You? Hearing held on April 22, 1999. PRINTED, serial number 106–16.

NTIA Reauthorization Act.—Hearing on H.R. — (an unintroduced bill), the NTIA Reauthorization Act of 1999. Hearing held on May 11, 1999. PRINTED, serial number 106–55.

Access to Buildings and Facilities by Telecommunications Providers.—Oversight hearing on Access to Buildings and Facilities by Telecommunications Providers. Hearing held on May 13, 1999. PRINTED, serial number 106–22.

Federal Communications Commission Reform: The States’ Perspective.—Oversight hearing on Federal Communications Commission Reform: The States’ Perspective. Hearing held on May 20, 1999. PRINTED, serial number 106–23.

Security and Freedom through Encryption (SAFE) Act.—Hearing on H.R. 850, the Security and Freedom through Encryption (SAFE)

Act. Hearing held on May 25, 1999. PRINTED, serial number 106–28.

Electronic Signatures in Global and National Commerce Act.—Hearing on H.R. 1714, the Electronic Signatures in Global and National Commerce Act. Hearing held on June 9, 1999. PRINTED, serial number 106–32.

Consumer and Investor Access to Information Act.—Hearing on H.R. 1858, the Consumer and Investor Access to Information Act. Hearing held on June 15, 1999. PRINTED, serial number 106–49.

Deployment of Data Services.—Oversight hearing on Deployment of Data Services. Hearing held on June 24, 1999. PRINTED, serial number 106–50.

Muhammad Ali Boxing Reform Act.—Hearing on H.R. 1832, the Muhammad Ali Boxing Reform Act. Hearing held on June 29, 1999. PRINTED, serial number 106–26.

Corporation for Public Broadcasting Reauthorization Act.—Hearing on H.R. 2384, the Corporation for Public Broadcasting Authorization Act of 1999. Hearing held on June 30 and July 20, 1999. PRINTED, serial number 106–56.

Electronic Commerce: Current Status of Privacy Protections for Online Consumers.—Oversight hearing on Electronic Commerce: Current Status of Privacy Protections for Online Consumers. Hearing held on July 13, 1999. PRINTED, serial number 106–39.

Broadcast Ownership Regulations.—Oversight hearing on Broadcast Ownership Regulations. Hearing held on September 15, 1999. PRINTED, serial number 106–77.

Schools and Libraries Internet Access Act.—Hearing on H.R. — (an unIntroduced bill), the Schools and Libraries Internet Access Act. Hearing held on September 30, 1999. PRINTED, serial number 106–81.

FCC Reform for the New Millennium.—Oversight Hearing on FCC Reform for the New Millennium. Hearing held on October 26, 1999. PRINTED, serial number 106–85.

WIPO One Year Later: Assessing Consumer Access to Digital Entertainment on the Internet and Other Media.—Oversight hearing on WIPO One Year Later: Assessing Consumer Access to Digital Entertainment on the Internet and Other Media. Hearing held on October 28, 1999. PRINTED, serial number 106–83.

Spamming: The E-Mail You Want to Can.—Oversight hearing on Spamming: The E-Mail You Want to Can. Hearing held on November 3, 1999. PRINTED, serial number 106–84.

WTO 2000: The Next Round.—Oversight hearing on WTO 2000: The Next Round. Hearing held on November 4, 1999. PRINTED, serial number 106–71.

The White House, the Networks, and TV Censorship.—Oversight hearing on The White House, the Networks, and TV Censorship. Hearing held on February 9, 2000. PRINTED, serial number 106–91.

Video on the Internet: iCraveTV.com and Other Recent Developments in Webcasting.—Oversight hearing on Video on the Internet: iCraveTV.com and Other Recent Developments in Webcasting. Hearing held on February 16, 2000. PRINTED, serial number 106–94.

FCC's Low-Power FM: A Review of the FCC's Spectrum Management Responsibilities and the Radio Broadcasting Preservation Act.—Hearing on FCC's Low-Power FM: A Review of the FCC's Spectrum Management Responsibilities and H.R. 3439, the Radio Broadcasting Preservation Act. Hearing held on February 17, 2000. PRINTED, serial number 106–118.

Truth in Telephone Billing Act and Rest of the Truth in Telephone Billing Act.—Hearing on H.R. 3011, the Truth in Telephone Billing Act and H.R. 3022, the Rest of the Truth in Telephone Billing Act of 1999. Hearing held on March 9, 2000. PRINTED, serial number 106–127.

Telecommunications Merger Act of 2000.—Hearing on H.R. — (an unIntroduced bill), the Telecommunications Merger Act of 2000. Hearing held on March 14, 2000.

Rural Local Broadcast Signal Act.—Hearing on H.R. 3615, the Rural Local Broadcast Signal Act. Hearing held on March 16, 2000. PRINTED, serial number 106–119.

Report of the Advisory Commission on Electronic Commerce.—Oversight to receive the Report of the Advisory Commission on Electronic Commerce. Hearing held on April 6, 2000. PRINTED, serial number 106–98.

Wireless Telecommunications Sourcing and Privacy Act.—Hearing on H.R. 3489, the Wireless Telecommunications Sourcing and Privacy Act. Hearing held on April 6, 2000.

Religious Broadcasting Freedom Act and Noncommercial Broadcasting Freedom of Expression Act.—Hearing on H.R. 3535, the Religious Broadcasting Freedom Act, and H.R. 4201, the Noncommercial Broadcasting Freedom of Expression Act of 2000. Hearing held on April 13, 2000. PRINTED, serial number 106–121.

Internet Services Promotion Act and Internet Access Charge Prohibition Act of 1999.—Hearing on H.R. 1291, the Internet Services Promotion Act of 2000, and H.R. 4202, the Internet Access Charge Prohibition Act of 1999. Hearing held on May 3, 2000. PRINTED, serial number 106–114.

Consumer Safety Initiatives: Protecting the Vulnerable.—Hearing on Consumer Safety Initiatives: Protecting the Vulnerable, focusing on H.R. 4145, the Child Passenger Protection Act, H.R. 2592, a bill to amend the Consumer Product Safety Act to provide that low-speed electric bicycles are consumer products subject to such Act, and H.R. 3032, the National Amusement Park Ride Safety Act of 1999. Hearing held on May 16, 2000. PRINTED, serial number 106–130.

Obscene Material Available via the Internet.—Hearing on Obscene Material Available via the Internet. Hearing held on May 23, 2000. PRINTED, serial number 106–115.

Status of Deployment of Broadband Technologies.—Oversight hearing on the Status of Deployment of Broadband Technologies. Hearing held on May 25, 2000. PRINTED, serial number 106–128.

Know Your Caller Act and Telemarketing Victim Protection Act.—Hearing on H.R. 3100, the Know Your Caller Act, and H.R. 3180, the Telemarketing Victim Protection Act of 1999. Hearing held on June 13, 2000.

Reciprocal Compensation Requirements Exemption.—Hearing on H.R. 4445, a bill to exempt from reciprocal compensation require-

ments telecommunications traffic to the Internet. Hearing held June 22, 2000. PRINTED, serial number 106–134.

FCC Spectrum Policies and the Spectrum Resource Assurance Act.—Hearing on a Review of the FCC’s Spectrum Policies for the 21st Century and H.R. 4758, the Spectrum Resource Assurance Act. Hearing held on July 19, 2000. PRINTED, serial number 106–142.

Independent Telecommunications Consumer Enhancement Act.—Hearing on H.R. 3850, the Independent Telecommunications Consumer Enhancement Act of 2000. Hearing held on July 20, 2000. PRINTED, serial number 106–141.

High Definition Television and Related Matters.—Oversight hearing on High Definition Television and Related Matters. Hearing held on July 25, 2000. PRINTED, serial number 106–143.

Internet Freedom and Broadband Deployment Act.—Hearing on H.R. 2420, the Internet Freedom and Broadband Deployment Act of 1999. Hearing held on July 20, 2000. PRINTED, serial number 106–141.

Independent Telecommunications Consumer Enhancement Act.—Hearing on H.R. 3850, the Independent Telecommunications Consumer Enhancement Act of 2000. Hearing held on July 20, 2000. PRINTED, serial number 106–141.

Firestone Tire Recall Action.—Joint oversight hearing with the Subcommittee on Oversight and Investigations on the Firestone Tire Recall Action, focusing on the action as it pertains to relevant Ford vehicles. Hearing held on September 6 and 21, 2000.

Foreign Government Ownership of American Telecommunications Companies.—Oversight hearing on Foreign Government Ownership of American Telecommunications Companies. Hearing held on September 7, 2000. PRINTED, serial number 106–153.

Future of the Interactive Television Services Marketplace: What Should Consumers Expect?—Oversight hearing on the Future of the Interactive Television Services Marketplace: What Should Consumers Expect? Hearing held on September 27, 2000.

Part II: The Future of the Interactive Television Services Marketplace: What Should Consumers Expect?—Oversight hearing on Part II: The Future of the Interactive Television Services Marketplace: What Should Consumers Expect? Hearing held on October 6, 2000.

Recent Developments in Privacy Protections for Consumers.—Oversight hearing on Recent Developments in Privacy Protections for Consumers. Hearing held on October 11, 2000.

SUBCOMMITTEE ON FINANCE AND HAZARDOUS MATERIALS

(Ratio: 16-13)

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(*Ex Officio*)

Jurisdiction: Securities, exchanges, and finance; solid waste, hazardous waste and toxic substances, including Superfund and RCRA (excluding mining, oil, gas, and coal combustion wastes); noise pollution control; insurance, except health insurance; and regulation of travel, tourism, and time.

LEGISLATIVE ACTIVITIES

FINANCIAL SERVICES ACT

Public Law 106–102 (S. 900, H.R. 10)

To enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes.

Summary

H.R. 10 establishes a comprehensive framework to permit affiliations among securities firms, insurance companies, and commercial banks. The primary objective of allowing such affiliations is to enhance consumer choice in the financial services marketplace, eliminate anti-competitive regulatory disparities among financial services providers, and increase competition among providers of financial services. This legislation seeks to help participants in the financial services marketplace to realize the cost savings, efficiency, and other benefits resulting from increased competition. The Act is also designed to improve the international competitiveness of U.S. companies, which may have been constrained by the barriers to affiliation that exist pursuant to certain sections of the Banking Act of 1933, commonly referred to as the Glass-Steagall Act. (Sections

16, 20, 21, and 32 of the Banking Act of 1933 are referred to as the “Glass-Steagall Act.”)

The Act provides for a number of prudential safeguards designed to protect investors and their privacy, avoid risk to the Federal deposit insurance funds, protect the safety and soundness of insured depository institutions and the Federal payments system, prevent the expansion of the Federal subsidy provided to banks, and protect consumers.

Title I. Title I repeals the anti-affiliation provision of the Glass-Steagall Act (Section 20 and Section 32 of the Banking Act of 1933). It also sets up a new structure, different from that in the Bank Holding Company Act of 1956, permitting affiliation among securities firms, insurance companies, and banks. These new affiliations may be structured as a holding company or a financial subsidiary (with certain prudential limitations on activities and appropriate safeguards). The Federal Reserve will be the primary umbrella regulator of the new holding company structure.

Title II. Title II provides for functional regulation of bank securities activities. Bank exemptions from regulation under the definition of broker and dealer are eliminated, but limited exceptions are provided for banks in cases where investor protection concerns are minimal (relative to third-party networking arrangements, trust and fiduciary activities and employee and shareholder benefit plans). Title II permits the Securities and Exchange Commission (SEC) to determine if a new banking product meets the definition of a security and to regulate it as such if the definition is met, subject to consultation and concurrence of the Federal Reserve Board.

Title III. Title III provides for the regulation of insurance. State functional insurance regulation is preserved for insurance sales and underwriting, subject to the “significant interference” standard set forth by the Supreme Court in *Barnett Bank of Marion County N.A. v. Nelson*, 15 U.S. 25 (1996) (Florida statute prohibiting banks from selling insurance struck down because it prevented or significantly interfered with the national bank’s exercise of its powers specifically authorized under Federal law). The legislation sets forth a definition of insurance relative to allowable bank underwriting and removes the restrictions limiting bank insurance agencies to towns of 5,000. A uniform licensing system is created for insurance brokerage, and a new standard for redomestication and demutualization is provided for States which do not have comparative laws.

Title IV. Title IV prohibits new unitary savings and loan holding companies from engaging in nonfinancial activities or affiliating with nonfinancial entities, while grandfathering current thrifts and thrift charters and their activities and powers.

Title V. Title V provides consumers with new protections with respect to the transfer and use of their nonpublic personal information by financial institutions. Further, customers of financial institutions are given the option to “opt out” of having their personal financial information shared with nonaffiliated third parties, subject to certain exceptions.

Title VI. Title VI eliminates mandatory Federal Home Loan Bank (FHLBank) membership for Federal savings associations in order to provide completely voluntary membership. Small bank

members are given expanded access to FHLBank advances, and governance of the FHLBanks is decentralized from the Federal Housing Finance Board (FHFB) to the individual FHLBanks

Title VII. Title VII requires automated teller machine (ATM) operators who impose a fee for use of an ATM by a noncustomer to post a notice on the machine and on the screen that a fee will be charged and the amount of the fee. This notice must occur prior to the time that the consumer becomes committed to completing the transaction.

Title VII also amends the Federal Deposit Insurance Act by creating a new Section 46, which requires full disclosure of agreements entered into between insured depository institutions or their affiliates and nongovernmental entities or persons made pursuant to or in connection with the fulfillment of the Community Reinvestment Act. This requirement relates to funds or other resources of an insured depository institution or affiliate.

Legislative History

H.R. 10 was introduced in the House on January 6, 1999, by Mr. Leach and 11 cosponsors. The bill was referred to the Committee on Banking and Financial Services, and in addition to the Committee on Commerce. On January 20, 1999, the Chairman of the Committee on Commerce referred the bill to the Subcommittee on Finance and Hazardous Materials.

On March 11, 1999, the Committee on Banking and Financial Services considered H.R. 10, and ordered the bill reported to the House, amended, by a record vote of 51 yeas and 8 nays. The Committee on Banking and Financial Services reported H.R. 10 to the House on March 23, 1999 (H. Rept. 106-74, Part 1). On March 23, 1999, the referral of H.R. 10 to the Committee on Commerce was extended for a period ending not later than May 14, 1999.

The Subcommittee on Finance and Hazardous Materials held two legislative hearings on H.R. 10 on April 28 and May 5, 1999. Witnesses giving testimony included: Members of Congress; Federal banking and Federal securities regulators; State insurance regulator; securities and investment firm representative; insurance company representative; and a representative from a State chartered bank.

On May 13, 1999, the referral of H.R. 10 to the Committee on Commerce was extended for a period ending not later than June 11, 1999.

The Subcommittee on Finance and Hazardous Materials met in open markup session on May 27, 1999, and approved H.R. 10 for Full Committee consideration, amended, by a record vote of 26 yeas and 1 nay. On June 10, 1999, the Full Committee met in open markup session and ordered H.R. 10 reported to the House, with an amendment, by a voice vote.

On June 10, 1999, the Committee on Banking and Financial Services filed a supplemental report on H.R. 10 with the House (H. Rept. 106-74, Part 2).

On June 11, 1999, the referral of H.R. 10 to the Committee on Commerce was extended for a period ending not later than June 15, 1999. The Committee on Commerce reported H.R. 10 to the House on June 15, 1999 (H. Rept. 106-74, Part 3).

On June 30, 1998, the Rules Committee met and granted a rule providing for the consideration of H.R. 10 (H.Res. 235), making in order the amendment in the nature of a substitute consisting of the text of the Rules Committee print dated June 24, 1999. On July 1, 1999, the House passed H.Res. 235 by a record vote of 227 yeas and 203 nays. The House then considered H.R. 10 on July 1, 1999, and passed the bill, amended, by a record vote of 343 yeas and 86 nays.

On March 4, 1999, the Senate Committee on Banking, Housing, and Urban Affairs ordered reported an original measure which was reported to the Senate on April 28, 1999 (S. 900; S. Rpt. 106-44). On May 6, 1999, the Senate considered and passed S. 900, amended, by a record vote of 54 yeas and 44 nays. S. 900 was received in the House on May 14, 1998, and held at the desk.

On July 20, 1999, the House amended S. 900 with a substitute text consisting of the text of H.R. 10. On July 22, 1999, the message on House action was received in the Senate, and the Senate disagreed to the House amendment, requested conference, and appointed conferees. On July 30, 1999, the House insisted on its amendment, agreed to a conference with the Senate, agreed to a motion to instruct conferees by a record vote of 241 yeas and 132 nays, and appointed conferees.

The Committee of conference met on September 23, September 29, September 30, October 14, October 15, and October 22, 1999. The conference report on S. 900 was filed in the House on November 2, 1999 (H. Rept. 106-434). On November 11, 1999, the Senate agreed to the conference report by a record vote of 90 yeas and 8 nays. On November 4, 1999, the House considered the conference report under the provisions of H.Res. 355, and agreed to the conference report by a record vote of 362 yeas to 57 nays.

S. 900 was presented to the President on November 9, 1999. The President signed S. 1260 into law on November 12, 1999 (Public Law 106-102).

DEFENSE AUTHORIZATION FOR FISCAL YEAR 2001

Public Law 106-398 (H.R. 4205, S. 2549, S. 2550)

(Hazardous Materials and Information Security Issues)

To authorize appropriations for fiscal year 2001 for military activities of the Department of Defense and defense-related activities of the Department of Energy.

Summary

H.R. 4205 contains provisions dealing with environmental matters within the jurisdiction of the Committee on Commerce, including section 342, relating to the payment of fines and penalties for environmental violations; title 15, relating to environmental clean-up activities associated with the transfer of the island of Vieques to Puerto Rico; and section 2812 relating to enhancements of military lease authority including provisions relating to indemnification for environmental contamination.

H.R. 4205 also includes title 14 establishing government-wide cyber security standards and testing mandates intended to bolster

Federal agency efforts to protect government information systems at both military and civilian agencies.

Legislative History

H.R. 4205 was introduced in the House by Mr. Spence and Mr. Skelton by request on April 6, 2000. The bill was referred to the Committee on Armed Services. The Committee on Armed Services reported the bill to the House, with an amendment, on May 12, 2000 (H. Rept. 106–616).

A rule providing for the consideration of H.R. 4205, H.Res. 503, passed the House by a record vote of 220 yeas and 201 nays. The House considered H.R. 4205 on May 17 and 18, 2000. On May 18, 1999, the House passed the bill, as amended, by a record vote of 353 yeas and 63 nays. H.R. 4205 was received in the Senate on May 22, 2000.

S. 2549, the Senate companion legislation, was considered by the Senate on June 6 through 8, June 14, June 19 through 20, June 29 through 30, and July 11 through 13, 2000. The Senate amended the text of H.R. 4205 with S. 2549, as amended by the Senate, and passed H.R. 4205 by a roll call vote of 97 yeas and 3 nays on July 13, 2000 by a roll call vote of 92 yeas and 3 nays. The Senate also insisted on its amendment, requested a conference with the House, and appointed conferees. On July 26, 2000, the House disagreed to the amendment of the Senate, and agreed to the conference requested by the Senate by unanimous consent.

On July 27, 2000, the Speaker appointed conferees. The Speaker appointed conferees from the Committee on Commerce for consideration of matters contained in the House bill and the Senate amendment falling within the Committee's jurisdiction. As a result, certain provisions were accepted without significant change, certain provisions were modified substantially, and certain provisions were deleted outright.

The conference report on H.R. 4205 was filed in the House on October 6, 2000 (H. Rept. 106–945). The House adopted a rule providing for the consideration of the conference report, H.Res. 616, by a voice vote. The House agreed to the conference report by a record vote of 382 yeas and 31 nays on October 11, 2000. The Senate agreed to the conference report by a roll call vote of 90 yeas and 3 nays on October 12, 2000. The bill was presented to the President on October 19, 2000, and signed into law on October 30, 2000 (Public Law 106–398).

WATER RESOURCES DEVELOPMENT ACT OF 1999

Public Law 106–53 (S. 507, H.R. 1480)

To provide for the conservation and development of water and related resources, to authorize the United States Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

Summary

Section 326 of H.R. 1480, which addresses the modification of a project on the West Bank of the Mississippi River for flood control and storm damage reduction, contains language clarifying the ap-

plication of the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

Legislative History

S. 507, the Water Resources Development Act of 1999, was introduced by Senator Warner on March 2, 1999, and was referred to the Senate Committee on Environment and Public Works. The Senate Committee on Environment and Public Works ordered the bill reported with an amendment on March 17, 1999, and reported the bill to the Senate on March 23, 1999 (S.Rept. 106-34).

On April 19, 1999, the Senate considered and passed the bill with an amendment by unanimous consent. The bill was received in the House and held at the desk on April 21, 1999.

The House companion bill, H.R. 1480, was introduced on April 20, 1999, and referred to the Committee on Transportation and Infrastructure, and additionally to the Committee on Resources. On April 21, 1999, the Subcommittee on Water Resources and Environment approved the bill for consideration by the Committee on Transportation and Infrastructure, with an amendment, by a record vote of 20 yeas and 16 nays.

On April 22, 1999, the Committee on Transportation and Infrastructure considered and ordered the bill reported, with an amendment, by a record vote of 49 yeas and 24 nays. The Committee on Transportation and Infrastructure reported the bill to the House, with an amendment, on April 26, 1999 (H. Rept. 106-106, Part 1) and the Committee on Resources was discharged from the further consideration of the bill.

On April 27, 1999, the Chairman of the Committee on Commerce wrote to the Chairman of the Committee on Transportation and Infrastructure noting the effect of certain provisions on the Comprehensive Environmental Response, Compensation and Liability Act of 1980. In his letter, the Chairman indicated that he had no objection to the provision and that the Committee on Commerce would not exercise its right to consider the legislation.

On April 28, 1999, the Committee on Rules reported a rule providing for the consideration of H.R. 1480 (H.Res. 154). On April 29, 1999, H.Res. 154 passed the House by a voice vote and the House considered H.R. 1480 pursuant to its provisions. The House passed the bill on April 29, 1999, as amended, by a record vote of 418 yeas and 5 nays.

On July 22, 1999, the House considered and passed S. 507 by unanimous consent with an amendment consisting of the text of H.R. 1480. By unanimous consent, the House insisted on its amendments, requested a conference, and appointed conferees. On July 28, 1999, the Senate disagreed to the House amendments, agreed to the conference requested by the House, and appointed conferees.

The Committee on Conference met on June 29, 1999. On August 5, 1999, the conference report to accompany S. 507 was filed in the House (H. Rept. 106-298). The Senate considered and passed the conference report by unanimous consent on August 5, 1999.

On August 5, 1999, the House considered and agreed to the conference report by unanimous consent, clearing the bill for the White House.

S. 507 was presented to the President on August 12, 1999 and signed by the President on August 17, 1999 (Public Law 106–53).

COMMODITY FUTURES MODERNIZATION ACT OF 2000

Public Law 106–554 (H.R. 4577, H.R. 4541, S.2697)

To reauthorize the Commodity Exchange Act to promote legal certainty, enhance competition, and reduce systemic risk in markets for futures and over-the-counter derivatives, and for other purposes.

Summary

H.R. 4541 repeals the Shad-Johnson Jurisdictional Accord, provides legal certainty for over the counter (OTC) financial derivatives, and provides regulatory relief for the futures exchanges.

Since 1982, single stock futures have been banned in the United States financial markets. H.R. 4541 repeals the current prohibition on these products and provides a framework for their regulation jointly by the Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC).

In addition, the bill provides legal certainty to exchange-traded futures, swaps and other financial derivatives. This uncertainty stems from a provision of the Commodity Exchange Act (CEA) which states that futures traded off of regulated exchanges are illegal and unenforceable. Because the term “futures” is not defined in the CEA and certain OTC derivatives are not excluded, it is possible a court could find an OTC product is a future, rendering the contract void because it was entered into off exchange. H.R. 4541 seeks to remedy this problem by excluding OTC financial derivative contracts between eligible contract participants from the CEA.

H.R. 4541 also provides regulatory relief for the futures exchanges.

Legislative History

H.R. 4541 was introduced in the House on May 25, 2000, by Mr. Ewing. The bill was referred to the Committee on Agriculture, in addition to the Committee on Commerce and the Committee on Banking and Financial Services for a period to be subsequently determined by the Speaker. Within the Committee on Commerce, the bill was referred to the Subcommittee on Finance and Hazardous Materials.

On June 8, 2000, a companion bill, S. 2697 was introduced in the Senate by Mr. Lugar. S. 2697 was referred to the Committee on Agriculture, Nutrition, and Forestry. On June 29, 2000 the Committee on Agriculture, Nutrition, and Forestry ordered S. 2697 to be reported with an amendment in the nature of a substitute favorably.

On August 25, 2000, Committee on Agriculture, Nutrition, and Forestry, reported by Senator Lugar under authority of the order of the Senate of July 26, 2000 with an amendment in the nature of a substitute (S. Rpt. 106–390). S. 2697 was placed on Senate Legislative Calendar under General Orders, Calendar No. 766.

On June 26, 2000, the Committee on Agriculture considered H.R. 4541, and ordered the bill reported to the House, amended, by a

voice vote. The Committee on Agriculture reported H.R. 4541 to the House on June 29, 2000 (H. Rept. 106–711, Part 1). On June 29, 2000, the referral of H.R. 4541 to the Committee on Commerce and the Committee on Banking and Financial Services was extended for a period ending not later than September 6, 2000.

The Subcommittee on Finance and Hazardous Materials held a legislative hearing on H.R. 4541 on July 12, 2000. Witnesses giving testimony included Federal banking and Federal securities regulators.

The Subcommittee on Finance and Hazardous Materials met in open markup session on July 20, 2000, and approved H.R. 4541 for Full Committee consideration, amended, by a voice vote. On July 26, 2000, the Full Committee met in open markup session and ordered H.R. 4541 reported to the House, amended, by a voice vote.

The Committee on Commerce reported H.R. 4541 to the House on September 6, 2000 (H. Rept. 106–711, Part 2), and the Committee on Banking and Financial Service reported H.R. 4541 to the House on September 6, 2000 (H. Rept. 106–711, Part 3).

On October 19, 2000, the Committee on Banking and Financial Service filed a supplemental report to H.R. 4541 (H. Rept. 106–711, Part 4).

The House considered H.R. 4541 on October 19, 2000 under suspension of the rules, and passed H.R. 4541 by a roll call vote of 377 yeas and 4 nays.

The provisions of H.R. 4541 were introduced as a new bill, H.R. 5660, on December 14, 2000, by Mr. Combest. H.R. 5660 was incorporated by reference into the conference report to accompany H.R. 4577 (H. Rept. 106–1033), which was filed in the House on December 15, 2000. On December 15, 2000, the conference report was considered pursuant to a previous order of the House and agreed to by a record vote of 292 yeas and 60 nays. On December 15, 2000, the Senate agreed to the conference report by unanimous consent.

H.R. 4577 was presented to the President on December 15, 2000, and was signed into law on December 21, 2000 (Public law 106–554).

ESTABLISHING A TIME ZONE FOR GUAM

Public Law 106–564 (H.R. 3756)

To establish a standard time zone for Guam and the Commonwealth of the Northern Mariana Islands, and for other purposes.

Summary

The bill amends the Calder Act to increase from eight to nine the number of standard time zones in the territory of the United States. It defines the ninth zone (embracing Guam and the Commonwealth of the Northern Mariana Islands), which will be known as Chamorro standard time.

The legislation also amends the Uniform Time Act of 1966 to require Guam and the Northern Mariana Islands to observe daylight savings time.

Legislative History

H.R. 3756 was introduced in the House on February 29, 1999 by Mr. Underwood. On October 10, 2000, the bill was considered by the House under suspension of the rules, and passed the House by a voice vote.

The bill was received in the Senate on October 11, 2000. The Senate considered and passed the bill by unanimous consent on December 15, 2000, clearing the bill for the White House.

H.R. 3756 was presented to the President on December 20, 2000 and signed into law on December 23, 2000 (Public Law 106–564).

BOND PRICE COMPETITION IMPROVEMENT ACT

(H.R. 1400)

To amend the Securities Exchange Act of 1934 to improve collection and dissemination of information concerning bond prices and to improve price competition in bond markets, and for other purposes.

Summary

H.R. 1400 facilitates the best execution of customer orders in the secondary market for debt securities by providing for improved price transparency of debt securities through last sale reporting and improved price competition in bond markets.

The bill directs the Securities and Exchange Commission (SEC or the Commission) to use its existing authority under Section 11A of the Securities Exchange Act of 1934 (the Exchange Act) to adopt rules to assure the prompt, accurate, reliable, and fair collection, processing, distribution, and publication of transaction information, including last sale data, with respect to covered debt securities, so that such information is made available to the public.

H.R. 1400 does not limit or alter Commission authority under other provisions of the Exchange Act. It provides for definitions of relevant terms and for completion of required actions within one year of the enactment of the Act. Government securities, municipal securities, and other “exempted securities” as defined in section 3(a)(12) of the Exchange Act are excepted from the requirements of this legislation, as are any securities that the Commission determines by rule to except from these requirements.

Legislative History

On March 18, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing to consider a Committee print of the Bond Price Competition Improvement Act of 1999. Witnesses giving testimony included Federal securities regulators, a market participant, and a bond market representative.

H.R. 1400 was introduced in the House on April 14, 1999, by Mr. Bliley and 27 cosponsors. The bill was referred to the Committee on Commerce and the Subcommittee on Finance and Hazardous Materials.

The Subcommittee on Finance and Hazardous Materials met in open markup session on April 15, 1999, and approved H.R. 1400 for Full Committee consideration by a voice vote. On April 21,

1999, the Full Committee met in open markup session and ordered H.R. 1400 reported to the House by a voice vote.

The Committee on Commerce reported H.R. 1400 to the House on May 18, 1999 (H. Rept. 106–149).

On June 14, 1999, the House suspended the rules and passed H.R. 1400, amended, by a record vote of 332 yeas and 1 nay.

H.R. 1400 was received in the Senate on June 15, 1999, read twice, and referred to the Committee on Banking.

No further action was taken on H.R. 1400 in the 106th Congress.

CONSUMER AND INVESTOR ACCESS TO INFORMATION ACT OF 1999

(H.R. 1858)

To promote electronic commerce through improved access for consumers to electronic databases, including securities market information databases.

Summary

H.R. 1858, the Consumer and Investor Access to Information Act of 1999, protects against unfair competition in the electronic database marketplace, while ensuring that information—particularly information that is accessible via the Internet—remains widely available to the American public.

H.R. 1858 is comprised of two titles. Title I governs all databases in general and creates new protections against the selling or distributing of duplicated databases in interstate and foreign commerce. Title II deals specifically with databases that are used for the collection and dissemination of stock quote information and provides new protections under Federal securities laws for the entities that collect and disseminate such information (such as stock exchanges). While both title I and title II afford databases new legal protections, these protections are carefully limited to ensure that the American public will continue to have access to information, which is critical to the growth and development of a robust electronic marketplace.

Legislative History

H.R. 1858 was introduced in the House on May 19, 1999, by Mr. Bliley and 5 cosponsors. The bill was referred to the Committee on Commerce. On June 8, 1999, the Chairman of the Committee on Commerce referred the bill to the Subcommittee on Finance and Hazardous Materials and the Subcommittee on Telecommunications, Trade, and Consumer Protection.

On June 15, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a hearing to consider Title I of H.R. 1858. Witnesses giving testimony included a Department of Commerce official, telecommunications industry representatives, research library representatives, internet companies, and a University official. The Subcommittee on Finance and Hazardous Materials held a hearing on June 30, 1999 to consider Title II of H.R. 1858. Witnesses giving testimony included the Federal securities regulator, online securities brokers, securities dealers, and a stock exchange.

The Subcommittee on Finance and Hazardous Materials met in open markup session on July 21, 1999, and approved H.R. 1858, amended, for Full Committee consideration by a voice vote. On July 29, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection met in open markup session and approved H.R. 1858, amended, for Full Committee consideration by a voice vote.

On August 5, 1999, the Full Committee met in open markup session and ordered H.R. 1858 reported, with an amendment, to the House by a voice vote. The Committee on Commerce reported H.R. 1858, amended, to the House on September 30, 1999 (H. Rept. 106-350, Part 1).

H.R. 1858 was referred sequentially to the House Committee on the Judiciary for a period ending not later than October 8, 1999 for consideration of provisions of the bill and the amendment which fall under the jurisdiction of that Committee. On October 8, 1999, the Committee on the Judiciary was discharged from the further consideration of the bill, and H.R. 1858 was placed on the Union Calendar.

No further action was taken on H.R. 1858 in the 106th Congress.

MUTUAL FUND TAX AWARENESS ACT OF 2000

(H.R. 1089)

To require the Securities and Exchange Commission to require the improved disclosure of after-tax returns regarding mutual fund performance, and for other purposes.

Summary

H.R. 1089, the Mutual Fund Tax Awareness Act of 2000, requires that the Securities and Exchange Commission (SEC) revise its regulations under the Securities Act of 1933 and the Investment Company Act of 1940 to require, consistent with the protection of investors and the public interest, improved disclosure in investment company prospectuses or annual reports of after-tax returns to investors. These regulations must be issued within 18 months after the date of enactment.

Legislative History

H.R. 1089 was introduced in the House by Mr. Gillmor and 12 cosponsors on March 11, 1999. The bill was referred to the Committee on Commerce. On March 30, 1999, the Chairman of the Committee referred the bill to the Subcommittee on Finance and Hazardous Materials.

On October 29, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing on H.R. 1089. Witnesses giving testimony included investment companies.

On November 2, 1999, the Subcommittee on Finance and Hazardous Materials met in open markup session and approved H.R. 1089 for Full Committee consideration, as amended, by a voice vote. On March 15, 2000, the Committee on Commerce met in open markup session and ordered H.R. 1089 reported to the House, as amended, by a voice vote.

The House considered H.R. 1089 on April 3, 2000 under suspension of the rules. H.R. 1089 passed by a record vote of 358 yeas and 2 nays.

On April 4, 2000, H.R. 1089 was received in the Senate, read twice, and referred to the Senate Committee on Banking, Housing and Urban Affairs.

No further action was taken on H.R. 1089 in the 106th Congress.

FAIRNESS IN SECURITIES TRANSACTIONS ACT

(H.R. 2441)

To amend the Securities Exchange Act of 1934 to reduce fees on securities transactions.

Summary

H.R. 2441, the Fairness in Securities Transactions Act, decreases the rate applicable to transaction fees from the statutory level of 1/300th of 1 percent to 1/500th of 1 percent through Fiscal year 2006. Additionally, the accounting treatment of all transaction fees is changed. Whereas current law designates transaction fees derived from exchange traded securities as general revenue, and transaction fees received from off exchange traded securities as offsetting collections, H.R. 2441 designates all transaction fees as general revenue. However, the legislation provides that all revenue collected above the most recent CBO general revenue baseline (prior to enactment) is deposited and credited as offsetting collections to the account providing appropriations to the SEC.

Legislative History

H.R. 2441 was introduced in the House by Mr. Lazio and 27 cosponsors on July 1, 1999. The bill was referred to the Committee on Commerce. On July 21, 1999, the Chairman of the Committee referred the bill to the Subcommittee on Finance and Hazardous Materials.

On September 28, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing on H.R. 2441. Witnesses giving testimony included Members of Congress, Federal securities regulators, and a Federal budget office.

On February 15, 2000, the Subcommittee on Finance and Hazardous Materials met in open markup session and approved H.R. 2441 for Full Committee consideration, as amended, by a voice vote.

On October 6, 2000, the Full Committee met in open markup session and ordered H.R. 2441 reported to the House, with an amendment, by a record vote of 24 yeas and 16 nays. The Committee reported the bill to the House, with an amendment, on December 15, 2000 (H. Rept. 106-1034).

No further action was taken on H.R. 2441 in the 106th Congress.

BANKRUPTCY REFORM ACT OF 1999

(H.R. 2415, S. 625, H.R. 833, S. 3186)

To amend title 11 of the United States Code, and for other purposes.

Summary

H.R. 833 reforms measures pertaining to both consumer and business bankruptcy cases. The heart of the bill's consumer bankruptcy reforms is the implementation of an income/expense screening mechanism ("needs-based bankruptcy relief") to ensure that debtors repay creditors the maximum they can afford. In addition to implementing needs-based bankruptcy relief, H.R. 833 institutes a panoply of other consumer bankruptcy reforms designed to enhance the protections available to debtors and creditors.

H.R. 833 also contains a comprehensive set of reforms pertinent to business bankruptcies. Many of these provisions are intended to heighten administrative scrutiny and judicial oversight of small business bankruptcy cases. In addition, the bill includes provisions designed to reduce "systemic risk" in the financial marketplace. It also creates a new form of bankruptcy relief for transnational insolvencies, includes provisions regarding the treatment of tax claims, and requires the collection of certain data relating to consumer bankruptcy cases.

Section 1011 of H.R. 833 amends the Securities Investor Protection Act of 1970 (SIPA; Public Law 91-598) to provide that an order or decree issued pursuant to SIPA shall not operate as a stay of any right of liquidation, termination, acceleration, offset, or netting under one or more securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, or matter netting agreements (as defined in the Bankruptcy Code and including rights of foreclosure on collateral), except that such an order or decree may stay any right to foreclose on securities (but not cash) collateral pledged by the debtor or sold by the debtor under a repurchase agreement.

Legislative History

H.R. 833 was introduced in the House of Representatives by Representative Gekas and 36 cosponsors on February 24, 1999. Upon introduction, the bill was referred to the Committee on the Judiciary, and in addition to the Committee on Banking and Financial Services.

On March 25, 1999, the Judiciary Subcommittee on Commercial and Administrative Law forwarded H.R. 833, with an amendment, to the full Judiciary Committee by a record vote of 5 yeas and 3 nays.

On March 16, 1999, S. 625 was introduced in the Senate by Senator Grassley and 3 cosponsors. The bill was read twice and referred to the Senate Committee on the Judiciary. The Senate Committee on the Judiciary met in an open markup session on April 15, 22, and 27, 1999, and ordered S. 625 reported, amended.

The House Committee on the Judiciary met in an open markup session on April 20, 21, 22, 27, and 28, 1999. The bill, as amended, was ordered reported by a vote of 22 yeas and 13 nays on April 28, 1999. On April 29, 1999, the House Committee on the Judiciary reported H.R. 833, amended, to the House (H. Rept. 106-123, Part 1). The Committee on Banking and Financial Services was discharged from the further consideration of H.R. 833 on April 29, 1999.

On May 3, 1999, the Chairman of the Committee on Commerce sent a letter to the Chairman of the Committee on the Judiciary agreeing to forgo the Committee's right to a sequential in the interest of moving the legislation in an expedient manner. The letter further stated that, by agreeing to waive its consideration of the bill, the Committee on Commerce was not waiving its jurisdictional interest in H.R. 833.

On May 4, 1999, the Rules Committee met and reported a rule providing for consideration of H.R. 883 with one hour of general debate (H.Res. 158). On May 5, 1999, H.Res. 158 passed the House by a record vote of 227 yeas and 190 nays.

On May 5, 1999, the House considered and passed H.R. 833, with amendments by a record vote of 313 yeas and 108 nays. On May 6, 1999 H.R. 833 was received in the Senate. On May 12, 1999 H.R. 883 was read twice in the Senate and placed on the Senate legislative Calendar.

On May 11, 1999, the Senate Committee on the Judiciary reported S. 625 to the Senate with amendments (S. Rpt. 106-49). S. 625 was placed on the Senate Legislative Calendar under General Orders. The measure was laid before the Senate on September 16, 1999, and a cloture motion on the bill was presented in the Senate. On September 21, 1999, cloture on S. 625 was not invoked in the Senate by a vote of 53 yeas and 45 nays.

S. 625 was laid before the Senate by unanimous consent on November 4, 1999. The measure was considered on November 5, 8, 9, 10, 16, and 17, 1999. On November 19, 1999, a cloture motion was presented in the Senate, and the motion was withdrawn by unanimous consent on January 24, 2000. S. 625 was further considered in the Senate by unanimous consent on January 26 and 31, 2000, and February 1 and 2, 2000.

On February 2, 2000, H.R. 883 was considered by the Senate, by unanimous consent. The Senate struck all after the enacting clause and substituted the language of S. 625, passing the legislation by a roll call vote of 83 yeas and 14 nays. The Senate insisted on its amendment and requested a conference with the House.

On October 11, 2000, the provisions of H.R. 883 were included in a new bill, S. 3186. S. 3186 was incorporated by reference into the conference report to accompany H.R. 2415. On October 11, 2000, the Conference report to accompany H.R. 2415 was filed in the House (H. Rept. 106-970) and the Committee on Rules reported a rule providing for the consideration of the conference report (H.Res. 624).

On October 12, 2000, the House passed H.Res. 624 by a voice vote. The House considered the conference report to accompany H.R. 2415 pursuant to the provisions of the rule. The Conference report was agreed to by a voice vote.

On December 5, 2000, the Senate invoked cloture on the conference report by a roll call vote of 67 yeas and 31 nays. The conference report was considered in the Senate on December 6 and 7, and the Senate agreed to the conference report by a roll call vote of 70 yeas and 28 nays, clearing the bill for the White House.

On December 7, 2000, the bill was presented to the President and pocket vetoed by the President on December 19, 2000.

FINANCIAL CONTRACT NETTING IMPROVEMENT ACT

(H.R. 2415, H.R. 1161)

To revise the banking and bankruptcy insolvency laws with respect to the termination and netting of financial contracts, and for other purposes.

Summary

H.R. 1161, the Financial Contract Netting Improvement Act of 2000, amends the Bankruptcy Code, banking statutes, and securities laws to clarify the treatment of financial contracts upon the insolvency of one of the parties to the transaction. In the event of the bankruptcy of a party to a swap or other financial contract, parties can enforce their rights to terminate the contract or to offset, or “net,” their various contractual obligations.

Legislative History

H.R. 1161 was introduced in the House by Mr. Leach on March 17, 1999. The bill was referred to the Committee on Banking and Financial Services, and in addition to the Committees on Commerce and the Judiciary.

On April 16, 1999, it was referred to the Committee on Banking and Financial Services Subcommittee on Financial Institutions and Consumer Credit and discharged on July 27, 2000. On July 27, 2000, the Committee on Banking and Financial Services considered H.R. 1161 and ordered the bill reported to the House by a voice vote.

The Chairman of the Committee on Commerce sent a letter on September 6, 2000 to the Chairman of the Committee on Banking and Financial Services, agreeing to the Committee’s consideration of the bill in the interest of moving the legislation in an expeditious manner. The letter further stated that, while the Committee on Commerce had no substantive concerns regarding the legislation, by agreeing to waive its consideration of the bill, the Committee on Commerce was not waiving its jurisdictional interest in H.R. 1161 or any similar legislation.

On September 7, 2000, Mr. Bliley received a response to his letter from the Chairman of the Committee on Banking and Financial Services agreeing that the Committee on Commerce’s decision to forego consideration would not prejudice the Committee’s future jurisdiction claims on this or similar legislation, and agreeing to support the Committee’s request for conferees.

On September 7, 2000, the Committee on Banking and Financial Services reported H.R. 1161 to the House, with an amendment (H. Rept. 106–834, Part 1). The Committees on Commerce and the Judiciary were discharged from the further consideration of the bill.

On October 24, 2000, H.R. 1161 was considered under suspension of the rules. The bill passed the House by a voice vote and was received in the Senate on October 25, 2000.

On October 11, 2000, the provisions of H.R. 1161 were included in a new bill, S. 3186. S. 3186 was incorporated into the conference report to accompany H.R. 2415. On October 11, 2000, the Conference report to accompany H.R. 2415 was filed in the House (H.

Rept. 106–970) and the Committee on Rules reported a rule providing for the consideration of the conference report (H.Res. 624).

On October 12, 2000, the House passed H.Res. 624 by a voice vote. The House considered the conference report to accompany H.R. 2415 pursuant to the provisions of the rule. The Conference report was agreed to by a voice vote.

On December 5, 2000, the Senate invoked cloture on the conference report by a roll call vote of 67 yeas and 31 nays. The conference report was considered in the Senate on December 6 and 7, and the Senate agreed to the conference report by a roll call vote of 70 yeas and 28 nays, clearing the bill for the White House.

On December 7, 2000, the bill was presented to the President and pocket vetoed by the President on December 19, 2000.

RENTAL FAIRNESS ACT OF 1999

(H.R. 1954)

To regulate motor vehicle insurance activities to protect against retroactive regulatory and legal action and to create fairness in ultimate insurer laws and vicarious liability standards.

Summary

H.R. 1954, the Rental Fairness Act of 2000 protects consumers and businesses from the imposition of vicarious liability to motor vehicle rentals in different States. The Rental Fairness Act establishes the simple legal rule for rental vehicles that the party at fault should bear the responsibility for any liability incurred. Specifically, the bill provides that vehicle rental companies will not be held liable for the negligent or intentional acts of others solely because of ownership of the vehicle. State laws other than those imposing vicarious liability are not affected. Companies that own or operate motor vehicles within a State are still fully subject to that State's financial responsibility laws and are explicitly subject to any claims for negligence or criminal wrongdoing. The legislation thus does not in any way limit actions against a rental or leasing company for their wrongdoing or malfeasance. It further allows all current recovery rights against such companies, including those based solely on ownership, up to the coverage amounts required under a State's financial responsibility insurance laws (which vary from State to State). Compensation would be procured through the State's insurance regime with all accompanying consumer protections and regulations.

Legislative History

H.R. 1954 was introduced in the House on May 26, 1999, by Mr. Bryant and 6 cosponsors. The bill was referred to the Committee on Commerce. On June 23, 1999, the Chairman of the Committee referred the bill to the Subcommittees on Finance and Hazardous Materials and the Telecommunications, Trade, and Consumer Protection.

On October 22, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing to consider the H.R. 1400. Witnesses giving testimony included rental car companies and the trial bar.

The Subcommittee on Finance and Hazardous Materials met in open markup session on November 2, 1999, and approved H.R. 1954, without amendment, for Full Committee consideration by a record vote of 12 yeas and 11 nays. On November 2, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection received an extension of its referral on H.R. 1954, for a period ending not later than November 16, 1999. The Subcommittee on Telecommunications, Trade, and Consumer Protection was discharged from the further consideration of H.R. 1954 on November 16, 1999.

On March 15, 2000, the Full Committee met in open markup session and ordered H.R. 1954 reported, with an amendment, to the House by a record vote of 26 yeas and 23 nays.

The Committee on Commerce reported H.R. 1954, with an amendment, to the House on July 20, 2000 (H. Rept. 106-774, Part 1). H.R. 1954 was referred sequentially to the House Committee on the Judiciary for a period ending not later than September 15, 2000 for consideration of provisions of the bill and the amendment which fall under the jurisdiction of that Committee.

On September 15, 2000, the Committee on the Judiciary was discharged from the further consideration of H.R. 1954. No further action was taken on the bill in the 106th Congress.

THE LAND RECYCLING ACT

(H.R. 2580, H.R. 1300)

To amend the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) to encourage the redevelopment of brownfields and provide liability relief for innocent parties.

Summary

H.R. 2580, the Land Recycling Act of 1999, provides liability defenses for certain parties who did not cause or contribute to environmental contamination; provides exemptions from, and limitations on Superfund liability for small businesses, generators and transporters of municipal solid waste and sewage sludge, and persons who send recyclable materials to legitimate recycling facilities; and supports remedy selection based on realistic risks attributable to reasonably anticipated uses of land, water, and other resources.

H.R. 1300, the Recycle America's Land Act of 1999, contained similar provisions.

Legislative History

H.R. 2580 was introduced by Mr. Greenwood and 16 cosponsors on July 21, 1999. It was referred the Committee on Commerce and additionally to the Committee on Transportation and Infrastructure. On July 27, 2000, the Chairman of the Committee referred the bill to the Subcommittee on Finance and Hazardous Materials.

On August 4, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing on legislation to improve the Comprehensive Environmental Response, Compensation and Liability Act. The witnesses testifying were officials of the Clinton Administration, State and local governments, and private sector witnesses.

On September 22, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing on legislation to improve the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA): Provisions in H.R. 1300 and H.R. 2580. The witnesses testifying were officials of the Clinton Administration, State and local governments, and private sector witnesses.

On September 29, 1999, the Subcommittee on Finance and Hazardous Materials met in open markup session to consider H.R. 2580, the Land Recycling Act of 1999. H.R. 2580 was approved for Full Committee consideration by a record vote of 17 yeas and 12 nays.

On October 13, 1999, the Full Committee held an open markup session to consider H.R. 2580. The bill was ordered to be reported, with an amendment, by a record vote of 30 yeas and 21 nays.

The Committee reported the bill to the House on July 20, 2000, with an amendment (H. Rept. 106-775, Part 1). The referral of the Committee on Transportation and Infrastructure was extended for a period ending not later than December 15, 2000.

No further action was taken on H.R. 2580 or H.R. 1300 in the 106th Congress.

THE SMALL BUSINESS LIABILITY RELIEF ACT

(H.R. 5175)

To provide relief to small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA).

Summary

H.R. 5175, the Small Business Liability Relief Act, exempts from CERCLA liability small businesses that only contributed a very small amount of waste or ordinary garbage to a Superfund site. The bill also provides for expedited settlements for those who only contribute small volumes of wastes or small businesses with a limited ability to pay.

Legislative History

H.R. 5175 was introduced on September 14, 2000 by Mr. Oxley and 12 cosponsors. The bill was referred to the Commerce Committee and additionally to the Committee on Transportation and Infrastructure. The Committee took no action on H.R. 5175, which was based in significant part on the small business liability relief provisions of H.R. 2580. H.R. 5175 was considered under suspension of the rules on September 26, 2000. The measure failed by a record vote of 253 yeas and 161 nays.

OVERSIGHT ACTIVITIES

INSURANCE REGULATION

On July 20, 2000, the Subcommittee on Finance and Hazardous Materials held an oversight hearing on Improving Insurance for Consumers—Increasing Uniformity and Efficiency in Insurance Regulation. The hearing examined efforts by State insurance regulators and the National Association of Insurance Commissioners to

achieve uniformity in insurance regulation and what might be required of Congress and State legislators to help realize this goal. Various options and approaches to achieving uniformity were considered, including State reciprocity and uniformity reforms, a State-run national chartering system, and an optional Federal chartering system. The hearing also examined the level of coordination and cooperation between the insurance and banking agencies, including a determination of whether Congress needs to act further to facilitate such cooperation, and what further interagency discussions need to take place relating to bank insurance consumer protections and general anti-fraud efforts to further the goals of the Gramm-Leach-Bliley Act. Testimony was received by representatives from the National Association of Insurance Commissioners, the Office of the Comptroller of the Currency, and the National Conference of Insurance Legislators.

On September 19, 2000, the Subcommittee on Finance and Hazardous Materials held its second day of hearings on Improving Insurance for Consumers—Increasing Uniformity and Efficiency in Insurance Regulation. This second hearing continued the Committee's oversight of improving insurance regulation uniformity and effectiveness, with an additional focus on the progress made by the State insurance commissioners since the Gramm-Leach-Bliley Act, and what goals and short-term time-frames should be agreed upon by the participants for achieving regulatory uniformity. The hearing also examined a report by the General Accounting Office on an insurance scandal, and the Subcommittee considered what additional steps needed to be taken by Congress and the insurance and Federal regulators to prevent future fraud. Testimony was received by numerous insurance industry associations, including bank insurance associations, by a State insurance commissioner, and by the General Accounting Office.

THE MARKET IMPACT OF THE PRESIDENT'S SOCIAL SECURITY PROPOSAL

On Thursday, February 25, 1999, and on Wednesday, March 3, 1999 the Subcommittee on Finance and Hazardous Materials held hearings on the Market Impact of the President's Social Security Proposal. The purpose of the hearings was to examine the proposal put forth by President Clinton in his January 19, 1999, State of the Union address. President Clinton proposed earmarking a substantial portion of the projected budget surplus for investment in the stock market. The proceeds from these investments would be used to provide benefit funding to Social Security recipients. The hearing examined the effect of that proposal on the financial markets and investors, along with the effect of corporate governance in the financial markets. Witnesses included Members of Congress, the Chairman of the Board of Governors of the Federal Reserve System, the Department of Treasury, and scholars.

IDENTITY THEFT: IS THERE ANOTHER YOU?

On Thursday, April 22, 1999, the Subcommittees on Telecommunications, Trade, and Consumer Protection and Finance and Hazardous Materials held a joint oversight hearing on identity

theft. The focus of the hearing was to examine how identity theft occurs, what type of enforcement activities are being conducted or planned to combat identity theft, and what actions can be taken to reduce identity theft. The Subcommittees received testimony from the Federal Trade Commission, credit bureaus, and a victim of identity theft.

THE IMPACT OF MARKET VOLATILITY ON SECURITIES TRANSACTION
FEES

On Tuesday, July 27, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing on the current status of securities transaction fee collections and their impact on the capital markets. The purpose of the hearing was to examine evidence supporting the need for Congressional action to change the fee structure for transactions and filings under the Federal securities laws, which were originally intended to help to offset the cost to the Federal government of funding the Securities and Exchange Commission. The unpredicted level of growth in the transaction volume in the markets that occurred in recent years resulted in the amount of transaction fees being collected exceeding the cost of funding the SEC by several multiples. Witnesses testified before the Subcommittee and shared their views regarding the impact of the fees on investor savings, the capital formation process, and market efficiency. Those testifying included the Chicago Board Options Exchange, and representatives for the Securities Industry Association, the Security Traders Association, and the Specialist Association of the New York Stock Exchange.

PUHCA REPEAL: IS THE TIME NOW?

On Thursday, October 7, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing on the Public Utility Holding Company Act (PUHCA). That law was enacted in 1935 to protect shareholders and ratepayers in response to concerns of abuse that resulted from the corporate structure of electric and gas utilities. The purpose of the hearing was to examine the issues raised by the repeal of the PUHCA, in particular how such repeal relates to legislation designed to restructure the entire electricity industry. Witnesses included the Securities and Exchange Commission (SEC), the Federal Energy Regulatory Commission (FERC), and representatives from financial and commercial industries.

DECIMAL CONVERSION 2000: ARE THE MARKETS READY?

On Wednesday, March 1, 2000, the Subcommittee on Finance and Hazardous Materials held a hearing on Decimal Conversion 2000: Are the Markets Ready? The purpose of the hearing was to evaluate the result of the General Accounting Office's (GAO) review of industry implementation of decimal pricing. The hearing explored: the impact of decimals on quote traffic, the impact of eliminating government mandated minimum increments, and the overall readiness of the securities industry for conversion to decimal pricing. Witnesses included representatives from the GAO.

COMPETITION IN THE NEW ELECTRONIC MARKET

On Wednesday, March 29, 2000, the Subcommittee on Finance and Hazardous Materials hold a hearing on Competition in the New Electronic Market: Part I. The purpose of the hearing was to examine the changes that new technologies have effected in the securities markets. Specifically, issues included how telecommunications technology have affected the pace and structure of the market and the extent to which the regulatory structure has encouraged or hindered innovation and competition in the market. Witnesses included representatives from the newest market participants, electronic communication networks (ECNs).

On Thursday, May 11, 2000, the Subcommittee on Finance and Hazardous Materials held a hearing on Competition in the New Electronic Market: Part II. The purpose of the hearing was to provide Members with the opportunity to hear from the traditional participants in the marketplace about the implications of technological and other changes to investors and the U.S. securities markets. Specifically, issues considered included: how fragmentation has affected competition in the market; the impact centralized trading would likely have on competition; and the extent to which technology and new competition called for a reevaluation of the self-regulatory structure and existing market regulations. Witnesses included representatives from the brokerage industry, institutional investors, analysts, the broker-dealer that developed the first electronic communication network (ECN), and traditional trading venues.

ACCOUNTING FOR BUSINESS COMBINATIONS: SHOULD POOLING BE
ELIMINATED

On Thursday, May 4, 2000, the Subcommittee on Finance and Hazardous Materials held a hearing on Accounting for Business Combinations: Should Pooling Be Eliminated? The purpose of the hearing was to examine the effect of changes contemplated in the Financial Accounting Standards Board (FASB) exposure draft on business combinations. The hearing addressed the impact of the FASB proposal on accuracy in financial reporting of business combinations. Discussion focused on the effects of eliminating the pooling method of accounting and, more broadly, on the treatment of intangible assets and goodwill under the purchase method of accounting. Witnesses included Members of Congress, a representative of FASB, and representatives from various industries.

PNTR: OPENING THE WORLD'S BIGGEST POTENTIAL MARKET TO
AMERICAN FINANCIAL SERVICES COMPETITION

On Tuesday, May 23, 2000, the Subcommittee on Finance and Hazardous Materials held an oversight hearing on PNTR: Opening the World's Biggest Potential Market to American Financial Services Competition. The hearing focused on the issue of making China's normal trade relations (NTR) status permanent (PNTR), avoiding the need for annual Congressional approval. Witnesses included representatives of the finance and insurance industries.

DECIMALS 2000: WILL THE EXCHANGES CONVERT?

On Tuesday, June 13, 2000, the Subcommittee on Finance and Hazardous Materials held a hearing on Decimals 2000: Will the Exchanges Convert? The purpose of the hearing was to address issues of decimal conversion in exchange-listed and NASDAQ securities raised by the announcement that NASDAQ would be unable to convert by the conversion deadline. Issues included: conversion options for exchange-listed securities; deadlines for decimal implementation in NASDAQ securities; and the impact of the move by one ECN, the Island ECN, to begin trading in decimals before the rest of the industry. Witnesses included the Chairman of the Securities and Exchange Commission (SEC), the Chairman of the National Association of Securities Dealers (NASD), and the Chairman of the New York Stock Exchange (NYSE).

ORGANIZED CRIME ON WALL STREET

On Wednesday, September 13, 2000, the Subcommittee on Finance and Hazardous Materials held an oversight hearing on Organized Crime on Wall Street. The purpose of the hearing was to examine the extent to which organized crime has a presence in the securities markets. Witnesses discussed efforts to detect and prevent fraud related to organized crime. Witnesses included representatives from the Securities and Exchange Commission (SEC), Federal Bureau of Investigation (FBI), National Association of Securities Dealers Regulation (NASDR), and North American Securities Administrators Association (NASAA).

LOST SECURITY HOLDERS: REUNITING SECURITY HOLDERS WITH THEIR INVESTMENTS

On Wednesday, October 4, 2000, the Subcommittee on Finance and Hazardous Materials held a hearing entitled Lost Security Holders: Reuniting Security Holders with their Investments. The purpose of the hearing was to examine the issue of investors who have lost contact with entities holding some property related to their investment. The hearing provided the opportunity to analyze the extent of this "lost security holder" problem and how the 1997 Securities and Exchange Commission (SEC) regulations have improved, or failed to improve, that problem. Witnesses included a representative of the SEC and a former Member of Congress and lost security holder.

THE STATUS OF THE FEDERAL SUPERFUND PROGRAM

On March 23, 1999, the Subcommittee held a hearing on the Status of the Federal Superfund Program. The hearing addressed the status of site cleanups, liability issues, the relationship of Superfund to State cleanup programs and other program issues. Witnesses included the U.S. Environmental Protection Agency, the General Accounting Office, and the Association of State and Territorial Waste Management Officials.

REVIEW OF ENVIRONMENTAL PROTECTION AGENCY'S FY 2001 BUDGET
REQUEST

The Committee reviewed EPA's proposed FY 2001 Budget Request, focusing specifically on programs relating to the Committee's jurisdiction, including clean air, safe drinking water, hazardous wastes, and toxic substance programs. The Committee received briefings from senior EPA officials, and requested additional budget justifications and materials relating to specific programs and line items. On March 30, 2000, the Subcommittee on Health and Environment and the Subcommittee on Finance and Hazardous Materials conducted a joint hearing on EPA's FY 2001 Budget Request at which testimony was provided by Mr. Robert Perciasepe, Assistant Administrator, EPA Office of Air and Radiation, who was accompanied by six other senior EPA program officials. On May 4, 2000, the Committee requested detailed responses to 40 additional interrogatories regarding EPA's budget. On August 31, 2000, EPA completed its responses to these questions and these materials were placed in the hearing record.

THE ROLE OF THE EPA OMBUDSMAN IN ADDRESSING CONCERNS OF
LOCAL COMMUNITIES

The Subcommittees on Health and Environment and Finance and Hazardous Materials conducted a joint oversight hearing on October 3, 2000 in order to assess the adequacy and effectiveness of EPA's Ombudsman. At the hearing, representatives from EPA, the EPA Office of Ombudsman, and several citizens and citizen groups provided testimony about the role of the Ombudsman in addressing local concerns. At the hearing, concerns were raised about whether the EPA Ombudsman was adequately independent from the EPA programs, and the citizen witnesses and EPA Ombudsman identified the lack of independence and other bureaucratic obstacles imposed by the EPA programs as key problems with the current statutory program.

HEARINGS HELD

Market Impact of the President's Social Security Proposal.—Oversight hearing on the Market Impact of the President's Social Security Proposal. Hearing held on February 25 and March 3, 1999. PRINTED, Serial Number 106-5.

The Bond Price Competition Improvement Act of 1999.—Hearing on H.R. — (an unintroduced bill), the Bond Price Competition Improvement Act of 1999. Hearing held on March 18, 1999. PRINTED, Serial Number 106-8.

Status of the Federal Superfund Program.—Oversight hearing on the Status of the Federal Superfund Program. Hearing held on March 23, 1999. PRINTED, Serial Number 106-44.

Identity Theft: Is There Another You?—Joint oversight hearing with the Subcommittee on Telecommunications, Trade, and Consumer Protection on Identity Theft: Is There Another You? Hearing held on April 22, 1999. PRINTED, Serial No. 106-16.

Financial Services Act of 1999.—Hearing on H.R. 10, the Financial Services Act of 1999. Hearing held on April 28 and May 5, 1999. PRINTED, Serial No. 106-30.

Electronic Signatures in Global and National Commerce Act.—Hearing on H.R. 1714, the Electronic Signatures in Global and National Commerce Act. Hearing held on June 24, 1999. PRINTED, Serial number 106–33.

Consumer and Investor Access to Information Act of 1999.—Hearing on H.R. 1858, the Consumer and Investor Access to Information Act of 1999. Hearing held on June 30, 1999. PRINTED, Serial number 106–35.

Impact of Market Volatility on Securities Transaction Fees.—Oversight hearing on the Impact of Market Volatility on Securities Transaction Fees. Hearing held on July 27, 1999. PRINTED, Serial number 106–41.

Legislation to Improve the Comprehensive Environmental Response, Compensation, and Liability Act.—Hearing on H.R. 1300, H.R. 1750, and H.R. 2850, Legislation to Improve the Comprehensive Environmental Response, Compensation, and Liability Act. Hearing held on August 4 and September 22, 1999. PRINTED, Serial number 106–82.

Securities Transaction Fees.—Hearing on H.R. 1256, the Savings and Investment Relief Act of 1999 and H.R. 2441, the Fairness in Securities Transactions Act. Hearing held on September 28, 1999. PRINTED, Serial number 106–62.

PUHCA Repeal: Is the Time Now?—Oversight hearing on PUHCA Repeal: Is the Time Now? Hearing held on October 7, 1999. PRINTED, serial number 106–68.

Rental Fairness Act of 1999.—Hearing on H.R. — (an unIntroduced bill), the Rental Fairness Act of 1999. Hearing held on October 20, 1999. PRINTED, Serial number 106–35.

Increasing Disclosure to Benefit Investors.—Hearing on H.R. 887, a bill to amend the Securities and Exchange Act of 1934 to require improved disclosure of corporate charitable contributions, and for other purposes, and H.R. 1089, the Mutual Fund Tax Awareness Act of 1999. Hearing held on September 29, 1999. PRINTED, Serial number 106–70.

Decimal Conversion 2000: Are the Markets Ready?—Oversight hearing on Decimal Conversion 2000: Are the Markets Ready? Hearing held on March 1, 2000. PRINTED, serial number 106–113.

Competition in the New Electronic Market: Part I.—Oversight hearing on Competition in the New Electronic Market: Part I. Hearing held on March 29, 2000. PRINTED, serial number 106–111.

Environmental Protection Agency's Proposed Budget Request for Fiscal Year 2001.—Joint oversight hearing with the Subcommittee on Health and Environment on the Environmental Protection Agency's Proposed Budget Request for Fiscal Year 2001. Hearing held on March 30, 2000. PRINTED, serial number 106–138.

Accounting for Business Combinations: Should Pooling be Eliminated?—Oversight hearing on Accounting for Business Combinations: Should Pooling be Eliminated? Hearing held on May 4, 2000. PRINTED, serial number 106–100.

Competition in the New Electronic Market: Part II.—Oversight hearing on Competition in the New Electronic Market: Part II. Hearing held on May 11, 2000. PRINTED, serial number 106–111.

PNTR: Opening the World's Biggest Potential Market to American Financial Services Competition.—Oversight hearing on PNTR: Opening the World's Biggest Potential Market to American Financial Services Competition. Hearing held on May 23, 2000. PRINTED, serial number 106–102.

Decimals 2000—Will the Exchanges Convert?—Oversight hearing on Decimals 2000—Will the Exchanges Convert? Hearing held on June 13, 2000. PRINTED, serial number 106–107.

Commodities Futures Modernization Act of 2000.—Hearing on H.R. 4541, the Commodities Futures Modernization Act of 2000. Hearing held on July 12, 2000. PRINTED, serial number 106–123.

Improving Insurance for Consumers—Increasing Uniformity and Efficiency in Insurance Regulation.—Oversight hearing on Improving Insurance for Consumers—Increasing Uniformity and Efficiency in Insurance Regulation. Hearing held on July 20 and September 19, 2000. PRINTED, serial number 106–155.

Organized Crime on Wall Street.—Oversight hearing on Organized Crime on Wall Street. Hearing held on September 13, 2000. PRINTED, serial number 106–156.

Role of the EPA Ombudsman in Addressing Concerns of Local Communities.—Joint oversight hearing with the Subcommittee on Health and Environment on the Role of the EPA Ombudsman in Addressing Concerns of Local Communities. Hearing held on October 3, 2000.

Lost Security Holders: Reuniting Security Holders with their Investments.—Oversight hearing on Lost Security Holders: Reuniting Security Holders with their Investments. Hearing held on October 4, 2000. PRINTED, serial number 106–154.

SUBCOMMITTEE ON HEALTH AND ENVIRONMENT

(Ratio: 17-14)

MICHAEL BILIRAKIS, Florida, *Chairman*

FRED UPTON, Michigan	SHERROD BROWN, Ohio
CLIFF STEARNS, Florida	HENRY A. WAXMAN, California
JAMES C. GREENWOOD, Pennsylvania	FRANK PALLONE, Jr., New Jersey
NATHAN DEAL, Georgia	PETER DEUTSCH, Florida
RICHARD BURR, North Carolina	BART STUPAK, Michigan
BRIAN P. BILBRAY, California	GENE GREEN, Texas
ED WHITFIELD, Kentucky	TED STRICKLAND, Ohio
GREG GANSKE, Iowa	DIANA DEGETTE, Colorado
CHARLIE NORWOOD, Georgia	THOMAS M. BARRETT, Wisconsin
TOM A. COBURN, Oklahoma	LOIS CAPPAS, California
<i>Vice Chairman</i>	RALPH M. HALL, Texas
RICK LAZIO, New York	EDOLPHUS TOWNS, New York
BARBARA CUBIN, Wyoming	ANNA G. ESHOO, California
JOHN B. SHADEGG, Arizona	JOHN D. DINGELL, Michigan,
CHARLES W. "CHIP" PICKERING, Mississippi	(Ex Officio)
ED BRYANT, Tennessee	
TOM BLILEY, Virginia, (Ex Officio)	

Jurisdiction: Public health and quarantine; hospital construction; mental health and research; biomedical programs and health protection in general, including Medicaid and national health insurance; food and drugs; drug abuse; and Clean Air Act and environmental protection in general, including the Safe Drinking Water Act.

LEGISLATIVE ACTIVITIES

CHILDREN'S HEALTH ACT OF 2000

Public Law 106-310 (H.R. 4365, H.R. 3301, H.R. 2634,
H.R. 274, H.R. 997, H.R. 1085, H.R. 1193, H.R. 1445, H.R. 2511,
H.R. 2538, H.R. 2573, H.R. 2739, H.R. 2840, S. 805,
S. 901, S. 1897)

To amend the Public Health Service Act with respect to children's health.

Summary

The legislation is a multi-faceted approach to remedying the public health challenges facing American children, addressing adoption awareness for infants and special needs children; autism; research and development regarding fragile x; juvenile arthritis and related conditions; diabetes among children and youth; asthma services for children; birth defects prevention activities through a national folic acid education program; hearing loss in infants; children and epilepsy; safe motherhood and infant health promotion; pediatric research initiative; childhood malignancies; traumatic brain injury; child care safety and health grants; authorization for the healthy

start initiative, including increased access to ultrasound screenings and prenatal surgery; oral health; vaccine-related programs; hepatitis C; autoimmune diseases; graduate medical education programs in children's hospitals; pediatric organ transplantation; muscular dystrophy research; Tourette Syndrome awareness; childhood obesity prevention; childhood lead poisoning; screening for heritable disorders; metabolic disorders.

The legislation also reauthorizes programs within the Substance Abuse and Mental Health Services Administration (SAMHSA) to improve mental health and substance abuse services for children and adolescents, to implement proposals giving States more flexibility in the use of block grant funds with accountability based on performance, and to consolidate discretionary grant authorities to give the Secretary more flexibility to respond to the needs of those who need mental health and substance abuse services while permitting faith-based charities to compete for grants on an equal footing with secular institutions, similar to the provisions of S. 979. It also provides a waiver from the requirements of the Narcotic Addict Treatment Act, which would permit qualified physicians to dispense and prescribe schedule III, IV, or V narcotic drugs or combinations of such drugs approved by FDA for the treatment of heroin and other opioid addictions. It also provides a comprehensive strategy to combat use of methamphetamine and other "club drugs" abused by America's young people.

As enacted, the legislation includes provisions of H.R. 274, H.R. 997, H.R. 1085, H.R. 1193, H.R. 1445, H.R. 2511, H.R. 2538, H.R. 2573, H.R. 2634, H.R. 2739, H.R. 2840, S. 805, S. 901, and S. 1897.

Legislative History

H.R. 3301 was introduced by Mr. Bilirakis and 9 cosponsors on November 10, 1999. The bill was referred to the Committee on Commerce.

H.R. 4365, a bill which superseded H.R. 3301, was introduced by Mr. Bilirakis and one cosponsor on May 3, 2000. The bill was referred to the Committee on Commerce.

On May 9, 2000, the House considered H.R. 4365 under suspension of the rules, with an amendment. The House passed the bill by a record vote of 419 yeas and 2 nays.

The bill was received in the Senate on May 10, 2000 and referred to the Senate Committee on Health, Education, Labor, and Pensions. On September 22, 2000, the Senate Committee on Health, Education, Labor, and Pensions was discharged from the further consideration of H.R. 4365 by unanimous consent. The bill was laid before the Senate and passed, with an amendment, by unanimous consent.

On September 26, 2000, the Committee on Rules reported a rule providing for the consideration of the Senate amendment to H.R. 4365 (H.Res. 594). On September 27, 2000, the House passed H.Res. 594 by a voice vote. The House considered the Senate amendment pursuant to H.Res. 594 and agreed to the amendment by a record vote of 394 yeas and 25 nays (Record vote no. 496), clearing the bill for the White House.

The bill was presented to the President on October 5, 2000 and signed into law on October 17, 2000 (Public Law 106-310).

THE MINORITY HEALTH AND HEALTH DISPARITIES RESEARCH AND
EDUCATION ACT OF 2000

Public Law 106–525 (S. 1880, H.R. 3250)

To amend the Public Health Service Act to improve research and education for minority health and health disparity populations.

Summary

The Act authorizes a new National Center on Minority Health and Health Disparities at the National Institutes of Health (NIH) which is responsible for coordinating all minority health and health disparity research programs at the NIH. The Center will also have grant-making authority for minority health and health disparity biomedical and behavioral research projects. It also authorizes funds for new research at the Agency for Healthcare Research and Quality (AHRQ) into disparities in access to health care. Finally, it also provides funds for loan repayment for continuing education programs focusing on minority health professionals and education programs dedicated to reducing health disparities.

Legislative History

H.R. 3250 was introduced in the House by Mr. Thompson of Mississippi and 86 cosponsors on November 8, 1999. The bill was referred to the Committee on Commerce. The Subcommittee on Health and Environment held a hearing on H.R. 3250 on May 11, 2000, and heard testimony from Members of Congress, the Administration, and various associations and advocacy groups.

The Full Committee met in open markup session to consider H.R. 3250 on July 26, 2000 and the bill was ordered reported, with an amendment by a voice vote. On October 18, 2000, the Committee reported the bill to the House, with an amendment (H. Rept. 106–986).

S. 1880 was introduced in the Senate by Senator Kennedy and one cosponsor on November 8, 1999 and referred to the Senate Committee on Health, Education, Labor, and Pensions. On October 26, 2000, the Senate Committee on Health, Education, Labor, and Pensions was discharged from the further consideration of S. 1880 by unanimous consent. By unanimous consent, the Senate proceeded to the consideration of S. 1880 and passed the bill.

S. 1880 was received in the House and held at the desk on October 27, 2000. On October 31, 2000, the House considered the bill under suspension of the rules and passed the bill by a voice vote, clearing the bill for the White House.

The bill was presented to the President on November 13, 2000 and signed on November 22, 2000 (Public Law 106–525).

RYAN WHITE CARE ACT AMENDMENTS OF 2000

Public Law 106–345 (S. 2311, H.R. 4807)

To revise and extend the Ryan White CARE Act programs under title XXVI of the Public Health Service Act, to improve access to health care and the quality of health care under such programs, and to provide for the development of increased capacity to provide

health care and related support services to individuals and families with HIV disease, and for other purposes.

Summary

S. 2311, the Ryan White Comprehensive AIDS Resources Emergency Act Amendments of 2000, reauthorizes funding to help those suffering from HIV/AIDS access medical treatments and other necessary services such as testing and counseling, and improves various aspects of the original bill. H.R. 4807 places a greater emphasis on HIV prevention, addresses the misuse of Federal AIDS funds, and more equitably distributes those funds both within and among States.

Legislative History

S. 2311 was introduced on March 29, 2000, by Senator Jeffords and 51 cosponsors and referred to the Committee on Health, Education, Labor, and Pensions. On April 12, 2000, the Senate Committee on Health, Education, Labor, and Pensions ordered S. 2311 to be reported with an amendment in the nature of a substitute favorably. On May 15, 2000, the Committee on Health, Education, Labor, and Pensions reported the bill to the Senate with an amendment in the nature of a substitute (S.Rpt. 106–294).

The Senate considered and passed the bill as amended on June 6, 2000 by unanimous consent. On June 7, 2000, the bill was received in the House and referred to the House Committee on Commerce.

H.R. 4807 was introduced by Mr. Coburn and 23 cosponsors on May 29, 2000. The Subcommittee on Health and Environment held a hearing on the bill on July 11, 2000 and heard testimony from the Administration, the General Accounting Office, and various AIDS organizations.

The Committee on Commerce met in an open markup session on July 13, 2000 to consider H.R. 4807 and ordered the bill reported, with an amendment, by a voice vote. The Committee reported the bill to the House, with an amendment, on July 25, 2000 (H. Rept. 106–788). On July 25, the House considered and passed the bill under suspension of the rules, by a voice vote.

On October 4, 2000, the Committee on Rules reported a rule providing for the consideration of S. 2311 (H.Res. 611), which provided that an amendment based upon the text of H.R. 4807 would be considered as adopted. On October 5, 2000, the House considered and passed H.Res. 611 by a voice vote. The House considered S. 2311 and passed the bill, as amended, by a record vote of 411 yeas and no nays.

On October 5, 2000, the Senate agreed to the House amendment by unanimous consent, clearing the bill for the White House. The bill was presented to the President on October 11, 2000 and signed by the President on October 20, 2000 (Public Law 106–345).

BREAST AND CERVICAL CANCER PREVENTION AND TREATMENT ACT

Public Law 106–354 (H.R. 4386, H.R. 1070, S. 662)

To amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or

cervical cancer under a Federally funded screening program, to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act with respect to surveillance and information concerning the relationship between cervical cancer and the human papillomavirus (HPV), and for other purposes.

Summary

H.R. 4386, the Breast and Cervical Cancer Treatment Act of 2000, creates incentives for States to provide coverage and treatment under Medicaid for low-income women who are diagnosed with breast or cervical cancer. This bill would guarantee coverage of women who were screened and diagnosed with breast or cervical cancer under title XV of the Public Health Services Act's National Breast and Cervical Cancer Early Detection Program (NBCCEDP).

Legislative History

H.R. 1070 was introduced on March 11, 1999, by Mr. Lazio and 79 bipartisan cosponsors. On July 21, 1999, the Subcommittee on Health and Environment held a hearing on H.R. 1070, and heard testimony from the Centers for Disease Control, and various breast cancer organizations. The Subcommittee on Health and Environment met in an open markup session on September 30, 1999, and approved H.R. 1070 for Full Committee consideration. On Thursday, October 28, 1999, the Committee on Commerce met in an open markup session and ordered H.R. 1070 reported, with an amendment, by a voice vote. The Committee reported the bill to the House, with an amendment, on November 22, 1999 (H. Rept. 106-486, Part 1).

On November 22, 1999, the bill and amendment were sequentially referred to the Committee on Ways and Means for a period ending not later than February 29, 2000. The referral of the Committee on Ways and Means was extended through May 26, 2000, when the Committee on Ways and Means was discharged from the further consideration of the bill.

H.R. 4386 was introduced on May 4, 2000, by Mrs. Myrick and 2 cosponsors. The bill was referred to the Committee on Commerce. H.R. 4386 incorporated the text of H.R. 1070 as reported except a provision relating to the partial hospitalization program was struck.

On May 9, 2000, the House considered H.R. 4386 under suspension of the rules and passed the bill by a record vote of 421 yeas and 1 nay.

On May 10, 2000, the bill was received in the Senate and placed on the Senate legislative calendar. On October 4, 2000, H.R. 4386 was considered and passed by the Senate with an amendment consisting of the text of S. 662 by unanimous consent.

On October 10, 2000, the Committee on Rules reported a rule providing for the consideration of the Senate amendment to H.R. 4386 (H.Res. 628). On October 12, 2000, the House considered and passed H.Res. 628 by a voice vote. The House considered H.R. 4386 pursuant to the provisions of H.Res. 628 and agreed to the Senate amendment by a voice vote, clearing the bill for the White House.

On October 19, 2000, the bill was presented to the President and signed on October 24, 2000 (Public Law 106-354).

RESOLUTION CONCERNING 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.

Summary

H.Res. 278 expresses 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.

Legislative History

H.Res. 278 was introduced by Mr. Bass and 21 cosponsors on August 5, 1999. On September 30, 1999 the Subcommittee on Health and Environment met in open markup session and approved the legislation for Full Committee consideration by a voice vote. On October 13, 1999, the Full Committee ordered reported H.Res 278, by voice vote.

On October 3, 2000, the House considered H.Res. 278 under suspension of the rules. The House passed the resolution by a record vote of 420 yeas and no nays.

PUBLIC HEALTH IMPROVEMENT ACT

Public Law 106-505 (H.R. 2498, H.R. 762, H.R. 1798, H.R. 2291, H.R. 4964, S. 1243, S. 1268, S. 1813, S. 2528, S. 2625, S. Res. 225)

To amend the Public Health Service Act to provide for recommendations of the Secretary of Health and Human Services regarding the placement of automatic external defibrillators in Federal buildings in order to improve survival rates of individuals who experience cardiac arrest in such buildings, and to establish protections from civil liability arising from the emergency use of the devices.

Summary

H.R. 2498 will increase chances of survival for those experiencing cardiac arrest. Defibrillation, the process of sending electrical shocks to the patient's heart, is highly effective in restoring a normal heartbeat to victims of sudden cardiac arrest. The placement of automated external defibrillators in Federal buildings will increase survival rates for those who experience sudden cardiac arrest.

It also improves access to automated external defibrillators (AEDs) in small communities and rural areas to boost the survival rates of individuals in those communities who suffer cardiac arrest. Under this legislation, the Secretary of Health and Human Services, acting through the Rural Health Outreach Office of the Health Resources and Services Administration, shall award grants to community partnerships consisting of local emergency responders, police and fire departments, hospitals and other community organizations to purchase AEDs and to provide defibrillator and basic life support training.

The bill also includes language expanding Federal lupus research activities through the National Institutes of Health. The bill authorizes the Secretary of Health and Human Services to make grants to projects for the delivery of essential services to individuals with lupus and their families.

The bill also amends title III of the Public Health Service Act through grant programs which will allow public health agencies to combat disease emergencies by assessing capacities to identify areas of greatest need; upgrading the ability of laboratories to identify disease-causing microbes; improving electronic communication networks; developing plans to respond to public health emergencies; and training public health personnel.

Further, it amends the Public Health Service Act by establishing intramural and extramural clinical research fellowship programs and a continuing education clinical research training program at the National Institutes of Health.

It also provides for the renovation of biomedical and behavioral research facilities and the expansion, remodeling, and renovation of existing research facilities. In addition, the legislation would also provide grants to public and non-profit private entities for the purchase of high-end, state-of-the-art laboratory instrumentation.

The bill also expands the authority of the Centers for Disease Control and Prevention (CDC) to carry out activities related to prostate cancer screening and overall awareness and surveillance of the disease. It also extends the authority of the National Institutes of Health to conduct basic and clinical research in combating prostate cancer.

The bill requires HCFA to change the standards for organ procurement organization (OPO) recertification to account for variation in the number of potential donors in a given State, extends the current certification cycle from 2 to 4 years, ensures greater due process rights for OPOs, and reinstates certification for all OPOs which were most recently decertified. It also establishes November 23, 2000, Thanksgiving Day, as a day to "Give Thanks, Give Life" and to discuss organ and tissue donation with other family members.

Finally, the bill also includes language on Alzheimer's Disease and sexually transmitted disease clinical research and training. These provisions establish and maintain programs to enhance and promote the translation of new scientific knowledge into clinical practice related to the diagnosis, care and treatment of individuals with Alzheimer's Disease and sexually transmitted diseases.

Legislative History

H.R. 2498 was introduced by Mr. Stearns and 133 cosponsors on July 13, 1999. On May 9, 2000, the Subcommittee on Health and Environment met in open markup session and approved the bill for Full Committee consideration by a voice vote. On May 17, 2000 the Full Committee met in open markup session and ordered H.R. 2498 reported to the House by a voice vote. The Committee on Commerce reported this bill to the House on May 17, 2000 (H. Rept. 106-634).

On May 23, 2000, the House considered the bill under suspension of the Rules and passed H.R. 2498 by a record vote of 415 yeas and 2 nays.

The bill was received in the Senate on May 24, 2000. On October 26, 2000, by unanimous consent, the Senate considered and passed H.R. 2498 with an amendment consisting of the text of H.R. 2498, S. 2528, the Rural AED Act, H.R. 762, the Lupus Research and Care Amendments of 1999, H.R. 4964, the Public Health Threats and Emergencies Act, H.R. 1798, the Clinical Research Enhancement Act, H.R. 2241, the Twenty-first Century Research Laboratories Act, S. 1243, the Prostate Cancer Research and Prevention Act, S. 2625, the Organ Procurement Organization Certification Act of 2000, S. Res. 225, a resolution designating November 23, 2000 as a day to “give thanks, give life,” and additional language addressing clinical research and training on Alzheimer’s disease.

S. 2528 was introduced on May 10, 2000 by Senator Collins and referred to the Senate Committee on Health, Education, Labor, and Pensions. On October 10, 2000, the Senate Committee on Health, Education, Labor, and Pensions was discharged from the further consideration of the bill by unanimous consent. The Senate passed the bill on October 11, 2000 by unanimous consent and the bill was received in the House and referred to the Committee on Commerce.

H.R. 762 was introduced by Ms. Meek and 22 cosponsors of Florida on February 12, 1999. The Subcommittee on Health and Environment held a hearing on H.R. 762 on September 13, 2000. The Subcommittee received testimony from the Lupus Foundation of America. On September 26, 2000, the Subcommittee on Health and Environment was discharged from the further consideration of H.R. 762 and the Full Committee met in open markup session and ordered H.R. 762 reported, with an amendment, by a voice vote.

On October 10, 2000, the Committee on Commerce reported H.R. 762 with an amendment (H. Rept. 106–950) and the House considered and passed the bill under suspension of the rules by a record vote of 385 yeas and 2 nays.

H.R. 1798 was introduced by Mr. Greenwood and 18 cosponsors on May 13, 1999. On September 26, 2000, the Subcommittee on Health and Environment was discharged from consideration of H.R. 1798. On September 26, 2000, the Full Committee met in open markup session and approved H.R. 1798, without amendment, by a voice vote. The Committee reported the legislation to the House on October 25, 2000 (H. Rept. 106–1002). The Senate companion legislation, S. 1813, was introduced by Senator Kennedy on October 27, 1999 and passed the Senate by unanimous consent on November 19, 1999.

H.R. 2241 was introduced by Mr. Foley on June 16, 1999. Companion legislation in the Senate, S. 1268, was introduced by Senator Harkin on June 23, 1999, and passed by the Senate by unanimous consent, with an amendment, on November 19, 1999.

S. 1243 was introduced by Senator Frist on June 18, 1999 and referred to the Senate Committee on Health, Education, Labor and Pensions. On November 19, 1999, the Senate Committee on Health, Education, Labor and Pensions was discharged from the further consideration of the bill and the Senate passed the bill by unanimous consent. On November 22, 1999, the bill was received in the

House and held at the desk. The bill was referred to the Committee on Commerce on January 27, 2000.

S. 2625 was introduced by Senator Collins on May 24, 2000 and referred to the Senate Committee on Health, Education, Labor and Pensions. On June 7, 2000, the Senate Committee on Health, Education, Labor and Pensions was discharged from the further consideration of the bill and the bill passed by unanimous consent. On June 8, 2000, the bill was received in the House and referred to the Committee on Commerce.

S.Res. 225 was introduced in the Senate by Senator Durbin on November 8, 1999 and referred to the Committee on the Judiciary. On November 19, 1999, the Committee on the Judiciary was discharged from the further consideration of the resolution and the Senate passed the bill by unanimous consent.

On October 26, 2000, the House considered the Senate amendment to H.R. 2498 under suspension of the Rules and agreed to the amendment by a record vote of 384 yeas and 2 nays, clearing the bill for the White House.

H.R. 2498 was presented to the President on November 1, 2000 and signed into law on November 13, 2000 (Public Law 106–505).

THE DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS
ACT OF 2000

Public Law 106–402 (S. 1809, H.R. 4920)

To improve service systems for individuals with developmental disabilities, and for other purposes.

Summary

S. 1809, the Developmental Disabilities Assistance and Bill of Rights Act of 2000, is designed to help ensure that individuals with developmental disabilities achieve increased independence, productivity, and integration into the community. The legislation provides flexibility to individual States, who can then create programs targeted to specific local problems, and to families, who can choose to care for developmentally disabled children in the home.

Legislative History

S. 1809 was introduced on October 27, 1999 by Senator Jeffords and 9 cosponsors, and referred to the Senate Committee on Health, Education, Labor, and Pensions. On November 3, 1999, the Senate Committee on Health, Education, Labor, and Pensions ordered the bill reported with an amendment in the nature of a substitute. The Committee reported the bill without a written report on November 4, 1999.

The Senate passed S. 1809 by unanimous consent on November 8, 1999. The bill was received in the House on November 9, 1999 and referred to the Committee on Education and the Workforce.

On February 10, 2000, the bill was re-referred to the Committee on Commerce, and additionally to the Committee on Education and the Workforce, by unanimous consent.

H.R.4920, the House counterpart, was introduced by Mr. Lazio and 28 cosponsors on July 24, 2000. The bill was referred to the Committee on Commerce, and additionally to the Committee on

Education and the Workforce. On July 26, 2000, the House considered H.R. 4920 under suspension of the rules and passed the bill by a voice vote.

On October 11, 2000, the Committees on Commerce and Education and the Workforce were discharged from the further consideration of S. 1809 and the bill passed by unanimous consent, clearing the measure for the White House.

S. 1809 was presented to the President on October 19, 2000, and signed by the President on October 30, 2000 (Public Law 106–402).

THE HILLORY J.FARIAS AND SAMATHA REID DATE RAPE DRUG
PROHIBITION ACT OF 2000

Public Law 106–172 (H.R. 2130, H.R. 3437, S. 1561)

Summary

Following the recommendations of the U.S. Drug Enforcement Administration (DEA) and the Department of Justice, H.R. 2130 amends the Controlled Substances Act to make GHB (Gamma Hydroxybutyric Acid), a central nervous system depressant that is abused to produce intense highs and to assist in the commission of sexual assaults, a Schedule I drug, the DEA’s most intensively regulated category of drugs. In addition, H.R. 2130 lists GBL (Gamma-Butyrolactone), the primary precursor used in the production of GHB, as a List I chemical. GHB, and GBL are otherwise known as “date rape” drugs.

H.R. 2130 also requires the Department of Health and Human Services (HHS) to establish a National Awareness Campaign to educate junior high, high school, and college students on the dangers of date rape drugs, and to assist law enforcement personnel in battling their abuse. The bill establishes an expert advisory panel to assist HHS in carrying out the national campaign. Under H.R. 2130, HHS is required to provide periodic reports to Congress on the national status of abuse of date rape drugs. Additionally, two years after the commencement of the National Awareness Campaign, the General Accounting Office (GAO) is required to conduct an evaluation of the effect of the national campaign on the abuse of date rape drugs, and, if necessary, provide specific recommendations to improve its effectiveness.

Legislative History

H.R. 2130 was introduced by Mr. Upton and 3 cosponsors on June 10, 1999. The bill was referred to the Committee on Commerce, and additionally to the Committee on the Judiciary.

On July 27, 1999, the Subcommittee on Health and Environment met in open markup session and approved the bill for Full Committee consideration by a voice vote. On August 5, 1999, the Full Committee met in open markup session and ordered H.R. 2130 reported, with an amendment, by a voice vote. The Committee reported the bill to the House, with an amendment, on September 27, 1999 (H. Rept. 106–340, Part 1). The Committee on the Judiciary was granted an extension of its referral for further consideration through October 8, 1999, and was discharged from the further consideration of the bill on that date.

On October 12, 1999, the House considered H.R. 2130 under suspension of the rules. The House passed the bill by a record vote of 423 yeas and 1 nay. The bill was received in the Senate on October 13, 2000.

The Senate companion legislation, S. 1561, was introduced by Senator Abraham on August 5, 1999 and referred to the Senate Committee on the Judiciary. On November 17, 1999, the Senate Committee on the Judiciary ordered S. 1561 reported to the Senate with amendments. The bill was reported in the Senate on November 18, 1999, without written report.

A bill substantially similar to S. 1561, H.R. 3457, was introduced in the House by Mr. Upton on November 18, 1999. However, no further action was taken on this bill in the 106th Congress.

On November 19, 1999, by unanimous consent, the Senate proceeded to consideration of H.R. 2130, amended the bill by substituting the text of S. 1561 as passed by the Senate, and passed in lieu of S. 1561.

On January 31, 2000, the House considered the Senate amendment to H.R. 2130 under suspension of the rules. The House agreed to the Senate amendment by a record vote of 339 yeas and 2 nays, clearing the bill for the White House.

The bill was presented to the President on February 9, 2000 and signed into law on February 18, 2000 (Public Law 106–172).

HEALTHCARE RESEARCH AND QUALITY ACT OF 1999

Public Law 106–129 (S. 580, H.R. 2506)

To amend title IX of the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research.

Summary

This legislation reauthorizes the Agency for Health Care Policy and Research, renames it the “Agency for Health Research and Quality,” and redefines its objectives. It refocuses the efforts of the agency to support health programs within the private sector. The bill also authorizes grants in order to establish regional centers to improve and increase access to preventive health care services.

Legislative History

S. 580 was introduced by Senator Frist and 12 cosponsors on March 10, 1999. The bill was referred to the Senate Committee on Health, Education, Labor, and Pensions.

H.R. 2506, the House companion to S. 580, was introduced by Mr. Bilirakis and 8 bipartisan cosponsors on June 10, 1999, and was referred to the Committee on Commerce. On July 27, 1999, the Subcommittee on Health and Environment met in an open markup session to consider H.R. 2506 and forwarded the bill to the Full Committee by a voice vote. On August 5, 1999, the Full Committee met in an open markup session and ordered the bill reported, with an amendment by a voice vote. On September 8, 1999, the Committee on Commerce reported H.R. 2506 to the House, with an amendment (H. Rept. 106–305).

On September 22, 1999, the Committee on Rules reported a rule providing for the consideration of H.R. 2506 (H.Res. 299). On Sep-

tember 28, 1999, the House passed H.Res. 299 by a voice vote. The House considered H.R. 2506 pursuant to the provisions of H.Res. 299 and passed H.R. 2506, as amended, by a record vote of 417 yeas and 7 nays. On September 30, 1999, the bill was received in the Senate and referred to the Senate Committee on Health, Education, Labor, and Pensions.

On November 3, 1999, the Senate considered and passed S. 580 with an amendment, consisting largely of the text of H.R. 2506, by unanimous consent. The bill was received in the House on November 4, 1999 and held at the desk.

On November 18, 1999, the House considered and passed S. 580 by unanimous consent, clearing the bill for the White House. The bill was presented to the President on December 1, 1999 and signed into law on December 6, 1999 (Public Law 106–129).

WORK INCENTIVES IMPROVEMENT ACT OF 1999

Public Law 106–170 (H.R. 1180, H.R. 3070, S. 331, S.Res 127,
H.Con.Res. 236)

To amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes.

Summary

This legislation helps persons with disabilities more easily return to work, and promotes more productive and fulfilling lives. This Act creates new options for employed Social Security Disability Insurance and Social Security Insurance beneficiaries to purchase the health care coverage they would be entitled to if they did not work. The bill also supports a public-private partnership approach to job training and offers placement assistance to individuals with disabilities who want to work. Before this law was passed, many persons with disabilities were forced to choose between working or health insurance. This created counterproductive incentives and sent the wrong message to those with disabilities who want to be a part of the work force. This Public Law now removes barriers for individuals who want to work, and promotes an environment conducive to personal dignity and self-sufficiency.

Legislative History

H.R. 1180 was introduced by Mr. Lazio and 43 bipartisan cosponsors on March 18, 1999. The bill was referred to the Committee on Ways and Means, and additionally to the Committee on Commerce.

On March 23, 1999, the Subcommittee on Health and Environment held a legislative hearing on the bill. The Subcommittee heard testimony from the Health Care Financing Administration, various associations, and advocacy groups. On April 20, 1999, the Subcommittee met in open markup session and approved the bill for Full Committee consideration, as amended, by a voice vote. On May 19, 1999, the Full Committee met in open markup session and ordered H.R. 1180 reported to the House, with an amendment, by a voice vote. On July 1, 1999, the Committee on Commerce re-

ported the bill to the House, with an amendment (H. Rept. 106-220, Part 1).

H.R. 3070 was introduced by Mr. Hulsof and 12 cosponsors on October 13, 1999. The bill was referred to the Committee on Ways and Means, and additionally to the Committee on Commerce. The Committee on Ways and Means met in open markup session on October 14, 1999, and ordered the bill reported, as amended, by a record vote of 33 yeas and 1 nay. The Committee on Ways and Means reported H.R. 3070 to the House, as amended, on October 18, 1999 (H. Rept. 106-393, Part 1). The referral of the Committee on Commerce was extended through October 19, 1999, whereupon the Committee on Commerce was discharged from the further consideration of H.R. 3070.

On October 19, 1999, the House considered H.R. 1180—with a further amendment reconciling the differences between it and H.R. 3070—under suspension of the rules. The House passed the bill, as amended, by a record vote of 412 yeas and 9 nays. H.R. 1180 was received in the Senate on October 19, 1999.

S. 331, the Senate companion legislation, was introduced by Senator Jeffords on January 28, 1999 and referred to the Senate Committee on Finance. On March 4, 1999, the Senate Committee on Finance ordered the bill reported with an amendment. The Senate Committee on Finance reported the bill to the Senate with an amendment on March 26, 1999 (S.Rept. 106-37).

On June 16, 1999, the Senate proceeded to the consideration of S. 331 by unanimous consent. The Senate passed the bill by a roll call vote of 99 yeas and no nays.

The bill was received in the House and held at the desk on June 17, 1999. On June 23, 1999, the Senate passed S.Res. 127, a resolution requesting that the House return the official papers for S. 331, by unanimous consent. On October 19, 1999, the House returned the papers to the Senate.

On October 21, 1999 the Senate considered and passed H.R. 1180, by unanimous consent, with a substitute amendment consisting of the text of S. 331 as passed by the Senate. The Senate insisted on its amendment, requested a conference with the House, and appointed conferees.

On October 28, 1999, the House disagreed to the Senate amendment and agreed to the conference requested by the Senate by unanimous consent. The Speaker appointed conferees.

On November 17, 1999, the conference report to accompany H.R. 1180 was filed in the House (H. Rept. 106-478). On November 18, 1999, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 1180 (H.Res. 387). On November 18, 1999, H.Res. 387 passed the House by a voice vote. The House considered the conference report pursuant to the provisions of H.Res. 387 and agreed to the conference report by a record vote of 418 yeas and 2 nays.

On November 18, 1999, Mr. Rogers introduced H.Con.Res. 236, a concurrent resolution directing the Clerk of the House to make certain corrections in the enrollment of H.R. 1180. The House passed the concurrent resolution on November 18, 1999 by unanimous consent. The concurrent resolution was received in the Sen-

ate on November 18, 1999 and agreed to by unanimous consent on November 19, 1999.

On November 19, 1999, the Senate agreed to the conference report to accompany H.R. 1180 by a roll call vote of 95 yeas and 1 nay, clearing the bill for the White House. The bill was presented to the President on December 6, 1999 and signed into law on December 17, 1999 (Public Law 106–170).

NURSING HOME RESIDENT PROTECTION AMENDMENTS OF 1999

Public Law 106–4 (H.R. 540)

To amend title XIX of the Social Security Act to prohibit transfers or discharges of residents of nursing facilities as a result of a voluntary withdrawal from participation in the Medicaid program.

Summary

H.R. 540 affords protection from discharge or transfer based on Medicaid status to residents of nursing homes which decide to withdraw from the Medicaid program. The residents protected include those who are presently receiving Medicaid benefits in nursing homes, as well as those patients who are already residents but not yet dependent on Medicaid. For those individuals who take up residence in the nursing home after the effective date of the facility's withdrawal from the Medicaid program, H.R. 540 provides that they must be informed orally and in writing that the nursing home may transfer or discharge the resident once the resident is unable to pay the charges of the facility through non-Medicaid sources.

Legislative History

H.R. 540 was introduced by Mr. Davis of Florida and 33 cosponsors on February 3, 1999. The bill was referred to the Committee on Commerce.

The Subcommittee on Health and Environment held a legislative hearing on H.R. 540 on February 11, 1999. The Subcommittee received testimony from a member of Congress; the Health Care Financing Administration; and industry and association representatives. On March 2, 1999, the Subcommittee on Health and Environment met in open markup session and approved H.R. 540 for Full Committee consideration, without amendment, by a voice vote. On March 4, 1999, the Full Committee met in open markup session and ordered H.R. 540 reported to the House, without amendment, by a voice vote. The Committee reported the bill to the House on March 8, 1999 (H. Rept. 106–44).

On March 9, 1999, the House considered the bill under suspension of the rules. On March 10, the House passed the bill by a record vote of 398 yeas and 12 nays. H.R. 540 was received in the Senate on March 11, 1999.

The Senate companion legislation, S. 494, was introduced in the Senate on March 2, 1999 by Senator Graham, and referred to the Senate Committee on Finance. On March 4, 1999, the Senate Committee on Finance ordered the bill favorably reported without amendment and reported the bill to the Senate on March 10, 1999 (S.Rept. 106–13).

On March 15, 1999, the Senate considered and passed H.R. 540 by unanimous consent, clearing the bill for the White House. The bill was presented to the President on March 17, 1999, and signed into law on March 25, 1999 (Public Law 106–4).

MEDICARE, MEDICAID, AND SCHIP BALANCED BUDGET REFINEMENT
ACT OF 1999

Public Law 106–113 (H.R. 3194, H.R. 3426, H.R. 3075, H.R. 3146)

To amend titles XVIII, XIX and XXI of the Social Security Act to adjust the Medicare, Medicaid, and Children's Health Insurance programs as revised by the Balanced Budget Act of 1997.

Summary

The Health Care Restoration Act addressed certain unintended consequences of the Balanced Budget Act of 1997. It restored funding to Medicare, Medicaid, and SCHIP, due to greater than expected savings from these programs that resulted from changes contained in the Balanced Budget Act of 1997.

H.R. 3075 restored \$16 billion to these Federal health programs. In particular, hospitals received additional \$7.3 billion, skilled nursing facilities over \$2 billion, home health agencies \$1.3 billion and health plans participating in the Medicare+Choice program will receive an additional \$1.9 billion. Finally, nearly \$1 billion was restored to the Medicaid and SCHIP programs.

Legislative History

Mr. Thomas and 44 cosponsors introduced H.R. 3075 on October 14, 1999 and the bill was referred to the Committee on Ways and Means and additionally to the Committee on Commerce. Chairman Bliley and 14 cosponsors introduced H.R. 3146, the Health Care Restoration Act of 1999 on October 26, 1999 and the bill was referred to the Committee on Commerce and additionally to the Committee on Ways and Means.

On October 15, 1999, the Committee on Ways and Means' Subcommittee on Health met in open markup session and approved H.R. 3075 for consideration by the Committee on Ways and Means by a voice vote. The Committee on Ways and Means met in open markup session on October 21, 1999 and ordered H.R. 3075 reported, with an amendment, by a record vote of 26 yeas and 11 nays. The Committee on Ways and Means reported the bill to the House, with an amendment, on November 2, 1999 (H. Rept. 106–436, Part 1). The Committee on Commerce was granted an extension of its referral for the further consideration of H.R. 3075 for a period ending not later than November 5, 1999.

The Committee on Commerce took no action on either H.R. 3146 or H.R. 3075, but worked with the other committees of jurisdiction to include provisions from H.R. 3146 in the version of H.R. 3075 considered by the House.

On November 5, 1999, the House considered H.R. 3075, as amended, under suspension of the rules. The House passed H.R. 3075 by a record vote of 388 yeas and 25 nays. The bill was received in the Senate on November 8, 1999 and referred to the Senate Committee on Finance on November 19, 1999.

The text of H.R. 3075, along with various amendments agreed to by House and Senate negotiators, was reintroduced as H.R. 3426 on November 17, 1999 by Mr. Archer and incorporated by reference in section 1000(a)(6) of the conference report to accompany H.R. 3194, the Consolidated Appropriations Act (H. Rept. 106-479). On November 18, 1999, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 3194 (H.Res. 386) which passed the House by a voice vote, with an amendment. The House considered the conference report on November 18, 1999 and approved the conference report by a record vote of 296 yeas and 135 nays.

On November 18, 1999, the Senate agreed to consider the conference report by a roll call vote of 80 yeas and 8 nays and a cloture motion was filed. On November 19, 1999, the Senate invoked cloture by a roll call vote of 87 yeas and 9 nays and agreed to the conference report by a roll call vote of 74 yeas and 24 nays, and the bill was cleared for the White House.

H.R. 3194 was presented to the President on November 22, 1999. The President signed H.R. 3194 into law on November 29, 1999 (Public Law 106-113).

INTERNET POSTING OF CHEMICAL "WORST CASE" SCENARIOS

Public Law 106-40 (S. 880, H.R. 1790)

To amend the Clean Air Act to ensure that communities receive chemical "worst case" scenarios in a manner that does not jeopardize national security, and to address the regulatory status of certain fuels.

Summary

S. 880, the Chemical Safety Information Site Security And Fuels Regulatory Act, amends Section 112(r) of the Clean Air Act to direct the President to promulgate regulations ensuring that the public dissemination of chemical worst case scenarios is conducted pursuant to certain criteria addressing, among other things, national security concerns and benefits of public disclosure. Additionally, S. 880 addresses the regulatory status under Clean Air Act Section 112(r) of flammable substances used as fuels or held for sale as a fuel at a retail facility. Finally, S. 880 provides for reports on implementation of the Act and the vulnerability of facilities to criminal and terrorist activity.

Legislative History

On February 10, 1999, the Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigation held a joint hearing titled "Internet Posting Of Chemical 'Worst Case' Scenarios: A Roadmap for Terrorists." The subcommittees received testimony from the Federal Bureau of Investigation (FBI), the Environmental Protection Agency (EPA), and other public and private sector witnesses.

On May 13, 1999, Chairman Bliley introduced by request H.R. 1790, an Administration-authored bill that would establish a distribution system for chemical worst case scenarios. On May 19 and 26, 1999, the Subcommittee on Health and the Environment held

hearings on H.R. 1790. The Subcommittee received testimony from: FBI; EPA; the Department of Justice; State and local elected officials; environmental groups; the Fraternal Order of Police; the International Association of Fire Chiefs; the American Library Association; and the PACE Workers International Union.

On June 9, 1999, the Senate Committee on Environment and Public Works reported a companion bill to the Senate, S. 880. By unanimous consent, on June 23, 1999 the Senate passed S. 880 with an amendment. The measure was received in the House and held at the desk on June 24, 1999. On July 21, 1999, the House considered and passed S.880, with an amendment, by unanimous consent.

On August 2, 1999, the Senate agreed to the House amendment by unanimous consent, clearing the measure for the President.

S. 880 was presented to the President on August 4, 1999. On August 5, 1999, the President signed S. 880 into law (Public Law 106-40).

THE CHIMPANZEE HEALTH IMPROVEMENT, MAINTENANCE AND
PROTECTION ACT

Public Law 106-551 (H.R. 3514)

To amend the Public Health Service Act 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.

Summary

H.R. 3514, the Chimpanzee Health Improvement, Maintenance and Protection Act would establish a National sanctuary system primarily for Federally-owned chimpanzees, no longer needed for research. The system. The system would be administered by a sanctuary board under the National Institutes of Health.

Legislative History

H.R. 3514 was introduced by Mr. Greenwood and 21 cosponsors on November 22, 1999 and was referred to the Committee on Commerce. On May 18, 2000, the Subcommittee on Health and Environment held a hearing on the bill May 18, 2000.

On October 24, 2000, the House considered the bill under suspension of the rules and passed the bill by a voice vote. The bill was received in the Senate on October 25, 2000. On December 6, 2000, the Senate considered and passed H.R. 3514 by unanimous consent, clearing the bill for the White House.

H.R. 3514 was presented to the President on December 8, 2000 and signed into law on December 20, 2000 (Public Law 106-551).

EMERGENCY SUPPLEMENTAL APPROPRIATIONS BILL
FOR FISCAL YEAR 1999

Public Law 106-31 (H.R. 1141, S. 544, H.R. 351)

Making emergency supplemental appropriations for the fiscal year ending September 30, 1999.

Summary

Section 2011 of the Senate amendment included language which amends section 1903 of the Social Security Act to prevent the Federal government from seeking recoupment of the proceeds of State settlements with the Nation's largest tobacco manufacturers under the Medicaid statutes.

Legislative History

H.R. 1141 was reported from the Committee on Appropriations as an original measure on March 17, 1999 (H. Rept. 106-64). On March 23, 1999, the Committee on Rules reported a resolution providing for the consideration of H.R. 1141 (H.Res. 125). H.Res. 125 passed the House by a voice vote on March 24, 1999. H.R. 1141 was considered in the House pursuant to the provisions of H.Res. 125 and passed the House by a record vote of 220 yeas and 211 nays.

H.R. 1141 was received in the Senate on March 25, 1999, and the Senate passed H.R. 1141 with an amendment consisting of the text of S. 544 by unanimous consent. By unanimous consent, the Senate insisted on its amendment, requested a conference with the House, and appointed conferees.

On March 24, 1999, the Chairman of the Committee on Commerce wrote to the Speaker indicating that section 2011 of the Senate amendment to H.R. 1141 contained language identical to H.R. 351, legislation referred to the Committee on Commerce. On March 26, 2000, the Chairman of the Committee on Appropriation wrote to the Chairman of the Committee on Commerce indicating that he would consult with the Chairman as the conference proceeded.

On April 22, 1999, the House disagreed to the Senate amendment and agreed to the conference requested by the Senate by unanimous consent. The Speaker appointed conferees. The Committee of Conference met on May 11 and 12, 1999. The conference report to accompany H.R. 1141 was filed in the House on May 14, 1999 (H. Rept. 106-143).

On May 17, 1999, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 1141 (H.Res. 173). On May 18, 1999, the House passed H.Res. 173 by a voice vote. The House considered the conference report pursuant to the provisions of H.Res. 173 and agreed to the conference report by a record vote of 269 yeas and 158 nays.

On May 20, 1999, the Senate agreed to waive the budget act with respect to the conference report by a roll call vote of 70 yeas and 30 nays. The Senate agreed to the conference report by a roll call vote of 64 yeas and 36 nays, clearing the bill for the White House.

The bill was presented to the President on May 21, 1999 and signed into law (Public Law 106-31).

TRIBAL SELF-GOVERNANCE ACT OF 2000

Public Law 106-260 (H.R. 1167, S. 979, H.R. 403)

To amend the Indian Self-Determination and Education Assistance to provide for further self-governance by Indian tribes and for other purposes.

Summary

Section 12 of the Senate amendment contained provisions similar to the text of H.R. 403 which establishes within the Department of Health and Human Services the office of the Assistant Secretary of Indian Health to facilitate advocacy for the development of appropriate Indian health policy and to promote consultation on matters related to Indian health. The provision requires that the Assistant Secretary to perform the functions currently performed by the Director of the Indian Health Service, as well as certain additional departmental advisory and coordinating services in Indian health matters.

Legislative History

H.R. 403 was introduced by Mr. Nethercutt on January 19, 1999 and referred to the Committee on Resources, and additionally to the Committee on Commerce. On March 17, 1999, H.R. 1167, the Tribal Self-Governance Act of 2000, was introduced by Mr. Miller of California and was referred to the Committee on Resources.

The Committee on Resources ordered H.R. 1167 reported, with an amendment, on June 9, 1999, and reported the bill to the House on November 17, 1999 (H. Rept. 106-477). On November 17, 1999, the House considered H.R. 1167 under suspension of the rules and passed the bill by a voice vote.

The bill was received in the Senate on November 18, 1999. On April 4, 2000, the Senate considered and passed H.R. 1167 with an amendment consisting of the text of S. 979. By unanimous consent, the Senate insisted on its amendment and requested a conference with the House.

On May 1, 2000, the Chairman of the Committee on Commerce wrote to the Speaker and indicated that the Senate amendment to H.R. 1167 contained provisions within the jurisdiction of the Committee on Commerce, and requested that the Speaker appoint conferees from the Committee on Commerce should the bill be the subject of a House-Senate conference. On June 5, 2000, the Chairman of the Committee on Resources wrote to the Chairman of the Committee on Commerce indicating that he intended to concur in the Senate amendment with an amendment striking the provisions within the jurisdiction of the Committee on Commerce. On June 6, 2000, the Chairman of the Committee on Commerce wrote the Chairman of the Committee on Resources agreeing not to exercise the right of the Committee on Commerce to a referral of the legislation or conferees in return for the commitment to remove provisions within the jurisdiction of the Committee on Commerce.

On July 24, 2000, the House agreed to the Senate amendment with amendments pursuant to the provisions of H.Res. 562, which was agreed to by a voice vote. On July 26, 2000, the Senate agreed to the House amendments to the Senate amendment by unanimous consent, clearing the bill for the White House.

H.R. 1167 was presented to the President on August 8, 2000, and signed into law on August 18, 2000 (Public Law 106-260).

TORTURE VICTIM RELIEF REAUTHORIZATION ACT OF 1999

Public Law 106–87 (H.R. 2367)

To reauthorize a comprehensive program of support for victims of torture.

Summary

The legislation authorizes appropriations for FY 2001 through 2003 to: (1) the President to provide assistance in the form of grants to treatment centers and programs in foreign countries that are carrying out projects or activities specifically designed to treat victims of torture for the physical and psychological effects of such torture; (2) the Secretary of Health and Human Services to provide grants to programs in the United States to cover the costs of services provided by domestic treatment centers in the rehabilitation of victims of torture (including treatment of the physical and psychological effects of torture); and (3) the President for the U.S. contribution to the United Nations Voluntary Fund for Victims of Torture.

The legislation also expresses the sense of Congress that the President, through the U.S. Permanent Representative to the United Nations, should: (1) request the Fund to find new ways to support, and to encourage the development of new, treatment centers and programs that are carrying out rehabilitative services for victims of torture; (2) use the vote of the United States to support the work of the Special Rapporteur on Torture and the Committee Against Torture established under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment; and (3) use the U.S. vote to establish a country rapporteur or similar mechanism to investigate human rights violations in a country if either the Special Rapporteur or the Committee Against Torture indicates that a systematic practice of torture is prevalent there.

Legislative History

On June 29, 1999, H.R. 2367 was introduced by Mr. Smith of New Jersey and referred to the Committee on International Relations and additionally to the Committee on Commerce. On September 9, 1999, the Committee on International Relations ordered the bill reported, with an amendment.

On September 12, 1999, the Chairman of the Committee on Commerce wrote to the Chairman of the Committee on International Relations indicating that the Committee on Commerce would not exercise its right to consider the legislation, but did not waive its jurisdictional prerogatives with respect to H.R. 2367 or similar legislation. On September 17, 1999, the Chairman of the Committee on International Relations wrote to the Chairman of the Committee on Commerce agreeing to support any request by the Committee on Commerce for conferees on H.R. 2367.

On September 21, 1999, the House considered the bill under suspension of the rules and passed H.R. 2367 by a voice vote. The bill was received in the Senate on September 22, 1999.

On October 21, 1999, the Senate considered and passed the bill by unanimous consent, clearing the measure for the White House.

The bill was presented to the President on October 26, 1999, and signed into law on November 3, 1999 (Public Law 106–87).

SEMIPOSTAL AUTHORIZATION ACT

Public Law 106–253 (H.R. 4437)

To grant the United States Postal Service the authority to issue semipostals, and for other purposes.

Summary

The legislation amends Federal postal law to authorize the U.S. Postal Service to issue and sell semipostal postage stamps, at a premium not to exceed 25 percent above regular rates, in order to advance appropriate causes in the national public interest identified according to criteria prescribed by regulations which the Board of Governors of the Postal Service shall issue.

The legislation also extends the Stamp Out Breast Cancer Authorization Act until July 29, 2002, or the end of the second year after enactment of this Act, whichever is later.

Legislative History

H.R. 4437 was introduced by Mr. McHugh on May 11, 2000, and was referred to the Committee on Government Reform, and additionally to the Committees on Commerce and Armed Services.

On June 28, 2000, the Committee on Government Reform Subcommittee on the Postal Service met in open markup session and approved H.R. 4437 for Full Committee consideration by a voice vote. On July 10, 2000, the Chairman of the Committee on Commerce wrote to the Chairman of the Committee on Government Reform indicating that the Committee on Commerce would not exercise its right to consider the legislation, but did not waive its jurisdictional prerogatives with respect to H.R. 4437 or similar legislation. On September 17, 1999, the Chairman of the Committee on Government Reform wrote to the Chairman of the Committee on Commerce agreeing to support any request by the Committee on Commerce for conferees on H.R. 4437.

The Committee on Government Reform reported H.R. 4437 with an amendment on July 17, 2000 (H. Rept. 106–734) and the Committees on Commerce and Armed Services were discharged from the further consideration of the bill. On July 17, 2000, the House considered the bill under suspension of the rules and passed H.R. 4437 by a voice vote.

H.R. 4437 was received in the Senate on July 18, 2000. On July 26, 2000, the Senate passed the bill by unanimous consent, clearing the bill for the White House. On July 27, 2000, H.R. 4437 was presented to the President and signed into law on July 28, 2000 (Public Law 106–253).

AVIATION INVESTMENT AND REFORM ACT FOR THE 21ST CENTURY

Public Law 106–181 (H.R. 1000, S. 82)

To amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes.

Summary

The legislation contains numerous provisions to reauthorize and improve the programs of the Federal Aviation Administration. However, the legislation contains provisions which require the Secretary to “streamline” the environmental review process for certain aviation projects by coordinating the schedule for several types of environmental analysis and assessment. This streamlining is similar to that established for certain surface transportation projects under the Transportation Equity Act for the 21st Century (Public Law 105-85).

Legislative History

Mr. Shuster introduced H.R. 1000 on March 4, 1999, and the bill was referred to the Committee on Transportation and Infrastructure, and additionally to the Committees on the Budget and Rules. On March 9, 1999, the Committee on Transportation and Infrastructure’s Subcommittee on Aviation met in open markup session and approved H.R. 1000, amended, by a voice vote. On March 11, 1999, the Committee on Transportation and Infrastructure met in open markup session and ordered H.R. 1000 reported, with an amendment, by a voice vote.

On May 26, the Chairman of the Committee on Commerce wrote the Chairman of the Committee on Transportation and Infrastructure indicating that the bill, as ordered reported by the Committee on Transportation and Infrastructure, contains provisions within the jurisdiction of the Committee on Commerce, and that the Committee on Commerce would not exercise its right to consider the legislation, but did not waive its jurisdictional prerogatives with respect to H.R. 1000 or similar legislation. On May 29, 1999, the Chairman of the Committee on Transportation and Infrastructure wrote to the Chairman of the Committee on Commerce agreeing to support any request by the Committee on Commerce for conferees on the provisions of H.R. 1000 within the jurisdiction of the Committee on Commerce.

The Committee on Transportation and Infrastructure reported H.R. 1000 to the House, with an amendment, on May 28, 1999 (H. Rept. 106-167). The referrals of the Committees on the Budget and Rules were extended for further consideration of the bill for a period ending not later than June 11, 1999. On June 9, 1999, the Committee on Transportation and Infrastructure filed a supplemental report on the bill (H. Rept. 106-167, Part 2). On June 11, 1999, the Committees on the Budget and Rules were discharged from the further consideration of H.R. 1000.

On June 14, 1999, the Committee on Rules reported a rule providing for the consideration of H.R. 1000 (H.Res. 206). On June 15, 1999, the House passed H.Res. 206 by a voice vote and considered H.R. 1000 pursuant to its provisions. The House passed the bill by a record vote of 316 yeas and 110 nays.

On June 16, 1999, the bill was received in the Senate and referred to the Senate Committee on Commerce. On October 5, 1999, by unanimous consent, the Senate Committee on Commerce was discharged and the bill was considered and passed by the Senate, with an amendment consisting of the text of S. 82. On October 13, 1999, the Senate insisted on its amendment, requested a con-

ference with the House, and appointed conferees by unanimous consent.

On October 14, 1999, the House disagreed to the Senate amendment and agreed to the conference requested by the Senate by unanimous consent and the Speaker appointed conferees. The Committee of Conference met on October 18 and 20, and November 3, 1999. The Conference report was filed in the House on March 8, 1999 (H. Rept. 106–513).

On March 8, 2000, the Senate considered the conference report by unanimous consent and agreed to the conference report by a roll call vote of 82 yeas and 17 nays.

On March 14, 2000, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 1000 (H.Res. 438). On March 15, 2000, the House passed H.Res. 438 by a voice vote and considered the conference report pursuant to its provisions. On March 15, 2000, the House agreed to the conference report by a record vote of 319 yeas and 101 nays, clearing the bill for the White House.

H.R. 1000 was presented to the President on March 28, 2000 and signed into law on April 5, 2000 (Public Law 106–181).

NATIONAL INSTITUTE OF BIOMEDICAL IMAGING AND BIOENGINEERING
ESTABLISHMENT ACT

(H.R. 1795)³

To amend the Public Health Service Act to establish the National Institute of Biomedical Imaging and Engineering.

Summary

H.R. 1795 amends the Public Health Service Act to provide for the establishment of the National Institute of Biomedical Imaging and Engineering. Specifically, the bill requires the Director of the Institute to establish a National Biomedical Imaging and Engineering Program which shall include research and related technology assessments and development in biomedical imaging and engineering. The Director, with respect to such program, shall prepare and transmit to the Secretary of Health and Human Services and the Director of the National Institutes of Health (NIH) a plan to initiate, expand, intensify, and coordinate Institute biomedical imaging and engineering activities. H.R. 1795 also requires: (1) the consolidation and coordination of Institute biomedical imaging and engineering research and related activities with those of the NIH and other Federal agencies; and (2) the establishment of an Institute advisory council. The bill authorizes appropriations for the Institute for FY 2000 through 2002; and provides for the transfer of appropriate NIH personnel and research facilities for Institute activities.

Legislative History

H.R. 1795 was introduced on May 13, 1999, by Mr. Burr and one cosponsor and was referred to the Committee on Commerce. On September 14, 2000, the Subcommittee on Health and Environ-

³A public law number was not available at the time of filing of this report.

ment was discharged from the further consideration of the bill and the Full Committee met in open markup session to consider the bill. H.R. 1795 was ordered reported, with an amendment, by a voice vote. The Committee reported the bill to the House, with an amendment, on September 26, 2000 (H. Rept. 106–889).

On September 27, 2000, the House considered H.R. 1795 under suspension of the Rules and passed the bill by a voice vote. On September 28, 2000, H.R. 1795 was received in the Senate.

On December 15, 2000, the Senate considered and passed the bill by unanimous consent, clearing the bill for the White House.

The bill was presented to the President on December 20, 2000, and signed into law on December 29, 2000.³

DRUG ADDICTION TREATMENT ACT OF 1999

Public Law 106–310 (H.R. 4365, H.R. 2634, S. 486)

To amend the Controlled Substances Act with respect to registration requirements for practitioners who dispense narcotic drugs in schedule IV or V for maintenance treatment or detoxification treatment.

Summary

The Drug Addiction Treatment Act greatly improves treatment programs for opiate addicts and takes the next step in fighting America's war on drugs. This legislation makes highly effective anti-addiction medications available to certain board-certified physicians, increasing the chance of recovery for many drug addicts. The Drug Addiction Treatment Act will open up new front in the war on drugs and assist many families who have been scourged by drug abuse.

Legislative History

H.R. 2634 was introduced on July 29, 1999 by Mr. Bliley and 3 cosponsors. The bill was referred to the Committee on Commerce, and additionally to the Committee on the Judiciary.

The Subcommittee on Health and Environment held a legislative hearing on H.R. 2634, the Drug Addiction Treatment Act on July 30, 1999. On September 30, 1999, the Subcommittee met in open markup session and approved H.R. 2634 for Full Committee consideration by a voice vote. On October 13, 1999, the Full Committee met in open markup session and ordered the bill reported, with an amendment, by a voice vote.

On October 25, 1999, the Chairman of the Committee on the Judiciary wrote to the Chairman of the Committee on Commerce indicating that the Committee on the Judiciary would not exercise its right to consider the legislation, but reserved its jurisdictional prerogatives on H.R. 2634 or similar legislation. The Chairman of the Committee on Commerce replied that he acknowledged the jurisdictional interest of the Committee on the Judiciary and that he would support the Judiciary Committee's request for conferees should the bill become the subject of a House-Senate conference.

On November 3, 1999, the Committee on Commerce reported H.R. 2634 to the House, with an amendment (H. Rept. 106–441, Part 1). The referral of the Committee on the Judiciary was ex-

tended through November 3, 1999, when the Committee on the Judiciary was discharged from the further consideration of H.R. 2634.

On July 18, 2000, the House considered the bill under suspension of the rules. The House passed the bill on July 19, 2000 by a record vote of 412 yeas and 1 nay. The bill was received in the Senate on July 27, 2000.

The Senate companion legislation, S. 486, the DEFEAT Meth Act of 1999, was introduced in the Senate by Senator Ashcroft on February 25, 1999 and reported with an amendment by the Senate Committee on the Judiciary on August 5, 1999, without a written report. The Senate agreed to consideration of the bill by unanimous consent on November 19, 1999. No further action was taken on S. 486 during the 106th Congress.

Provisions from H.R. 2634 were included in the Senate amendment to H.R. 4365, the Children's Health Act. On September 26, 2000, the Committee on Rules reported a rule providing for the consideration of the Senate amendment to H.R. 4365 (H.Res. 594). On September 27, 2000, the House passed H.Res. 594 by a voice vote. The House considered the Senate amendment pursuant to H.Res. 594 and agreed to the amendment by a record vote of 394 yeas and 25 nays, clearing the bill for the White House.

An amendment containing provisions of H.R. 2634 was added to the conference report to accompany H.R. 4205, the Defense Authorization for Fiscal Year 2001. However, this amendment was not included in the final report of the Committee of Conference because the provisions were enacted prior to the conclusion of the conference.

H.R. 4365 was presented to the President on October 5, 2000 and signed into law on October 17, 2000 (Public Law 106-310).

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN
DEVELOPMENT, AND INDEPENDENT AGENCIES
APPROPRIATIONS ACT, 2001

Public Law 106-377 (H.R. 4635)

(Safe Drinking Water Provisions)

Making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2001, and for other purposes.

Summary

Two provisions addressing safe drinking water matters were included in the conference report to accompany H.R. 4635. The first provision provides that notwithstanding section 1412(b)(12)(A)(v) of the Safe Drinking Water Act, the Administrator of EPA shall promulgate a drinking water regulation for arsenic not later than June 22, 2001, permitting EPA to extend the time period in which it may review the public comments received on the proposed arsenic regulation and the time period in which it may promulgate a final regulation for arsenic.

The second provision provides that notwithstanding section 1452(n) of the SDWA, none of the funds made available under the

Fiscal Year 2001 Veterans Affairs, Housing and Urban Development and Independent Agencies Appropriations Act shall be reserved by the EPA Administrator for health effects studies on drinking water contaminants.

Legislative History

H.R. 4635, legislation making appropriations for Fiscal Year 2001 for Veterans Affairs, Housing and Urban Development, and for sundry independent agencies, was reported as an original measure from the Committee on Appropriations on June 12, 2000. The House approved H.R. 4635 was approved, with amendments, on June 21, 2000 by a record vote of 256 yeas and 169 nays.

During the House consideration of H.R. 4535, the Chairman of the Subcommittee on Health and Environment made a point of order against the legislative language contained in H.R. 4635 affecting section 1452(n) of the SDWA. The point of order was sustained and the language stricken.

On September 13, 2000, the Senate Committee on Appropriations reported H.R. 4635 with an amendment to the Senate (S.Rept. 106-410). On October 12, 2000, H.R. 4635 was approved by the Senate with an amendment by a roll call vote of 87 yeas and 8 nays.

On October 17, 2000, the House moved to disagree with the Senate amendments and to appoint conferees. The conference report to accompany H.R. 4635 was filed in the House on October 18, 2000 (H. Rept. 106-988). On October 18, 2000, the Committee on Rules reported a rule providing for the consideration of the conference report to accompany H.R. 4635 (H.Res. 638).

The conference report to accompany H.R. 4635 contained the provisions summarized above. The Committee was not consulted during the House-Senate conference regarding either provision.

On October 19, 2000, the House considered and passed H.Res. 638 by a voice vote. The House considered and agreed to the conference report by a record vote of 386 yeas and 24 nays. On the same day, the conference report was considered in the Senate by unanimous consent and agreed to by a roll call vote of 85 yeas and 4 nays.

The bill was presented to the President on October 19, 2000, and signed into law on October 27, 2000 (Public Law 106-377).

ICCVAM AUTHORIZATION ACT OF 2000

Public Law 106-545 (H.R. 4281, S. 1495)

To establish, wherever feasible, guidelines, recommendations, and regulations that promote the regulatory acceptance of new, or revised scientifically valid toxicological tests that protect human and animal health and the environment while reducing, refining, or replacing animal tests and ensuring human safety and product effectiveness.

Summary

H.R. 4281, the ICCVAM Authorization Act of 2000, authorizes the Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM) to function as a standing interagency

coordinating committee under the National Toxicology Program Interagency Center for the Evaluation of Alternative Toxicological Methods. H.R. 4281 provides statutory authorization and standing for ICCVAM to establish, wherever feasible, guidelines and recommendations that promote the regulatory acceptance of scientifically valid new and revised and alternative toxicological test methods. H.R. 4281 directs ICCVAM to review and evaluate new and revised and alternative test methods for regulatory acceptance and use. The purposes of ICCVAM are to (1) increase the efficiency and effectiveness of Federal agency test method review; (2) eliminate unnecessary duplicative efforts and share expertise between Federal regulatory agencies; (3) optimize the utilization of scientific expertise outside the Federal government; (4) ensure that new and revised test methods are validated to meet the needs of Federal agencies; and, (5) to reduce, refine, or replace the use of animals in testing, where feasible.

Legislative History

On April 13, 2000, H.R. 4281, the ICCVAM Authorization Act of 2000, was introduced in the House by Mr. Calvert and 28 cosponsors. The bill was referred to the Committee on Commerce.

On October 5, 2000, the Subcommittee on Health and Environment was discharged from the further consideration of H.R. 4281 and the Full Committee met in open markup session to consider the bill. The Committee ordered H.R. 4281 reported, with an amendment, by a voice vote. The Committee reported the bill to the House, with an amendment, on October 16, 2000 (H. Rept. 106-980).

On October 17, 2000, the House considered the bill under suspension of the rules and House passed the bill by a voice vote.

The Senate companion legislation, S. 1495, was introduced by Senator DeWine on August 4, 1999, and referred to the Senate Committee on Health, Education, Labor and Pensions. On September 20, 2000, the Senate Committee on Health, Education, Labor and Pensions ordered the bill reported favorably with an amendment and filed its report on October 11, 2000 (S.Rept. 106-496).

On October 18, 2000, H.R. 4281 was received in the Senate. On December 6, 2000, the Senate considered and passed the bill by unanimous consent, clearing the bill for the White House.

H.R. 4281 was presented to the President on December 8, 2000 and signed into law on December 20, 2000 (Public Law 106-545).

THE MEDICARE RX 2000 ACT

(H.R. 4680)

To amend the Social Security Act to provide a voluntary, outpatient prescription drug benefit for all Medicare beneficiaries enrolled in Part B.

Summary

H.R. 4680 provides an option for private insurance plans to offer qualified prescription drug coverage to seniors and the disabled on Medicare either through private prescription drug-only plans or

through Medicare+Choice plans. H.R. 4680 provides direct subsidies for eligible individuals up to 150% of the Federal poverty level to cover all or part of the premiums or cost sharing of a prescription drug plan. Medicare beneficiaries who spend more than \$6000 annually out-of-pocket will have 100% of costs in excess of \$6000 covered through a stop-loss benefit.

In addition, H.R. 4680 creates a new entity to administer the prescription drug program called the Medicare Benefits Administration (MBA). The MBA would be responsible for administering the subsidy program, certifying eligible prescription drug plans, and administering the Medicare+Choice program.

Finally, the bill makes changes to the Medicare+Choice program which would increase payments to Medicare+Choice plans by \$3.2 billion over 5 years. Overall, H.R. 4680 authorizes \$40 billion in spending over 5 years for the prescription drug program and the Medicare+Choice program.

Legislative History

H.R. 4680 was introduced in the House by Mr. Thomas and 7 cosponsors on June 15, 2000. H.R. 4680 was referred to the Committee on Ways and Means and additionally to the Committee on Commerce.

On June 21, 2000, the Committee on Ways and Means met in open markup session and ordered H.R. 4680 reported, with an amendment, by a record vote of 23 yeas and 14 nays. The Committee on Ways and Means reported H.R. 4680 to the House on June 27, 2000, with an amendment (H. Rept. 106-703, Part 1). The Committee on Commerce was discharged from the further consideration of H.R. 4680 on June 27, 2000.

On June 28, 2000, the Committee on Rules reported a rule providing for the consideration of H.R. 4680 (H.Res. 539) and the House passed H.Res. 539 by a record vote of 216 yeas and 213 nays.

On June 28, 2000, the House considered H.R. 4680 pursuant to the provisions of H.Res. 539. The House passed H.R. 4680, as amended, by a record vote of 217 yeas and 214 nays.

On June 29, 2000, the measure was received in the Senate. No further action was taken on H.R. 4680 in the 106th Congress.

THE BIPARTISAN CONSENSUS MANAGED CARE IMPROVEMENT ACT

(H.R. 2990, H.R. 2723, S. 1344)

To amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage. In addition, this bill amends the Internal Revenue Code of 1986 to allow individuals greater access to health insurance through a health care tax deduction, a long-term care deduction, and other health-related tax incentives, to amend the Employee Retirement Income Security Act of 1974 to provide access to and choice in health care through association health plans, to amend the Public Health Service Act to create new pooling opportunities for small employers to obtain greater access to health coverage through HealthMarts, and for other purposes.

Summary

H.R. 2723 provides a number of requirements for insurers and providers of managed care policies that provide basic standards for consumers enrolled in these plans. These requirements include utilization review, internal appeals, independent external appeals, consumer choice options for policies, choice of health care professionals, access to emergency care, access to specialists, access to obstetrical and gynecological care, access to pediatric care, continuity of care, access to prescription drugs, clinical trials, access to patient information, prohibitions against interference with the doctor-patient communications, prohibitions against discrimination based on licensure, prohibitions against improper incentive arrangements, prompt payment of claims, and protection of patient advocacy. The bill also removes Federal preemption of certain causes of action.

H.R. 2990, as introduced phases-in 100 percent deductibility of health and long term care insurance for persons not participating in employer-subsidized insurance. It also provides immediate 100 percent deductibility for health insurance costs for the self-employed. It extends current law authorizations for medical savings accounts (MSA) and expands the personal exemption for those who care for an elderly family member in their home.

In addition, H.R. 2990 allows the creation of Association Health Plans by bona fide associations, providing ERISA preemptions of State laws for these health plans. The bill authorizes the creation of HealthMarts, which preempt State mandated benefit laws and allow small employers to pool their employees and resources to purchase health insurance. Finally, the bill creates Community Health Organizations which allow certain community health centers to assume risk and be licensed as an insurance provider by Federal authorities.

Legislative History

H.R. 2723, the Bipartisan Consensus Managed Care Improvement Act, was introduced by Mr. Norwood and 65 bipartisan cosponsors on August 5, 1999. It was referred to the Committee on Commerce, and additionally to the Committees on Education and the Workforce, and Ways and Means.

H.R. 2990 was introduced by Mr. Talent and 4 cosponsors on September 30, 1999. The bill was referred to the Committee on Commerce, the Committee on Ways and Means and the Committee on Education and the Workforce.

On October 5, 1999, the Rules Committee reported a rule providing for the consideration of H.R. 2723 and H.R. 2990 (H.Res. 323). The rule provided that in the engrossment of H.R. 2990, the Clerk was to add the text of H.R. 2723, as passed by the House, as new matter at the end of the bill and lay H.R. 2723 on the table. On October 6, 2000, the House passed H.Res. 323 by a record vote of 221 yeas and 209 nays.

On October 6, 1999, the House considered H.R. 2990 pursuant to the rule and passed the bill by a record vote of 227 yeas and 205 nays. The House also considered H.R. 2723 pursuant to the rule on October 6 and 7, 1999. On October 7, 1999, the House passed the bill, as amended, by a record vote of 275 yeas and 151 nays. Pursu-

ant to the provisions of H.Res. 323, H.R. 2723 was laid on the table.

H.R. 2990 was received in the Senate on October 14, 1999. By unanimous consent, the Senate substituted the language of S. 1344, as passed by the Senate, for the text of H.R. 2990, and passed the bill. The Senate also insisted on its amendment, requested a conference with the House, and appointed conferees.

On November 1, 1999, the Committee on Rules reported a rule providing for consideration of the Senate amendment to H.R. 2990 (H.Res. 348), providing that the House disagreed to the Senate amendment and agreed to the conference requested by the Senate. On November 2, 1999, the House passed H.Res. 348 by a voice vote. On November 3, 1999, the House agreed to a motion to instruct conferees offered by Mr. Dingell that the House insist on the provisions of the Bipartisan Consensus Managed Care Improvement Act of 1999 (division B of H.R. 2990) by a record vote of 257 yeas and 167 nays. The Speaker appointed conferees.

On February 1, 2000, the House agreed to a motion to instruct conferees that the managers on the part of the House take all necessary steps to begin meetings of the Committee of Conference and that the House insist on the provisions of the Bipartisan Consensus Managed Care Improvement Act of 1999 (division B of H.R. 2990) by a record vote of 207 yeas and 175 nays, 28 voting present.

The Committee of Conference met on March 2 and 9, 2000, the Senate chairing.

No further action was taken on this legislation in the 106th Congress.

METHAMPHETAMINE AND CLUB DRUG ANTI-PROLIFERATION
ACT OF 2000

(H.R. 2987)

To provide for the punishment of methamphetamine laboratory operators, provide additional resources to combat methamphetamine production, trafficking, and abuse in the United States, and for other purposes.

Summary

The purpose of H.R. 2987, the Methamphetamine and Club Drug Anti-Proliferation Act of 2000, is to prevent the proliferation of methamphetamine and club drug manufacturing, trafficking, use, and addiction in America. This legislation will provide Federal, State, and local law enforcement officials with tools and training to more adequately address the methamphetamine and club drug epidemics in America today, and authorize comprehensive prevention and treatment programs to combat abuse and addiction as well.

The enactment of H.R. 2987 will provide needed funding to the Drug Enforcement Administration (DEA) and Office of National Drug Control Policy (ONDCP) to combat methamphetamine manufacturing by providing assistance to State and local law enforcement officials in small and mid-sized communities in all phases of methamphetamine investigations, and establishing additional DEA offices in rural areas. It will also provide for training to State and

local agencies in handling toxic waste created by methamphetamine laboratories, and authorize funding for the DEA to reimburse States and localities for expenses incurred in connection with the clean up and safe disposal of hazardous substances associated with clandestine methamphetamine laboratories.

H.R. 2987 provides for increased penalties for offenses related to the production of amphetamine, trafficking of precursor chemicals, manufacturing drug offenses that create a substantial risk of harm to human life or to the environment, and offenses relating to 3,4-methylenedioxy methamphetamine (MDMA), commonly known as "Ecstasy," gamma-hydroxybutyric acid (GHB), other enumerated "club" drugs, as well as other similar controlled substances. This legislation also contains a number of provisions authorizing effective and science-based methamphetamine and club drug prevention and addiction treatment programs.

Legislative History

H.R. 2987, the Methamphetamine and Club Drug Anti-Proliferation Act of 2000, was introduced in the House by Mr. Cannon and 10 cosponsors on September 30, 1999. The bill was referred to the Committee on the Judiciary, and additionally to the Committee on Commerce.

The Committee on the Judiciary met in open markup session on July 19 and 25, 2000 and ordered the bill to be reported, with an amendment, by a voice vote. On September 18, 2000, the Chairman of the Committee on Commerce wrote to the Chairman of the Committee on the Judiciary agreeing to waive consideration of the bill by the Committee on Commerce, but reserving the Committee's jurisdictional prerogatives with respect to the bill or similar legislation. On September 18, 2000, the Chairman of the Committee on the Judiciary responded that he recognized the Commerce Committee's jurisdictional interest in the bill and that the decision to waive consideration of the bill does not affect the Committee's jurisdictional prerogatives with respect to this bill or similar legislation.

On September 21, 2000, the Committee on the Judiciary reported the bill to the House, with an amendment (H. Rept. 106-878, Part 1). The Committee on Commerce was granted an extension for further consideration through September 21, 2000, and was discharged from the further consideration of the bill.

No further action was taken on this legislation in the 106th Congress.

PAIN RELIEF PROMOTION ACT OF 1999

(H.R. 2260)

To amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes.

Summary

H.R. 2260, the Pain Relief Promotion Act of 1999, amends the Controlled Substances Act to promote pain management and palliative care while reinforcing the illegality of the administration or

distribution of drugs for the purpose of assisting in suicide. This bill addresses pain management and helps to educate professionals about new and aggressive ways to treat pain, even if it were to increase the risk of death. H.R. 2260 establishes a “Program for Palliative Care Research and Quality” within HHS, and it authorizes a program in education and training in palliative care for physicians and law enforcement officers.

Legislative History

H.R. 2260 was introduced in the House by Mr. Hyde and 68 cosponsors on June 17, 1999. The bill was referred to the Committee on Commerce, and additionally to the Committee on the Judiciary.

On July 20, 1999, the Committee on the Judiciary’s Subcommittee on the Constitution met in open markup session and approved the bill for consideration by the Committee on the Judiciary by a voice vote. On September 9 and 14, 1999, the Committee on the Judiciary met in open markup session and ordered H.R. 2260 reported by a record vote of 16 yeas and 8 nays.

On October 13, 1999, the Committee on Commerce Subcommittee on Health and Environment was discharged from the further consideration of H.R. 2260, and the Full Committee met in open markup session to consider the bill. H.R. 2260 was ordered reported, with an amendment, on October 13, 1999 by a voice vote.

On October 13, 1999, the Committee on the Judiciary reported the bill to the House (H. Rept. 106–378, Part 1). On October 18, 1999, the Committee on Commerce reported the bill to the House, with an amendment (H. Rept. 106–378, Part 2).

On October 21, 1999, the Committee on Rules reported a rule providing for the consideration of H.R. 2260 (H.Res. 339). On October 27, 1999, the House passed H.Res. 339 by a voice vote and considered H.R. 2260 pursuant to the rule’s provisions. The House passed the bill by a record vote of 271 yeas and 156 nays.

The bill was received in the Senate on October 28, 1999. On November 19, 1999, the bill was referred to the Senate Committee on the Judiciary. On April 25, 2000, the Senate Committee on the Judiciary held a hearing on the bill, and on April 27, 2000, ordered the bill reported with an amendment.

On April 23, 2000, the Senate Committee on the Judiciary reported H.R. 2260 to the Senate with an amendment (S.Rept. 106–299). No further action was taken on H.R. 2260 in the 106th Congress.

ORGAN PROCUREMENT AND TRANSPLANTATION NETWORK AMENDMENTS OF 1999

(H.R. 2418)

To amend the Public Health Service Act to revise and extend programs relating to organ procurement and transplantation.

Summary

H.R. 2418, the Organ Procurement and Transplantation Network Amendments of 1999, protects the independence of the organ network and improves its accountability by requiring performance reports of transplant centers within the network. H.R. 2418 also en-

tures that decisions concerning organ procurement are placed in the hands of the medical community, patients, and donor families.

Legislative History

On July 1, 1999, Mr. Bilirakis and 86 cosponsors introduced H.R. 2418, the Organ Procurement and Transplantation Network Amendments of 1999. The bill was referred to the Committee on Commerce.

The Subcommittee on Health and Environment met in open markup session and forwarded the bill to the Full Committee, as amended, by voice vote on September 30, 1999. On October 13, 1999 the Full Committee met in open markup session and ordered H.R. 2418 reported, with an amendment, by a voice vote. The Committee reported the bill to the House on November 1, 1999 (H. Rept. 106-429).

On April 3, 2000, the Committee on Rules reported a rule providing for the consideration of H.R. 2418 (H.Res. 454). On April 4, 2000, the House passed H.Res. 454 by a voice vote. The House considered H.R. 2418 pursuant to the provisions of H.Res. 454 and passed the bill, as amended, by a record vote of 276 yeas and 147 nays.

The bill was received in the Senate on April 5, 2000 and referred to the Senate Committee on Health, Education, Labor, and Pensions.

S. 2366, the Senate companion legislation, was introduced on April 5, 2000, and referred to the Senate Committee on Health, Education, Labor, and Pensions. The Senate Committee on Health, Education, Labor, and Pensions met in open markup session on April 12, 2000, and ordered S. 2366 reported, with an amendment. The bill was reported to the Senate, with an amendment, on April 13, 2000.

No further action was taken on this legislation in the 106th Congress.

DRUG DEALER LIABILITY ACT OF 2000

(H.R. 1042)

To amend the Controlled Substances Act to provide civil liability for legal manufacturers and distributors of controlled substances for the harm caused by the use of those controlled substances.

Summary

The bill amends the Controlled Substances Act to provide that any person who manufactures or distributes a controlled substance in a felony violation of that Act will be liable in a civil action to any party harmed, directly or indirectly, by the use of that substance. The bill also prohibits an individual user of a controlled substance from bringing or maintaining such an action unless the individual personally discloses to narcotic enforcement authorities all of the information known to that individual regarding all of his or her sources of illegal controlled substances.

Legislative History

H.R. 1042 was introduced by Mr. Latham and 2 cosponsors on March 9, 1999. The legislation was referred to the Committee on Commerce and additionally to the Committee on the Judiciary. Neither committee took action on the bill.

On October 10, 2000, the House considered H.R. 1042 under suspension of the rules. The House passed the bill by a voice vote. The bill was received in the Senate on October 11, 2000. No further action was taken on this bill in the 106th Congress.

NETWORKING AND INFORMATION TECHNOLOGY RESEARCH AND
DEVELOPMENT ACT

(H.R.2086)

To authorize funding for networking and information technology research and development for fiscal years 2000 through 2004, and for other purposes.

Summary

H.R. 2086 authorizes appropriations for networking and information technology research and development (R&D) at the National Science Foundation (NSF), National Aeronautics and Space Administration (NASA), Department of Energy (DOE), National Institute of Standards and Technology (NIST), National Oceanic and Atmospheric Administration (NOAA), and Environmental Protection Agency (EPA). The bill authorizes appropriations of \$4,768.7 million over Fiscal Years 2000 through 2004. In an amendment approved by the House, the bill authorized appropriations for NIH to conduct basic and applied research toward the advancement and dissemination of computational techniques and software tools in support of its mission of biomedical and behavioral research.

Legislative History

H.R. 2086 was introduced on June 9, 1999, and referred to the Committee on Science, and additionally to the Committee on Ways and Means. On September 9, 1999, the Committee on Science met in open markup session and ordered H.R. 2086 reported, with an amendment by a record vote of 41 yeas and no nays. The Committee reported the bill to the House on November 16, 1999 (H. Rept. 106-472, Part 1).

On November 16, 1999, the House Committee on Ways and Means was granted an extension for further consideration ending not later than February 29, 2000. On February 10, 2000, the Committee on Rules reported a rule providing for the consideration of H.R. 2086 (H.Res. 422). H.Res. 422 passed the House on February 15, 2000 by a voice vote. On February 15, 2000, the House considered H.R. 2086 pursuant to the provisions of H.Res. 422 with an amendment which contained, in part, provisions relating to the National Institutes of Health, an agency within the jurisdiction of the Committee on Commerce.

On February 22, 2000, the bill was received in the Senate and referred to the Committee on Commerce, Science, and Transportation.

REFORMULATED GASOLINE IN CALIFORNIA

(H.R. 11)

To amend the Clean Air Act to permit the exclusive application of California State regulations regarding reformulated gasoline in certain areas within the State

Summary

H.R. 11 amends section 211 of the Clean Air Act to provide that California reformulated gasoline rules would apply in areas of California which are now considered "covered" areas under the Federal reformulated gasoline (RFG) program. These areas are San Diego, Los Angeles, and Sacramento. Under H.R. 11, California reformulated gasoline rules would apply in lieu of the Federal RFG rules if certain conditions were met. These conditions are that the California rules achieve equivalent or greater emission reductions than the requirements of section 211(k) of the Clean Air Act (e.g., the formula and performance standards regarding Federal RFG composition) with respect to the aggregate mass of emissions of toxic air pollutants and ozone-forming compounds.

Legislative History

H.R. 11 was introduced in the House by Mr. Bilbray on January 6, 1999 with 33 cosponsors. The bill was referred to the Committee on Commerce.

On May 6, 1999, the Subcommittee on Health and Environment held a hearing on H.R. 11. The Subcommittee received testimony from a Member of the United States Senate, two members of the United States House of Representatives and the mayor of Santa Monica, California. The Subcommittee also received testimony from representatives of the United States Environmental Protection Agency, the California Environmental Protection Agency, a metropolitan water agency, an energy corporation, an oil refiner and a marketer of gasoline.

On September 30, 1999, the Subcommittee on Health and Environment held an open markup session on H.R. 11 and voted to report the legislation to the full Commerce Committee with an amendment by a voice vote.

No further action was taken on H.R. 11 in the 106th Congress.

ENVIRONMENTAL RESEARCH AND DEVELOPMENT

(H.R. 1742)

To authorize appropriations for fiscal years 2000 and 2001 for the environmental and scientific research, development and demonstration programs and projects, and activities of the Office of Research and Development and Science Advisory Board of the Environmental Protection Agency.

Summary

H.R. 1742 provides authorization for the expenditure of \$504 million in Fiscal Year 2000 and \$520 million in Fiscal Year 2001 for certain unspecified environmental research and development and

scientific research development and demonstration programs for which specific sums are not authorized under other authority of law. It further allocates within such sums \$2 million in Fiscal Year 2000 and 2001 for the Mickey Leland Urban Air Toxics Research Center and \$5 million in the same fiscal years for the Gulf Coast Hazardous Substance Research Center. Such sums are subject to certain limitations. In addition, H.R. 1742 provides for the assignment of certain duties to the Assistant Administrator of the Environmental Protection Agency, imposes new requirements on the Science To Achieve Results (STAR) Graduate Student Fellowship Program, requires an annual report from the Science Advisory Board, imposes certain limitations and notice requirements on the expenditure of funds by the Office of Research and Development and the Science Advisory Board, requires a detailed annual justification for programs, projects and activities funded under the Act, imposes limits on the use of travel funds, imposes limits on the use of funds for the purpose of implementation or in preparation of implementation of the Kyoto Protocol, provides \$1 million for a field-scale environmental research and development project, contains a limitation on funding with respect to projected results, requires Federal Acquisition Regulations to be followed except in certain cases, limits Requests for Proposals for funds authorized and appropriated pursuant to the Act, restricts the use of funds with respect to comparable articles or services available in the United States, limits certain awards to those based on a competitive, merit-based process, and provides for the Internet availability of certain abstracts relating to research grants and awards.

Legislative History

H.R. 1742 was introduced by Representative Ken Calvert on May 10, 1999. The bill was referred to the Committee on Science, which held markup sessions on May 25 and May 26, 1999 and reported the bill on May 26, 1999 with amendment. On March 6, 2000, H.R. 1742 was sequentially referred to the Committee on Commerce for a period ending not later than April 7, 2000. On April 7, 2000 the Committee on Commerce was granted an extension for further consideration not extending beyond April 11, 2000.

On April 11, 2000, the Chairman of the Committee on Commerce wrote to the Chairman of the Committee on Science indicating that the Committee on Commerce would not consider H.R. 1742, but reserving the Committee's jurisdiction prerogatives with respect to H.R. 1742 or similar legislation. On April 11, the Chairman of the Committee on Science wrote to the Chairman of the Committee on Commerce acknowledging the Committee's jurisdiction over certain provisions of H.R. 1742 and recognizing the rights of the Committee on Commerce with respect to H.R. 1742 or similar legislation. On April 11, 2000, the Committee on Commerce was discharged from the further consideration of H.R. 1742.

No further action took place on H.R. 1742 during the 106th Congress.

OVERSIGHT ACTIVITIES

PRESCRIPTION DRUGS

On Tuesday, September 28, 1999, the Subcommittee on Health and Environment held the first in a series of hearings on prescription drug coverage in the Medicare program. The first hearing was entitled, "Prescription Drugs: What We Know and Don't Know About Seniors' Access to Coverage." The purpose of the hearing was educational and designed to identify the nature and scope of the problem senior citizens face in gaining access to prescription drugs. Witnesses provided a review of the data on current prescription drug coverage for seniors, such as types of coverage, income and demographic analysis of seniors with and without coverage, and out-of-pocket drug expenditures. The Subcommittee heard testimony from HCFA, the GAO, and various advocacy groups. The Subcommittee held a second day of hearings of October 4, 1999, to receive testimony from Members of Congress.

On February 16, 2000, the Subcommittee on Health and Environment held the second hearing in this series. The purpose of the hearing was educational and designed to evaluate different models for providing prescription drug coverage to senior citizens who lack access to affordable coverage today. The Subcommittee heard testimony from representatives of various advocacy groups.

The Subcommittee on Health and Environment held a hearing on access to drugs and biologicals in the Medicare program on March 23, 2000. The purpose of the hearing was to hear from the Health Care Financing Administration (HCFA) on the subject of Medicare coverage of injectable therapies. The Subcommittee heard testimony from a HCFA representative who discussed the Administration's position on the coverage of injectable drugs and biologicals in the Medicare program. The Subcommittee also heard from patients, a patient advocate, a professor, a surviving spouse and a nurse who talked about the importance of patient access to these therapies.

On June 14, 2000, the Subcommittee on Health and Environment held the final hearing in this series. The purpose of the hearing was educational and designed to address specific issues involved in designing and implementing a prescription drug benefit for the Medicare program. The Subcommittee heard testimony from HCFA, and representatives of private and public sector advocacy groups.

MANAGED CARE REFORM

On March 24, 1999, the Subcommittee on Health and Environment held a hearing on America's Health: Protecting Patients' Access to Quality Care and Information. This was the first in a series of hearings to be held by the Subcommittee on topics related to America's Health. This series focused on managed health care and increasing access to health insurance for the uninsured. The first panel addressed patients' access to emergency room services and specialty care (including ob/gyn services, pediatric care, and care for chronic conditions.) The second panel focused on issues related to medical communications (i.e., gag rules), the disclosure of health

plan information, and health ombudsmen. The Subcommittee heard testimony from various public witnesses.

On June 16, 1999, the Subcommittee on Health and Environment held another hearing on America's Health: Access to Affordable Health Coverage for the Uninsured. The purpose of the hearing was educational and designed to assist Members in their efforts to craft legislation to promote access to health coverage for America's estimated 43 million uninsured. The Subcommittee heard testimony from various public witnesses.

The Subcommittee on Health and Environment held a hearing on June 23, 1999. The Subcommittee examined the need to improve managed care plans' accountability to patients and develop a strong external appeals process. This hearing was designed to provide Members with insight into the current external appeals laws governing health plans, the problems that have arisen within the existing system and potential ways of resolving them. The Subcommittee heard testimony from various private and public sector witnesses.

CHILDREN'S HEALTH

The Subcommittee on Health and Environment held a hearing on October 12, 1999 entitled "Children's Health: Building Toward a Better Future." The purpose of this hearing was to help inform Members on a range of children's health issues, including autism, adoption of children with special needs, juvenile diabetes, childhood asthma, and poison control. This hearing afforded Members the opportunity to question witnesses about their experiences with Federal and State programs and private sector programs that serve children. The Subcommittee heard testimony from various public and private sector advocacy groups.

REAUTHORIZATION OF THE AGENCY FOR HEALTH CARE RESEARCH AND QUALITY

The Subcommittee on Health and Environment held a hearing on April 29, 1999 on Reauthorization of the Agency for Health Care Policy and Research (AHCPR). The Subcommittee heard testimony from AHCPR and other public and private sector witnesses.

BALANCED BUDGET ACT REFINEMENTS

The Subcommittee on Health and Environment held hearings to address the unintended consequences to both patients and providers as a result of the changes made by the Medicare portion of the Balanced Budget Act of 1997. The Subcommittee on Health and the Environment held three hearings examining the Balanced Budget Act of 1997, and the impact the changes to the Medicare program have had on our health care delivery system, and patient access to care. On February 25, 1999, the Subcommittee held a hearing entitled "Medicare+Choice: An Examination of the Risk Adjuster." The Subcommittee heard testimony from HCFA, the Medicare Payment Advisory Commission, the GAO, and various other public and private sector witnesses.

On August 4, 1999, the Subcommittee held its second hearing on this issue. At this hearing, entitled, "Medicare+Choice: An Evalua-

tion of the Program,” the Subcommittee heard testimony from HCFA and other public and private sector witnesses.

On September 15, 1999, the Subcommittee held its third hearing entitled “The Balanced Budget Act of 1997: Impact of Cost Savings and Patient Care.” The Subcommittee considered the impact on the fee for service sector of the health care delivery system. The Subcommittee heard testimony from HCFA, the Medicare Payment Advisory Commission, the GAO, the Congressional Budget Office, and various other public and private sector witnesses.

In addition, the Subcommittee on Health and Environment held an additional hearing on this topic on July 19, 2000. The purpose of this hearing was to examine the impact of BBA ‘97 on patients and providers, particularly since the passage of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999. The Subcommittee heard testimony from the Medicare Payment Advisory Commission, the GAO, and other public and private sector witnesses.

ORGAN ALLOCATION

The Subcommittee on Health and Environment held a hearing entitled “Putting Patients First: Increasing Organ Supply for Transplantation,” on April 15, 1999. The Subcommittee received testimony from organ transplant recipients, representatives of transplant programs, and other public and private sector witnesses.

CERVICAL CANCER

In order to increase awareness about cervical cancer and educate the public on the link between HPV and cervical cancer, the Committee held the first-ever congressional hearing on cervical cancer on March 16, 1999. The hearing focused not only on the causes of cervical cancer, but also new advances being made in cervical cancer detection, prevention and treatment. Currently, pap smears at least once a year comprise the accepted medical practice for cervical cancer detection and prevention. However, current pap smear testing does not detect every strain of HPV. At the hearing, Senator Mack and Ms. Eshoo testified regarding a concurrent resolution recognizing the severity of cervical cancer. On the second panel, the Centers for Disease Control and Prevention (CDC) and NCI testified. According to CDC testimony, it is now estimated that approximately five million new cases of genital HPV occur in the United States each year, making it the most common of all STDs. While it is further estimated that at least 50 percent of sexually active men and women will acquire genital HPV infection at some point in their lives, most strains of HPV do not cause cancer. On the last panel, a cervical cancer survivor, a practicing physician, the American Medical Women’s Association, and the American Society of Clinical Pathologists testified.

The Committee’s oversight hearing exposed that the available scientific evidence points to a small number of strains of HPV that cause cancer. Despite this link between cervical cancer and HPV, Federal health authorities do not track HPV infections, and do not warn women about the heightened risk of cancer or the fact that condoms do not prevent HPV transmission. The Committee’s over-

sight led to the enactment of provisions in H.R. 4386 and the Labor, Health and Human Services appropriations act for Fiscal Year 2001 that would require the Federal government to begin tracking data on HPV transmission, conduct HPV prevention studies and analysis, and review whether warning labels on condoms are medically adequate. For additional information on this legislation, see H.R. 4386 in the legislative activities portion of this section.

HCFA MISMANAGEMENT

The Subcommittee on Health and Environment held a hearing on June 27, 2000 on "Medicare's Management: Is HCFA's Complexity Threatening Patient Access to Quality Care?" The purpose of the hearing was to learn about the current complexities in the Medicare Program, the extent to which such complexities are affecting patient care, and what role Congress can play in addressing these concerns. Witnesses included HCFA and other public and private sector witnesses.

MEDICAL RECORDS CONFIDENTIALITY

The Subcommittee on Health and Environment held a hearing on May 27, 1999 on medical records confidentiality in the modern delivery of health care. The purpose of this hearing was to inform members of the complexity in the area of legislation relating to medical records confidentiality. The Subcommittee heard testimony from the Department of Health and Human Services, and other public and private sector witnesses.

MEDICAL ERRORS

On February 9, 2000, the Subcommittee on Health and Environment and Subcommittee on Oversight and Investigations, and the Committee on Veterans' Affairs Subcommittee on Health held a joint hearing entitled "Medical Errors: Improving Quality of Care and Consumer Information." The purpose of the hearing was to focus on a number of issues that arose since publication of an Institute of Medicine report entitled: "To Err is Human. Building a Better Health System." The Subcommittee heard testimony from public and private sector witnesses.

TELEMEDICINE

On September 7, 2000, the Subcommittee on Health and Environment held a hearing entitled, "Telehealth: A Cutting Edge Medical Tool for the 21st Century." Members examined telemedicine policy initiatives and related issues such as barriers posed by State licensing requirements and the potential cost-effectiveness of expanding the use of this new service in both the Medicare and Medicaid programs.

The Subcommittee heard testimony from HCFA and other public and private sector witnesses.

PROTECTING SURPLUS CHIMPANZEES

The Subcommittee on Health and Environment held a hearing on Thursday, May 18, 2000 on "Biomedical Research: Protecting Surplus Chimpanzees." The purpose of this hearing was to examine issues that arise with regard to the permanent retirement of "surplus" chimpanzees that have been used, or were bred or purchased for use, in research conducted or supported by the National Institutes of Health, the Food and Drug Administration, or other agencies of the Federal Government. The Subcommittee heard testimony from the National Institutes of Health and other public and private sector witnesses.

PREPARING FOR THE Y2K BUG

On May 25, 1999, the Subcommittees on Oversight and Investigations and Health and Environment held a joint hearing on the "Year 2000 Date Problem," commonly referred to as Y2K, as it relates to medical devices. The hearing examined the Food and Drug Administration's, the medical device industry's, and hospitals' efforts to become Y2K compliant. The Subcommittee heard testimony from the Food and Drug Administration and other public and private sector witnesses.

On October 21, 1999, the Subcommittees on Oversight and Investigations and Health and Environment held a joint hearing on the "Year 2000 Date Problem," commonly referred to as Y2K, as it relates to medical devices. The hearing examined the Food and Drug Administration (FDA), the medical device industry, and hospitals' efforts to become Y2K compliant. The Subcommittee heard testimony from the Department of Health and Human Services, the GAO, and other public and private sector witnesses.

COMMERCE IN FETAL TISSUE

On March 9, 2000, the Subcommittee on Health and Environment held a hearing to consider whether fetal tissue was being bought and sold for valuable consideration in violation of Federal law. This hearing, which featured testimony from former employees of an abortion clinic and fetal tissue supply companies, was held to obtain information from certain subpoenaed witnesses who either could not or would not agree to staff-level interviews. Also testifying at this hearing were representatives from the research community, which relies on fetal tissue for medical research projects, and patient groups who stand to benefit from that research.

Dr. Miles Jones, proprietor of Opening Lines (a company which procured fetal tissue from abortion clinics and sold it to researchers), was subpoenaed to appear at this hearing, after refusing to respond to numerous Committee letters and telephone calls. Upon his failure to appear at the hearing, the Subcommittee unanimously decided to forward to the Full Committee on Commerce a Report on Contempt of Congress against Dr. Miles Jones for Failure to Appear Pursuant to a Duly Authorized Subpoena. The Full Committee on Commerce unanimously approved this Report on Contempt against Dr. Miles Jones on March 15, 2000. Dr. Jones subsequently agreed to testify before the Committee, so the Chairman did not forward the Report on Contempt to the full House of Rep-

representatives for consideration. However, due to concerns raised by the Federal Bureau of Investigation (FBI)—which launched a criminal inquiry into Dr. Jones' activities as a result of the Committee's oversight—the Committee did not re-call Dr. Jones to testify.

EPA'S DISSEMINATION OF WORST-CASE SCENARIO CHEMICAL ACCIDENT
DATA

On February 10, 1999, the Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigations held a joint hearing on the national security and public safety impact of electronic dissemination of worst-case scenario chemical release data to be collected by the Environmental Protection Agency (EPA) under Section 112(r) of the Clean Air Act (CAA). In accordance with this section, EPA published a "Risk Management Program" rule on June 20, 1996 that required an EPA-estimated 66,000 facilities nationwide to send EPA by June 1999 a "Risk Management Plan" (Plan) containing, among other things, what is commonly known as "worst-case scenario" data—that is, identification of potential accidental chemical release points within each facility, the precise quantities of specific chemicals associated with each of those potential release points, and an estimate of the injuries to human health that could result from a worst-case accident scenario. Section 112(r) required that these Plans be made available to the public, but the statute did not specify the method by which the information should be disseminated to the public.

In 1998, EPA proposed disseminating these Plans to the public, including the worst-case scenario data, by posting them in a searchable electronic format on the agency's Internet website. EPA's proposal was met with substantial opposition from law enforcement agencies, the Federal Bureau of Investigation, and other public safety officials who expressed concerns that the searchable electronic format could be used as a targeting tool by terrorists. Community and pro-information disclosure groups supported widespread dissemination of information relating to risks faced by the communities.

Committee Chairman Tom Bliley wrote to EPA to express concerns about the agency's plans. In late October 1998, EPA and the FBI reached an agreement under which EPA would not post the worst-case scenario data on the agency's Internet site, although EPA would continue to work to ensure that State and local governments and their citizens had access to such critical data about the facilities located in their particular communities. However, the agreement would not prevent the release of this information in a searchable electronic format under the Freedom of Information Act.

The Subcommittees heard testimony from a panel of experts in the field of law enforcement and emergency response. The Subcommittees also heard testimony from representatives of the FBI and EPA, the principal Federal agencies involved in designing a dissemination plan, as well as interested environmental, community safety, and industry representatives. The Committee subsequently developed a bill, which was passed by Congress and ultimately signed into law by the President, that addresses dissemination of worst-case scenario data.

NATIONAL IMPLEMENTATION OF THE REFORMULATED GASOLINE PROGRAM

The Subcommittee on Health and Environment held two hearings concerning the implementation of the Reformulated Gasoline (RFG) Program during the 106th Congress. The first hearing was held on May 6, 1999 regarding the implementation of the reformulated gasoline program in California and legislation, H.R. 11, which would waive the Clean Air Act requirement pertaining to a minimum oxygenate content for RFG. The second hearing was held on March 2, 2000 concerning national implementation of the RFG program.

The May 6, 1999 hearing received testimony from Members of the United States Senate and the United States House of Representatives, the Environmental Protection Agency (EPA), a California State environmental official, a local California elected official, representatives from the oil refining, fuel additive and fuel marketing industry, a representative from the renewable fuels industry and a representative from the Metropolitan Water District of Southern California. The California RFG program was of particular interest to several Members since the California RFG market constitutes approximately one-third of the national RFG market and since the State took both executive and legislative actions to ban the use of methyl tertiary butyl ether (MTBE), a widely used oxygenate associated with the contamination of drinking water.

The March 2, 2000 hearing received testimony from several members of the United States House of Representatives, the United States Department of Energy, the EPA Assistant Administrator for Air and Radiation, the Director of the Illinois Environmental Protection, and a representative from the Northeast States for Coordinated Air Use Management, the Health Effects Institute and the Suffolk County Water Authority of New York State. This hearing additionally received testimony from the Chairman and Chief Executive Officer of an oil company, a manufacturer of MTBE, an academic expert on fuels, a representative from the renewable fuels industry, a representative from the American Lung Association and a representative from Oxybusters, a citizens group opposed to the use of oxygenates in gasoline.

The March 2, 2000 hearing reviewed the implementation of the RFG program in various areas of the country and explored several issues concerning the RFG program including the status of the California petition to waive the Federal oxygenate requirement, differences in various areas and regions which have implemented the RFG program either on a mandatory or voluntary basis, the health and environmental impacts of the RFG program and oxygenates used in the RFG program and the impact of making changes to the RFG program on the cost and availability of RFG gasoline and the ability of States to meet their obligations under the Clean Air Act.

IMPLEMENTATION OF THE 1996 SAFE DRINKING WATER ACT
AMENDMENTS

The Health and the Environment Subcommittee held two hearings concerning the implementation of the 1996 Safe Drinking Water Act Amendments. On October 20, 1999, the Subcommittee reviewed the status of implementing the 1996 Amendments and the conduct of safe drinking water research programs. On September 19, 2000, the Subcommittee again reviewed the status of implementing the 1996 Amendments as well as the funding of State programs to implement the 1996 Amendments.

The October 20, 1999 hearing received testimony from the EPA Assistant Administrator for Research and Development, the EPA Director of the Office of Groundwater and Drinking Water, and the United States General Accounting Office (GAO) Director of Environmental Protection Issues. The hearing also received testimony from a representative of publicly and privately-owned water companies, the Association of California Water Agencies and a representative of the Natural Resource Defense Council. This hearing reviewed provisions of the 1996 Amendments which require the establishment of new drinking water regulations taking into account those contaminants which present the greatest risk to public health and the best available science and technical information on such contaminants. The hearing also received a report from the GAO which indicated that, although EPA's research budget has doubled in the last 5 years, EPA did not have research plans for significant portions of its regulatory work load, have an overall estimate of the resources needed for drinking water research, or an effective tracking system to understand the progress of the research that it conducts.

The September 19, 2000 hearing received testimony from the EPA Assistant Administrator for Water and the GAO Director for Environmental Protection Issues. The hearing also received testimony from the State of Vermont Director of Environmental Conservation as well as representatives of the American Water Works Association, the American Metropolitan Water Association, the National Association of Water Companies and the Natural Resource Defense Council. The GAO report indicated that while available Federal resources were presently sufficient for State drinking water programs, State program funding was less than the estimated need for such spending and that program requirements would increase in future years. The GAO report also indicated that States currently are experiencing personnel shortages in their drinking water programs due to such factors as State personnel ceilings and inadequate salaries and that States expect such shortages to increase in future years. The hearing further explored pending and future rulemakings required by the 1996 Amendments, including rulemakings for arsenic and radon. Additionally, the hearing examined the effect of funding and implementation efforts on public health and safety of drinking water supplies. The hearing also examined the adequacy of State implementation of source water protection programs.

CALIFORNIA OXYGENATE WAIVER

In March of 1999, the State of California requested EPA to waive application of the 2 percent Federal oxygenate requirement for RFG contained in section 211 of the Clean Air Act. The State of California sent a written petition to EPA on this matter on April 12, 1999. The Committee reviewed EPA's consideration of this petition in both written correspondence and during hearings held on the RFG program. As of December 20, 2000, the EPA had not approved or denied the waiver request.

In order to assess the EPA's activity on this matter, between March 1999 and July 2000, the Chairman of the Full Committee and the Chairman of the Subcommittee on Health and Environment sent six letters to EPA concerning the agency's review of the California waiver request. Records relating to the waiver request, including electronic files and legal analysis, were also requested and received by the Committee. The correspondence and record requests explored several issues including the length of time taken to review the waiver request, the amount of resources, agency staff, and contractor personnel devoted to the review of the waiver request and statutory authority available to EPA to either grant the waiver request or to take other action related to the use of oxygenates, including MTBE, in RFG.

HEARINGS HELD

Internet Posting of Chemical "Worst-Case" Scenarios: A Roadmap for Terrorists?—Joint oversight hearing with the Subcommittee on Oversight and Investigations on Internet Posting of Chemical "Worst-Case" Scenarios: A Roadmap for Terrorists? Hearing held on February 10, 1999. PRINTED, serial number 106-3.

Nursing Home Resident Protection Amendments of 1999.—Hearing on H.R. 540, the Nursing Home Resident Protection Amendments of 1999. Hearing held on February 11, 1999. PRINTED, serial number 106-1.

Medicare+Choice: An Examination of the Risk Adjustor.—Hearing on Medicare+Choice: An Examination of the Risk Adjustor. Hearing held on February 25, 1999. PRINTED, serial number 106-10.

Women's Health: Raising Awareness of Cervical Cancer.—Hearing on Women's Health: Raising Awareness of Cervical Cancer. Hearing held on March 16, 1999. PRINTED, serial number 106-4.

Work Incentives Improvement Act of 1999.—Hearing on H.R. — (an unIntroduced bill), the Work Incentives Improvement Act of 1999. Hearing held on March 23, 1999. PRINTED, serial number 106-15.

America's Health.—Oversight hearing on America's Health. Hearing held on March 24, June 16 and 23, 1999. PRINTED, serial number 106-48.

Putting Patients First: Increasing Organ Supply for Transplantation.—Oversight hearing on Putting Patients First: Increasing Organ Supply for Transplantation. Hearing held on April 15, 1999. PRINTED, serial number 106-14.

Y2K and Medicare Providers: Inoculating Against the Y2K Bug.—Joint oversight hearing with the Subcommittee on Oversight and

Investigations on Y2K and Medicare Providers: Inoculating Against the Y2K Bug. Hearing held on April 27, 1999. PRINTED, serial number 106-20.

Reauthorization of the Agency for Health Care Policy and Research (AHCPR).—Oversight hearing on Reauthorization of the Agency for Health Care Policy and Research (AHCPR). Hearing held on April 29, 1999. PRINTED, serial number 106-29.

Permitting the Exclusive Application of California State Regulations Regarding Reformulated Gas in Certain Areas Within the State.—Hearing on H.R.11, a bill to amend the Clean Air Act to permit the exclusive application of California State regulations regarding reformulated gas in certain areas within the State. Hearing held on May 6, 1999. PRINTED, serial number 106-18.

Y2K and Medical Devices: Screening for the Y2K Bug.—Joint oversight hearing with the Subcommittee on Oversight and Investigations on Y2K and Medical Devices: Screening for the Y2K Bug. Hearing held on May 25, 1999. PRINTED, serial number 106-25.

Chemical Safety Information and Site Security Act of 1999.—Hearing on H.R.1790, the Chemical Safety Information and Site Security Act of 1999, legislation proposed by the Administration to address the Internet posting of chemical “worst-case” scenarios. Hearing held on May 19 and 26, 1999. PRINTED, serial number 106-24.

Medical Records Confidentiality in the Modern Delivery of Health Care.—Oversight hearing on Medical Records Confidentiality in the Modern Delivery of Health Care. Hearing held on May 27, 1999. PRINTED, serial number 106-34.

Medical Information Protection and Research Enhancement Act of 1999.—Hearing on H.R.— (an unintroduced bill), the Medical Information Protection and Research Enhancement Act of 1999. Hearing held on July 15, 1999. PRINTED, serial number 106-53.

Breast and Cervical Cancer Federally Funded Screening Program.—Hearing on H.R. 1070, a bill to amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or cervical cancer under a Federally funded screening program. Hearing held on July 21, 1999. PRINTED, serial number 106-42.

Drug Addiction Treatment Act of 1999.—Hearing on H.R. 2634, the Drug Addiction Treatment Act of 1999. Hearing held on July 30, 1999. PRINTED, serial number 106-45.

Medicare+Choice: An Evaluation of the Program.—Oversight hearing on Medicare+Choice: An Evaluation of the Program. Hearing held on August 4, 1999. PRINTED, serial number 106-52.

Balanced Budget Act of 1997: Impact on Cost Savings and Patient Care.—Oversight hearing on the Balanced Budget Act of 1997: Impact on Cost Savings and Patient Care. Hearing held on September 15, 1999. PRINTED, serial number 106-67.

Organ Procurement and Transplantation Network Amendments of 1999.—Hearing on H.R. 2418, Organ Procurement and Transplantation Network Amendments of 1999. Hearing held on September 22, 1999. PRINTED, serial number 106-75.

Prescription Drugs: What We Know and Don't Know About Seniors' Access to Coverage.—Oversight hearing on Prescription Drugs: What We Know and Don't Know About Seniors' Access to Cov-

erage. Hearing held on September 28 and October 4, 1999. PRINTED, serial number 106–73.

Children's Health: Building Toward A Better Future.—Hearing on Children's Health: Building Toward A Better Future. Hearing held on October 12, 1999. PRINTED, serial number 106–60.

Implementation of the Safe Drinking Water Act Amendments of 1996.—Oversight hearing on Implementation of the Safe Drinking Water Act Amendments of 1996. Hearing held on October 20, 2000. PRINTED, serial number 106–80.

Medical Errors: Improving Quality of Care and Consumer Information.—Joint oversight hearing with the Subcommittee on Oversight and Investigations and the Committee on Veterans' Affairs Subcommittee on Health on Medical Errors: Improving Quality of Care and Consumer Information. Hearing held on February 9, 1999. PRINTED, serial number 106–90.

Seniors' Access to Affordable Prescription Drugs: Models for Reform.—Oversight hearing on Seniors' Access to Affordable Prescription Drugs: Models for Reform. Hearing held on February 16, 2000. PRINTED, serial number 106–92.

National Implementation of the Reformulated Gasoline Program.—Oversight hearing on national implementation of the reformulated gasoline program. Hearing held on March 2, 2000. PRINTED, serial number 106–101.

Fetal Tissue: Is It Being Bought and Sold in Violation of Federal Law?—Oversight hearing on Fetal Tissue: Is It Being Bought and Sold in Violation of Federal Law? Hearing held on March 9, 2000. PRINTED, serial number 106–104.

Patient Access to Self-injectable Prescription Drugs in the Medicare Program.—Oversight hearing on Patient Access to Self-injectable Prescription Drugs in the Medicare Program. Hearing held on March 23, 2000. PRINTED, serial number 106–122.

Saving Lives: The Cardiac Arrest Survival Act.—Hearing on H.R. 2498, the Cardiac Arrest Survival Act. Hearing held on May 9, 2000. PRINTED, serial number 106–99.

Health Care Fairness Act of 1999.—Hearing on H.R. 3250, the Health Care Fairness Act of 1999. Hearing held on May 11, 2000. PRINTED, serial number 106–108.

Biomedical Research: Protecting Surplus Chimpanzees.—Hearing on Biomedical Research: Protecting Surplus Chimpanzees. Hearing held on May 18, 2000. PRINTED, serial number 106–109.

Prescription Drugs: Modernizing Medicare for the 21st Century.—Oversight hearing on Prescription Drugs: Modernizing Medicare for the 21st Century. Hearing held on June 14, 2000. PRINTED, serial number 106–110.

Medicare's Management: Is HCFA's Complexity Threatening Patient Access to Quality Care?—Oversight hearing on Medicare's Management: Is HCFA's Complexity Threatening Patient Access to Quality Care? Hearing held on June 27, 2000. PRINTED, serial number 106–125.

Ryan White CARE Act Amendments of 2000.—Hearing on H.R. 4807, the Ryan White CARE Act Amendments of 2000. Hearing held on July 11, 2000. PRINTED, serial number 106–140.

BBA '97: A Look at the Current Impact on Providers and Patients.—Oversight hearing on BBA '97: A Look at the Current Im-

pact on Providers and Patients. Hearing held on July 19, 2000. PRINTED, serial number 106-145.

Telehealth: A Cutting Edge Medical Tool for the 21st Century.—Oversight hearing on Telehealth: A Cutting Edge Medical Tool for the 21st Century. Hearing held on September 7, 2000. PRINTED, serial number 106-144.

Securing the Health of the American People.—Hearing on Securing the Health of the American People: Hearing on H.R. 2399, the National Commission for the New National Goal: The Advancement of Global Health Act; H.R. 4242, the Orphan Drug Innovation Act; H.R. 762, the Lupus Research and Care Amendments of 1999; H.R. 3677, the Thomas Navarro FDA Patient Rights Act; H.R. 1795, the National Institute of Biomedical Imaging and Engineering Establishment Act; and H.Res. — (an unIntroduced resolution), recognizing the importance of researching childhood cancers.

Implementation of the 1996 Safe Drinking Water Act Amendments and Funding of State Drinking Water Programs.—Oversight hearing Implementation of the 1996 Safe Drinking Water Act Amendments and Funding of State Drinking Water Programs. Hearing held on September 19, 2000. PRINTED, serial number 106-158.

SUBCOMMITTEE ON ENERGY AND POWER

(Ratio: 17-14)

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Jurisdiction: National energy policy generally; fossil energy, renewable energy resources, and synthetic fuels; energy conservation; energy information; energy regulation and utilization; utility issues and regulation of nuclear facilities; interstate energy compacts; nuclear energy and waste; mining, oil, gas, and coal combustion wastes; and all laws, programs, and government activities affecting such matters.

LEGISLATIVE ACTIVITIES

TO EXTEND THE DEADLINE UNDER THE FEDERAL POWER ACT FOR
FERC PROJECT NO. 9401, THE MT. HOPE WATERPOWER PROJECT

Public Law 106-121 (H.R. 459)

To extend the deadline for the commencement of construction of a hydroelectric project in the State of New Jersey.

Summary

H.R. 459 extends the statutory deadline for the commencement of construction of a hydroelectric project in the State of New Jersey.

Section 13 of the Federal Power Act establishes time limits for the commencement of construction of hydroelectric projects once the Federal Energy Regulatory Commission (FERC) has issued a license. The licensee must begin construction not more than two years from the date the license is issued, unless FERC extends the deadline. Section 13 permits FERC to grant only one two-year extension of that deadline. Therefore, a license is subject to termination if a licensee fails to begin construction within four years.

H.R. 459 authorizes FERC to extend the deadline for the commencement of construction of a project in the State of New Jersey until August 3, 2002, if the licensee meets the good faith, due diligence, and public interest requirements of section 13 of the Federal Power Act.

Legislative History

On October 16, 1998, the Subcommittee on Energy and Power requested executive comment from FERC on an identical bill introduced in the 105th Congress, H.R. 4633. Executive comment was received from FERC on December 1, 1998.

H.R. 459 was introduced in the House by Mr. Frelinghuysen on February 2, 1999. The bill was referred to the Committee on Commerce.

The Subcommittee on Energy and Power met in open markup session to consider H.R. 459 on April 14, 1999, and the bill was approved for Full Committee consideration, without amendment, by a voice vote, a quorum being present.

The Full Committee met in open markup session to consider H.R. 459 on April 21, 1999, and ordered the bill reported to the House, without amendment, by a voice vote, a quorum being present. The Committee reported H.R. 459 to the House on April 28, 1999 (H. Rept. 106-119).

The House considered and passed H.R. 459 under suspension of the rules on May 4, 1999, by a voice vote. H.R. 459, as passed by the House, was received in the Senate on May 5, 1999, read twice, and referred to the Senate Committee on Energy and Natural Resources. The Subcommittee on Water and Power held a hearing on H.R. 459 on May 27, 1999. The Committee on Energy and Natural Resources met in open markup session to consider H.R. 459 on June 16, 1999, and ordered the bill reported to the Senate, without amendment, by voice vote, a quorum being present. The Committee reported H.R. 459 to the Senate on June 24, 1999 (S. Rpt. 106-97).

The Senate considered and passed H.R. 459 on November 19, 1999, without amendment. H.R. 459 was presented to the President on November 30, 1999. The President signed H.R. 459 into law on December 6, 1999 (Public Law 106-121).

TO EXTEND THE DEADLINE FOR COMMENCEMENT OF CONSTRUCTION
OF A HYDROELECTRIC PROJECT IN THE STATE OF ALABAMA

Public Law 106-213 (S. 1836, H.R. 3852)

To extend the deadline for commencement of construction of a hydroelectric project in the State of Alabama.

Summary

H.R. 3852 extends the statutory deadline for the commencement of construction of a hydroelectric project in the State of Alabama.

Section 13 of the Federal Power Act establishes time limits for the commencement of construction of hydroelectric projects once FERC has issued a license. The licensee must begin construction not more than two years from the date the license is issued, unless FERC extends the deadline. Section 13 permits FERC to grant only one two-year extension of that deadline. Therefore, a license is sub-

ject to termination if a licensee fails to begin construction within four years.

H.R. 3852 directs FERC to extend the deadline for the commencement of construction of a hydroelectric project in the State of Washington for up to three additional two-year periods if the licensee meets the good faith, due diligence, and public interest requirements of section 13 of the Federal Power Act.

Legislative History

S. 1836 was introduced in the Senate by Mr. Hollings on November 1, 1999. The bill was referred to the Senate Committee on Energy and Natural Resources. The Senate Subcommittee on Water and Power held a hearing on S. 1836 on March 22, 2000.

H.R. 3852 was introduced in the House by Mr. DeMint on March 8, 2000. The bill was referred solely to the Committee on Commerce. The Subcommittee on Energy and Power held a hearing on H.R. 3852 on March 30, 2000. The Subcommittee received testimony from FERC, the Department of the Interior, the National Oceanic and Atmospheric Administration, U.S. Forest Service, the National Hydropower Association, and American Rivers.

The Senate Committee on Energy and Natural Resources met in open markup session to consider S. 1836 on April 5, 2000, and ordered the bill reported to the Senate, without amendment, by a voice vote. The Committee reported S. 1836 to the Senate on April 12, 2000 (S. Rpt. 106-265).

The Subcommittee met in open markup session to consider H.R. 3852 on April 12, 2000, and the bill was approved for Full Committee consideration, without amendment, by a voice vote, a quorum being present.

The Full Committee met in open markup session to consider H.R. 3852 on May 17, 2000, and ordered the bill reported to the House, without amendment, by a voice vote, a quorum being present. The Committee reported H.R. 3852 to the House on May 19, 2000 (H. Rept. 106-629).

The Senate considered and passed S. 1836 by unanimous consent on April 13, 2000, without amendment. S. 1836 was received in the House on May 2, 2000, and referred to the Committee on Commerce.

The House considered and passed S. 1836 under suspension of the rules on May 22, 2000, by a record vote of 354 yeas and no nays.

The Committee on Commerce was discharged from the further consideration of S. 1836 on May 22, 2000. The House considered the bill and passed the bill by unanimous consent. H.R. 3852, as passed by the House, was laid on the table.

S. 1836 was presented to the President on May 23, 2000. The President signed S. 1836 into law on May 26, 2000 (Public Law 106-213).

VALLES CALDERA PRESERVATION ACT

Public Law 106-248 (S. 1892)

To authorize the acquisition of the Valles Caldera, to provide for an effective land and wildlife management program for this re-

source within the Department of Agriculture, and for other purposes.

Summary

The purpose of S. 1892 is to authorize the acquisition of the Valles Caldera and provide for an effective land and wildlife management program for this resource. S. 1892 authorizes the Secretary of Agriculture to acquire the Baca Ranch in New Mexico from its present owners. The bill also designates the property as the Valles Caldera National Preserve and establishes a government corporation to manage the preserve. Section 109(a)(3) of the bill contained language regarding the authority of the Secretary of Agriculture to impose conditions on the issuance of certain FERC hydropower licenses.

Legislative History

S. 1892 was introduced in the Senate by Mr. Domenici on November 9, 1999. The bill was referred to the Senate Committee on Energy and Natural Resources.

The Senate Subcommittee on Forest and Public Land Management held a hearing on S. 1892 on March 10, 2000.

The Senate Committee on Energy and Natural Resources met in open markup session to consider S. 1892 on April 5, 2000, and ordered the bill reported to the Senate, as amended, by a voice vote. The Committee reported S. 1892 to the Senate on April 12, 2000 (S. Rpt. 106-267).

The Senate considered and passed S. 1892 on April 13, 2000, without amendment.

S. 1892 was received in the House on May 2, 2000, and referred to the Committee on Resources.

The Committee on Resources met in open markup session to consider S. 1892 on May 24, 2000, and ordered the bill reported to the House, without amendment, by a voice vote, a quorum being present.

In a July 11, 2000 letter to the Committee on Resources, The Chairman of the Committee on Commerce agreed to waive consideration of S. 1892 while reserving its jurisdictional prerogatives and its right to seek conferees on any provisions of the bill under the Committee on Commerce's jurisdiction. The Committee on Commerce and the Committee on Resources agreed to report language clarifying the intent of section 109(a)(3) of S. 1892.

The Committee on Resources reported S. 1892 to the House on July 11, 2000 (H. Rept. 106-724).

The House considered and passed S. 1892 under suspension of the rules on July 12, 2000 by a record vote of 377 yeas and 45 nays.

S. 1892 was presented to the President on July 14, 2000. The President signed S. 1892 into law on July 25, 2000 (Public Law 106-248).

TO EXTEND THE DEADLINE UNDER THE FEDERAL POWER ACT
FOR COMMENCEMENT OF THE CONSTRUCTION OF THE
ARROWROCK DAM HYDROELECTRIC PROJECT
IN THE STATE OF IDAHO

Public Law 106-343 (S. 1236)

To extend the deadline under the Federal Power Act for commencement of the construction of the Arrowrock Dam Hydroelectric Project in the State of Idaho.

Summary

S. 1236 extends the statutory deadline for the commencement of construction of a hydroelectric project in the State of Idaho.

Section 13 of the Federal Power Act establishes time limits for the commencement of construction of hydroelectric projects once FERC has issued a license. The licensee must begin construction not more than two years from the date the license is issued, unless FERC extends the deadline. Section 13 permits FERC to grant only one two-year extension of that deadline. Therefore, a license is subject to termination if a licensee fails to begin construction within four years.

S. 1236 authorizes FERC to extend the deadline for the commencement of construction of a project in the State of Idaho for up to three additional two-year periods, if the licensee meets the good faith, due diligence, and public interest requirements of section 13 of the Federal Power Act.

Legislative History

S. 1236 was introduced in the Senate by Mr. Craig on June 17, 1999. The bill was referred to the Senate Committee on Energy and Natural Resources.

The Senate Subcommittee on Water and Power held a hearing on S. 1236 on July 28, 1999.

The Senate Committee on Energy and Natural Resources met in open markup session to consider S. 1236 on September 22, 1999, and ordered the bill reported to the Senate, without amendment, by a voice vote. The Committee reported S. 1236 to the Senate on October 4, 1999 (S. Rpt. 106-170).

The Senate considered and passed S. 1236 by unanimous consent on November 19, 1999, without amendment.

S. 1236 was received in the House on November 22, 1999, and referred to the Committee on Commerce on January 27, 2000.

The Subcommittee on Energy and Power held a hearing on S. 1236 on March 30, 2000. The Subcommittee received testimony from FERC, the Department of the Interior, the National Oceanic and Atmospheric Administration, U.S. Forest Service, the National Hydropower Association, and American Rivers.

The Subcommittee met in open markup session to consider S. 1236 on April 12, 2000, and the bill was approved for Full Committee consideration, as amended, by a voice vote, a quorum being present.

The Full Committee met in open markup session to consider S. 1236 on May 17, 2000, and ordered the bill reported to the House, with an amendment, by a voice vote, a quorum being present. The

Committee reported S. 1236 to the House on May 19, 2000 (H. Rept. 106-630).

The House considered and passed S. 1236 under suspension of the rules on May 22, 2000 by a record vote of 356 yeas and no nays.

The Senate received a message on House action on May 23, 2000. The Senate agreed to the House amendment by unanimous consent on October 5, 2000. S. 1236 was presented to the President on October 12, 2000 and the President signed it into law on October 19, 2000 (Public Law 106-343).

TO AMEND THE PACIFIC NORTHWEST ELECTRIC POWER PLANNING
AND CONSERVATION ACT TO PROVIDE FOR SALES OF ELECTRICITY
BY THE BONNEVILLE POWER ADMINISTRATION TO JOINT
OPERATING ENTITIES

Public Law 106-273 (S. 1937, H.R. 3447)

To amend the Pacific Northwest Electric Power Planning and Conservation Act to provide for sales of electricity by the Bonneville Power Administration to joint operating entities.

Summary

S. 1937 directs the Bonneville Power Administration to sell wholesale electric power to joint operating entities to meet the regional firm power loads of regional public bodies and cooperatives that are members of the joint operating entity. The bill bars public bodies and cooperatives from reselling power they receive from a joint operating entity to any person other than their retail electric consumers or other members of the joint operating entity. Bonneville's power sales have been governed by public preference since enactment of the Bonneville Project Act of 1937. However, current law limits Bonneville preference sales to public bodies and cooperatives that own distribution facilities and bars sales to joint operating entities established by preference customers.

Legislative History

S. 1937 was introduced in the Senate by Mr. Craig on November 17, 1999. The bill was referred to the Senate Committee on Energy and Natural Resources.

A similar bill, H.R. 3447, was introduced in the House by Mr. Hastings and one cosponsor on November 18, 1999. H.R. 3447 was referred to the Committee on Resources and additionally to the Committee on Commerce. No further action was taken on H.R. 3447.

On November 19, 1999, the Senate Committee on Energy and Natural Resources was discharged from the further consideration of S. 1937 by unanimous consent. The Senate then considered, and passed the bill, without amendment, by unanimous consent. S. 1937 was received in the House on November 22, 1999, and referred to the Committee on Resources and, in addition, the Commerce on Commerce on January 27, 2000.

The Subcommittee on Energy and Power held a hearing on S. 1937 on March 30, 2000. The Subcommittee received testimony from a Member of Congress, FERC, the Bonneville Power Adminis-

tration, the Pacific Northwest Generating Cooperative, and Reynolds Metals Company.

The Subcommittee met in open markup session to consider S. 1937 on May 16, 2000, and the bill was approved for Full Committee consideration, without amendment, by a voice vote, a quorum being present.

The Committee on Resources met in open markup session to consider S. 1937 on July 19, 2000, and ordered the bill reported to the House, without further amendment, by a voice vote. On July 24, 2000, the Chairman of the Committee on Resources wrote to the Chairman of the Committee on Commerce asking that he waive consideration of S. 1937 and agreeing that doing so would not affect the jurisdictional prerogatives of the Committee on Commerce with respect to this or similar legislation. On July 24, 2000, the Chairman of the Committee on Commerce wrote the Chairman of the Committee on Resources waiving consideration of the bill and reserving the Committee on Commerce's jurisdictional prerogatives with respect to the legislation.

The Committee on Resources reported S. 1937 to the House on September 6, 2000 (H. Rept. 106-820, Part 1) and the Committee on Commerce was discharged from the further consideration of S. 1937.

The House considered and passed S. 1937 under suspension of the rules on September 12, 2000 by a voice vote.

S. 1937 was presented to the President on September 14, 2000. The President signed S. 1937 into law on September 22, 2000 (Public Law 106-273).

REIMBURSEMENT FOR CLEANUP OF URANIUM AND THORIUM
PROCESSING SITES

Public Law 106-317 (H.R. 2641)

To make technical corrections to title X of the Energy Policy Act of 1992.

Summary

The purpose of H.R. 2641 is to amend title X of the Energy Policy Act of 1992, as amended (Public Law 102-486, 42 U.S.C. § 2296a) to extend for another five years the program of annual reimbursements from the Department of Energy to the private sector licensees cleaning up uranium and thorium mill tailings sites under the authority of title II of the Uranium Mill Tailings Radiation Control Act of 1978 (Public Law 95-604, 42 U.S.C. § 7901 et seq.). The measure also revises the date when the Secretary of Energy determines whether there are any excess funds in the program, and eliminates the requirement for DOE to place in escrow funds to cover estimated post-2002 cleanup costs.

Legislative History

H.R. 2641 was introduced in the House on July 29, 1999, by Mrs. Cubin and one cosponsor. The bill was referred to the Committee on Commerce.

The Subcommittee on Energy and Power held a hearing on H.R. 2641 on April 5, 2000. The Subcommittee received testimony from:

Mr. James Fiore of the Department of Energy, Mr. Tom McDaniel of the Kerr-McGee Corporation, and Mr. Pat Morgan representing the Umetco Minerals Corporation. On September 14, 2000, the Subcommittee on Energy and Power was discharged from the further consideration of H.R. 2641. On September 14, 2000, the Full Committee met in open markup session and ordered H.R. 2641, as amended, to be reported to the House by a voice vote. The Committee on Commerce reported the bill to the House, with an amendment, on September 25, 2000 (H. Rept. 106-886).

On September 27, 1999, H.R. 2641 was considered by the House under suspension of the rules and passed by a voice vote. H.R. 2641 was received by the Senate and passed by unanimous consent on October 5, 2000. H.R. 2641 was presented to the President on October 12, 2000, and signed into law on October 19, 2000 (Public Law 106-317).

DEFENSE AUTHORIZATION FOR FISCAL YEAR 2000

Public Law 106-65 (S. 1059, H.R. 1401)

(Energy Related Provisions)

To authorize appropriations for fiscal year 2000 for military activities of the Department of Defense, for military construction, defense-related activities of the Department of Energy, to prescribe personnel strengths for the Armed Forces, and for other purposes.

Summary

Both S. 1059 and H.R. 1401 contained a number of provisions which related to the Department of Energy and the marketing and generation of power. Title 31 of H.R. 1401 contained several provisions designed to address security problems in the DOE, including civil and monetary penalties for violations of DOE regulations regarding handling of classified information, a counterintelligence polygraph program, establishment of new counterintelligence offices, and stricter controls on foreign contacts. Other provisions of H.R. 1401 affect tritium production and the operation of the Waste Isolation Pilot Plant and voluntary separation incentive payments. The Senate version of the defense authorization bill, S. 1059, contained numerous other provisions affecting the DOE, most notably Title 32 authorizing the creation of the new National Nuclear Security Administration (NNSA). This new semi-autonomous NNSA raised serious questions about its impact on non-defense activities of the DOE and on the execution of DOE's safety, health, and environmental responsibilities, both within the new NNSA and within the rest of the DOE complex.

Legislative History

H.R. 1401 was introduced by request by Mr. Spence and Mr. Skelton on April 14, 1999. The Committee on Armed Services met in open markup session and ordered the bill reported, with an amendment, on May 19, 1999 by a record vote of 55 yeas and 1 nay. On May 24, 1999, the bill was reported by the Committee on Armed Services to the House, with an amendment (H. Rept. 106-162).

On June 9 and 10, 1999, the House considered H.R. 1401 pursuant to the provisions of H.Res. 200. The House passed the bill by a record vote of 365 yeas and 58 nays.

S. 1059, the Senate companion legislation, was passed by the Senate on May 27, 1999 by a roll call vote of 92 yeas and 3 nays and received in the House on June 7, 1999 and held at the desk. On June 14, 1999, the House considered S. 1059, struck all after the enacting clause and amended the bill with the text of H.R. 1401 as it passed the House, and passed the bill by unanimous consent. On June 16, 1999, the Senate disagreed to the House amendment, requested a conference, and appointed conferees.

On July 1, 1999, House insisted upon its amendment and agreed to the conference requested by the Senate. The Speaker appointed conferees from the Committee on Commerce for consideration of matters contained in the Senate bill and the House amendment falling within the Committee's jurisdiction. The Committee of Conference met on July 13 and 15, 1999.

The conference report on S. 1059 was filed on August 6, 1999. The House considered and agreed to the conference report, pursuant to H.Res. 288, on September 15, 2000. Mr. Dingell offered a motion to recommit with instructions, addressing the role of the NNSA with respect to certain authorities previously delegated to the Secretary of Energy. The motion to recommit failed by a record vote of 139 yeas and 281 nays. The House agreed to the conference report by a record vote of 375 yeas and 45 nays.

The Senate considered the conference report on September 21 and 22, 1999. The Senate agreed to the conference report on September 22, 1999 by a roll call vote of 93 yeas and 5 nays. The bill was presented to the President on September 23, 1999, and signed into law on October 5, 1999 (Public Law 106-65).

DEFENSE AUTHORIZATION FOR FISCAL YEAR 2001

Public Law 106-398 (H.R. 4205, S. 2549, S. 2550)

(Department of Energy Provisions)

To authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, defense-related activities of the Department of Energy, to prescribe personnel strengths for the Armed Forces, and for other purposes.

Summary

Both H.R. 4205 and S. 2549 contained a number of provisions which related to the Department of Energy and the marketing and generation of power. Title 31 contains provisions affecting the new National Nuclear Security Administration, specifically, the term of the initial NNSA administrator, the authority of the Secretary of Energy to reorganize the NNSA, and a prohibition on pay for dual-hatted DOE-NNSA employees. Title 31 also contains provisions dealing with a new operations center for the NNSA, a prohibition on the use of defense funds for the Formerly Used Sites Remedial Action Program, additional polygraph requirements for certain DOE employees, authorization for DOE laboratories to enter into "other transactions" outside of those covered by the Federal Acqui-

sition Regulations, conformance of Secretarial actions through the NNSA administrator, establishment of an Office of Arctic Energy in DOE, and extension of authority for appointment of certain scientific, engineering, and technical personnel. Title 32 contained one provision authorizing appropriations for the Defense Nuclear Facilities Safety Board, and Title 33 contained provisions dealing with the minimum price for petroleum sold from Naval Petroleum Reserves 2 and 3, repeal of authority to contract for cooperative or unit plans affecting Naval Petroleum Reserve 1, and the transfer of Naval Oil Shale Reserve #2 to the Ute Indian Tribe and the cleanup of the uranium mill tailings site near Moab, Utah.

Legislative History

H.R. 4205 was introduced in the House by Mr. Spence and Mr. Skelton by request on April 6, 2000. The bill was referred to the Committee on Armed Services. The Committee on Armed Services reported the bill to the House, with an amendment, on May 12, 2000 (H. Rept. 106-616).

A rule providing for the consideration of H.R. 4205, H.Res. 503, passed the House by a record vote of 220 yeas and 201 nays. The House considered H.R. 4205 on May 17 and 18, 2000. On May 18, 1999, the House passed the bill, as amended, by a record vote of 353 yeas and 63 nays. H.R. 4205 was received in the Senate on May 22, 2000.

S. 2549, the Senate companion legislation, was considered by the Senate on June 6 through 8, June 14, June 19 through 20, June 29 through 30, and July 11 through 13, 2000. The Senate amended the text of H.R. 4205 with S. 2549, as amended by the Senate, and passed H.R. 4205 by a roll call vote of 97 yeas and 3 nays on July 13, 2000 by a roll call vote of 92 yeas and 3 nays. The Senate also insisted on its amendment, requested a conference with the House, and appointed conferees. On July 26, 2000, the House disagreed to the amendment of the Senate, and agreed to the conference requested by the Senate by unanimous consent.

On July 27, 2000, the Speaker appointed conferees. The Speaker appointed conferees from the Committee on Commerce for consideration of matters contained in the House bill and the Senate amendment falling within the Committee's jurisdiction. As a result, certain provisions were accepted without significant change, certain provisions were modified substantially, and certain provisions were deleted outright .

The conference report on H.R. 4205 was filed in the House on October 6, 2000 (H. Rept. 106-945). The House adopted a rule providing for the consideration of the conference report, H.Res. 616, by a voice vote. The House agreed to the conference report by a record vote of 382 yeas and 31 nays on October 11, 2000. The Senate agreed to the conference report by a roll call vote of 90 yeas and 3 nays on October 12, 2000. The bill was presented to the President on October 19, 2000, and signed into law on October 30, 2000 (Public Law 106-398).

ENERGY POLICY AND CONSERVATION ACT REAUTHORIZATION

Public Law 106–64 (H.R. 2981)

To extend energy conservation programs under the Energy Policy and Conservation Act through March 31, 2000.

Summary

H.R. 2981 extended until March 31, 2000, the authority for the Department of Energy to buy or lease oil for, operate, and draw down the Strategic Petroleum Reserve. The bill also extends authority for the United States to participate in the International Energy Agency until September 30, 2003.

Legislative History

H.R. 2981 was introduced in the House by Mr. Bliley on September 30, 1999. The bill was referred to the Committee on Commerce.

On September 30, 1999, the Committee on Commerce was discharged from the further consideration of H.R. 2981 and considered and passed by the House by unanimous consent.

On September 30, 1999, H.R. 2981 was received in the Senate and passed by unanimous consent, clearing the bill for the White House. On September 30, 1999, H.R. 2981 was presented to the President and signed into law on October 5, 1999 (Public Law 106–64).

ENERGY POLICY AND CONSERVATION ACT REAUTHORIZATION

Public Law 106–469 (H.R. 2884, H.R. 4733)

To extend energy conservation programs under the Energy Policy and Conservation Act through fiscal year 2003

Summary

H.R. 2884, extends until September 30, 2003, the authority of the Department of Energy (DOE) to buy or lease oil for, operate, and draw down the Strategic Petroleum Reserve. The bill also extends authority for the United States to participate in the International Energy Agency until September 30, 2003. H.R. 2884 also authorizes the Secretary of Energy to fill the Reserve using oil purchased from marginal wells whenever the price of oil drops below \$15 per barrel. In addition, H.R. 2884 authorizes the Secretary of Energy to establish a home heating oil reserve to be located in the northeastern United States.

H.R. 2884 also contains provisions requiring the U.S. Geological Survey to conduct an inventory of oil and gas reserves on Federal lands; change the Federal Energy Management Program to allow Federal managers to enter into more energy savings performance contracts; updates the low-income weatherization program; and modifies regulations relating to the licensing of small hydroelectric facilities in Alaska.

H.R. 4733, as passed by the House, contained provisions amending the Energy Policy and Conservation Act. Specifically, the bill contained provisions extending through September 30, 2001, the

authority for the Department of Energy to buy or lease oil for, operate, and draw down the Strategic Petroleum Reserve. The provisions also extended authority for the United States to participate in the International Energy Agency until September 30, 2001. The provisions were ultimately dropped from H.R. 4733 during the conference with the Senate.

Legislative History

H.R. 2884 was introduced in the House by Mr. Bliley on October 21, 1999. The bill was referred to the Committee on Commerce. The Subcommittee on Energy and Power held a hearing on September 23, 1999, on Reauthorization of Expiring Energy Policy and Conservation Act Programs.

On September 23, 1999, the Subcommittee on Energy and Power met in open markup session and approved H.R. 2884 for Full Committee consideration, amended, by a voice vote. The Full Committee met in open markup session on September 29, 1999, and ordered H.R. 2884 reported to the House, with an amendment, by a voice vote, a quorum being present.

On April 11, 2000, H.R. 2884 was considered by the House under suspension of the rules. On April 12, 2000, H.R. 2884 was agreed to by a record vote of 416 yeas and 8 nays.

On October 19, 2000, H.R. 2884 passed the Senate with an amendment by unanimous consent. On October 24, 2000, the House considered and agreed to the Senate amendment under suspension of the rules by a voice vote, clearing the bill for the White House.

The bill was presented to the President on October 28, 2000 and was signed into law on November 9, 2000 (Public Law 106-469).

TO AMEND THE FEDERAL POWER ACT TO REMOVE THE
JURISDICTION OF THE FEDERAL ENERGY REGULATORY
COMMISSION TO LICENSE PROJECTS ON FRESH WATERS
IN THE STATE OF HAWAII

(S. 334)

To amend the Federal Power Act to remove the jurisdiction of the Federal Energy Regulatory Commission to license hydropower projects on fresh waters in the State of Hawaii.

Summary

S. 334 precludes FERC licensing of hydroelectric projects on fresh waters in the State of Hawaii under section 4(e) of the Federal Power Act. Section 4(e) authorizes FERC to license projects that are not required to be licensed by FERC under section 23(b). For that reason, hydroelectric project developers have some discretion to choose between FERC or State licensing of these projects. S. 334 precludes FERC licensing of hydroelectric projects under section 4(e) that it is not required to license under section 23(b).

Legislative History

S. 334 was introduced in the Senate by Mr. Akaka on February 3, 1999. The bill was referred to the Senate Committee on Energy and Natural Resources.

The Senate Committee on Energy and Natural Resources met in open markup session to consider S. 334 on March 4, 1999, and ordered the bill reported to the Senate, without amendment, by a voice vote, a quorum being present. The Committee reported S. 334 to the Senate on March 18, 1999 (S. Rpt. 106-26).

The Senate considered and passed S. 334 on March 25, 1999, without amendment, by unanimous consent. S. 334 was received in the House on April 12, 1999, and referred to the Committee on Commerce.

The Subcommittee on Energy and Power held a hearing on S. 334 on March 30, 2000. The Subcommittee received testimony from FERC, the Department of the Interior, National Oceanic and Atmospheric Administration, U.S. Forest Service, and American Rivers.

No further action was taken on S. 334 in the 106th Congress.

TO PROVIDE FOR ALASKA STATE JURISDICTION OVER SMALL
HYDROELECTRIC PROJECTS

(S. 422)

To provide for Alaska state jurisdiction over small hydroelectric projects.

Summary

S. 422 directs FERC to discontinue exercising its licensing and regulatory authority over certain small hydroelectric projects in Alaska upon a determination by FERC, after consultation with the Secretary of the Interior, Secretary of Agriculture, and Secretary of Commerce, that the State has a regulatory program in place equivalent to the Federal Power Act licensing process. The bill provides that State licensing of projects located on Federal lands be subject to approval of the Secretary administering such lands, such conditions as such Secretary may prescribe, and grants of rights-of-way under the Federal Land Policy and Management Act. S. 422 provides for FERC oversight of the State program, and requires FERC to reassert its licensing and regulatory authority if it finds the State of Alaska has not complied with the requirements of the bill.

Legislative History

S. 422 was introduced in the Senate by Mr. Murkowski on February 11, 1999. The bill was referred to the Senate Committee on Energy and Natural Resources.

The Senate Committee on Energy and Natural Resources met in open markup session to consider S. 422 on March 4, 1999, and ordered the bill reported to the Senate, as amended, by a voice vote. The Committee reported S. 422 to the Senate on March 19, 1999 (S. Rpt. 106-28).

The Senate considered and passed S. 422 on March 25, 1999, as amended, by unanimous consent. S. 422 was received in the House on April 12, 1999, and referred to the Committee on Commerce.

The Subcommittee on Energy and Power held a hearing on S. 422 on March 30, 2000. The Subcommittee received testimony from the Chairman of the Senate Committee on Energy and Natural Resources, the Department of the Interior, National Oceanic and At-

mospheric Administration, U.S. Forest Service, Alaska Power & Telephone, and American Rivers.

The Subcommittee met in open markup session to consider S. 422 on May 16, 2000, and the bill was approved for Full Committee consideration, as amended, by a voice vote, a quorum being present.

Provisions similar to those contained in S. 422 were included in the Senate amendment to H.R. 2884. No further action was taken on S. 422 in the 106th Congress.

NUCLEAR WASTE POLICY ACT OF 1999

(H.R. 45, S. 608, S. 1287)

To amend the Nuclear Waste Policy Act of 1982.

Summary

H.R. 45 has three general purposes: (1) strengthen the permanent repository program, by ensuring adequate funding to construct a repository, providing for repository licensing, and encouraging the settlement of utility lawsuits against the Federal government; (2) accelerate acceptance by providing for a centralized interim storage facility; and (3) protect consumers by ensuring applicable fees are dedicated to the nuclear waste program and not diverted to other purposes. H.R. 45 takes the Nuclear Waste Fund "off-budget," which provides secure funding for the nuclear waste program, by gaining access to the balance in the Fund, to interest on this balance, and to future revenues.

Legislative History

H.R. 45 was introduced in the House by Mr. Upton on January 6, 1999. The bill was referred to the Committee on Commerce, and additionally to the Committees on Resources and Transportation and Infrastructure.

The Subcommittee on Energy and Power held hearings on H.R. 45 on February 10, 1999, and March 12, 1999. The Subcommittee received testimony from the Department of Energy, Nuclear Regulatory Commission, Environmental Protection Agency, Nuclear Waste Technical Review Board, Department of Justice, Members and State and local officials from the State of Nevada, Nuclear Waste Strategy Coalition, National Association of Regulatory Utility Commissioners, Nuclear Energy Institute, Wisconsin Electric Company, and Public Citizen.

The Subcommittee met in open markup session to consider H.R. 45 on April 14, 1999, and the bill was approved for Full Committee consideration, as amended, by a record vote of 25 yeas and no nays, a quorum being present.

The Full Committee met in open markup session to consider H.R. 45 on April 21, 1999, and ordered the bill reported to the House, with an amendment, by a record vote of 40 yeas and 6 nays, a quorum being present.

On May 4, 1999, the Chairman of the Committee on Transportation and Infrastructure wrote to the Chairman of the Committee on Commerce agreeing to waive consideration of H.R. 45, while reserving his committee's jurisdictional prerogatives on the bill. On

May 5, 1999, the Chairman of the Committee on Commerce wrote to the Chairman of the Committee on Transportation and Infrastructure agreeing that his committee's jurisdictional prerogatives on this or similar legislation would not be affected by his agreement to waive consideration of the bill.

The Committee reported H.R. 45 to the House on May 20, 1999 (H. Rept. 106-155, Part I).

The Committee on Transportation and Infrastructure was discharged from the further consideration of H.R. 45 on May 20, 1999, and the Committee on Resources was discharged on June 2, 1999.

The Committee on Budget was granted a sequential referral of H.R. 45 on May 20, 1999, and was discharged from the further consideration of the bill on June 2, 1999.

S. 608 was introduced in the Senate by Mr. Murkowski on March 15, 1999. The bill was referred to the Committee on Energy and Natural Resources.

The Senate Committee on Energy and Natural Resources held a hearing on S. 608 on March 24, 1999.

The Senate Committee on Energy and Natural Resources met in open markup session to consider S. 608 on May 19, 1999. The Committee subsequently met in open markup session to consider an original bill on June 16, 1999, and ordered the bill reported to the Senate, as amended, by a vote of 14 to 6, a quorum being present. S. 1287 was introduced on June 24, 1999 and reported that same day (S. Rpt. 106-98).

The Senate considered S. 1287 on February 9 and 10, 2000, and passed the bill, as amended, by a vote of 64 to 34 on February 10, 2000. S. 1287 was received in the House on February 14, 2000 and held at the desk.

On March 22, 2000, the Committee on Rules granted a rule providing for the consideration of S. 1287, H.Res. 444, which was agreed to by the House by a record vote of 220 yeas and 191 nays. The House considered S. 1287 on March 22, 2000 pursuant to the rule and passed the bill by a record vote of 253 yeas and 167 nays.

S. 1287 was presented to the President on April 14, 2000. The President vetoed the bill on April 25, 2000.

On May 2, 2000, the Senate considered the President's veto message. The Senate failed to override the President's veto on May 2, 2000, by a roll call vote of 64 yeas and 35 nays.

No further action was taken on S. 1287 or H.R. 45 in the 106th Congress.

HYDROELECTRIC LICENSING PROCESS IMPROVEMENT ACT OF 1999

(H.R. 2335)

To amend the Federal Power Act to improve the hydroelectric licensing process by granting the Federal Energy Regulatory Commission statutory authority to better coordinate participation by other agencies and entities, and for other purposes.

Summary

The purpose of H.R. 2335 is to improve the hydroelectric licensing process, by (1) requiring Federal resource agencies to consider a range of public interest factors in the development of mandatory

conditions, such as the impact on other beneficial uses (irrigation, flood control, water supply, and recreation), economic effects, and compatibility with other conditions; (2) requiring Federal resource agencies to give notice of draft mandatory conditions and offer an opportunity for public hearings on draft conditions; (3) requiring Federal resource agencies to develop a written record detailing their development of mandatory conditions; and (4) authorizing and directing FERC to set a deadline for submission of mandatory conditions to a license by Federal resource agencies.

Legislative History

H.R. 2335 was introduced by Mr. Towns on June 24, 1999. The bill was referred solely to the Committee on Commerce.

The Subcommittee on Energy and Power held a hearing on H.R. 2335 on March 30, 2000. The Subcommittee received testimony from a Member of Congress, FERC, the Department of the Interior, National Oceanic and Atmospheric Administration, the Western Governors Association, U.S. Forest Service, National Hydropower Association, PacifiCorp, and American Rivers.

The Subcommittee met in open markup session to consider H.R. 2335 on May 16, 2000, and the bill was approved for Full Committee consideration, as amended, by a voice vote, a quorum being present.

No further action was taken on H.R. 2335 in the 106th Congress.

ELECTRICITY COMPETITION LEGISLATION

(H.R. 2944, H.R. 1828, H.R. 667, H.R. 971, H.R. 1138, H.R. 1486, H.R. 1587, H.R. 2050, H.R. 2363)

To promote competition in electricity markets and to provide consumers with a reliable source of electricity, and for other purposes.

Summary

In the 106th Congress, the Committee on Commerce considered 9 separate bills to restructure or reform all or parts of the electric utility industry. These bills ranged from single purpose bills that modified the Public Utility Holding Company Act of 1935 (H.R. 2363) or the Public Utility Regulatory Policies Act of 1978 (H.R. 1138), to comprehensive bills that significantly changed the electric utility industry (H.R. 1828 and H.R. 2944).

Legislative History

H.R. 2944 was introduced by Mr. Barton on September 24, 1999. The bill was referred to the Committee on Commerce, and additionally to the Committees on Transportation and Infrastructure, Resources, and Ways and Means. The Chairman of the Committee referred the bill to the Subcommittee on Energy and Power, and additionally to the Subcommittee on Finance and Hazardous Materials.

The Subcommittee on Energy and Power held a legislative hearing on H.R. 1828, the Comprehensive Electricity Competition Act, introduced by Mr. Bliley and one cosponsor, by request, on June 17, 1999. This hearing examined the Administration's proposal in de-

tail. The Subcommittee received testimony from Secretary of Energy Bill Richardson.

On July 22, 1999, the Subcommittee on Energy and Power held a legislative hearing on electric utility restructuring legislation. This hearing was a continuation of the Committee's efforts to examine comprehensive federal legislation to foster competition in retail electricity markets. At this hearing the Subcommittee considered H.R. 667, the Power Bill; H.R. 971, the Electric Power Consumer Rate Relief Act; H.R. 1138, the Ratepayer Protection Act; H.R. 1486, the Power Marketing Administration Reform Act; H.R. 1587, the Electric Energy Empowerment Act of 1999; H.R. 1828, the Comprehensive Electricity Competition Act; H.R. 2050, the Electric Consumer's Power To Choose Act of 1999; and H.R. 2363, the Public Utility Holding Company Act of 1999. The Subcommittee received testimony from witnesses representing investor and consumer-owned electric utilities, independent power producers, environmental and consumer groups.

The Subcommittee on Energy and Power held a legislative hearing on H.R. 2944 on October 5 and 6, 1999. The Subcommittee received testimony from the Department of Energy, FERC, and groups representing State regulators, and other interested parties.

The Subcommittee on Energy and Power met in open markup session to consider H.R. 2944 on October 27, 1999, and the bill was approved for Full Committee consideration, as amended, by a vote of 17 yeas and 11 nays, a quorum being present.

On July 10, 2000, the bill's referral to the Subcommittee on Finance and Hazardous Materials was extended for a period ending not later than July 12, 2000. On July 13, 2000, the Subcommittee on Finance and Hazardous materials was discharged from the further consideration of H.R. 2944.

No further action was taken on H.R. 2944 in the 106th Congress.

PIPELINE SAFETY REAUTHORIZATION

(H.R. 1378, S. 2438)

To authorize appropriations for carrying out pipeline safety activities under chapter 601 of title 49, United States Code.

Summary

H.R. 1378, reauthorizes the current natural gas and hazardous liquid pipeline safety programs now codified in 49 U.S.C. § 60101 et seq., for an additional two years, through Fiscal Year 2002. Authorization for the current pipeline safety program expires at the end of Fiscal Year 2000. The amounts authorized for the program reflect an approximate 2.7 percent annual increase in funding to keep pace with inflation. In addition, the bill makes minor changes to the current program by requiring the Office of Pipeline Safety (OPS) to formally respond to recommendations from the National Transportation Safety Board (NTSB) and provides some additional funding for damage prevention activities, including public education and awareness.

Legislative History

The Subcommittee on Energy and Power held a hearing on reauthorizing the pipeline safety program on February 3, 1999.

H.R. 1378 was introduced in the House by Mr. Barton on April 13, 1999. The bill was referred to the Committee on Transportation and Infrastructure, and in addition, the Committee on Commerce.

On April 14, 1999, the Subcommittee on Energy and Power met in open markup session and approved H.R. 1378 for Full Committee consideration, without amendment, by a voice vote. The Full Committee met in open markup session on April 21, 1999, and ordered H.R. 1378 reported to the House, with an amendment, by a record vote of 40 yeas and no nays.

On May 20, 1999, H.R. 1378 was reported, with an amendment, by the Committee on Commerce. (H. Rept. 106-153, Part 1.)

The Senate version of the legislation, S. 2438, was introduced by Senator McCain on April 13, 2000 and referred to the Senate Committee on Commerce, Science, and Transportation. On June 15, 2000, the Senate Committee on Commerce, Science, and Transportation ordered the bill favorably reported with an amendment and reported the bill to the Senate on August 25, 2000 (S.Rept. 106-387).

On September 7, 2000, the Senate considered S. 2438 and passed the bill by unanimous consent. The bill was received in the House on September 11, 2000 and held at the desk.

On October 10, 2000, the House considered S. 2438 under suspension of the rules. The House failed to pass the bill by the necessary two-thirds majority by a record vote of 232 yeas and 158 nays. No further action was taken on S. 2438 or H.R. 1378 in the 106th Congress.

KANSAS AD VALOREM TAXES

(H.R. 1117)

To provide relief from unfair interest and penalties on refunds retroactively ordered by the Federal Energy Regulatory Commission.

Summary

H.R. 1117 provides relief from interest and penalties on refunds ordered by the FERC on collections of an *ad valorem* tax imposed by the State of Kansas. Specifically, the bill amends the Natural Gas Policy Act of 1978 to preclude the payment of interest or penalties on refunds of any rates and charges for reimbursement of State *ad valorem* taxes ordered by the FERC in connection with natural gas sales prior to 1989. The bill also provides that these refunds are required only to the extent that the purchaser demonstrates to FERC that it will be passed on to ultimate natural gas consumers.

Legislative History

H.R. 1117 was introduced by Mr. Moran of Kansas and 3 cosponsors on March 16, 1999 and the bill was referred to the Committee on Commerce.

On July 29, 1999, the Subcommittee on Energy and Power held a legislative hearing on H.R. 1117. The Subcommittee heard from a Member of Congress, the State of Kansas, and a consumer.

No further action was taken on H.R. 1117 in the 106th Congress.

NATIONAL OILHEAT RESEARCH ALLIANCE ACT

(H.R. 380)

Summary

H.R. 380 authorizes the oilheat industry to conduct a referendum among its retailers and wholesalers for the creation of a National Oilheat Research Alliance (NORA or Alliance). According to the bill, if the oilheat industry approves such a referendum, NORA would be authorized to collect annual assessments from oilheat wholesalers to cover its planning and program costs. H.R. 380 would then permit the Alliance to allocate these collected funds to conduct research and development of oilheat utilization equipment, to promote consumer education, and to inform and educate the public about safety and other issues associated with the use of oilheat.

Legislative History

On April 5, 2000, the Subcommittee on Energy and Power held a legislative hearing on H.R. 380, the National Oilheat Research Alliance Act of 1999. The Subcommittee heard from witnesses representing the oilheat industry.

Provisions similar to H.R. 380 were included in the Senate amendment to H.R. 2884. No further action was taken on H.R. 380.

NUCLEAR REGULATORY COMMISSION REAUTHORIZATION

(H.R. 2531)

To authorize appropriations for the Nuclear Regulatory Commission for Fiscal Year 2000, to authorize the Nuclear Regulatory Commission to continue to collect user fees and annual charges through the end of Fiscal Year 2004, and to make a number of other changes to the Commission's authorizing statutes.

Summary

Title I of H.R. 2531 authorizes a total of \$471,400,000 for the activities of the Nuclear Regulatory Commission (NRC) in Fiscal Year 2000. This total budget authorization is divided into several key strategic areas: \$210,043,000 for nuclear reactor safety, \$63,881,000 for nuclear materials safety, \$42,143,000 for nuclear waste safety (including an authorization for appropriations of \$19,150,000 from the Nuclear Waste Fund), \$4,840,000 for international nuclear safety support, and \$144,493,000 for management and support. The total authorization also includes \$6,000,000 for the programs and activities of the Inspector General of the NRC. Title I amends the Omnibus Budget Reconciliation Act of 1990 to extend for another five years, through Fiscal Year 2004, the authority of the NRC to collect user fees and annual charges, which fund almost all of the Commission's operating expenses. Title I of

H.R. 2531 also authorizes the NRC to assess and collect fees to recover the full costs of the services the Commission renders to other Federal agencies.

Title II includes provisions to improve the effectiveness and efficiency of the NRC in the performance of its missions. Section 201 authorizes the Commission to allow the guards at certain licensed facilities to carry firearms while in the discharge of their official duties to protect the facilities or prevent the theft of special nuclear materials. Section 202 prohibits the introduction of dangerous weapons onto facilities licensed or certified by the Commission; such introduction is already prohibited for Commission-owned facilities. Section 203 expands current prohibition on sabotage or attempted sabotage of nuclear facilities to include nuclear waste treatment and disposal facilities and nuclear fuel fabrication facilities. Section 204 provides for an initial 40-year period for combined construction and operation license for a production or utilization facility. Section 205 eliminates the requirement that the NRC maintain an office in the District of Columbia for the service of process and papers. Section 206 provides that Commission meetings must be held in accordance with the requirements of the Government in the Sunshine Act (Public Law 94-409), in effect overruling more recent Commission interpretations allowing for certain closed Commission meetings.

Legislative History

H.R. 2531 was introduced in the House by Mr. Barton and Mr. Hall on July 15, 1999, by request.

The Subcommittee on Energy and Power held a hearing on H.R. 2531 on July 21, 1999. The Subcommittee received testimony from the Nuclear Regulatory Commission, the Environmental Protection Agency, the Nuclear Energy Institute, and the Natural Resources Defense Council.

On September 23, 1999, the Subcommittee on Energy and Power met in open markup session to consider H.R. 2531. The Subcommittee approved H.R. 2531, as amended, for Full Committee consideration by a voice vote, a quorum being present. On September 29, 1999, the Full Committee met in open markup session and ordered H.R. 2531 reported to the House, with an amendment, by a voice vote, a quorum being present. The Committee reported the bill to the House, with an amendment, on October 26, 2000 (H. Rept. 106-415).

No further action was taken on H.R. 2531 in the 106th Congress.

CIVIL PENALTIES ON NONPROFIT DOE CONTRACTORS

(H.R. 3383)

To amend the Atomic Energy Act of 1954 to remove an exemption from civil penalties for nuclear safety violations by non profit institutions.

Summary

The Price-Anderson Act (Public Law 85-256) was enacted in 1957 as an amendment to the Atomic Energy Act of 1954 (Public Law 83-703, 42 U.S.C. § 2011 et seq.). The original Price-Anderson Act

provided a limited indemnification of DOE contractors engaged in activities that involve the risk of a nuclear accident. The Price-Anderson Amendments Act of 1988 (Public Law 100-408) modified the indemnification provisions and also created a system of civil penalties for DOE contractors that violate any DOE rule, regulation, or order relating to nuclear safety. These provisions relating to civil penalties are contained in section 234A of the Atomic Energy Act of 1954, as amended.

All for-profit DOE contractors are currently subject to the civil penalties as provided for in section 234A. However, section 234A(d) specifically exempts certain named nonprofit DOE contractors from civil penalties for nuclear safety violations. In addition, section 234A(b)(2) of the Atomic Energy Act, as amended, allows the Secretary of Energy to provide for the automatic remission of any such civil penalties for all nonprofit educational institutions. This administrative exemption for nonprofit educational institutions is implemented by DOE in 10 C.F.R. Part 820.20(d).

H.R. 3383 eliminates both the statutory and administrative exemption of nonprofit contractors from paying civil penalties when they commit nuclear safety violations. Because of the unique funding situation for nonprofit institutions, H.R. 3383 provides for an upper limit on the amount of civil penalties that may be collected from a nonprofit contractor. This limit is the amount of the discretionary fee paid to the contractor under the contract under which the nuclear safety violation occurs.

Legislative History

At a legislative hearing of the Energy and Power Subcommittee on March 22, 2000, witnesses from GAO, the Alliance for Nuclear Accountability, and the Natural Resources Defense Council all testified in favor of H.R. 3383.

On April 12, 2000, the Subcommittee on Energy and Power met in open markup session and approved H.R. 3383 for Full Committee consideration, as amended, by a voice vote, with a quorum being present. On May 17, 2000, the Full Committee met in open markup session and ordered H.R. 3383 reported to the House, as amended, by a voice vote, a quorum being present. The Committee on Commerce reported the bill to the House, with an amendment, on June 23, 2000 (H. Rept. 106-695, Part 1).

On June 23, 2000, H.R. 3383 was referred sequentially to the House Committee on Armed Services for a period ending not later than July 21, 2000. The Committee on Armed Services met in open markup session on June 28, 2000, and approved H.R. 3383 by voice vote, a quorum being present. The Committee on Armed Services reported the bill to the House, as amended by the Committee on Commerce, on July 21, 2000 (H. Rept. 106-695, Part 2).

No further action was taken on H.R. 3383 in the 106th Congress.

ENFORCEMENT OF PRICE-ANDERSON ACT CIVIL PENALTIES

(H.R. 4446)

To ensure that the Secretary of Energy may continue to exercise certain authorities under the Price-Anderson Act through the Assistant Secretary of Energy for Environment, Safety, and Health.

Summary

The Price-Anderson Act (Public Law 85-256) was enacted in 1957 as an amendment to the Atomic Energy Act of 1954 (Public Law 83-703, 42 U.S.C. § 2011 et seq.). The original Price-Anderson Act provided a limited indemnification of DOE contractors engaged in activities that involve the risk of a nuclear accident. The Price-Anderson Amendments Act of 1988 (Public Law 100-408) modified the indemnification provisions and also created a system of civil penalties for DOE contractors that violate any DOE rule, regulation, or order relating to nuclear safety. These provisions relating to civil penalties are contained in section 234A of the Atomic Energy Act of 1954, as amended.

These civil penalties provide a valuable and important enforcement tool for the DOE to ensure that its contractors pay proper attention to nuclear safety. Implicit in the ability to impose civil penalties on contractors are related enforcement actions, including accident investigations, subpoenas for information, notices of violation, and orders to abate or correct hazardous practices. Section 234A of the Atomic Energy Act is enforced primarily by the Assistant Secretary of Energy for Environment, Safety, and Health.

Title 32 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65, 50 U.S.C. § 2401 et seq.) created the semi-autonomous National Nuclear Security Administration (NNSA). Section 3213 of that Act provides that employees and contractors of the NNSA shall not be subject to the authority, director, or control of any officer, employee, or agent of the Department of Energy other than the Secretary of Energy, the Administrator of the NNSA, or the Administrator's designee. Under this provision of title 32, the authority of the Assistant Secretary for Environment, Safety, and Health is limited such that this office is no longer able to enforce effectively the provisions of section 234A of the Atomic Energy Act with respect to the facilities and operations of the NNSA. This office can only make recommendations to the NNSA Administrator or to the Secretary of Energy, but can no longer take direct enforcement actions such as issuing notices of violation, subpoenas for information, or assessment of civil penalties against the elements of the NNSA. Title 32 of the NNSA Act thus fragments responsibility for the enforcement of Section 234A of the Atomic Energy Act between the NNSA and non-NNSA portions of the Department of Energy. Further, restrictions on the authority of the Assistant Secretary of Energy for Environment, Safety, and Health over the NNSA facilities could significantly restrict the ability of the Assistant Secretary to gather evidence of violations at those sites and provide such information to the Secretary of Energy.

H.R. 4446 ensures that the Secretary of Energy, acting through a single office at the Department of Energy, such as the Assistant Secretary of Energy for Environment, Safety, and Health, is responsible for and can be held accountable for enforcement of Section 234A of the Atomic Energy Act for the entire DOE complex, including the facilities and operations of the NNSA.

Legislative History

At the joint hearing held by the Subcommittees on Energy and Power and Oversight and Investigations on March 14, 2000, the

Assistant Secretary of Energy for Environment, Safety, and Health testified to the conflict between the responsibilities of his office to enforce section 234A of the Atomic Energy Act and the restrictions imposed by section 3213 of the National Defense Authorization Act for Fiscal Year 2000 on his authority over the NNSA. The Subcommittee on Energy and Power held a legislative hearing on H.R. 4446 on March 22, 2000. The Subcommittee received testimony from: Department of Energy; the Nuclear Regulatory Commission; Occupational Safety and Health Administration; Defense Nuclear Facilities Safety Board; General Accounting Office; Lawrence Berkeley National Laboratory; University of California; Alliance for Nuclear Accountability; Natural Resources Defense Council; and PACE International Union.

On April 12, 2000, the Subcommittee on Energy and Power met in open markup session and approved a committee print of the bill for Full Committee consideration, as amended, by a voice vote. The committee print was subsequently introduced by Mr. Barton and Mr. Boucher as H.R. 4446. On May 17, 2000, the Full Committee met in open markup session and ordered H.R. 4446 reported to the House, without amendment, by a voice vote, a quorum being present. The Committee on Commerce reported the bill to the House on June 23, 2000 (H. Rept. 106-694, Part 1).

H.R. 4446 was referred sequentially to the House Committee on Armed Services for a period ending not later than July 21, 2000. The Committee on Armed Services met in open markup session on June 28, 2000, and approved by a voice vote, a quorum being present, H.R. 4446, with an amendment. The amendment approved by the Committee on Armed Services provides that enforcement of Section 234A of the Atomic Energy Act will be through the NNSA Administrator for NNSA facilities, and through the Assistant Secretary of Energy for Environment, Safety, and Health for all other DOE facilities. The Committee on Armed Services reported the bill to the House on July 21, 2000 (H. Rept. 106-694, Part 2).

There was no further action taken on H.R. 4446 in the 106th Congress.

DOE EXTERNAL REGULATION AND COMMERCIAL APPLICATION OF
ENERGY TECHNOLOGY

(H.R. 1656, H.R. 3907)

To authorize appropriations for fiscal years 2000 and 2001 for the commercial application energy technology and related civilian energy and scientific programs, projects, and activities of the Department of Energy, and for other purposes.

Summary

H.R. 1656 authorized DOE activities for the commercial application of various energy technologies. Specifically, section 3 authorized \$41 million for uranium programs and \$9.1 million for technical information management under the Energy Supply heading, a total of \$330 million for environmental cleanup activities under the Non-Defense Environmental Management heading, \$10.7 million for the Clean Cities Initiative, \$9.1 million for building standards, and \$6.4 million for appliance and lighting standards under

the Energy Conservation Research and Development heading. Section 15 of H.R. 1656 authorized external regulation of the Department of Energy by the Nuclear Energy Commission and the Occupational Safety and Health Administration. Section 19 dealt with the DOE regulations related to the safeguarding and security of restricted data, and Section 20 dealt with whistleblower protections for DOE employees.

Legislative History

H.R. 1656 was introduced by Mr. Calvert on May 3, 1999. The bill was referred to the Committee on Science, and additionally to the Committees on Commerce and Education and the Workforce. On May 26, 1999, the Committee on Science marked up the legislation and ordered the bill reported, amended, by a voice vote.

The Committee on Science filed its report with the House on February 3, 2000 (H. Rept. 106-492, Part 1). The Speaker extended the referrals of the Committees on Commerce and Education and the Workforce through June 9, 2000. On June 7, 2000, the Chairman of the Committee on Commerce wrote the Chairman of the Committee on Science and agreed to waive the Commerce Committee's further consideration of the legislation. On June 8, 2000, the Chairman of the Committee on Science wrote the Chairman of the Committee on Commerce agreeing that the Commerce Committee's decision to forego further action on H.R. 1656 would not prejudice the Committee on Commerce's jurisdiction prerogatives on H.R. 1656 or similar legislation.

On June 9, 2000 the Committees on Commerce and Education and the Workforce were discharged from the further consideration of H.R. 1656. No further action was taken on H.R. 1656 in the 106th Congress.

On March 14, 2000, Mr. Bliley and 7 cosponsors introduced H.R. 3907, a bill addressing the external regulation of the Department of Energy. The bill was referred to the Committee on Commerce, and additionally to the Committees on Armed Services and Education and the Workforce. The Subcommittee on Energy and Power held a hearing on the legislation on March 22, 2000. No further action was taken on the legislation in the 106th Congress.

PLUMBING STANDARDS IMPROVEMENT ACT OF 1999

(H.R. 623)

To amend the Energy Policy and Conservation Act to eliminate certain regulation of plumbing supplies.

Summary

H.R. 623 would repeal certain requirements enacted as part of the Energy Policy Act of 1992 (EPACT), establishing water use efficiency standards for showerheads, faucets, water closets, and urinals. Under EPACT, certain categories of showerheads and faucets manufactured after January 1, 1994 are required to comply with maximum water use standards of 2.5 gallons per minute. Similarly, certain types of urinals and water closets manufactured after January 1, 1994 are required to comply with maximum water use standards of 1.6 gallons per flush. H.R. 623 eliminates the federal uni-

form national standards for maximum water usage for showerheads, faucets, water closets and urinals. In lieu of such standards, maximum water use standards for these appliances would be governed by various state and local regulations.

Legislative History

On February 8, 1999, H.R. 623, the Plumbing Standards Improvement Act of 1999, was introduced in the House by Mr. Knollenberg and 107 cosponsors. Within the Committee on Commerce, the bill was referred to the Subcommittee on Energy and Power.

On July 27, 1999, the Subcommittee on Energy and Power held a legislative hearing on H.R. 623. Witnesses giving testimony included Members of Congress and public and private sector witnesses.

On April 12, 2000, the Subcommittee on Energy and Power met in open markup session to consider H.R. 623. The bill was not forwarded to the Full Committee for consideration by a record vote of 12 Yeas and 13 Nays.

No further action was taken on H.R. 623 in the 106th Congress.

OVERSIGHT ACTIVITIES

REAUTHORIZATION OF THE NATURAL GAS PIPELINE SAFETY ACT AND THE HAZARDOUS LIQUID PIPELINE SAFETY ACT

On February 3, 1999, the Subcommittee on Energy and Power held an oversight hearing on reauthorization of the Natural Gas Pipeline Safety Act and the Hazardous Liquid Pipeline Safety Act. Authorization for the current pipeline safety program expired at the end of Fiscal Year 2000. The pipeline safety program is managed by the Office of Pipeline Safety within the Department of Transportation. Witnesses testified regarding both the positive and negative aspects of the current pipeline safety program. The Subcommittee received testimony from Administration, industry, and environmental representatives.

THE EXXON-MOBIL MERGER

On March 10 and 11, 1999, the Subcommittee on Energy and Power held an oversight hearing on the Exxon-Mobil merger. On December 1, 1998, Exxon, the Nation's largest domestic oil company, agreed to buy Mobil Oil for \$77 billion. At the time of the hearing, this merger represented the largest industrial merger in history, exceeding the \$54 billion acquisition of Amoco by British Petroleum. Exxon-Mobil Corporation would have a combined 1998 revenue of \$170 billion. The merger created the largest non-state-owned integrated oil and gas company in the world, with a market capitalization of over \$240 billion. The hearing considered the impact the merger would have on American consumers, competition in the oil industry, and American energy security. The Subcommittee received testimony from the Administration, the companies, service station dealers, and petroleum industry analysts.

THE IRAQI OIL FOR FOOD PROGRAM AND ITS IMPACT

On March 26, 1999, the Subcommittee on Energy and Power held an oversight hearing on the Iraqi Oil for Food Program and its impact. After Iraq's invasion of Kuwait in 1990, the United Nations imposed sanctions which prohibited all trade with Iraq. However, in April 1995, in recognition of the humanitarian needs of the people of Iraq, Security Council Resolution 986 was passed, which authorized the sale of oil from Iraq to be used to purchase goods authorized by the United Nations Security Council. Under this program, Iraq is currently allowed to sell up to \$5.2 billion worth of oil every 6 months. The money generated from the sale is deposited in the bank of the choosing of the government of Iraq and is to be used to provide humanitarian goods to the Iraqi people under United Nations supervision. The program has been criticized for its slowness. In February of 1999, the U.N. Secretary General reported that there is \$275 million worth of medicine sitting in Iraqi warehouses undistributed. The hearing focused on the effectiveness of the program and the impact Iraqi oil sales were having on U.S. energy security. The Subcommittee heard testimony from the Administration, State regulators, and oil and gas industry participants.

ELECTRICITY COMPETITION: EVOLVING FEDERAL AND STATE ROLES

On March 18, 1999, the Subcommittee on Energy and Power held an oversight hearing on Electricity Competition: Evolving Federal and State roles. This hearing was the first day in a series of hearings over the course of the 106th Congress relating to the restructuring of the electric utility industry. This hearing focused on Federal and State roles in the regulation and operation of the interstate electricity grid, especially as the grid becomes increasingly competitive. The Subcommittee heard testimony from current and former Administration officials, Federal and State regulators, and a variety of electric industry participants.

ELECTRICITY COMPETITION: RELIABILITY AND TRANSMISSION IN COMPETITIVE ELECTRICITY MARKETS

On April 22, 1999, the Subcommittee on Energy and Power held an oversight hearing on Electricity Competition: Reliability and Transmission in Competitive Electricity Markets. This hearing was a continuation of the Committee's consideration of electric utility restructuring. This hearing focused on the reliability and transmission issues raised by increasingly competitive electricity markets. The Subcommittee considered the future role of the North American Electricity Reliability Council and the FERC in regulating interstate transmission lines. Witnesses representing State and Federal regulators, consumers, and electric industry participants testified at the hearing.

ELECTRICITY COMPETITION: MARKET POWER, MERGERS, AND PUHCA

On May 6, 1999, the Subcommittee on Energy and Power held an oversight hearing on Electricity Competition: Market Power, Mergers, and PUHCA. This hearing was a continuation of the Committee's consideration of electric utility restructuring. As States

have begun to open up their electricity markets to retail competition, the way the Federal government and the States regulate providers of electricity may need to change. This hearing focused on three specific areas which may be implicated by electric utility restructuring: market power, mergers, and reform of the Public Utility Holding Company Act. The Subcommittee heard from witnesses Federal and State regulators, consumers, and electric industry representatives.

ELECTRICITY COMPETITION: THE ROLE OF THE TENNESSEE VALLEY
AUTHORITY

On September 13, 1999, the Subcommittee on Energy and Power held an oversight hearing on electricity competition: the role of the Tennessee Valley Authority. The purpose of the hearing was to review proposals to reform the role of the Tennessee Valley Authority in competitive electric markets and determine whether such proposals should be included in Federal electric restructuring legislation. The Subcommittee heard testimony from witnesses representing the Tennessee Valley Authority, and some of its competitors and consumers.

ELECTRICITY COMPETITION: ROLE OF FEDERAL ELECTRIC UTILITIES.

On May 13, 1999, the Subcommittee on Energy and Power held an oversight hearing on the electricity competition focusing on the role of Federal electric utilities. There are nine Federal electric utilities—these utilities are part of several agencies in the Federal government, including the power marketing administrations in the Department of Energy (Bonneville Power Administration, Western Area Power Administration, Southwestern Power Administration, and Southeastern Power Administration); and the Tennessee Valley Authority. Four Federal agencies operate electric generation facilities: the Tennessee Valley Authority, the Army Corps of Engineers, the Bureau of Reclamation, and the International Boundary and Water Commission. The Tennessee Valley Authority markets its own power while generation by the Army Corps of Engineers, the Bureau of Reclamation, and the International Boundary and Water Commission is marketed by Federal power marketing administrations. This hearing focused on the role of these utilities in increasingly competitive electricity markets. The Subcommittee heard testimony at this hearing from Federal witnesses representing these Federal electric utilities, customers and competitors of these utilities, and environmental groups and other interested stakeholders.

ELECTRICITY COMPETITION: PURPA, STRANDED COSTS, AND THE
ENVIRONMENT

On May 20, 1999, the Subcommittee on Energy and Power held an oversight hearing on the electricity competition focused on PURPA, stranded costs, and the environment. As States have begun to open up their electricity markets to retail competition, the Subcommittee considered whether the way the Federal government and the States regulate providers of electricity may need to change. This hearing was focused on three specific areas which may be im-

plicated by Federal and/or State movement to retail competition: the Public Utility Regulatory Policies Act (PURPA), stranded costs, and the environment. Witnesses representing State regulators, consumers, the environmental community, utilities, and other power suppliers testified at the hearing.

ELECTRICITY COMPETITION: CONSUMER PROTECTION ISSUES

On May 26, 1999, the Subcommittee on Energy and Power held an oversight hearing on electricity competition. This hearing which was continuation of the Subcommittee's consideration of electric utility restructuring issues focused on consumer protection issues. As electricity markets become increasingly competitive, there is a need to ensure that consumers are protected from unqualified or unreliable electric suppliers, by false and misleading advertising, and by unfair or deceptive trade practices. This hearing focused on ways State and Federal regulators and legislators can assure that consumers receive the full benefits of competitive electricity markets. Witnesses at the hearing included Administration and State consumer protection agencies, consumers, and providers of information regarding offers to sell electricity.

ELECTRICITY COMPETITION: STATE AND LOCAL ISSUES

On July 1, 1999, the Subcommittee on Energy and Power held an oversight hearing on the electricity competition. This hearing was focused on State and local issues. As electricity markets become more competitive, important questions regarding State and local roles in electricity markets are raised. The hearing considered what is the role of Federal Government in fostering reliable and competitive, retail and wholesale electricity markets, how does that role overlap or complement State and local roles in competitive electricity markets, and how to assure that the competition in electricity markets is vigorous and also fair. The Subcommittee heard testimony from witnesses representing State Legislatures, Public Utility Commissions, and municipal and cooperatively-owned utilities.

ELECTRICITY COMPETITION: INNOVATION AND THE FUTURE

On July 15, 1999, the Subcommittee on Energy and Power held an oversight hearing on the electricity competition focused on innovation and the future. At this hearing the Subcommittee focused on innovations, services, and/or technologies being developed by to help consumers pay less for their electricity and get more for their money. The hearing also highlighted any barriers or incentives posed by State or Federal regulation to bringing new energy or cost saving technology to the marketplace. The Subcommittee heard from witnesses representing innovative companies that have developed products or services designed to provide consumers more choice, more reliable service, and/or lower prices. Witnesses described their initiatives in the areas of distributed generation technology, metering and billing technology, innovations in transmission technology, and other related products that may more readily find a market in a deregulated industry.

KANSAS AD VALOREM TAX REFUND

On June 8, 1999, the Subcommittee on Energy and Power held an oversight hearing on the Kansas Ad Valorem Tax Refund. This hearing focused on an ad valorem tax that Kansas imposed on natural gas produced in the State of Kansas. Until 1993, the Federal Energy Regulatory Commission (FERC), and its predecessor agency, the Federal Power Commission, established the maximum price a natural gas producer could charge for natural gas. FERC, and the FPC, allowed an upward adjustment of the ceiling price of natural gas to allow producers and royalty owners to recover State production or severance taxes. This had the effect of making the purchasers of the natural gas, rather than the producers, ultimately responsible for paying these severance or production taxes. Originally, FERC and the FPC determined that Kansas producers could pass the tax through to consumers. That decision was reversed in 1988 and in 1996, the D.C. Circuit Court affirmed that producers owed consumers refunds on the amount of the tax, plus interest and penalties, on that amount. The hearing explored whether the decision that producers should pay interest and penalties should be legislatively overturned. The Subcommittee heard from witnesses representing the FERC, States, and natural gas producers and consumers.

PRICE FLUCTUATIONS IN OIL MARKETS

On March 9, 2000, the Subcommittee on Energy and Power held an oversight hearing on price fluctuations in oil markets. Since 1981 the price of oil has been deregulated and is set exclusively by the market place. One result of the price being set by the market place is that it fluctuates. In the 18 months prior to the hearing, the U.S. had seen both historically low and high oil prices. In 12 months crude oil prices rose from \$12 per barrel in mid February 1999 (the lowest price in nominal terms since 1986) to over \$30 per barrel in February 2000. These crude prices translated into high prices for heating oil, diesel fuel, and propane across the country. The hearing focused on some of the causes of the price rise including colder than average temperatures, low distillate inventories, distribution slowed due to frozen waterways, unexpected refinery outages, and increased demand from interrupted natural gas customers. The Subcommittee received testimony from Members of Congress, the Administration, consumers, and oil industry participants and analysts.

NATIONAL ENERGY POLICY: ENSURING ADEQUATE SUPPLY OF NATURAL GAS AND CRUDE OIL

On May 24, 2000, the Subcommittee on Energy and Power held an oversight hearing on National Energy Policy: ensuring adequate supply of natural gas and crude oil. This was the first hearing in a series of hearing focused on energy policy in general. This hearing provided Members with a broad spectrum of information upon which to evaluate current energy proposals. This hearing focused on U.S. energy policy, especially as it relates to the oil and gas industry. The hearing examined both long-term and short-term predictions for energy supply and prices. Witnesses representing the

current and past Administrations, energy policy decision-makers, and oil and natural gas industry participants and analysts testified at the hearing.

NATIONAL ENERGY POLICY: THE FUTURE OF NUCLEAR AND COAL
POWER IN THE UNITED STATES

As part of a series of hearings on national energy policy, the Subcommittee on Energy and Power held a hearing on June 8, 2000, to consider the future of nuclear energy and coal power in the United States. Witnesses on the panel on nuclear energy represented the Office of Nuclear Energy, Science, and Technology at the Department of Energy, PECO Energy Generation, the University of Texas, Converdyne, and the Union of Concerned Scientists. Witnesses on the coal panel represented the Office of Fossil Energy at the Department of Energy, the Edison Electric Institute, the National Mining Association, the Electric Power Research Institute, and Pennsylvania State University. This hearing explored both potential opportunities and impediments to the use of nuclear and coal power, which together account for 70 percent of the electric power generated in the United States.

ELECTRIC UTILITY INDUSTRY RESTRUCTURING: THE CALIFORNIA
MARKET

On September 11, 2000, the Subcommittee on Energy and Power held an oversight hearing on Electric Utility Industry Restructuring: the California Market. This hearing focused on the reliability and price concerns that electricity consumers in the San Diego area experienced after their utility began charging market-based rates. Witnesses at the hearing testified concerning competition in the wholesale electricity market, the operation of the California Independent System Operator and the Power Exchange, and Federal solutions to address the concerns of California consumers. Subcommittee received testimony from Federal and State regulators, electric utilities, independent power producers, consumers, and other interested stakeholders.

ONGOING ENERGY CONCERNS FOR THE AMERICAN CONSUMER:
NATURAL GAS AND HEATING OIL

On September 28, 2000, the Subcommittee held an oversight hearing on Ongoing Energy Concerns for the American Consumer: Natural Gas and Heating Oil. As the winter of 2000-2001 approached, concerns regarding fuel prices and supply were raised. This hearing addressed what consumers should expect regarding energy prices, steps they could take to lower their energy bills, and things the United States could do to improve its energy production and delivery infrastructure. Witnesses that testified at the hearing included representatives of the Administration, State utility commissioners, and energy producers, suppliers, and consumers.

STRATEGIC PETROLEUM RESERVE: A CLOSER LOOK AT THE DRAWDOWN

On October 19, 2000, the Subcommittee on Energy and Power held an oversight hearing on Strategic Petroleum Reserve: a closer

look at the drawdown. The Strategic Petroleum Reserve was created by Congress in 1975 to deal with severe energy supply interruptions. On September 22, 2000, Secretary of Energy Bill Richardson announced that he had been directed by the President to release 30 million barrels of oil from the Strategic Petroleum Reserve. The Administration's reasons for releasing the oil were to address a potential heating oil shortage and to acquire more oil from the Reserve. The hearing focused on the Administration's decision to release oil from the Reserve while acknowledging there was no severe energy supply interruption, the Administration's claim that the release would result in an additional 3 to 5 million barrels of heating oil being refined, and the conduct of the bidding process. The Subcommittee received testimony from Members of Congress, current and past Administration representatives, purchasers of oil released from the Reserve, and oil industry analysts.

YUCCA MOUNTAIN NUCLEAR WASTE REPOSITORY

The Energy and Power Subcommittee held an oversight hearing on June 23, 2000, on the status of the Department of Energy program to develop a permanent repository for spent nuclear fuel and high-level radioactive waste at Yucca Mountain, Nevada. The Subcommittee heard testimony from Members of Congress, the Department of Energy (DOE), the Nuclear Regulatory Commission, the Environmental Protection Agency (EPA), the Nuclear Waste Technical Review Board, and the National Research Council's Board on Radioactive Waste Management. This hearing focussed on three principal issues: the ability of the DOE to meet its near-term schedule for a final Site Recommendation in mid-2001, the basis for EPA's proposed radiation standards for the repository, and the decision by the DOE to recompetete the management and operating contract for the Yucca Mountain program in the midst of several critical milestones.

DEPARTMENT OF ENERGY BUDGET REQUESTS

The Subcommittee on Energy and Power held a hearing on the Department of Energy (DOE) budget request for fiscal year 2000 on February 24, 1999. The DOE witness was the Honorable Ernest Moniz, the Under Secretary of Energy. Areas of inquiry included: DOE progress on the Yucca Mountain repository and the adequacy of long-term funding for the program, Power Marketing Administrations, petroleum reserves and energy security, electricity reliability, uranium enrichment, DOE's proposed Nuclear Cities Initiative, U.S. policy with respect to oil sales by Iraq, DOE asset sales, cleanup of contaminated DOE sites, and DOE research and development activities.

The Subcommittee on Energy and Power held a hearing on the Department of Energy (DOE) budget request for fiscal year 2001 on March 24, 2000. Testifying for the Department was the Honorable T.J. Glauthier, the Deputy Secretary of Energy. Areas of inquiry by the Subcommittee included: progress on the Yucca Mountain repository, implementation of the new National Nuclear Security Administration, energy security, the Strategic Petroleum Reserve, the proposed Home Heating Oil Reserve, worker's compensation, radi-

ation standards, gasoline prices, environmental cleanup, Hanford privatization, metals recycling, technology development, DOE surplus assets, DOE national laboratories, remediation of the Atlas uranium mill tailings site, nuclear stockpile stewardship, DOE security and safeguards, uranium enrichment, tritium production, electricity reliability, and energy efficiency.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM (FUSRAP)

The FUSRAP program was created by the Department of Energy to clean up low-level radioactive contamination resulting from activities in support of the nuclear weapons programs of the Manhattan Engineer District and the Atomic Energy Commission. Through the end of fiscal year 1997, the DOE had completed work on 24 out of a total of 46 FUSRAP sites. At that time, Congress transferred the responsibility for the remaining 22 sites from DOE to the Army Corps of Engineers in the Energy and Water Development Appropriations Act for Fiscal Year 1998 (Public Law 105-62). The Commerce Committee continues to exercise its jurisdiction over this program. The Committee chartered a GAO review of the transition from DOE to Corps management, and of the Corps performance since that transition. Concerns over the Corps use of disposal facilities that are not licensed by the Nuclear Regulatory Commission led to several exchanges of correspondence with the Corps and to discussion of this problem at a July 21, 1999 hearing of the Energy and Power Subcommittee on the reauthorization of the NRC.

LONG-TERM CHALLENGES AT DOE LABORATORIES

In addition to the scrutiny placed on near-term safety and security problems at the Department of Energy national laboratories, the Committee also looked into the longer-term challenges facing the national laboratories. On August 24, 2000, the Subcommittee on Energy and Power held an informal field forum at Sandia National Laboratories in Albuquerque, New Mexico, to discuss these concerns with laboratory management. Members heard testimony from two panels of witnesses representing the Lawrence Livermore, Los Alamos, and Sandia laboratories. The first panel discussed the future roles and missions of the laboratories, particularly in view of the recent creation of the National Nuclear Security Administration to consolidate work on nuclear weapons. The second panel addressed the challenges the laboratories face in recruiting and retaining the top scientific talent, a task made especially difficult in times of strong economic growth in other fields, enhanced emphasis on security, and changing roles of the laboratories.

HEARINGS HELD

Reauthorization of the Natural Gas Pipeline Safety Act and the Hazardous Liquid Pipeline Safety Act.—Oversight hearing on Reauthorization of the Natural Gas Pipeline Safety Act and the Hazardous Liquid Pipeline Safety Act (49 U.S.C. § 60101 et. seq.). Hearing held on February 3, 1999. PRINTED, serial number 106-11.

Nuclear Waste Policy Act of 1999.—Hearing on H.R. 45, the Nuclear Waste Policy Act of 1999. Hearing held on February 10 and March 12, 1999. PRINTED, serial number 106–17.

Department of Energy's Proposed Budget for Fiscal Year 2000.—Oversight hearing held on the Department of Energy's Proposed Budget for Fiscal Year 2000. Hearing held on February 24, 1999. PRINTED, serial number 106–54.

Exxon-Mobil Merger.—Oversight hearing held on the Exxon-Mobil Merger. Hearing held on March 10 and 11, 1999. PRINTED, serial number 106–12.

Electricity Competition—Evolving State and Federal Roles.—Oversight hearing held on Electricity Competition—Evolving State and Federal Roles. Hearing held on March 18, 1999. PRINTED, serial number 106–63.

The Iraqi Oil for Food Program and its Impact.—Oversight hearing on the Iraqi Oil for Food Program and its Impact. Hearing held on March 26, 1999. PRINTED, serial number 106–27.

Electricity Competition—Reliability and Transmission in Competitive Electricity Markets.—Oversight hearing held on Electricity Competition—Reliability and Transmission in Competitive Electricity Markets. Hearing held on April 22, 1999. PRINTED, serial number 106–63.

Electricity Competition—Market Power, Mergers, and PUCHA.—Oversight hearing on Electricity Competition—Market Power, Mergers, and PUCHA. Hearing held on May 6, 1999. PRINTED, serial number 106–63.

Electricity Competition—The Role of Federal Electric Utilities.—Oversight hearing on Electricity Competition—The Role of Federal Electric Utilities. Hearing held on May 13, 1999. PRINTED, serial number 106–64.

Electricity Competition—PURPA, Stranded Costs, and the Environment.—Oversight hearing on Electricity Competition—PURPA, Stranded Costs, and the Environment. Hearing held on May 20, 1999. PRINTED, serial number 106–64.

Electricity Competition—State Restructuring Efforts, and Consumer Protection Issues.—Oversight hearing on Electricity Competition—State Restructuring Efforts, and Consumer Protection Issues. Hearing held on May 26, 1999. PRINTED, serial number 106–64.

Kansas Ad Valorem Tax Refund.—Oversight hearing on the Kansas Ad Valorem Tax Refund. Hearing held on June 8, 1999. PRINTED, serial number 106–38.

Comprehensive Electricity Competition Act.—Hearing on H.R. 1828, the Comprehensive Electricity Competition Act. Hearing held on June 17, 1999. PRINTED, serial number 106–61.

Electricity Competition—State and Local Issues.—Oversight hearing on Electricity Competition—State and Local Issues. Hearing held on July 1, 1999. PRINTED, serial number 106–64.

Restructuring the Department of Energy.—Joint oversight hearing with the Committee on Science Subcommittee on Energy and Environment on Restructuring the Department of Energy. Hearing held on July 13, 1999. PRINTED, serial number 106–40.

Electricity Competition—Competition and Innovation.—Oversight hearing on Electricity Competition—Competition and Innovation. Hearing held on July 15, 1999. PRINTED, serial number 106–65.

Nuclear Regulatory Commission Authorization Act for Fiscal Year 2000.—Hearing on H.R. 2531, the Nuclear Regulatory Commission Authorization Act for Fiscal Year 2000. Hearing held on July 21, 1999. PRINTED, serial number 106–40.

Electric Utility Restructuring Legislation.—Hearing on H.R. 667, H.R. 971, H.R. 1138, H.R. 1486, H.R. 1587, H.R. 1828, H.R. 2050, and H.R. 2363, Electric Utility Restructuring Legislation. Hearing held on July 22, 1999. PRINTED, serial number 106–61.

A Bill to Amend the Energy Policy and Conservation Act to Eliminate Certain Regulation of Plumbing Supplies.—Hearing on H.R. 623, a bill to amend the Energy Policy and Conservation Act to Eliminate Certain Regulation of Plumbing Supplies. Hearing held on July 27, 1999. PRINTED, serial number 106–76.

A bill to provide relief from unfair interest and penalties on refunds retroactively ordered by the Federal Energy Regulatory Commission.—Hearing on H.R. 1117, a bill To provide relief from unfair interest and penalties on refunds retroactively ordered by the Federal Energy Regulatory Commission. Hearing held on July 29, 1999. PRINTED, serial number 106–74.

Electricity Competition: The Role of the Tennessee Valley Authority.—Oversight field hearing in Nashville, Tennessee on Electricity Competition: The Role of the Tennessee Valley Authority. Hearing held on September 13, 1999. PRINTED, serial number 106–65.

Reauthorization of Expiring Energy Policy and Conservation Act Programs.—Hearing on Reauthorization of Expiring Energy Policy and Conservation Act Programs. Hearing held on September 23, 1999. PRINTED, serial number 106–58.

Price Fluctuations in Oil Markets.—Oversight hearing on Price Fluctuations in Oil Markets. Hearing held on March 9, 2000. PRINTED, serial number 106–149.

Safety and Security of the New National Nuclear Security Administration.—Joint oversight hearing with the Subcommittee on Oversight and Investigations on the Safety and Security of the New National Nuclear Security Administration. Hearing held on March 14, 2000. PRINTED, serial number 106–126.

Legislation to Improve Safety and Security in the Department of Energy.—Hearing on H.R. 3383, a bill to amend the Atomic Energy Act of 1954 to remove separate treatment or exemption for nuclear safety violations by nonprofit institutions, H.R. 3906, a bill to ensure that the Department of Energy has appropriate mechanisms to independently assess the effectiveness of its policy and site performance in the areas of safeguards and security and cyber security, and H.R. 3907, a bill to provide for the external regulation of nuclear safety and occupational safety and health at Department of Energy facilities. Hearing held on March 22, 2000. PRINTED, serial number 106–126.

Department of Energy's Proposed Budget for FY2001.—Oversight hearing on the Department of Energy's Proposed Budget for FY2001. Hearing held on March 24, 2000. PRINTED, serial number 106–139.

Hydroelectric Legislation.—Hearing on H.R. 2335, H.R. 1262 H.R. 3852, S. 422, S. 334, S. 1236, and S. 1937, pending hydroelectric legislation. Hearing held on March 30, 2000. PRINTED, serial number 106–106.

Making Technical Corrections to Title X of the Energy Policy Act.—Hearing on H.R. 2641, a bill to make technical corrections to title X of the Energy Policy Act of 1992. Hearing held on April 5, 2000. PRINTED, serial number 106–124.

National Oilheat Research Alliance Act.—Hearing on H.R. 380, the National Oilheat Research Alliance Act of 1999. Hearing held on April 5, 2000. PRINTED, serial number 106–133.

National Energy Policy: Ensuring Adequate Supply of Natural Gas and Crude Oil.—Oversight Hearing on National Energy Policy: Ensuring Adequate Supply of Natural Gas and Crude Oil. Hearing held on May 24, 2000.

National Energy Policy: The Future of Nuclear and Coal Power in the United States.—Hearing on National Energy Policy: The Future of Nuclear and Coal Power in the United States. Hearing held on June 8, 2000.

Status of the Department of Energy Program to Develop a Permanent Geologic Repository at Yucca Mountain, Nevada.—Oversight Hearing on the status of the Department of Energy program to develop a permanent geologic repository at Yucca Mountain, Nevada for spent nuclear fuel and high-level radioactive waste. Hearing held on June 23, 2000. PRINTED, serial number 106–151.

Electric Utility Industry Restructuring: The California Market.—Oversight hearing on Electric Utility Industry Restructuring: The California Market. Hearing held on September 11, 2000.

Ongoing Energy Concerns for the American Consumer: Natural Gas and Heating Oil.—Hearing on Ongoing Energy Concerns for the American Consumer: Natural Gas and Heating Oil. Hearing held on September 28, 2000.

Strategic Petroleum Reserve: A Closer Look at the Drawdown.—Hearing on Strategic Petroleum Reserve: A Closer Look at the Drawdown. Hearing held on October 19, 2000.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

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Jurisdiction: Responsibility for oversight of agencies, departments, and programs within the jurisdiction of the Full Committee, and for conducting investigations within such jurisdiction.

INTRODUCTION

During the 106th Congress, the Subcommittee on Oversight and Investigations initiated major inquiries with respect to virtually all Federal agencies within the Committee's jurisdiction, including the Department of Health and Human Services, the Food and Drug Administration, the Environmental Protection Agency, the Department of Energy, the Federal Communications Commission, the Department of Commerce, the National Highway Traffic Safety Administration, the Securities and Exchange Commission, and the Office of the United States Trade Representative. The Subcommittee's oversight has exposed improper activities and waste, fraud and abuse of taxpayer dollars, strengthened our national security, improved health care and environmental protection, and promoted the safety of American consumers and the growth of the digital economy. These investigations have provided the basis for enactment of corrective legislation in the 106th Congress, and will provide the foundation for legislative action in the 107th Congress. In addition, the Subcommittee's inquiries have resulted in meaningful changes in the Executive Branch's implementation and enforcement of current law and the establishment of cost-saving measures in the operations of the various departments and agencies.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING
TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEARINGS

REVIEW OF THE NATIONAL PRACTITIONER DATA BANK

In June 1999, the Committee began a review of the National Practitioner Data Bank (NPDB) to evaluate the effectiveness of the NPDB in protecting patients from questionable health care providers and improving the quality of health care. The Committee examined various improvements to the Data Bank including, but not limited to: granting public access to the NPDB's information on doctor disciplinary and malpractice reports (currently barred by law), expanding the Data Bank to include criminal convictions of health care providers, and revising the entity reporting requirements to the NPDB to ensure a more complete compendium of information.

On November 2, 1999, Chairman Bliley sent a letter to the Secretary of the Department of Health and Human Services (HHS) to express his concern that the NPDB was failing to protect consumers from questionable practitioners and to determine how the operation of the NPDB could be improved. On November 23, 1999, Chairman Bliley sent correspondence to the American Medical Association (AMA) and the American Hospital Association (AHA) to solicit their views on possible improvements to the NPDB. Chairman Bliley sent a second letter to the HHS Secretary on February 3, 2000, to obtain information on certain practitioners with a relatively high number of reports in the NPDB.

On March 1, 2000, the Subcommittee on Oversight and Investigations held a hearing on granting public access to the Data Bank. Three panels of witnesses testified. The first panel featured Senator Ron Wyden, a long-time advocate of public access. The second panel featured two victim witnesses: Dr. Liana Gedz, a New York dentist, whose doctor carved his initials into her abdomen after an emergency caesarean operation; and Anderson Smart, a New York City police officer and husband of Lisa Smart, who died following a botched surgery at an outpatient surgical center. Both witnesses testified that public access to doctors' histories could prevent similar cases of malpractice in the future. The third panel included various witnesses who testified as to their opinions on public access to the NPDB, including state health officials and representatives from the American Osteopathic Association, the AHA, the AMA, and Beth Israel Hospital in New York. Concerns raised about public access included the completeness and accuracy of information in the Data Bank and fairness to providers.

The Subcommittee on Oversight and Investigations held a second hearing on March 16, 2000, to hear from the Administration, specifically Mr. Tom Croft of the Health Resources and Services Administration within HHS, which runs the NPDB. Mr. Croft expressed the Administration's concerns with providing public access to the NPDB, which tracked those of doctor groups—namely, that the public might misinterpret or be confused by this information. Subsequent to this hearing, on April 3, 2000, Chairman Bliley sent a third letter to the HHS Secretary, requesting the Secretary to

clarify the Administration's views on how the NPDB could be changed to offer greater protections to patients. Specifically, Chairman Bliley asked the Administration to reconcile its prior support of public access to the Data Bank in 1993 with its current position that there are significant concerns with providing public access to the NPDB. In response, the Administration reiterated its prior testimony that, after further scrutiny of this issue, it continued to have serious concerns about granting public access to this data.

As a result of this investigation, Chairman Bliley determined that the benefits of public access to a revised NPDB outweighed any arguments against it. On September 7, 2000, he introduced H.R. 5122, the Patient Protection Act of 2000, which would allow the public free Internet access to information in the NPDB concerning physicians (doctors and dentists). For more information on legislative action on H.R. 5122, see the Full Committee section of this report.

MEDICAL ERRORS

On February 9, 2000, the Subcommittee on Oversight and Investigations and the Subcommittee on Health and Environment of the Committee on Commerce, and the Subcommittee on Health of the Committee on Veterans' Affairs, held a joint hearing on the problem of medical errors. Specifically, the hearing focused on the Institute of Medicine's (IOM) report: *To Err is Human: Building a Better Health System*, which estimated that between 44,000 and 98,000 Americans die in hospitals each year as a result of errors in their medical care.

The hearing featured three panels of witnesses, including representatives from the IOM, the Veterans' Health Administration, the General Accounting Office, the Foundation for Accountability, the Joint Commission on Accreditation of Healthcare Organizations, the American Hospital Association, the American Health Quality Association, and the American Nurses Association, as well as academic experts on the subject of medical errors. The first panel focused on the problem of medical errors, the IOM recommendations for reducing medical errors, and issues and controversies surrounding those recommendations. The second panel focused on evaluating existing medical error reduction systems. The third panel examined consumer and provider perspectives on medical errors.

MEDICARE THIRD-PARTY BILLING FRAUD

On April 6, 2000, the Subcommittee on Oversight and Investigations held a hearing to examine how the use of third-party billing companies by Medicare providers, coupled with the Health Care Financing Administration's (HCFA) lax oversight over such companies, had increased the vulnerability of the Medicare program to fraud and abuse. The hearing reviewed the findings of a General Accounting Office (GAO) investigation into the activities of a particular third-party billing company, which revealed how the Medicare program was defrauded. In addition, the hearing shed additional light on HCFA's inadequate efforts to oversee such companies, which contributed to the Medicare program's vulnerability to

the types of fraud uncovered and described in the GAO Office of Special Investigations' report. The hearing featured the testimony of representatives from GAO, the Department of Health and Human Service's Office of the Inspector General, HCFA, and a trade association representing third-party billing companies. As a result of the Committee's oversight, the matter involving the third-party billing company fraud was referred to the Department of Justice for criminal investigation.

MEDICAID FRAUD AND ABUSE

On November 9, 1999, the Subcommittee on Oversight and Investigations held a hearing to assess current State and Federal efforts to combat the problem of fraud and abuse within State Medicaid programs and explore possible means to improve these efforts. Medicaid, which receives both State and Federal funding, pays for the healthcare expenses of more than 40 million, primarily low-income Americans, including mothers with children, the elderly, the blind and other disabled persons. While greater attention has been focused in recent years on efforts to eliminate fraud and abuse in the Medicare program, less attention has been focused at the Federal level on efforts to combat fraud and abuse within Medicaid—despite the fact that the cost of the Medicaid fraud problem could exceed \$17 billion every year. The hearing focused upon assessing State and Federal responses to the emerging problem of Medicaid fraud, considering possible solutions, and determining how the Federal government could assist States in reducing Medicaid fraud and abuse. The hearing featured the testimony of witnesses from the General Accounting Office, the Department of Health and Human Service's Office of the Inspector General, the Health Care Financing Administration, several representatives from State law enforcement and Medicaid program integrity agencies, and several private companies that currently assist State efforts to detect and prevent Medicaid fraud and abuse. Due to this oversight, the Committee is preparing legislation that would close the loopholes that permit the type of problems identified by the hearing to occur.

MEDICAID PROVIDER ENROLLMENT

On July 18, 2000, the Subcommittee on Oversight and Investigations and the Subcommittee on Health and Environment held a joint oversight hearing on Medicaid provider enrollment controls. Such controls, which can include criminal background checks and site visits to a provider's place of business, can be used to screen out of State Medicaid programs individuals with criminal records who are seeking to become providers. The hearing examined how the lack of provider enrollment controls contributed to several recent major fraud cases, and assessed how current State efforts to deter such fraud could be improved. The hearing featured the testimony of a cooperating witness in an ongoing FBI investigation into Medicaid fraud in California, State and Federal law enforcement and Medicaid program officials working on Medicaid program integrity efforts, and representatives from the General Accounting Office and a company that performs site visits and criminal background checks of both Medicare and Medicaid providers. As a re-

sult of this oversight, the Committee is preparing legislation that would create incentives for States to conduct more rigorous screening of providers before allowing them to enroll in their Medicaid programs.

PROBLEMS WITH MEDICARE'S OWN FRAUD FIGHTERS

On July 14, 1999 and September 9, 1999, the Subcommittee on Oversight and Investigations held hearings to assess the adequacy of HCFA's oversight of its Medicare contractors, and to highlight concerns identified in the course of the Committee's examination of the anti-fraud efforts of the contractors who review and process Medicare claims and payments. The hearings reviewed the performance of Medicare contractors, focusing particularly on the acts of criminal conduct by certain contractors that were revealed in reports by the GAO released at the hearings. These reports identified weaknesses in HCFA's contractor oversight, widespread non-compliance with HCFA's anti-fraud regulations, and evidence of major fraud perpetrated by these HCFA Medicare contractors. The hearings featured the testimony of witnesses from GAO, the Department of Health and Human Services' Office of Inspector General, HCFA, anti-fraud associations that provide private sector and non-governmental perspectives on the anti-fraud efforts of HCFA, relators from the *qui tam* cases that first revealed many of the Medicare contractor fraud cases, as well as representatives from the actual Medicare contractors and associations implicated in the fraud schemes, including the Blue Cross Blue Shield companies.

HCFA AND MEDICARE PROVIDER READINESS FOR Y2K

On January 26, 1999, Chairman Bliley sent a letter to Donna Shalala, Secretary of the Department of Health and Human Services (HHS), regarding HCFA's efforts to resolve its Year 2000, or Y2K, problem for Medicare claims processing systems. The Medicare program uses seven Medicare claims processing systems, and more than 70 private contractors and financial institutions to process nearly 800 million Medicare claims annually for approximately one million physicians, hospitals, medical equipment suppliers and home health agencies. Because nearly 85 percent of all Medicare claims are submitted and paid electronically, it was crucial that HCFA, its contract carriers, fiscal intermediaries, and providers were Y2K compliant.

On February 9, 1999, Chairman Bliley and two Members of the Committee—Mr. Lazio and Mr. Burr—also requested information from several healthcare associations regarding the status of its members on Year 2000, or Y2K, compliance efforts. These associations included: the American Hospital Association (AHA), the American Medical Association (AMA), the Blue Cross and Blue Shield Association, the American Association of Health Plans (AAHP), the American Association of Homes and Services for the Aging, the American Health Care Association (AHCA), the National Association for Home Care (NAHC), and the Health Insurance Association of America (HIAA). The Committee questioned whether each association was assisting its members with Y2K compliance efforts, whether an auditor had been hired to examine Y2K

compliance efforts, the association's overall assessment of its member companies' status in achieving Y2K compliance, whether the association was familiar with outreach programs by the Health Care Financing Administration (HCFA) on Y2K, and whether any of the association's member companies had utilized HCFA's programs.

Over the next few months, the Committee received responses from HCFA and all of the healthcare associations, and the Subcommittees on Oversight and Investigations and Health and Environment held a joint oversight hearing, on April 27, 1999, to gain insight on the status of Medicare providers in preparing for Y2K. The hearing consisted of two panels of witnesses, including representatives from HCFA, the GAO, the HHS Office of Inspector General (OIG), AMA, AHA and NAHC. Nancy-Ann Min DeParle, the head of HCFA, testified at the hearing, providing updates and assurances on HCFA's Medicare claims processing systems. The hearing also raised concerns about the readiness of the health care providers for Y2K, and highlighted the need for all healthcare providers to be Y2K compliant and to have contingency plans in place by January 1, 2000.

Due to concerns raised at the hearing on April 27, 1999, the Committee sent a letter to GAO requesting that it undertake a review of a number of issues, including a review of HCFA's efforts to ensure that Medicare providers will be Y2K compliant, a review of the main segments of the Medicare provider community and the progress each was making on Y2K compliance, and a review of the surveys that had been conducted to date regarding the Y2K compliance of the Medicare provider community. In July 1999, GAO released its report, entitled "Year 2000 Computing Crisis: Status of Medicare Providers Unknown," concluding: (1) HCFA was conducting numerous outreach activities, but provider participation was low; (2) Medicare contractor testing with providers had been limited and reported results were not encouraging; and (3) insufficient information was available from surveys to assess the Year 2000 status of healthcare providers.

Throughout the remainder of 1999, the Committee continued to meet with provider groups, HCFA, GAO, the HHS OIG, and others to ensure that HCFA and its Medicare providers would be Y2K compliant by December 31, 1999, resulting in few reported incidents at the start of the new year that presented significant problems for HCFA, its providers, or consumers.

MEDICAL DEVICE Y2K READINESS

As part of the Committee's overall investigation of Y2K readiness, the Committee took a closer look at the Food and Drug Administration (FDA) and the readiness of the medical device industry, which it regulates. Medical devices are critical to medical treatment and research in both Federal and private sector healthcare facilities. Software contained in a number of medical devices were susceptible to the Year 2000 problem because they contained date or time calculations. Pursuant to the Federal Food Drug and Cosmetic Act, FDA is responsible for ensuring the safety and effectiveness of medical devices in the market place.

On May 25, 1999, a joint hearing of the Health and Environment and Oversight and Investigations Subcommittees was held to gain insight on the Y2K compliance status of medical devices. The hearing highlighted the need for all medical devices, and specifically critical care devices and life support devices, to be Y2K compliant. Further, the hearing focused on the Federal Year 2000 Biomedical Equipment Clearinghouse, a project developed by FDA, Veterans Health Administration (VHA), the Department of Defense (DoD), and the Health Industry Manufacturers Association (HIMA) to provide more detailed information on the Y2K compliance status of particular devices. Testifying at the hearing were representatives from the General Accounting Office, FDA, HIMA, the American Hospital Association, and the Federation of American Health Systems.

Following the hearing, the Committee requested that GAO examine: (1) the status of information on the compliance of biomedical equipment on the FDA Federal Y2K Biomedical Equipment Clearinghouse; and (2) the status of the FDA's efforts to implement its proposal to review the Y2K compliance activities of selected medical device manufacturers. Subsequently, on October 21, 1999, the Subcommittee held a follow-up hearing to examine the progress that had been made since the prior hearing in May. Testifying at the hearing were representatives from FDA, the HHS OIG, GAO, HIMA, and the Medical Device Manufacturers Association (MDMA). The hearing examined the results of FDA's third-party contractor assessment of manufacturers' Y2K test results, as well as the results of the HHS OIG's most recent survey of Medicare fee-for-service providers. FDA testified about the on-site visits by third-party contractors hired by FDA to conduct a statistically random sample of manufacturers of potentially high-risk devices (PHRDs). The contractors had been studying each manufacturer's procedures and records, both for Y2K assessment of PHRDs and for validation of any Y2K corrections to PHRDs.

Overall, FDA's findings indicated that a majority of manufacturer sites reviewed by its contractors had low concerns with regards to Y2K. However, GAO testified that, despite the efforts made by FDA, information on biomedical equipment compliance of health care providers was still incomplete. In addition, although compliance information was available on FDA's clearinghouse or on manufacturers' web sites, the quality of the information varied significantly. Committee staff continued to meet with representatives from FDA, HIMA, GAO and others throughout the remainder of the year to monitor the progress being made by all relevant parties to ensure that at the turn of the century healthcare service was uninterrupted and patient safety was not jeopardized. Fortunately, no major incidents were reported due to Y2K non-compliance at the start of the new year.

CERVICAL CANCER

On January 12, 1999, Chairman Bliley sent a letter to Dr. Richard Klausner, Director of the National Cancer Institute (NCI), regarding a number of healthcare issues concerning women, including cervical cancer. Of particular concern to the Chairman was that, despite the number of women with cervical cancer in this

country and around the world, few people know what causes cervical cancer or how to reduce the likelihood of getting it. On February 19, 1999, Chairman Bliley received a written response from Dr. Klausner, which stated that sexual behavior has been identified as the major risk factor for cervical cancer. In addition, he stated that experts estimate that 24 million Americans are infected with the human papilloma virus (HPV), the virus that causes over 90 percent of all cervical cancers, and that the infection rate is increasing. Each year, there are about 5,000 deaths in the United States from cervical cancer, over 90 percent of these are HPV-related, according to Dr. Klausner. Although condoms have proved to be effective in preventing the transmission of other sexually transmitted diseases, Dr. Klausner stated that "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 cervix." By comparison, there were about 4,600 female deaths in the United States from HIV-related illnesses in Fiscal Year 1997. NCI estimated that, in Fiscal Year 1999, it would spend about \$38 million on cervical cancer-related HPV research, while spending about \$235 million on AIDS-related cancers.

INTERNET PHARMACIES

During the 105th Congress, the Committee followed the development of a number of Internet healthcare issues. In particular, the Committee noted a growing number of companies preparing to distribute prescription pharmaceuticals over the Internet. Although the Committee identified various potential benefits that the on-line distribution of pharmaceuticals can provide for patients, the Committee also identified many areas of potential fraud and abuse that pose a threat to the American people and may undermine the public's confidence in legitimate Internet pharmacies.

To assist in this investigation, in March 1999, the Committee made a bipartisan request that the GAO undertake a formal review of a number of issues related to Internet pharmacies. Among the specific issues the Committee requested GAO to look at were: (1) What law enforcement efforts were taking place to police the growing Internet narcotics trade?; (2) What, if any, enforcement actions had the FDA taken against Internet pharmacies trying to use the "personal use" exemption?; (3) Are current mail order pharmacy laws adequate to apply to Internet pharmacies? (4) How are voluntary industry policing mechanisms such as the National Association of Boards of Pharmacy (NABP) Verified Internet Pharmacy Practice Sites (VIPPS) program working?; and (5) What are the various State prescription transmission laws and are they adequate in this new environment? In addition to requesting a formal GAO investigation, the Committee continued its own oversight of this matter, meeting with relevant federal agencies, including FDA, the Department of Justice (DOJ), the Federal Trade Commission (FTC), the White House Working Group on Electronic Commerce, and the United States Customs Office. The Committee also met with State law enforcement and regulatory officials from across the country, and various interest groups and officials from Internet pharmacies.

On June 14, 1999, the Committee sent a letter from Chairman Bliley, Subcommittee Chairman Upton, Ranking Member Dingell and Ranking Member Klink to FDA in an attempt to determine who is responsible for regulating and overseeing the sale of pharmaceutical products over the Internet, and what actions FDA has taken to address these related issues. The Committee also provided to FDA approximately 100 web site addresses of Internet pharmacies and asked that FDA identify the following information for each site: (a) the physical location of the site, and the States into which it sells products; (b) a brief description of the products sold through the site; (c) the source of all the pharmaceutical products sold through the site; (d) whether the site is licensed in the U.S., and if so, by what State(s); (e) whether FDA has ever reviewed the site for any advertising or usage claims made regarding any pharmaceutical product sold; (f) the accuracy of any such claims made by the site that fall under FDA's jurisdiction; and (g) whether FDA has taken any enforcement action against on-line pharmacies attempting to use the "personal use" exemption.

On July 1, 1999, the Committee received a partial response from FDA indicating that, since the authority over Internet drug sales is widely dispersed throughout the government (State and Federal), the identification and resolution of the numerous law enforcement issues is complex. FDA indicated that several working groups had been formed to facilitate a more detailed examination of the problems associated with Internet pharmacies. A follow-up letter was sent by FDA on July 9, 1999, providing additional information related to the Committee's June 14 request.

On July 30, 1999, the Subcommittee on Oversight and Investigations held a hearing on the benefits and risks of Internet pharmacies. On the first panel, testimony was given regarding the benefits of Internet pharmacies by a working mother and a senior citizen, who found it more convenient to purchase drugs over the Internet. Two news reporters provided testimony on the ease of ordering prescription drugs over the Internet, often times with no prescription required, and no physical examination. Also on the first panel, Carla Stovall, Attorney General for the State of Kansas, testified regarding enforcement activities by the State of Kansas against Internet pharmacies and doctors prescribing over the Internet. On the second panel, the FTC, DOJ, and FDA all provided testimony on the structure and responsibilities of the Federal agencies with regards to on-line pharmaceutical activity. The third panel examined the role of State regulators, healthcare associations, and Internet pharmacies in regulating such sales, including representatives from NABP, AMA, the Texas Department of Health, and two Internet pharmacies (Drugstore.com and PlanetRx.com).

At the hearing, Chairman Bliley issued a statement calling for a joint Federal-State task force to examine whether current laws and regulations are adequate to protect purchasers of drugs on the Internet, and if not, to recommend changes to those laws. Following the hearing, on August 5, 1999, the President ordered, via Executive Order, the establishment of a Federal Working Group on unlawful conduct on the Internet, including prescription drugs. According to the Executive Order, the Working Group was ordered to undertake the review in the context of current Administration

Internet policy, which includes “support for industry self-regulation where possible, technology-neutral laws and regulations, and an appreciation of the Internet as an important medium both domestically and internationally for commerce and free speech.” According to the Executive Order, the Working Group was given 120 days to prepare a report and its recommendations. On September 16, 1999, Chairman Bliley wrote President Clinton stating his support for such a working group. However, because the practice of pharmacy and medicine have traditionally been regulated at the State level, Chairman Bliley requested the inclusion of State regulatory and enforcement agencies in the effort. However, the Working Group was never expanded to include any State groups.

In late December 1999, and before receiving the report and recommendations of his own Working Group, President Clinton announced a new legislative initiative that would give FDA broad new authority over Internet pharmacies. The proposal would, in part, nationalize State-level pharmacy regulations by requiring pharmacies to obtain certification from FDA before being allowed to sell pharmaceuticals on-line. On January 24, 2000, Chairman Bliley wrote President Clinton expressing disappointment that he released this new initiative before receiving the report or recommendations from his Working Group on the topic. Chairman Bliley urged the President to publicly release all draft reports and recommendations of the Working Group to the Committee and the American people, as well as the final product of the Working Group once it was completed. Although the Working Group finally issued its report in March 2000, approximately three months later than scheduled, no draft reports or recommendations were ever released.

In March 2000, both Chairman Bliley and Mr. Dingell sent letters to FDA to question whether the Agency was fulfilling its current regulatory obligations with regard to Internet pharmacies. Generally, these letters sought information on how many enforcement actions FDA had taken with regard to pharmaceutical products being sold over the Internet, how many referrals had been made to DOJ, the dollar amount of funds allocated in Fiscal Year 1999 in order to pursue Internet drug sales, and the status of those cases pursued. FDA responded to these requests by stating that, with regard to web sites offering to sell prescription drugs on-line, “no arrests or convictions have occurred at this time.” According to the Agency, FDA’s Office of Criminal Investigations (OCI) had referred approximately 33 criminal investigations involving over 100 web sites to various United States Attorney’s Offices (USAOs). On the civil enforcement side, FDA stated that it had issued roughly two dozen warning letters and had taken a limited number of product-specific actions, such as import alerts or product recalls/seizures. FDA also stated that, in Fiscal Year 1999, it devoted approximately \$1.9 million to investigating Internet drug sales. The Office of Regulatory Affairs (ORA), principally OCI spent \$1.7, while the Center for Drug Evaluation and Research (CDER) spent \$0.2 million.

Also in March 2000, Chairman Bliley wrote to the Honorable Robert Pitofsky, Chairman of the FTC, requesting a briefing by Commission staff on the number of investigations the FTC had pursued relating to Internet pharmacies, the status of any pending

investigations, and the amount of resources the FTC had devoted to investigating deceptive practices regarding the sale of pharmaceuticals over the Internet. Within a few weeks, a briefing took place between Committee staff and Commission staff regarding pending investigations the FTC had undertaken regarding Internet pharmacies.

In May 2000, Committee staff began to focus not just on domestic web sites offering to sell pharmaceutical products over the Internet, but also on the increasing number of web sites abroad shipping pharmaceutical products into the United States. Evidence of the increasing number of pharmaceutical products coming into the United States is found by looking at the increase in number of seizures of pharmaceuticals at the U.S. Customs Office's 14 mail facilities across the country. As the Committee found, the number of pharmaceutical seizures at mail branches increased by more than 450 percent from Fiscal Year 1998 to Fiscal Year 1999 (2,145 seizures to 9,725 seizures). The number of pills seized increased by more than 250 percent during the same time period (760,720 doses to nearly 2 million doses). Customs' officials indicated that they believe many of these drugs have been purchased from foreign-based Internet pharmacies.

As part of the Committee's investigation, Committee staff visited several Customs International Mail Facilities around the country, including Dulles, Virginia; Los Angeles, California; Oakland, California; and New York City. Through the Committee staff's investigation, the Committee discovered that differing standards were being applied by FDA and Customs in determining what prescription drugs were allowed to enter the United States. Under the Federal, Food, Drug and Cosmetic Act, the importation of unapproved new drugs—that is, those that lack FDA approval, and foreign-made versions of U.S.-approved drugs that have not been manufactured in accordance with and pursuant to an FDA approval—is prohibited. Under FDA's "Coverage of Personal Importations" policy, the FDA sets forth guidance under which FDA will refrain from taking action against the illegal importation of a product in certain circumstances. However, the Committee's investigation showed that implementation of that guidance by both FDA and Customs is piecemeal and lacks uniformity. The result has been an increase of unapproved pharmaceutical products being allowed into the U.S.

On May 25, 2000, the Committee held a second hearing on Internet pharmacies and examined what progress the Federal and State agencies had made to enforce current law regarding the sale and dispensing of pharmaceuticals over the Internet. In addition, the hearing examined the increase of pharmaceuticals and over-the-counter medications being sent into the United States from foreign countries, including the lack of uniformity on what products are allowed into the United States. Testifying at the hearing were officials from FDA, Customs, and DOJ, as well as Carla Stovall, Kansas State Attorney General.

At the hearing, both Customs and FDA acknowledged the inconsistent application of FDA's Personal Importation Guidance, and pledged to notify the Committee in the weeks following the hearing on how they intended to resolve this inconsistency. On June 8,

2000, FDA sent a letter to Chairman Upton announcing that it was going to be undertaking an overall review of the Personal Importation Guidance to ensure internal and external coordination on the effort. In addition, FDA stated it was considering several memoranda and/or letters to both FDA personnel and Customs personnel that would detail the responsibility of FDA for enforcement, summarize the current guidance, and reiterate the need for Customs to refer matters of enforcement to FDA instead of Customs making its own decisions. Subsequent to the hearing, both Chairman Bliley and Mr. Dingell sent FDA follow-up correspondence requesting additional information on the review FDA pledged to undertake with regard to its Personal Importation Guidance, and other various matters.

On October 17, 2000, Chairman Bliley and Messrs. Klink and Upton introduced H.R. 5476, the Internet Prescription Drug Consumer Protection Act of 2000. The bill would do a number of things to protect consumers. First, the Act requires interstate Internet sellers of prescription drugs to disclose important information on their web sites and to State licensing boards to improve the reliability of consumer transactions and make it easier for State and Federal enforcement officials to patrol for rogue sellers. Second, the bill enhances the authority of State attorneys general to seek injunctions against interstate Internet sellers that violate disclosure requirements or certain provisions of the Federal Food, Drug and Cosmetic Act. Third, the bill enhances Federal authority to restrain the disposal of property that is traceable to a violation of certain provisions of the Act. Finally, the bill provides for public education about the dangers of purchasing medications from Internet prescription drug sellers who fail to follow the law.

On October 19, 2000, GAO issued a preliminary report on Internet pharmacies, as requested by the Committee. The Report confirmed the work of the Committee and supported the principles of H.R. 5476. Findings included that (1) Internet pharmacies vary in the information presented, (2) regulating Internet pharmacies pose difficulties for State regulators, (3) foreign Internet pharmacies challenge Federal regulators, and (4) adding disclosure requirements would aid State and Federal oversight.

WELFARE REFORM AND DEADBEAT PARENTS

On February 24, 1999, the Subcommittee on Oversight and Investigations held a hearing on the implementation of a new joint Federal-State-local child support enforcement program called Project Save Our Children (PSOC). The purpose of the hearing was to assess the Department of Health and Human Services' role in the program, and to examine the results of the initiative following its first year in operation.

The first panel of witnesses featured custodial parents with delinquent ex-spouses who had been identified, located, and prosecuted by the PSOC multi-agency task force in order to force them to pay their outstanding child support obligations. The second panel consisted of witnesses from various Federal and State child welfare agencies, as well as a local sheriff department investigator and an attorney for the Center for Law and Social Policy. The hearing provided the Committee an opportunity to gain insight into this

new program before the program was expanded to 17 States, and to highlight the importance of cracking down on deadbeat parents.

ADEQUACY OF CONTROLS ON DEADLY BIOLOGICAL AGENTS

Due to the Chairman's concerns about the adequacy of Federal controls on the possession, use and transfer of biological agents such as anthrax and the ebola virus that could be used for criminal or terrorist purposes, the Committee launched a review in late 1998 of the current regulatory and legal schemes. In April 1996, Congress passed a law that, for the first time, required the CDC to identify—and regulate the transfer of—those biological agents whose misuse could pose a severe threat to public health and safety. The law was passed in response to concerns that it was too easy for individuals to gain access to and possess biological agents that could be used for terrorist and other criminal purposes. However, mere possession of a biological agent—without evidence of any intent to use the agent as a weapon—was not made unlawful, regardless of the possessor's past criminal record or lack of scientific credentials (a state of law that continues to this day). CDC issued final regulations pursuant to this statutory mandate, which became effective on April 15, 1997, identifying roughly 40 "select agents" whose transfers would be regulated. Under the regulations, any person that either transfers or receives a select agent must register with CDC and receive its approval prior to such transfer or receipt. Notably, the scheme does not require individuals who gained possession of these agents prior to April 15, 1997 to register with CDC or comply with any of the other safety and administrative requirements. Nor does the CDC rule require individuals who develop these agents on their own to register their possession, even if they were developed after the effective date of the regulations.

In January 1999, Committee staff began interviewing interested parties within the Federal government and non-governmental organizations in order to assess the current scope and adequacy of regulations governing the possession and use of biological agents. During these interviews, concerns were expressed by law enforcement officials and some members of the scientific community that the current CDC regulations exempt too many entities that possess or use these select agents, and that both the public health and law enforcement would benefit from tightening up the existing regulations. Specifically, they have argued that the CDC regulations should be expanded to govern all cases of possession (not just transfers), so that the Federal government would be notified of all legitimate possessors and could ensure minimum safety requirements. From a law enforcement perspective, the Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI) have argued that an expanded registration scheme would assist law enforcement by providing a tool to use against individuals caught in possession of these select agents without having registered with the Federal government. DOJ and the FBI also have expressed concern that the burden under current law of proving intent to use as a weapon in order to prosecute someone for unlawful possession provides a large loophole for questionable possessors of these dangerous agents to avoid prosecution.

The Committee's review also revealed the slow pace of action by the Clinton Administration to address these law enforcement concerns, which had been raised within the Administration for several years prior to the Committee's oversight but had been blocked by concerns raised by CDC and HHS regarding the impact of tighter regulations on the academic and scientific communities. In March 1998, Attorney General Reno testified that she was concerned about the current state of Federal law in this area—particularly, the unregulated possession issue—and that the Department was actively reviewing legislative proposals to address some of its concerns with Federal criminal statutes and CDC's regulations. However, when President Clinton announced his anti-terrorism initiatives on January 22, 1999, they did not include any changes in either the Federal criminal statutes or the CDC regulations to enhance the prevention of biological terrorism. That same day, Chairman Bliley wrote to the President, urging him to focus on preventing biological terrorist attacks by reviewing the questions of access and possession. Chairman Bliley also wrote to Attorney General Reno in March 1999, reminding her of her prior testimony on this subject and inquiring into the status of the Department's legislative and regulatory proposals.

On May 12, 1999—a week after the Committee notified the Administration that it planned to hold an oversight hearing on this topic—the Administration announced that its soon-to-be-released omnibus crime bill would contain several provisions strengthening current law in the area of biological agents, including barring the unauthorized possession of certain deadly biological agents by anyone, and preventing certain categories of individuals—such as felons and fugitives—from possessing any such agents, presumably through some form of background checks.

On May 20, 1999, the Subcommittee on Oversight and Investigations held a hearing on the Threat of Bioterrorism in America: Assessing the Adequacy of Federal Laws relating to Dangerous Biological Agents, and heard testimony from two panels of witnesses. The first panel consisted of governmental witnesses from DOJ, FBI, CDC, and HHS, all of whom now expressed support for regulating possession, as well as transfers, of such agents, and otherwise enhancing both Federal laws and regulations in this area. The second panel consisted of non-governmental witnesses from the academic and scientific communities, all of whom also conceded (and in some cases advocated) the need for tighter controls on who may possess such deadly agents and for what purposes, and for improved Federal oversight. Subsequent to the hearing, the Committee continued to press the Administration for specific proposals to improve Federal law and regulations in this area, which finally resulted in a package of reforms sent to Congress in December 1999.

INVESTIGATIVE ACTIVITIES

FRAUD AND ABUSE IN THE MEDICARE PRESCRIPTION DRUG PROGRAM

In February 1999, the Committee initiated an investigation into the setting of reimbursement rates for prescription drugs covered under the current Medicare program. The purpose of the investiga-

tion was to explore allegations that HCFA's lax oversight over the current Medicare reimbursement system had permitted certain drug manufacturers to manipulate the amounts Medicare reimbursed for particular drugs, which in turn allowed these manufacturers to increase the sales of their drugs to healthcare providers.

The Medicare program currently pays for a limited number of drugs. The reimbursement for these drugs is based upon the Average Wholesale Price (AWP), which in turn is derived from prices that manufacturers report to various price reporting services that work with the pharmaceutical industry. The Committee's investigation sought to explore allegations that certain manufacturers had deliberately inflated their reported prices above the prices they actually sold the drugs to healthcare providers, in order to create larger "spreads" between their purchase prices and the Medicare reimbursement rates for those drugs—creating in turn financial incentives for these providers to use that manufacturer's drug over competitors' drugs with smaller spreads.

In July 1999 and again in May 2000, the Committee wrote to several drug manufacturers requesting pricing information and internal corporate documents relating to the setting of AWP and other related issues. On September 6, 2000, the Committee issued a recess subpoena to compel SmithKline Beecham to produce to the Committee certain documents, which had previously been withheld, based upon what the Committee had determined to be an invalid claim of the attorney-client privilege. In addition, the Committee subpoenaed documents from a relator in a pending *qui tam* case against several drug manufacturers, which related to alleged price manipulations.

Chairman Bliley also wrote to Donna Shalala, the Secretary of the Department of Health and Human Services, on May 5, 2000, to inquire what actions were being taken by the Administration to address this problem. The letter noted that HCFA and the Department had known for several years about the nature and scope of this abuse, due to reports of the Department's Office of Inspector General and other warnings by outside experts, but had failed to take any regulatory action to stop these pricing abuses. In response to this letter, HCFA announced that it was finally going to take some limited regulatory action to correct the disparities in drug prices by issuing new pricing information to Medicare carriers for certain drugs.

After reviewing almost 100,000 pages of documents, Committee staff prepared a summary of the findings from the investigation, which were included within a September 25, 2000 letter from Chairman Bliley to HCFA and the Department of Justice. These letters attached many of the documents uncovered during the course of the Committee's investigation, which indicated that certain manufacturers had deliberately manipulated the AWP's of certain drugs in order to increase the sales of those drugs. These documents also indicated that these manipulations had severe impacts on both Medicare and Medicare beneficiaries, increasing the reimbursement cost and co-payments for these drugs by hundreds of millions of dollars annually. In addition, the letters also included documents that suggested that the spread between the AWP and the actual cost to healthcare providers was having troubling im-

pacts upon healthcare provider drug utilization decisions and may also have contributed to the over-utilization of certain drugs.

FEDERAL FUNDS USED TO PAY FOR ASSISTED SUICIDE IN OREGON IN VIOLATION OF THE ASSISTED SUICIDE FUNDING RESTRICTION ACT

In February 1998, the State of Oregon decided to provide State Medicaid assistance to pay for low-income individuals' costs related to assisted suicide. Since Congress previously had passed the Assisted Suicide Funding Restriction Act (ASFRA), which barred the use of Federal funds in support of assisted suicide, the costs would have to be paid for out of State-only funds, despite the Medicaid program's dual-funding source. Following the announcement by the State of Oregon, Chairman Bliley sought assurances from Donna Shalala, Secretary of the Department of Health and Human Services (HHS), that the manner in which Oregon implemented physician-assisted suicide into its Medicaid program would in no way violate the requirements of ASFRA. In response, HHS, the Health Care Financing Administration (HCFA), and Oregon provided numerous assurances to the Committee that Federal law prohibiting the use of Federal funds to pay for assisted suicide and related services would be respected.

Despite these assurances, the Committee continued its investigation to ensure that no Federal funds were being used in violation of the law. The Committee questioned whether HCFA had ever conducted an "on-site" review of the claims processing procedures in determining whether Oregon was complying with Federal law. Having discovered that no such review had ever taken place, HCFA decided in February 1999 to perform an on-site review. After concluding its initial review, HCFA admitted to the Committee there was a possibility that Federal law had been broken in Oregon by the use of Federal funds for assisted suicide and related services. A subsequent investigation ultimately discovered that, between 1998 and 1999, \$2,334 (\$1,167 in Federal funds) was spent for salaries, payroll and other administrative costs that were not allowable claims under ASFRA. These unlawful reimbursements were refunded to the Federal government, and both Oregon and HCFA put several safeguards into place to ensure that further improper use of Federal funds would not take place. One year following the Committee's investigation, the State of Oregon conducted an audit and determined that, in the year following the Committee's investigation, no funds were used by the State in violation of ASFRA.

FETAL SURGERY

On March 14, 2000, Chairman Bliley wrote to the Acting Director of the National Institutes of Health (NIH), requesting information about NIH's efforts to promote innovative medical procedures to treat certain birth defects in utero. The Chairman was concerned that, despite recent and striking advances in this area of medicine, NIH was not doing enough to further this research or promote its possibilities. NIH's response identified a few extramural research grants and research performed by NIH, and other limited efforts undertaken by NIH to support the training of health care professionals to perform such procedures. In addition, Committee major-

ity staff interviewed several nationally-recognized health care experts who have contributed to the development of new techniques to treat conditions, such as spina bifida, in utero. These interviews sought to determine what additional actions could be taken by the Federal government to promote the development and utilization of these procedures.

GAO/OSI INVESTIGATION INTO MEDICARE'S CONTRACT WITH
ACCOUNTING FIRM

On June 15, 2000, Chairman Bliley requested that the GAO's Office of Special Investigations (OSI) review HCFA's Medicare Audit Quality Review Program. This program was established in response to various Medicare contractor abuses, which were highlighted in hearings on that topic before the Subcommittee on Oversight and Investigations. The OSI response to Chairman Bliley's request determined that HCFA had given the Audit Quality Review Program contract to KPMG, a company that had previously been implicated in one of the largest fraud cases in the Medicare program's history.

The OSI report, dated October 31, 2000, concluded that HCFA staff had failed to take into account critical information about KPMG before granting it the Audit Quality Review Program contract. Specifically, HCFA had failed to consider that KPMG had advised Columbia/HCA on preparing cost reports that had led to criminal and civil fraud charges against Columbia/HCA. This failure occurred despite the fact that information relating to this case had been mailed to HCFA by the Department of Justice. As a result, KPMG then became responsible for reviewing transactions that were of the same type as those transactions on which KPMG had advised Columbia/HCA. In addition, the OSI report found that HCFA had issued KPMG a task order to perform audits at a firm that employed a key prosecution witness in the criminal trial of the Columbia/HCA executives.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING
TO THE FOOD AND DRUG ADMINISTRATION

HEARINGS

DATE RAPE DRUGS

On March 11, 1999, the Subcommittee on Oversight and Investigations held a hearing on "date rape" drugs. The purpose of the hearing was to examine the problem of date rape drugs and to determine whether the relevant Federal agencies were adequately responding to this problem. Four panels of witnesses appeared. The first panel featured Rep. Sheila Jackson, who had introduced legislation to schedule GHB and Ketamine (two drugs that have been misused for recreational and criminal purposes) under the Federal Controlled Substances Act. The second panel consisted of victims, victim advocates, law enforcement and health care personnel who discussed their experiences and views on date rape drugs. This panel included: (1) Candace Pruett, an eighteen year old Virginia woman who was sexually assaulted after being given what police believe was a date rape drug; (2) Trinka Porratta, formerly of the

Los Angeles Police Department; (3) Dr. Jo Ellen Dyer of the San Francisco Bay Area Poison Control Center; (4) Dr. Felix Adatsi of the Michigan State Police; (5) Lt. Paul Bane of the Maryland State Police Drug Enforcement Command; and (6) Denise Snyder of the District of Columbia Rape Crisis Center; (7) Detective Sergeant G. Mark Faistenhammer of the Gross Ile (MI) Police Department; and (8) Detective Sergeant John Szczepaniak of the Gross Ile (MI) Police Department. The third panel included federal officials from the Drug Enforcement Administration (DEA), the Food and Drug Administration, the National Institute of Drug Abuse, and the Department of Justice. The fourth panel featured a witness from the Orphan Medical company, the sponsor of an orphan drug under clinical trials, that could be affected by Federal controls of one of the date rape drugs.

In February 2000, the Hillory J. Farias and Samantha Reid Date-Rape Drug Prohibition Act of 2000 was enacted. Named after two teenaged girls who died after drinking a soda laced with GHB, the law makes it a Federal crime to possess, manufacture or distribute GHB, with up to 20 year prison time. It also requires the Federal government to launch a nationwide public awareness campaign about GHB. for further information about this legislation, see the Health and Environment section of this report.

BLOOD SAFETY AND AVAILABILITY

On September 23, 1999, the Subcommittee on Oversight and Investigations held a hearing on blood safety and availability. The purpose of the hearing was to examine current oversight issues affecting the safety and availability of the U.S. blood supply. These oversight issues include: recent trends in the supply and demand of the U.S. blood supply; expected loss to supply from the new FDA policy excluding donors who have traveled to the United Kingdom; potential increase in supply to allow distribution of blood units collected from individuals with hemochromatosis; and the status of FDA's implementation of recommendations concerning notification of errors and accidents at blood establishments.

One panel of four witnesses appeared. The first witness, Janet Heinrich of the General Accounting Office, testified about the GAO's report to Chairman Bliley entitled, "Blood Supply: Availability of Blood to Meet the Nation's Requirements." The second witness, Thomas Roslewicz of the HHS Office of Inspector General, testified about the status of FDA's implementation of the recommendations made in the OIG report entitled, "Reporting Process for Blood Establishments to Notify the FDA of Errors and Accidents Affecting Blood." The third witness, Marian Sullivan of the National Blood Data Resource Center (NBDRC), testified about NBDRC's data reports and research services concerning the blood supply. The fourth witness, James AuBuchon of the Dartmouth-Hitchcock Medical Center, testified about blood supply and demand, with particular attention to blood usage. The GAO testified that there is a cause for concern about shortages of certain blood types or in certain regions, but that the blood supply as a whole is not in crisis. GAO confirmed that available data showed the blood supply has tightened, but that the blood supply has declined more slowly than assumed in projections. NBDRC testified that if

rates of overall blood collection and transfusion that occurred between 1994 and 1997 continue, the U.S. may experience a national blood shortage as early as next year. Dr. AuBuchon testified that given the demographics of our population, the blood supply situation is only going to get worse and that he did not expect significant reductions in blood usage.

On October 6, 1999, the Subcommittee on Oversight and Investigations continued its hearing on blood safety and availability. One panel of witnesses appeared. The designated witness for the Department of Health and Human Services was David Satcher, M.D., the Assistant Secretary, the U.S. Surgeon General, and the HHS Blood Safety Director. Kathryn Zoon, Ph.D., the Director of the Center for Biologics Evaluation and Research (CBER) represented FDA at the hearing. Dr. Satcher testified about strategies developed by the Public Health Service Working Group for increasing the blood supply. At the hearing, in response to a request from Chairman Bliley and questioning from Subcommittee Chairman Upton, Dr. Satcher indicated that improvements in the blood error and accident reporting was receiving attention at the departmental level, and that a near-missing reporting system for transfusion errors, similar to the model used in commercial aviation, would be considered at the January meeting of the HHS Advisory Committee on Blood Safety and Availability.

On October 19, 1999, the Subcommittee on Oversight and Investigations continued its hearing on blood safety and availability. One panel of witnesses appeared: Jacquelyn "Jackie" Fredrick, Acting Chief Operating Officer, American Red Cross Blood Services; Celso Bianco, M.D., President of America's Blood Centers (accompanied by the Sperry family of Amarillo, Texas who spoke briefly about a lifesaving transfusion); and Susan Wilkinson, President of the American Association of Blood Banks. The witnesses stressed the following themes: (1) The blood supply situation is more serious than it was portrayed by the GAO, and national leadership is needed to support volunteer blood donation; (2) There is concern about policies restricting the blood supply that are based on undemonstrated safety risks or lack a scientific basis; (3) Adequate HCFA reimbursement is needed for measures that increase the safety and availability of the blood supply.

RE-USE OF SINGLE-USE MEDICAL DEVICES

On February 10, 2000, the Subcommittee on Oversight and Investigations held a hearing on the reuse of medical devices labeled and approved by FDA for single use only. The hearing covered two issues: the health and safety of patients affected by reprocessed single-use medical devices, and the adequacy of the FDA's authority and enforcement related to the reprocessing of single-use medical devices. The hearing had several purposes: (1) educate the public about reprocessing of single-use medical devices; (2) establish a factual record of any public health risks from reprocessing; and, (3) assess whether the FDA has adequate authority and is appropriately regulating reprocessing of single-use medical devices. The first panel featured the witness for the Food and Drug Administration, David W. Feigal, Jr., M.D., M.P.H., Director of FDA's Center for Devices and Radiological Health. A second panel of eight wit-

nesses followed. Four witnesses testified about their concerns about the practice of reprocessing and their support for increased FDA enforcement. The witnesses were: Laurene West, R.N., a patient advocate from Salt Lake City, Utah; Robert O'Holla, Vice President - Regulatory Affairs, Johnson & Johnson; Dr. Phil Grossman of Miami, Florida; Dr. John Fielder of Villanova University. Four witnesses testified more favorably about the practice of reprocessing and their support for more measured FDA enforcement. These witnesses were: Vern Feltner, President, Alliance Medical Corporation; Dr. Bruce Lindsay of Washington University at St. Louis (for the North American Society of Pacing and Electrophysiology); Dr. Walter G. Maurer of the Cleveland Clinic Foundation (for the American Hospital Association); Dr. Griffin Trotter of Saint Louis University, Center for Health Care Ethics. On August 14, 2000, the FDA published a final guidance document requiring hospitals and third-party reproducers to file either a pre-market notification (510(k)) or a pre-market approval application (PMA) for devices they intend to reprocess.

COUNTERFEIT BULK DRUG IMPORTS

Since the summer of 1998, the Committee has been investigating FDA's activities relating to counterfeit bulk drugs. Developments from this investigation led Chairman Bliley to send a letter to FDA Commissioner Jane Henney on May 8, 2000, detailing the Committee's concerns about the lack of FDA leadership and weaknesses in FDA's import system that appear to have left the American people vulnerable to dangerous, counterfeit bulk drugs from abroad. On June 8, 2000, the Subcommittee on Oversight and Investigations held a hearing on counterfeit bulk drugs. The purposes of the hearing were: (1) to examine the FDA's failure to take adequate actions concerning imported bulk drugs and (2) to determine whether the FDA will take adequate actions to prevent crimes, and address public health issues, associated with the introduction of counterfeit, unapproved, or substandard bulk drugs imported into the U.S. healthcare delivery system. The hearing featured the witness for the Food and Drug Administration, Dennis Baker, FDA's Associate Commissioner for Regulatory Affairs. He testified that maintaining safety and authenticity of imported drug products is a priority and discussed FDA's actions and plans to address the problem.

On October 3, 2000, the Subcommittee on Oversight and Investigations held a follow-up hearing on counterfeit bulk drugs and related concerns. Since the previous hearing of June 8, some of the issues raised about imported counterfeit bulk drugs gained more prominence as the House and the Senate passed legislation on reimportation of U.S.-made prescription drugs. The purposes of the hearing were: (1) to explore any additional concerns about imported bulk drugs and counterfeit drugs generally; (2) to determine whether the FDA is taking and proposing appropriate actions to protect American consumers from imported counterfeit drugs, including reimported drugs; and (3) to obtain additional information and proposals on counterfeit drugs from the U.S. Customs Service, the Department of Justice, and the pharmaceutical industry. The hearing featured a panel of federal witnesses. The witness for the Food and Drug Administration was Jane E. Henney, M.D., Commissioner of

Food and Drugs. She testified that maintaining safety and authenticity of imported drug products is a priority and will discuss FDA's actions and plans to address the problem. The witness for the U.S. Customs Service (USCS) was Raymond W. Kelly, the Commissioner of USCS. He discussed the problem of counterfeit drugs generally, and his agency's coordination with FDA's plan to improve detection and interdiction of counterfeit or substandard bulk drugs. The witness from the Department of Justice was Patricia L. Maher, Deputy Assistant Attorney General in the Civil Division. She discussed the Department's views on how to strengthen criminal investigations of counterfeit bulk drugs. A second panel representing industry views featured Nikki Mehringer, the Area Quality Control Leader at Eli Lilly.

INVESTIGATIVE ACTIVITIES

FDA COMPUTER SECURITY REVIEW

In June 2000, the Committee initiated a review of information security practices at the Food and Drug Administration. On July 6, 2000, Committee staff received an initial briefing from senior FDA officials on the state of FDA's efforts to ensure that its wide area networks and public access servers are adequately secure from damage, destruction and unauthorized misuse. Based on these briefings, it appeared that FDA, in a similar fashion to other agencies reviewed by the Committee staff, had failed to conduct any serious or comprehensive penetration testing or auditing of the strength of its cyber security defenses. On July 20, 2000, the Committee requested that FDA provide its security planning documents and policies, its internal audits, and its incident reports to assist the Committee in its cyber security review. In that same letter, Chairman Bliley also expressed the Committee's concern about the speed with which FDA was addressing certain acknowledged and serious system vulnerabilities. FDA failed to produce the requested materials in a timely manner, and on August 29, 2000, Chairman Bliley repeated this request in a letter to the FDA Commissioner. Although FDA allowed Committee staff to review a limited portion of the documents at FDA offices on August 15, 2000, FDA refused to provide the Committee with any documents that FDA deemed to be draft, sensitive, confidential or deliberative. On September 5, 2000, the Committee subpoenaed the materials that FDA refused to provide, and on September 8, 2000, FDA complied with the subpoena by providing the requested materials with some minor information redacted (per agreement with Committee staff), while agreeing to make the unredacted copies available at its Washington, D.C. office. The Committee's review of FDA cyber security is ongoing.

HEPATITIS C PUBLIC EDUCATION PROGRAM

On May 10, 2000, the Chairman sent a letter concerning the Centers for Disease Control and Prevention management of hepatitis C programs. In particular, the Committee was examining the apparent failure of CDC to launch the public education programs that were originally intended to supplement the targeted "blood

lookback” program to identify persons who may have acquired hepatitis C virus (HCV) infection from blood transfusion and other sources. On July 27, 2000, in an effort to get the word out about the HCV spreading throughout the U.S., Chairman Bliley sent letters to his colleagues in the House of Representatives and held a bipartisan press conference with Surgeon General David Satcher and other Members of the Committee about this “silent epidemic.”

INFLUENZA PANDEMIC

On January 11, 2000 the Chairman and the Oversight and Investigations Subcommittee Chairman asked GAO to examine: (1) the capability to develop and produce a vaccine to protect the nation from a pandemic influenza virus; (2) the capability to use other measures, such as antiviral drugs and pneumococcal vaccine, to help protect or treat people exposed to a pandemic virus, and (3) the status of Federal and State plans to address the purchase, distribution, and administration of vaccines. On October 31, 2000, GAO issued a report. GAO found that vaccines may be unavailable, in short supply, or ineffective for certain portions of the population during the first wave of a pandemic. Antiviral drugs and vaccines against pneumonia are also expected to be in a short supply if a pandemic occurs and influenza vaccine is unavailable. Finally, Federal and State influenza pandemic plans are in various stages of completion and do not completely or consistently address key issues surrounding the purchase, distribution, and administration of vaccines and antiviral drugs.

FOOD IRRADIATION

On August 3, 1999, the Chairman requested that GAO determine: (1) the extent and the purposes for which food irradiation is being used in the United States and (2) the scientifically supported benefits and risks of food irradiation. On August 24, 2000, GAO issued a report. GAO found that (1) to date, only limited amounts of irradiated foods have been sold in the United States, and (2) scientific studies conducted by public and private researchers worldwide over the past 50 years support the benefits of food irradiation while indicating minimal potential risks.

FINANCIAL MANAGEMENT: NATIONAL INSTITUTES OF HEALTH RESEARCH INVENTION LICENSES AND ROYALTIES

In 1999, the Chairman and the Subcommittee Chairman asked that GAO (1) determine the extent and reasons for the differences between the number of research inventions licensed by NIH under cooperative research and development agreements (CRADAs) compared to inventions licensed under other intramural projects (non-CRADAs) and (2) review the internal controls that ensure proper accountability for royalty income resulting from these licenses. GAO found in a November 22, 1999 report that available information appeared to show that NIH licensed more inventions developed under non-CRADAs than it did under CRADAs, but that the number of licenses granted was not an appropriate measure for comparing CRADA and non-CRADA research projects. GAO’s limited testing of the internal controls over royalty income found some defi-

ciencies that could impact the completeness and accuracy of royalty income. As a result of the deficiencies identified, GAO continued its work to review NIH's internal controls. GAO found that, although NIH had established policies and procedures for administering its royalty income, there were deficiencies in internal controls that affect the monitoring of licensees and the completeness and accuracy of royalty income received. In addition, NIH's systems and processes hampered proper management of royalty income. GAO made recommendations to help NIH strengthen its internal controls over the administration of royalty income.

FINANCIAL MANAGEMENT: FDA'S CONTROLS OVER PROPERTY

In 1998, the Chairman of the Full Committee and the Chairman of the Subcommittee on Oversight and Investigations requested GAO to assess the adequacy and status of the Food and Drug Administration's planned actions to correct identified internal control weaknesses related to property and equipment in prior financial statement audit reports. In addition, GAO was asked to review FDA's internal controls related to the safeguarding and reporting of automated data processing (ADP) equipment that is lost, stolen, destroyed, or surplussed. In February 1999, GAO issued a report. GAO found that FDA developed an action plan that, if properly implemented, should correct the weaknesses identified in the financial audit reports regarding property and equipment. GAO concluded that FDA had made progress in implementing various actions, but FDA had not yet resolved some of the reported weaknesses. In addition, GAO found that FDA did not have adequate controls in place to effectively monitor the loss, theft, or destruction of ADP equipment.

TRENDS IN TUBERCULOSIS IN THE UNITED STATES

In February 2000, in light of concerns over possible increased health risk to the U.S. population from the global prevalence of tuberculosis (TB) and the emergence of multidrug-resistant TB, the Chairman of the Full Committee and the Chairman of the Subcommittee on Oversight and Investigations asked GAO to review available data on the incidence and characteristics of TB cases in the U.S. GAO found in an October 2000 report that, following more than three decades of decline, the number of TB cases began to increase in the late 1980s and early 1990s and since has steadily declined. Despite this progress, the United States has not reached the Department of Health and Human Services' Year 2000 goal to reduce TB to 3.5 new cases per 100,000 population (the current rate is 6.4 cases per 100,000 population). Consistent with the overall trends in TB cases, the number of MDR-TB cases has also steadily declined.

ADVERSE DRUG EVENTS

In 1998, the Chairman of the Full Committee and requestors from the Senate asked GAO to summarize from available research what is known about adverse drug events. GAO concluded in a January 2000 report that adverse drug events arise either from adverse drug reactions, which are previously known or newly detected

side effects of drugs, or from medication errors committed by health care professionals or the patients themselves. Although it is clear that a wide range of commonly used drugs cause adverse drug events with potentially serious consequences for patients, relatively little is known about their frequency. Thus, the magnitude of health risk is uncertain because of limited incidence data.

REFERRAL TO THE SEC OF POSSIBLE SECURITIES LAWS VIOLATIONS BY
BREAST IMPLANT MANUFACTURER

In April 2000, the Chairman of the Full Committee forwarded a matter to the Securities and Exchange Commission (SEC) to determine whether Federal securities laws were violated. The matter concerned public statements issued by Mentor Corporation, a breast implant manufacturer, denying a newspaper report that there was an FDA criminal investigation of allegations against the company for serious irregularities in breast implant studies. The statements by Mentor claimed that FDA denied a previous FDA description provided to the Committee of the criminal investigation as relating to “allegations of serious irregularities in breast implant studies.” Mentor’s public statements affected the trading of its stock. However, FDA subsequently confirmed that FDA stood by its statement that described the criminal investigation as relating to “allegations of serious irregularities in breast implant studies.” The SEC is reviewing the matter.

MUTUAL RECOGNITION AGREEMENT BETWEEN THE U.S.-EUROPEAN
UNION ON DRUG INSPECTIONS

In 1999, the Chairman and Ranking Member of the Full Committee and the Chairman and the Ranking Member of the Subcommittee on Oversight and Investigations requested that GAO provide an update on the status of FDA’s implementation of a mutual recognition agreement between the U.S. and the European Union concerning inspections of pharmaceutical facilities. In an earlier correspondence on FDA’s progress assessing pharmaceutical inspection programs, GAO reported that FDA did not have a comprehensive program for conducting equivalence assessments of member States’ pharmaceutical Good Manufacturing Practices regulatory systems. In this requested correspondence, GAO reported in an August 13, 1999 memorandum that FDA has not yet determined how it will use the criteria in the pharmaceutical GMP annex to assess whether the regulatory systems of the European Union member States are equivalent to FDA’s regulatory systems.

FDA’S USE OF FASTER TESTS TO ASSESS THE SAFETY OF IMPORTED
FOODS

Concerned about the safety of imported foods, the Chairman of the Full Committee and the Subcommittee Chairman asked GAO in 1999 to examine FDA’s use of faster technologies—known as rapid tests—to screen and identify potentially unsafe imported foods, particularly at ports of entry, before they enter the domestic food supply. GAO reported in a February 2000 report that FDA uses dozens of rapid tests to screen food samples for bacterial pathogens. FDA uses rapid tests in its laboratories but not at food

inspection sites such as ports of entry. However, GAO reported that several factors can limit FDA's expanded use of rapid tests for foodborne pathogens.

FEDERAL RESEARCH GRANTS: COMPENSATION PAID TO GRADUATE STUDENTS AT THE UNIVERSITY OF CALIFORNIA

On May 1, 1998, the Chairman of the Full Committee requested that GAO investigate the use of Federal research and development grant funds by the University of California system in its payments to graduate student researchers (GSRs). The Chairman asked that GAO determine if (1) the compensation paid to GSRs was in accordance with the guidelines set forth in the OMB Circular A-21, "Principles for Determining Costs Applicable to Grants, Contracts, and other Agreements With Educational Institutions;" (2) foreign students were receiving a larger share of Federal research funds than resident students as compensation for performing as GSRs; and (3) the University's treatment of GSR compensation for Federal income tax purposes was consistent with its actions in charging such moneys to the Federal grants under OMB Circular A-21. In a June 1999 report, GAO found: (1) that the compensation paid to GSRs for services charged to Federal research grants sometimes exceeded the allowable costs that could be charged to such grants; and (2) although all GSRs receive substantially the same salary for work performed on Federal research grants, foreign students receive a proportionally larger share of fee and tuition payments charged to the grants because they pay a higher nonresident student tuition. In light of a pending court case against the University of California on the taxability issue and opinions from the Department of Health and Human Services and the National Institutes of Health, GAO did not address whether the tuition remission provided to GSRs should have been taxed or whether the University's treatment of the tuition remission for tax purposes is consistent with the OMB circular.

NIH RESEARCH: MONITORING EXTRAMURAL GRANTS

In 1999, because of concerns about NIH oversight and monitoring of extramural grants, the Chairman of the Full Committee and the Subcommittee Chairman asked GAO to report on: (1) how NIH monitors the scientific progress of extramural research, (2) whether NIH has controls to ensure the effective financial management of extramural research grants, and (3) how NIH used the increased funds from its Fiscal Year 1999 appropriations to support extramural research. GAO found that NIH had developed policies and procedures to carry out oversight functions of monitoring scientific progress and financial management of the grants, but identified areas in the system of internal controls that could be strengthened. Regarding NIH's use of Fiscal Year 1999 appropriations, about 41 percent of the increase for extramural grants was used to expand the number of competitive grants and to increase the average amount awarded for competitive grants. The remaining funds were used to provide out-year commitments to more than 20,000 ongoing grants, support for extramural research centers, and other extramural research activities.

BIOSAFETY PRACTICES IN FDA LABORATORIES

In 1999, at the request of the Committee, GAO's Office of Special Investigations conducted a review of reallocation and survey of FDA laboratory facilities as it related to biosafety practices. As a result of some of the information found by GAO, the Committee staff investigated further. The investigation revealed that: (1) there were serious questions about the accuracy and forthrightness of FDA testimony and statements made to the Congress concerning avian flu research at one of the laboratories located near a shopping mall; (2) unlike the safety review at NIH of on-campus research, FDA's review of safety aspects of research conducted in FDA buildings lacks representation of community interests with respect to health and the environment; and (3) there were concerns about the safety of FDA employees (and potentially the public) in the vicinity of FDA laboratories in FDA buildings.

PHYSICAL SECURITY AND INTERNAL CONTROLS OF BIOTERRORISM
RESEARCH ACTIVITIES AT FDA AND NIH

On July 12, 1999, because of a history of concern over security issues at FDA and the anticipated dramatic increase in bioterrorism research activities, the Chairman and the Subcommittee Chairman requested that the Department of Health and Human Services Office of Inspector General conduct a review of the physical security and internal controls of bioterrorism research at the FDA. On December 8, 1999, the Chairman and the Subcommittee Chairman also requested that the HHS OIG conduct a review of the physical security and internal controls of bioterrorism research at the NIH. The HHS OIG is conducting these reviews and had not concluded them at the time of the writing of this report.

OVERSIGHT OF HUMAN GENE TRANSFER CLINICAL TRIALS

In 2000, the Committee investigated the adequacy of Federal oversight of gene therapy clinical trials. This oversight issue was triggered by the death of 18-year old Jesse Gelsinger in the gene transfer clinical trial at the University of Pennsylvania. One question before the Committee with regard to the Gelsinger case was the issue of financial conflicts of interest and whether these conflicts were inappropriate and had any bearing on the conduct of the gene transfer clinical trial. To that end, the Chairman of the Full Committee and the Subcommittee Chairman inquired in October 2000 as to whether the FDA had aggregate data from on-site inspections of clinical sites about financial conflicts of interest. At the time of the writing of this report, FDA had not yet submitted its response to the Committee.

CDC DIVERSION OF FUNDS

In 2000, the Committee investigated the diversion of funds at the Centers for Disease Control and Prevention. In 1999, an audit by the Office of the Inspector General of the Department of Health and Human Services found that CDC could not account for or defied congressional intent while spending \$12.9 million appropriated to study chronic fatigue syndrome. An article in the February 2,

2000 Washington Post reported that CDC diverted much of the \$7.5 million earmarked for research on the deadly hantavirus to other purposes. These developments raised questions about the management of funds at the National Center for Infectious Diseases (NCID) and the truthfulness of CDC statements about NCID programs made to the Congress. In light of these questions, the Committee requested and received some internal audits and reports. At the time of the writing of this report, CDC had scheduled a briefing with Committee staff to report on internal audits and the status of improvements in financial management.

CLINICAL RESEARCH

In May 1999, the Committee examined the adequacy of FDA's detection of fraud in clinical trials of new drugs. According to an article in the May 17, 1999 New York Times, FDA and the industry failed to notice any problems with fraudulent drug studies by a doctor and his testing operation until an informant told an FDA auditor in June 1996 about rumors of misconduct. That contact triggered an investigation resulting in the doctor and one of his assistants pleading guilty to conspiracy. Another of the doctor's assistants pled guilty to fraud. The Committee was briefed by FDA about the case and the detection of fraud in clinical trials of new drugs. In addition, on July 13, 1999, the Chairman and the Subcommittee Chairman requested that the Department of Health and Human Services Office of Inspector General ongoing review of clinical research include the issues of detection of fraud and patient recruitment. Those topics were included in June 2000 reports issued by the HHS OIG regarding recruitment of human subjects and FDA oversight of clinical investigators. The HHS OIG found that oversight of the recruitment of human subjects is minimal and largely unresponsive to emerging concerns. In addition, the Inspector General found that FDA's oversight of clinical investigators is limited and that FDA's bioresearch monitoring program lacks clear and specific guidelines.

APPEARANCE OF RETALIATION AGAINST AN FDA WHISTLEBLOWER

In March 1999, the Chairman wrote to the FDA Commissioner because of concerns about the appearance of retaliation against an FDA whistleblower. According to CBS News, FDA initiated an Internal Affairs investigation against FDA scientist Robert Misbin, who has raised issues about the diabetes drug Rezulin with several Members of Congress. The investigation reportedly is examining whether Dr. Misbin was involved in the possible inappropriate release of information. In addition, the Chairman subsequently raised concerns about the legal basis for FDA to conduct such an internal investigation against one of its employees for releasing information to a Member of Congress because of Federal laws protecting the rights of Federal employees to petition or furnish information to the Congress. At the request of Committee staff, the American Law Division of the Congressional Research Service-Library of Congress (CRS) wrote a legal memorandum based on its review of the communications between FDA and the Committee on the Misbin case to determine if FDA had a valid policy and a valid

basis to investigate Dr. Misbin. The CRS legal memorandum indicates that FDA's policy against employee disclosure to Congress appears to be overridden by evidence of a strong and consistent Congressional policy of encouraging and protecting the flow of such employee disclosures to Congress and its members. The Committee referred this matter to the Department of Health and Human Services Office of Inspector General for review of internal FDA investigations against FDA employees who furnished information to the Congress.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING TO THE ENVIRONMENTAL PROTECTION AGENCY

HEARINGS

EPA'S DISSEMINATION OF WORST-CASE SCENARIO CHEMICAL ACCIDENT DATA

On February 10, 1999, the Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigations held a joint hearing on the national security, public safety impact, and benefits of public disclosure of electronic dissemination of worst-case scenario chemical release data to be collected by the Environmental Protection Agency (EPA) under Section 112(r) of the Clean Air Act (CAA). In accordance with this section, EPA published a "Risk Management Program" rule on June 20, 1996 that required an EPA-estimated 66,000 facilities nationwide to send EPA by June 1999 a "Risk Management Plan" (Plan) containing, among other things, what is commonly known as "worst-case scenario" data—that is, identification of potential accidental chemical release points within each facility, the precise quantities of specific chemicals associated with each of those potential release points, and an estimate of the injuries to human health that could result from a worst-case accident scenario. Section 112(r) required that these Plans be made available to the public, but the statute did not specify the method by which the information should be disseminated to the public.

In 1998, EPA proposed disseminating these Plans to the public, including the worst-case scenario data, by posting them in a searchable electronic format on the agency's Internet website. EPA's proposal was met with substantial opposition from law enforcement agencies, the Federal Bureau of Investigation, and other public safety officials who expressed concerns that the searchable electronic format could be used as a targeting tool by terrorists. Community and pro-information disclosure groups supported widespread dissemination of information relating to risks faced by the communities.

Committee Chairman Tom Bliley wrote to EPA to express concerns about the agency's plans. In late October 1998, EPA and the FBI reached an agreement under which EPA would not post the worst-case scenario data on the agency's Internet site, although EPA would continue to work to ensure that State and local governments and their citizens had access to such critical data about the facilities located in their particular communities. However, the

agreement would not prevent the release of this information in a searchable electronic format under the Freedom of Information Act.

The Subcommittees heard testimony from a panel of experts in the field of law enforcement and emergency response. The Subcommittees also heard testimony from representatives of the FBI and EPA, the principal Federal agencies involved in designing a dissemination plan, as well as interested environmental, community safety, and industry representatives. The Committee subsequently developed a bill, which was passed by Congress and ultimately signed into law by the President, that addresses dissemination of worst-case scenario data.

EPA'S BROWNFIELDS CLEANUP REVOLVING LOAN FUND

In the 106th Congress, the Committee continued its oversight of EPA's Brownfields Initiative. As part of its Brownfields Initiative, EPA created the Brownfields Cleanup Revolving Loan Fund (BCRLF) Pilot Program in 1997. Under this program, EPA grants money to pilots (e.g., States or local governments) to establish a revolving loan fund, which in turn is used to make low-interest loans to facilitate the cleanup and redevelopment of brownfield properties. This program is the only part of EPA's Brownfields Initiative that provides money to assist with cleaning up brownfield sites. To date, EPA has issued over 100 grants under this program, totaling nearly \$65 million, for the purpose of facilitating the cleanup of brownfield sites.

On March 19, 1999, Committee staff were briefed by EPA about the progress of the BCRLF program. At this time, none of the original pilots had made a loan. Following up on this briefing, the Committee, on April 20, 1999, requested further information from EPA on the BCRLF program, in an effort to determine the reasons for the lack of loans. In May 1999, Vice President Gore announced a four-fold expansion of the BCRLF program. On September 30, 1999, the Committee requested additional information from EPA about the BCRLF program and EPA's Brownfields Management System database, and following a review of that information, Committee staff interviewed the recipients of the 1997 BCRLF pilot awards to learn why they were having difficulty making loans under this program.

The Subcommittee on Oversight and Investigations held a hearing on this program on November 4, 1999 to evaluate its progress and to examine steps EPA could take to improve the program. At the hearing, Subcommittee Chairman Upton secured a promise from Tim Fields, EPA Assistant Administrator for the Office of Solid Waste and Emergency Response (OSWER), that he would examine administrative ways to make EPA's regulatory requirements more flexible and less restrictive. In partial response to the issues raised at the hearing, Linda Garczynski, Director, Outreach and Special Projects Staff in OSWER, issued a memorandum in July 2000 that, among other things, reduced some of the requirements imposed on BCRLF loan recipients.

The Committee continued its review of this program throughout 2000, as part of an overall oversight effort relating to EPA's myriad brownfields-related efforts. The findings of the Committee majority staff were compiled in a November 2000 report on EPA's

Brownfields Initiative. The report concluded that, with respect to the BCRLF program that, through that date, just four BCRLF pilots out of 105 have made a total of five loans for approximately \$1.1 million, leading to the cleanup of just one brownfields site. On December 8, 2000, Assistant Administrator Fields responded that the majority staff report fell short in recognizing many of the agency's successes. The Committee's review of other aspects of EPA's Brownfields Initiative is discussed below.

INVESTIGATIVE ACTIVITIES

EPA COMPUTER SECURITY REVIEW

In September 1997, the Environmental Protection Agency Inspector General conducted an investigation of EPA's information security and concluded that EPA was vulnerable to hacker attacks. The Inspector General documented numerous security breaches resulting in unauthorized intrusions, deletion of files, and compromised passwords. Over one year later, in December 1998, these concerns still had not been rectified by the Agency, and EPA admitted in an annual report to Congress that its information security plans were deficient or non-existent, potentially placing Agency organizations in a state of non-compliance with Federal and Agency regulations. At that time, EPA outlined nine corrective actions that it intended to implement to rectify security vulnerabilities.

As of April 1999, EPA had completed only one of the corrective actions it had pledged to implement. Accordingly, on April 14, 1999, Chairman Bliley requested a detailed explanation of EPA's failure to close these information security gaps. On May 7, 1999, the Committee received a response from EPA stating that it had implemented an "enhanced firewall strategy" for its systems from the Internet, and had taken extraordinary steps to protect its confidential and sensitive data from unauthorized access. However, the Agency indicated that it had failed to conduct any penetration tests or other information security assessments to test the strength of its defenses.

The Committee's detailed review of EPA's responses, and subsequent interviews of EPA personnel, raised significant doubts about the accuracy of the Agency's representations to the Chairman. Furthermore, it became clear that, in order to assess the true state of information security at EPA, some external testing needed to be conducted. In August 1999, the Chairman requested that the General Accounting Office conduct a comprehensive investigation of the state of information security at EPA, including vulnerability analyses and penetration testing.

On December 17, 1999, GAO informed the Committee that its ongoing investigation revealed at least two severe security vulnerabilities that could render critical EPA systems vulnerable to control, damage, and misuse by attacks from the Internet. Because these deficiencies were so severe, GAO requested that the Chairman authorize it to brief EPA immediately about these vulnerabilities, rather than wait until the issuance of its full report. The Chairman did so, and sent a letter to EPA urging that the Agency promptly correct these serious deficiencies.

In January 2000, GAO worked with EPA to address the two specific vulnerabilities that had been identified to date. Meanwhile, GAO completed its comprehensive testing of EPA's systems and found additional widespread and pervasive security problems. In February 2000, GAO provided the Committee and EPA with a comprehensive briefing outlining the full scope of security problems uncovered at EPA. The Subcommittee on Oversight and Investigations scheduled a hearing to review these findings on February 16, 2000.

At that time, GAO experts advised Committee staff that a shutdown of its servers was the most secure and effective way for the Agency to proceed to correct these major deficiencies, given the long-standing nature of these vulnerabilities and EPA's inability to determine the extent of current and past compromises. After careful consideration of GAO's written findings prepared for the hearing, the Chairman decided to postpone the planned public hearing and called upon the Agency to temporarily shut down its systems and fix these problems. EPA initially refused to do so, but eventually agreed to this course of action. The Agency systems remained fully disconnected from the Internet for approximately five days in February 2000, while the Agency underwent a substantial revamping of its security measures and perimeter defenses for its wide area network.

On July 6, 2000, GAO issued its final report on the state of cyber security at EPA, outlining dozens of security vulnerabilities and management deficiencies that resulted in the need for such a dramatic Agency overhaul. The Committee continued to oversee the Agency's efforts to address the identified deficiencies throughout 2000.

EPA'S BROWNFIELDS INITIATIVE

In the 106th Congress, the Committee continued its oversight of EPA's Brownfields Initiative, which consists of numerous grant programs, including the Brownfields Assessment Demonstration Pilot program, Brownfields Cleanup and Revolving Loan Fund Pilot Program, Targeted Brownfields Assessments, and Brownfields Showcase Communities. In addition, EPA supports other, smaller-scale programs including Job Training and Development Pilots, Air Quality and Economic Progress Pilots, brownfields conferences, EPA Summers Teacher's Institute, and International Brownfields Partnerships.

In April 1999, the General Accounting Office released a report—conducted at Chairman Bliley's request—on the Brownfield National Partnership Action Agenda (Action Agenda), a two-year, \$400 million multi-agency Federal effort led by EPA, which Vice President Gore announced in 1997 and estimated would lead to the cleanup of 5,000 brownfield sites, create 196,000 new jobs, leverage \$5-28 billion in private investment, and save 34,000 acres of greenfields (i.e., pristine, undeveloped land) from urban sprawl. The report characterized certain shortcomings and successes in the Action Agenda.

In response to these findings, the Committee requested information from EPA on its Brownfields Initiative on April 20, 1999, May 21, 1999, September 30, 1999, November 19, 1999, and May 1,

2000. In addition, Committee staff were briefed by EPA on numerous occasions about various aspects of the Brownfields Initiative, including the BCRLF program. (For an in-depth description of Committee oversight activities pertaining to the BCRLF program, please see the section regarding the hearing held by the Subcommittee on Oversight and Investigations on the BCRLF program above.) On December 23, 1999, the Committee requested that GAO assess the progress under EPA's Brownfields Initiative, and to examine several State-run brownfields programs for alternative approaches. GAO expects to release its report during December 2000.

In November 2000, Chairman Bliley issued a Committee majority staff report on EPA's Brownfields Initiative, based on its own oversight work, as well as preliminary findings from the recently concluded GAO review. The staff report sharply questioned the progress of the Action Agenda to date.

EPA'S DIESEL ENGINE CERTIFICATION PROGRAM

During the 106th Congress, the Committee continued its review of EPA's diesel engine certification program. On October 28, 1998, Attorney General Reno and EPA Administrator Browner announced a settlement of claims in the enforcement action against diesel engine manufacturers for allegedly using electronic engine control "defeat devices" to circumvent Federal emission standards.

The Committee continued to receive and review information from EPA pertaining to the diesel enforcement action during 1999. As part of the Committee's investigation, Committee Majority staff traveled to Ann Arbor, Michigan in February 1999 to meet with several EPA officials who were familiar with the diesel engine certification program. Committee Majority staff learned that EPA was repeatedly warned by internal and outside experts, as far back as 1991, that the diesel truck engines the Agency certified as being in compliance were emitting pollutants in excess of the regulatory standard. Committee Majority staff further learned that EPA itself acknowledged the possibility of this problem in a related 1993 rule-making, but nonetheless took no further action to investigate whether these excess emissions were occurring until 1997. Majority staff learned that in 1997 such emissions were "first discovered"—according to EPA officials—as part of an unrelated audit, and not as part of an intentional effort by EPA to investigate whether electronic controls were being used to circumvent or defeat applicable emission standards.

The Majority staff report on this oversight effort, issued by Chairman Bliley on March 23, 1999, contained the above findings, and also characterized EPA's testing protocol for measuring emissions of diesel engines, known as the Federal Test Procedure (FTP), as flawed, outdated, and capable of being circumvented by electronic engine controllers being used by diesel engine manufacturers. The report also stated that EPA was aware of the deficiencies in the FTP, but nonetheless did not revise it until the 1998 settlement with certain diesel engine manufacturers. Published reports recently indicated that the diesel engine manufacturers have requested that EPA alter the terms of the settlement agreement reached with EPA and the Department of Justice, in order to pro-

vide additional flexibility in meeting the agreed upon emission targets.

AVAILABILITY AND TRANSPARENCY OF AUTOMOBILE EMISSIONS DATA
AND CERTIFICATIONS

During the 106th Congress, the Committee conducted oversight of EPA's efforts to comply with the public disclosure requirements of the Clean Air Act with respect to automobile emissions. Committee Majority staff was concerned that, contrary to the plain text of the Act, EPA was not making such emissions data publicly available in a format that made it easy for consumers to judge the comparative emissions of various automobiles and that EPA was not providing vehicle-specific emissions information at all—instead providing complicated data sets relating to “engine families,” which were virtually inaccessible to individuals with basic computer programs.

In April 1999, Chairman Bliley urged EPA to provide vehicle specific emissions data in a user-friendly way on its Internet website in order to encourage market-based reductions in automobile emissions. This oversight effort led to the introduction of legislation by Committee Members requiring EPA to make emissions testing data available to consumers in a more user-friendly format, and to place comparative emissions information on all new car sales stickers. In October 2000, EPA announced that it would rank car emissions on its website, but only based on the minimum emissions standard categories.

On a related matter, the Committee also reviewed EPA's new CAP 2000 program implementing Clean Air Act motor vehicle emission requirements, due to the Chairman's concern—as expressed in a July 27, 2000 letter to EPA—about the lack of transparency in certain elements of the CAP 2000 program. By way of background, the Chairman's letter noted the CAA requires that, each model year, EPA certify that every model of vehicle available in the U.S. will meet pollution standards for the vehicle's entire useful life and recounted other pertinent views, as follows. Prior to 1994, EPA accomplished this mandate by reviewing two types of information submitted by vehicle manufacturers. First, EPA reviewed actual emission tests from new vehicles. Second, EPA reviewed a calculation that increased the new vehicle emission test results as a projection of increased emissions resulting from the deterioration of emission controls over the useful life of the vehicle. Vehicle manufacturers calculated these “deterioration factors” (DFs) by accumulating mileage on prototype vehicles using an EPA-approved standard method, known as the “AMA” driving cycle. During the AMA driving cycle, the vehicle manufacturers generated emissions data at periodic intervals and then used a linear regression of that data to calculate the DF. In 1994, EPA changed this system by allowing vehicle manufacturers to use their own methods, based on good engineering judgment, to determine DFs, subject to review and approval by EPA. Vehicle manufacturers, however, could still use the AMA for this purpose or, as some did, use both the AMA and their own specially-designed tests. But EPA also approved the sole use of manufacturer-specific tests for certification purposes—a decision that ultimately led the way to the 1999 CAP 2000 pro-

gram, which eliminated the AMA driving cycle method in favor of manufacturer-developed durability cycles approved by EPA on a case-by-case basis.

Chairman Bliley's concern was that EPA's approval of the sole use of manufacturer-specific tests for certification purposes, which the companies, and EPA in certain circumstances, consider proprietary, may inhibit the public's ability to independently verify the processes used to develop DFs, a matter integral to the emissions certification process.

To inquire about these matters relating to the emissions certification process, Chairman Bliley wrote to Administrator Browner on July 27, 2000, and staff conducted interviews with most of the major domestic and foreign car manufacturers. EPA responded to the Chairman through a series of letters, and the Majority staff is in the process of reviewing these responses and other information to determine whether potential changes to EPA's automobile emissions certification program are necessary or desirable.

AVAILABILITY OF ON-BOARD DIAGNOSTIC INFORMATION TO AFTER-MARKET REPAIR SHOPS

On-board diagnostic (OBD) systems in automobiles, developed during the 1990s, were intended to enable manufacturers to improve control of vehicle emissions, and many other vehicle functions and safety features, electronically. However, in meetings with Committee Majority staff, representatives from independent automotive repair and parts shops complained that the increasing sophistication and coverage of these OBD systems—the details of which are closely-held proprietary secrets—also have created a situation in which many formerly routine repairs to emission control or other vehicle systems now can be done only by the repair shops at the authorized new car dealerships, which have the necessary computer diagnostic equipment and software to analyze and correct the problem. In meetings with Committee Majority staff, representatives of automobile manufacturers disputed these assertions. Committee Majority staff, also in meetings with outside stakeholder groups, learned of numerous complaints from consumers—particularly in rural areas—about the increased expense and inconvenience of using authorized dealer-repair shops instead of their local mechanics.

To gather information about this matter, Committee Majority staff interviewed most of the major domestic and foreign automobile manufacturers about their efforts to make OBD system information available to after-market repair shops, and possible changes in those practices to increase the availability and usefulness of such information. Committee Majority staff also interviewed representatives from the after-market repair and parts manufacturing industries, to obtain information about the barriers they face in acquiring the information they need to serve their customers' needs.

REGULATION OF ASBESTOS IN CONSUMER PRODUCTS

In November 1999, the Committee initiated an inquiry into EPA's activities relating to the regulation of asbestos in commer-

cially-available products. Committee Majority staff learned that asbestos may be present in more than 3,500 products sold for construction and home improvement projects in the United States. However, despite the fact that the Fifth Circuit Court of Appeals struck down most of EPA's Asbestos Ban and Phaseout Rule (ABPO) nearly a decade ago and remanded the rule to EPA for further agency consideration, the Agency has not yet proposed a substitute rule.

On May 24, 2000, Subcommittee on Oversight and Investigations Chairman Upton sent a letter to Carol Browner seeking to learn why EPA decided to cease its asbestos control program after the 1991 court remand, and what steps the Agency planned to take in the future with respect to asbestos. In that letter, Chairman Upton expressed concerns about the accuracy of a public statement by an EPA official to the effect that the agency was undertaking a nationwide effort to sample and evaluate a wide range of products for asbestos. Chairman Upton noted in his letter following briefings on May 9 and 24, 2000 for Committee Majority staff, EPA officials indicated that EPA is planning on testing a minimal number of products, and only for a particular type of asbestos. On June 12, 2000, the Agency responded to this inquiry, explaining its lack of action to date and identifying several ongoing efforts in this area.

IMPLEMENTATION OF THE FOOD QUALITY PROTECTION ACT

During the 106th Congress, the Subcommittee on Oversight and Investigations and the Subcommittee on Health and Environment conducted a review of EPA's and the Department of Agriculture's (USDA) implementation of the Food Quality Protection Act of 1996 (FQPA). The FQPA amended Federal pesticide and food safety laws by directing EPA to apply improved standards to evaluate the safety of pesticides that are used on food crops, such as fruits, vegetables and grains. Among other things, the FQPA requires EPA to re-evaluate the maximum safe levels of pesticide residues on foods, or "tolerances," by taking into consideration sensitivities of infants and children, and by using the best available information to evaluate other important factors. The Committee's goal was to ensure that the statute was properly implemented to ensure a safe and abundant food supply.

The FQPA directed EPA to reassess one-third of existing pesticide tolerances by August 3, 1999, using updated safety standards. As part of the Committee's oversight of EPA's tolerance reassessment efforts, Chairman Bliley wrote to EPA concerning the science policies devised to carry out the reviews. Additionally, the Chairman wrote to the USDA asking questions about USDA's role in the ongoing reviews. On June 29, 1999, representatives from EPA and USDA provided Members of the Committee on Commerce with a briefing on the status of FQPA implementation. Members of the Committee focused their inquiries on the revised risk assessments being undertaken by EPA; the transparency and openness of the FQPA review process; the timing of the decisions; and the regional and national market impacts of the FQPA reviews.

Subsequently, EPA disclosed its intention to issue cancellation notices for two pesticides primarily used for apples, peaches, pears and vegetables. The cancellations were the result of private nego-

tiations between EPA and the manufacturers of the pesticides, with only limited involvement and input from the affected growers and other interested parties. These actions by EPA contradicted assurances that had been given to the Committee during the June 29th Member briefing on this issue. On August 2, 1999, the Chairman wrote to Administrator Browner expressing his concerns about how EPA's negotiations with the pesticide manufacturers had excluded growers and other stakeholders from effectively participating in the tolerance reassessment process. The Committee requested and reviewed internal EPA documents relating to these negotiations. Additional letters to both Administrator Browner and Secretary Glickman were sent during the Fall of 1999, raising additional concerns about EPA's tolerance reassessment process involving other pesticides. During this time, Committee staff continued to meet with pesticide manufacturers, growers and other stakeholders as part of its oversight of FQPA implementation.

EPA'S EFFORTS TO ISSUE A FINAL GUIDANCE FOR INVESTIGATING
COMPLAINTS FILED UNDER TITLE VI OF THE CIVIL RIGHTS ACT
OF 1964 AND OTHER ENVIRONMENTAL JUSTICE ISSUES

In February 1998, EPA issued the Interim Guidance for Investigating Title VI Administrative Complaints (Interim Guidance) setting forth how the Agency would process "environmental justice" claims filed against State environmental agencies under the legal theory that a State environmental permitting decision discriminated against a protected class of citizens, such as racial minorities. Many State and local government organizations, such as the National Governors Association, the Environmental Council of States (ECOS), and the U.S. Conference of Mayors, complained that EPA should have consulted with States, local governments, and other stakeholder groups prior to issuing the Interim Guidance. These groups also complained that the Interim Guidance would hurt urban revitalization and the redevelopment of contaminated brownfields.

During the 106th Congress, the Committee continued its review of EPA's efforts to issue a final guidance on environmental justice and other environmental justice issues. During the 106th Congress, Committee staff met regularly with Ann Goode, Director of EPA's Office of Civil Rights, to discuss the steps she was taking to ensure stakeholder input into the revised Title VI guidance, and to receive updates on the progress EPA was making toward issuing a revised guidance. Chairman Bliley wrote to Administrator Browner on December 1, 1999, to request the latest draft of the revised guidance document. Chairman Bliley also wrote a second letter to Administrator Browner on December 1, 1999, to express concern regarding public statements attributed to Agency officials about EPA's Select Steel decision (the only Title VI complaint that EPA has resolved on the merits to date). The letter also severely criticized EPA for, and requested information about, the handling of environmental justice investigations in the South Bronx in New York City, and Indianapolis, Indiana—both of which were the subject of leaked press reports indicating questionable Agency, and even White House, activity with respect to pending enforcement actions.

EPA issued its revised draft guidance on June 16, 2000, roughly six years after President Clinton and EPA Administrator Browner committed to developing an environmental justice policy. Committee staff was briefed by Ann Goode on June 16, prior to EPA's release of the revised guidance to the general public. Ann Goode briefed Committee legislative assistants on the revised guidance on June 26, 2000, and met with Committee staff again on June 27 to answer additional questions pertaining to the revised guidance. The revised guidance, which was not actually printed in the Federal Register until June 27, 2000, was subject to a 60-day comment period, during which EPA received more than 120 comments. Committee staff requested and received copies of the comments that were filed on the revised guidance, which raised many of the same criticisms and praises directed at the interim guidance. As of this date, EPA has not decided whether to further revise its guidance or issue the June guidance document as final.

As part of the Committee's oversight of EPA's development of the Title VI guidance, Chairman Bliley wrote to Administrator Browner on April 13, 2000, to request a draft of the Integrated Federal Interagency Environmental Justice Action Agenda (Action Agenda), a government-wide effort being coordinated by EPA that is designed to address environmental justice concerns. Committee staff was briefed on this matter on April 18, 2000, by Barry Hill, Director of EPA's Office of Environmental Justice, and other EPA officials. Chairman Bliley also sent a letter to Administrator Browner on September 18, 2000, requesting information from the Agency about its efforts to follow up on recommendations made by the U.S. Commission on Civil Rights (Commission) in its 1996 report on EPA's Title VI program. The letter requested that EPA inform the Committee what actions it took with respect to the more than 70 recommendations made by the Commission, and provide documents in support of what actions the Agency took or did not take with respect to those recommendations. Committee staff currently is reviewing EPA's response to Chairman Bliley's September letter.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING TO THE DEPARTMENT OF ENERGY

HEARINGS

SECURITY AT THE DEPARTMENT OF ENERGY NUCLEAR WEAPON LABORATORIES AND OTHER SENSITIVE FACILITIES

During the 105th Congress, Committee staff received several briefings and internal security reports raising questions about the adequacy of the safeguards and security programs at the Department of Energy's (DOE) nuclear weapon laboratories and other sensitive facilities. As a result, toward the end of 1998, the Committee began to work with the General Accounting Office to plan a comprehensive review of DOE security. During the subsequent 21 months, the Committee held seven hearings on this topic, and Members met five times to receive briefings—most of them classified—relating to security concerns at the Department and its laboratories. Committee Members and staff made several visits to DOE sites to conduct inspections and question officials on security

matters. Committee staff also received dozens of classified and unclassified briefings on matters relating to site security during the 106th Congress, and reviewed extensive documentation relating to security evaluations conducted by the various DOE program elements responsible for security policies, practices, and assessments. Further, as noted above, the Committee also requested and received the assistance of GAO in this matter, which conducted several specific security-related evaluations for the Committee during the 106th Congress.

The Committee's bipartisan review of this important matter was the subject of repeated delays and objections from DOE with respect to requested briefings and the production of documentary materials relating to security evaluations—leading to the issuance of a subpoena to compel certain information that Energy Secretary Bill Richardson refused to provide voluntarily. Eventually, DOE provided all information, classified and unclassified, requested or subpoenaed by the Committee during the course of this review.

The Committee announced its intent to conduct intensive oversight of such issues in a letter to Secretary Richardson on February 1, 1999, which also criticized the Department for failing to timely report to the Congress and the President on the status of its safeguards and security programs, as required by statute and a long-standing Presidential National Security Directive. The letter noted that the current report was five months overdue, and that the Department had a history of delays in producing these annual reports—mostly because of its inability to internally reconcile competing views on the status of security at these sensitive sites. The letter demanded that DOE either produce a final report by February 15th or provide the Committee with all draft versions created up until that time. In response, DOE issued a final report to the President on February 15, 1999, and shortly thereafter produced it to the Committee. The final report indicated serious security weaknesses at several of the Department's key nuclear facilities.

Within days of this report's release, the first of several Los Alamos National Laboratory security scandals erupted publicly, with allegations (never proven) of foreign espionage activities by a Los Alamos National Laboratory nuclear scientist named Wen Ho Lee. The nation learned that this scientist had improperly downloaded some of America's most sensitive nuclear weapon codes onto his unclassified computer system, and had even transferred this information to portable computer discs. Unfortunately, as the Committee found, the security problems highlighted by the Wen Ho Lee episode were not new to the Department—in fact, DOE had been warned five years earlier of the specific weaknesses in classified information controls that permitted the downloading of such sensitive information to an unclassified computer system that itself was riddled with vulnerabilities from both outside of and within the laboratory.

Concerned by the long history of recurring and unresolved security problems at DOE's nuclear weapon laboratories and other sensitive facilities—including unregulated exchanges and visits with foreign scientists, unauthorized access to or loss of classified information, poor physical and computer security, lack of adequate counterintelligence programs and training, insufficient manage-

ment oversight and attention to security matters, and a lack of accountability for security failures throughout the DOE and laboratory management structures—Chairman Bliley wrote in March 1999 to Secretary Richardson to announce that the Committee would conduct an aggressive review of security on a laboratory-by-laboratory basis, focused on the most sensitive sites, in order to ensure that ongoing security problems are identified and timely corrected. Chairman Bliley also wrote to GAO on that same day, requesting that its DOE security experts conduct a broader review of how DOE manages its security affairs. Specifically, the Chairman requested that GAO assess not only the adequacy of current security arrangements, but also review prior security-related recommendations from DOE, GAO, and other external sources to determine whether DOE ever effectively implemented such recommendations, and if not, why not.

Subsequently, Secretary Richardson announced a series of action plans to improve security at the three nuclear weapon laboratories, focusing on computer-related security issues and reorganizing the Department's management of security affairs. In particular, on April 1, 1999, he ordered that the laboratories undertake a series of specific actions to improve classified and unclassified computer security, and gave them between seven and 30 days to implement them, depending on the specific action item.

On April 14, 1999, Members of the Subcommittee on Oversight and Investigations held a classified meeting to receive a briefing on the contents of the Report of the Select Committee on U.S. Security and Military/Commercial Concerns with the People's Republic of China (commonly known as the "Cox Commission Report")—part of which concluded that China had been systematically stealing nuclear weapons-related information from DOE laboratories for many years, and had ongoing espionage activities at these same sites. A week later, on April 20, 1999, the Subcommittee on Oversight and Investigations held the first in a series of Committee hearings on the topic of DOE security. The focus of this hearing was on the perspective of GAO, which had reviewed various aspects of DOE security practices and had made numerous recommendations to improve security at these sites over the past 22 years. Four officials from GAO testified at the hearing, providing an overview of past GAO work and putting the current spy scandal in historical context. Specifically, GAO testified to the long-standing nature of many of DOE's security problems, DOE's inability to timely or effectively correct identified problems in the past, and GAO's concerns that the Secretary's recently-announced action plans to improve security likely would meet the same fate due to systemic institutional and management deficiencies that remained unaddressed. GAO's testimony emphasized the need for greater and more consistent management attention, prioritization, and accountability throughout the DOE and laboratory management structure with respect to security issues.

Secretary Richardson responded to this hearing by issuing a statement to the effect that GAO was focusing on the past, and that the Department already had implemented improvements in many of the areas cited. Thereafter, Secretary Richardson continued to state publicly throughout April and May 1999 that DOE had

fixed its security problems and that the nation's nuclear secrets were "safe and secure." However, as the Committee was learning during the same time period, DOE's own internal security experts were finding continuing problems at the labs, and a lack of full implementation of the ordered corrective actions.

On June 15, 1999, the President's Foreign Intelligence Advisory Board issued a report, prepared at the President's request, that was highly critical of DOE's management of the labs on security matters. The report—called the "Rudman Report" after the Board's chairman, former U.S. Senator Warren Rudman—condemned DOE as responsible for "the worst security record on secrecy that members of this panel have ever encountered." The panel found that security at DOE sites has been lacking in many critical areas for the last 20 years, and that many of these deficiencies "still exist today." These deficiencies—particularly in personnel assurance, information security, and counterintelligence—"invite attack by foreign intelligence services." The panel also found that these problems had been "blatantly and repeatedly ignored," and placed the blame on "organizational disarray, managerial neglect, and a culture of arrogance—both at DOE headquarters and the labs themselves." The panel criticized DOE for taking over a year to order the implementation of counterintelligence measures mandated by a Presidential Decision Directive from February 1998 (PDD-61), and found that DOE had yet to fully implement those or other corrective actions ordered by the President and Secretary. Accordingly, the panel's report concluded that Secretary Richardson "has overstated the case when he asserts, as he did several weeks ago, that 'Americans can be reassured: our nation's secrets are, today, safe and secure.'" The panel also expressed its view that Secretary Richardson's announced reforms "simply do not go far enough," and that DOE was "incapable of reforming itself." The report's key recommendation was that DOE's weapons research and stockpile management functions should be placed within a new semi-autonomous agency within DOE, with a clear mission, streamlined bureaucracy, and simplified lines of authority.

On June 22, 1999, the Full Committee held a hearing on the Rudman Report, at which Senator Rudman testified about his panel's findings and its recommendations for reform. Secretary Richardson also testified on the same panel, and was questioned about his prior public statements, criticizing the Rudman Report and attesting to adequate security at the weapons labs. At the hearing, however, the Secretary accepted the key findings of the Rudman Report and acknowledged DOE's need to further improve security. But Secretary Richardson rejected calls for a new independent or semi-autonomous agency within DOE to manage these labs. Notwithstanding such opposition, Congress eventually ordered the creation of a semi-autonomous agency for this purpose, known as the National Nuclear Security Administration (NNSA), in the Defense Authorization Act of 2000.

Several weeks later, on July 2, 1999, Members of the Oversight and Investigations Subcommittee held a closed session on ongoing security problems at DOE's Lawrence Livermore National Laboratory. Officials from the Department's independent oversight office—which had recently conducted a security inspection at Livermore—

testified, as well as relevant DOE and laboratory officials. As a follow up to this briefing, on July 20, 1999, the Oversight and Investigations Subcommittee held a hearing—part in open session, part in closed session—on Livermore’s security problems. In the portion of the hearing open to the public, it was revealed that there were serious security deficiencies at this nuclear weapon laboratory with respect to classified and unclassified computer security, the protection of classified weapon parts and other classified information, and other security matters. The hearing also revealed that many of these problems had been identified in security reviews years prior to the current inspection, but had not been corrected—yet Livermore had never been financially penalized for these failures in its annual contract performance evaluations. Members also learned that other layers of the Department’s oversight failed to catch these serious issues over the years, and that the recent claims of improvements in computer security in particular were not wholly accurate. Testifying at the hearing were the Department’s chief security inspector, Mr. Glenn Podonsky, the director of Livermore, Dr. Bruce Tarter, and two relevant DOE program officials responsible for the Livermore site. Dr. Tarter pledged to the Subcommittee that Livermore would promptly correct all of the cited deficiencies.

To follow up on the Livermore hearing and to review the progress being made at that site and the other two nuclear weapon laboratories—Los Alamos National Laboratory and Sandia National Laboratory in New Mexico—Committee majority staff visited all three labs during September and October 1999. During these visits, staff visited classified areas of the laboratories, physically reviewed the progress being made in correcting the key deficiencies cited in various inspection reports, and received numerous briefings from relevant laboratory and DOE officials on virtually every aspect of security at these sites. Staff also reviewed the security assessments conducted by the laboratories, as well as those conducted by DOE’s operations offices, to determine their adequacy and why some of the current problems were not identified and/or corrected before the recent independent inspections by DOE’s security inspection team and outside reviewers. In addition, several Members and staff of the Committee went to these labs in January 2000 to conduct similar, follow-up inspections.

On October 26, 1999, the Oversight and Investigations Subcommittee held a hearing on the status of security at the three nuclear weapon laboratories, and heard from two panels of witnesses. The first panel consisted of the three top security advisers to Energy Secretary Richardson—General Eugene Habiger, director of the Department’s security policy office, Mr. Ed Curran, director of the Department’s counterintelligence office, and Mr. Podonsky, whose office had recently completed reviews at all three labs. The second panel consisted of the three laboratory directors (Dr. John Browne, Los Alamos; Dr. Bruce Tarter, Livermore; and Dr. Paul Robinson, Sandia), and officials from the two relevant DOE operations offices.

General Habiger was questioned by Members about the lack of adequate DOE policies in critical security areas, such as foreign nationals accessing DOE computer networks on-site or from remote

locations, the proper use of computer passwords, and controls on classified information and nuclear weapon parts. He also was questioned about the ambiguity of other DOE policies, which have permitted the laboratories to be in technical compliance with DOE orders yet still have poor security. Mr. Curran was questioned about the Department's continuing failure to implement some of the important counterintelligence directives from PDD-61 and the Department's implementation plan—notably an expanded polygraph program for key personnel, monitoring of outgoing e-mails to foreign countries, and monitoring of high-risk personnel and high-performance computers to detect unusual patterns of computer use (particularly by foreign nationals with approved access). Mr. Podonsky testified about serious problems at both Sandia and Livermore with respect to controls on access by foreign nationals and uncleared personnel to classified or sensitive information, as well as weaknesses in the protection of classified weapon parts. While Los Alamos National Laboratory received an overall “satisfactory” rating from Mr. Podonsky, he nonetheless reported similar computer security weaknesses relating to foreign nationals at that lab as well.

The second panel of witnesses was questioned about the labs' corrective action plans, the reasons these deficiencies were allowed to arise in the first place, why they went unnoticed and/or uncorrected for years, and why the annual financial bonuses received by the labs' senior managers were not impacted by these recurring, material deficiencies. For example, the Committee's oversight revealed that Los Alamos National Laboratory had received critical security evaluations in 1998 from both Mr. Podonsky's office and the DOE field office, yet the lab received an “excellent” rating in security as part of its contract performance appraisal that same year, conducted by the same DOE field office.

In November 1999, the Committee also began to review the state of security at other sensitive nuclear facilities, particularly the Department's Oak Ridge Y-12 Plant. A recent inspection by Mr. Podonsky's office had highlighted some long-standing concerns in the areas of nuclear material control and accountability, the protection of classified matter, and personnel security, among other areas, and the Department promptly removed the head of security at that site. While the Committee was concerned about the security problems at this site, the Committee also was troubled that the Department had moved so quickly to place all of the blame for these long-standing problems on a single, career-level individual. The Committee requested extensive documentation relating to these matters. Committee majority staff also visited the Y-12 Plant, and interviewed relevant officials on these related subjects. Committee staff found that most of the key problems identified by Mr. Podonsky in the fall of 1999 had been raised by the site's own security office years earlier, but for various reasons the program officials on site and in DOE headquarters had refused to address them. The Committee also found that site managers had been given conflicting advice from DOE headquarters on the requirements of a key personnel assurance program. Further, Committee staff found that the personnel action, which was taken at the urging of the Secretary and his senior staff, was done without virtually any investigation into this matter by either DOE headquarters or

the Oak Ridge operations office. After Committee staff discussed these findings with top Department managers at Oak Ridge, the Department acknowledged that it should not have blamed its site security chief for the current deficiencies, and promoted the individual to a more senior-level security position at that site.

As noted earlier, in January 2000, several Members of the Committee and certain staff visited the three nuclear weapon plants to review whether they were making progress in improving specific areas of security, as promised by the three lab directors at the Subcommittee's October 1999 hearing. While the Committee observed improvements in the specifically-cited areas, these visits and others taken by Committee staff in 1999 raised concerns about the general controls on classified information required by DOE orders, and whether "need to know" restrictions were being properly and consistently implemented at these and other DOE sites. Accordingly, on March 1, 2000, Chairman Bliley requested that GAO evaluate the procedures and practices employed by the Department and its contractors to control classified matter, including the impact of the Department's decisions during the 1990s to reduce accountability and inventory requirements for such matter. GAO's work in this area, however, was quickly overtaken by events—specifically, the revelation in June 2000 that highly classified hard drives were missing from a secure vault at Los Alamos National Laboratory, which is discussed in greater detail below.

The Committee also continued its own review of security-related matters. On March 14, 2000, the Oversight and Investigations Subcommittee held a joint hearing with the Subcommittee on Energy and Power, focusing on safety and security oversight of the new National Nuclear Security Administration. The hearing focused on how the implementation of the new, semi-autonomous NNSA may affect the independent oversight of safety and security matters at sites within the NNSA (such as the three nuclear weapon labs), which had been performed by DOE headquarters offices. The statute creating the NNSA did not specifically provide for independent oversight of safety and security functions, and the limitations in the law on DOE staff authority over the NNSA raised doubts about the ability of these DOE inspection offices to properly do their jobs with respect to sites within the NNSA. There were three panels of witnesses at the hearing, including Deputy Secretary of Energy T.J. Glauthier, and the Department's chief security and safety inspectors—Mr. Podonsky, and Dr. David Michaels. Both inspectors raised concerns at the hearing about possible impediments to their performance of their duties with respect to NNSA sites.

Also testifying at this hearing were representatives from the three nuclear weapon labs and the Oak Ridge Y-12 Plant, as well as from GAO and the National Association of Attorneys General. In particular, GAO testified about a report prepared for the Committee (and released at the hearing by Chairman Bliley) regarding DOE's oversight of its contractors' security performance, and how the problems found in that review could be exacerbated by the semi-autonomy of the NNSA. The GAO report found that DOE's security oversight historically has been inconsistent at best, and has not been sufficiently coordinated at a centralized level to ensure that prompt corrective actions are taken to close all findings of se-

curity deficiencies and that lessons are learned and shared throughout the DOE complex. GAO reported that different security oversight organizations within the DOE structure often gave conflicting assessments of security at the same sites and in the same years, because of the use of different standards, criteria, and methods. GAO also reported that some key sites would go several years without any security evaluations at all. GAO noted that Mr. Podonsky's inspection function has existed, in various forms, at different levels of the DOE bureaucracy over time, resulting in inconsistent management attention and priority to such matters.

As a result of the GAO report, the March 14th hearing, and the extensive oversight conducted over the prior 15 months on DOE security-related matters, the Committee reported legislation that would improve security oversight within the entire DOE complex, including the NNSA. Specifically, the bill would strengthen the internal oversight of physical and computer security within DOE by establishing in statute an Office of Independent Security Oversight, with a Director appointed by the Secretary and subject to the authority of the Secretary only. Under the bill, this Office must conduct regular inspections at all key sites (including those within the NNSA) to identify problems in physical, personnel, and cyber security, make specific recommendations for improvement, and assess the effectiveness and timeliness of corrective actions. The legislation specifies that the Director of the Office of Independent Security Oversight is to have access to all records and personnel of the Department of Energy, including the records and personnel of the NNSA. H.R. 3906 provides for annual reporting from the Office of Independent Security Oversight to the Secretary of Energy, and requires the Secretary to submit those annual reports, without alteration, to the Congress. H.R. 3906 also requires immediate reports to the Congress of any serious security deficiencies, and provides for uncensored testimony and briefings to the Congress from the Director of the Office of Independent Security Oversight. For more information regarding this legislation, see H.R. 3906 in the Energy and Power section of this report.

Shortly after Full Committee reported the bill, Committee staff received a briefing from Mr. Podonsky's office on the results of an audit of unclassified computer security at DOE's own headquarters offices. Committee Member Heather Wilson, at the October 26, 1999 hearing on laboratory security, had requested that Mr. Podonsky conduct such a review on an expedited basis, which he agreed to do. The results of the audit showed that DOE's own headquarters suffered from many of the same computer vulnerabilities that had been identified and corrected by the labs during 1999, but that DOE had done virtually nothing to remedy these deficiencies in its own headquarters' systems. The audit found that the unclassified headquarters network lacked adequate and consistent intrusion detection capabilities, and contained significant and exploitable vulnerabilities that could permit unauthorized users or authorized foreign nationals to roam throughout and among the various program office systems—which share a common network—to compromise sensitive information. Further, the audit found that many of DOE's public web servers contained vulnerabilities that would permit the alteration or deletion of pub-

lic information, or the use of these web servers to launch denial of service attacks against other governmental or private entities—despite the fact, as uncovered by the Committee, that DOE had certified to the President just months earlier that its systems had been evaluated for such a vulnerability. The audit also revealed that the headquarters offices failed to fully implement the Secretary's mandated enhancements to cyber security, which were announced in May 1999. The audit attributed these deficiencies to the lack of uniform computer policies among the various headquarters offices—particularly with respect to the use of modems, access by foreign nationals, and external connections to the network that could provide back-door access to the overall network by unauthorized sources. The audit faulted DOE's decentralized management of the headquarters network, and urged that senior management attention to this issue was necessary to correct these deficiencies.

Under questioning by Committee staff at this same briefing, DOE's chief information officer (CIO) also acknowledged that his office had known about these problems for at least one year prior to Mr. Podonsky's audit, but had not taken any action to correct them because he did not believe he had any authority to require the various program offices to make the necessary changes—despite the fact that they all share a common network. The CIO also pledged that all problems would be corrected within 60 days. Based on this briefing, the Oversight and Investigations Subcommittee scheduled a hearing on this topic for June 13, 2000, and Chairman Bliley wrote to Secretary Richardson on June 12, 2000, to urge that the Department take its own computer security as seriously as it has computer security at the weapon laboratories. After the hearing was noticed, the Deputy Secretary of Energy issued a memorandum granting the DOE CIO explicit authority over all headquarters program offices' computer policies and practices. At the hearing, DOE security director General Habiger testified, accompanied by DOE's CIO, Mr. John Gilligan, both of whom acknowledged the problems but suggested that they resulted from a lack of Congressional funding for cyber security purposes. Mr. Podonsky also testified at the hearing, describing the results of the audit, and his office's view that the identified problems stemmed from a lack of management attention to cyber security issues, rather than from a lack of financial resources.

The June 13th hearing, however, did not focus solely on the noticed topic of computer security at DOE headquarters. Days before the scheduled hearing, DOE and Los Alamos National Laboratory announced that two portable computer hard drives—containing compendia of nuclear weapons-related information used by the Department's Nuclear Emergency Search Team (NEST) in its response actions—were missing from their secure vault location at the laboratory. NEST is a multi-laboratory effort coordinated by DOE headquarters to respond to incidents involving the use or potential use of U.S. or foreign nuclear weapons or improvised nuclear devices by terrorists. Committee staff immediately received a full briefing from the Department on this matter, and at the June 13th hearing, Subcommittee Members questioned General Habiger extensively about the Los Alamos National Laboratory situation. Committee Members also received a classified briefing immediately

following the public hearing from General Habiger and other relevant DOE officials.

As part of its investigation, the Committee learned that Los Alamos National Laboratory officials failed to notify DOE about the NEST situation for several weeks after learning that the drives were missing, and that the laboratory did not have in place—because DOE did not require—basic accountability mechanisms for the control of such highly-classified information. For example, the hard drives were contained in a vault to which 26 individuals had unrestricted access, even though only half of them were involved in NEST activities and had a “need to know” such information. Further, there were no requirements that inventories of the hard drives (there were three sets of two hard drives in the vault) be conducted on a regular basis, or that individuals who remove a hard drive from the vault leave any record of that removal. Nor did the laboratory keep records of all those entering the vault. Thus, when the hard drives were discovered missing in early to mid-May 2000, investigators had no paper trail to follow to determine who might have possession or last had possession of these drives, or who had gained access to the vault and when.

Following the hearing, Committee staff interviewed officials at Los Alamos National Laboratory and the other two nuclear weapon labs about the NEST issue (all three labs participate in NEST), and how they control similar types of classified information. Committee staff also interviewed DOE officials regarding Department policies on control of classified information, and discussed with GAO officials the ongoing review of these exact same matters that had been requested by the Chairman in March 2000. During the course of this oversight, the Committee learned about significant deficiencies and inconsistencies in how DOE and its laboratories control highly sensitive information. According to GAO and DOE security inspectors, prior to 1992, DOE required that all classified material, whether Secret or Top Secret, be strictly “accounted” for by its contractors, which included regular inventories, unique numbering for every classified document, and other controls on receipt, transmission, and destruction of such documents. In mid-1992, DOE began to eliminate these accountability requirements for all Secret material (such as the Los Alamos National Laboratory hard drives), with some particular exceptions, but maintained the strict control measures for Top Secret data. In 1995, this modified accountability system for Secret information was adopted government-wide and certain controls on Top Secret information were eliminated. In January 1998, DOE decided to eliminate virtually all accountability controls for Top Secret information.

But, according to GAO and experts within DOE, the Department never required that entry to vaults be logged or that those removing Secret-level materials from common-access vaults “check-out” such materials. In addition, the inventory requirements that did exist prior to 1992 for Secret data only required inventories once every three years, so would not have aided the investigation into the missing NEST hard drives significantly even if they had remained in place. Instead, DOE had set minimum, general requirements for classified materials, whether Secret or Top Secret, and

had essentially left the details of access controls to the relevant personnel within the labs.

To explore the actual operational practices of the labs, Committee staff interviewed officials at the three nuclear weapon laboratories concerning their procedures for handling NEST-related information, as well as for similar types of classified information. The Committee's interviews revealed that the labs have not implemented uniform practices—both among the labs, and within the same lab. The differences in access control procedures governing similar types of classified materials highlighted the failure of DOE headquarters and the laboratories to issue security policies that were sufficiently clear and graded to deal with the inevitable variation in sensitivity even within classification categories. These differences also suggested that the responsible DOE and laboratory program officials have the power to impose additional control requirements when dealing with particularly sensitive classified material in their programmatic possession or control, but that they did so on a hit-or-miss basis, rather than based on a consistent and thorough evaluation of risks and costs, or clear guidance from DOE headquarters.

The Committee also learned that—following the Cox Commission Report findings—the directors of the three nuclear weapon labs wrote to the DOE Under Secretary in March 1999, urging that formal accountability requirements for Secret and Top Secret restricted weapons data be re-instituted “as quickly as possible.” The Rudman Report, issued shortly thereafter, contained a similar recommendation. But DOE did not take any apparent action to address these recommendations prior to the Los Alamos National Laboratory NEST security incident one year later.

With respect to NEST specifically, the Committee's interviews revealed confusion within the Los Alamos National Laboratory management structure over who was responsible for setting the security rules governing NEST materials, and found that no single person was in charge of all NEST assets on site at Los Alamos National Laboratory. Further, though the NEST program technically was subject to laboratory and DOE security inspections similar to those done for other lab programs, the Committee learned that neither Los Alamos National Laboratory or the relevant DOE overseers conducted such oversight to any significant degree.

Based on this oversight, the Oversight and Investigations Subcommittee held a hearing on July 11, 2000, focusing on the disappearance—and, by that time, the mysterious re-appearance—of the NEST hard drives from Los Alamos National Laboratory, as well as the general practices and procedures governing control of and access to classified materials at all sensitive DOE facilities, such as the nuclear weapon labs. There were two panels of witnesses. The first panel included Mr. Jim Wells of GAO, and Mr. Podonsky, DOE's chief security inspector, both of whom discussed what controls DOE orders do and do not require with respect to Secret and Top Secret materials (as discussed above). Mr. Podonsky also testified regarding a review of these control requirements and their implementation by the laboratories he conducted at the Secretary's request after the Los Alamos National Laboratory incident surfaced, finding deficiencies in DOE's general security require-

ments, and inconsistent implementation by the labs—leading to his conclusion that, while the labs are mostly in compliance with DOE orders, security practices may nonetheless be ineffective.

The second panel at the hearing consisted of DOE Deputy Secretary T.J. Glauthier, accompanied by General Tom Giaconda, Acting Deputy Administrator for Defense Programs within the NNSA, General Habiger, DOE's security policy chief, and General John M. McBroom, DOE's Director of the Office of Emergency Operations, who is in charge of emergency response functions such as NEST. The DOE officials were questioned in detail about the Department's policies and practices in this area, and its lack of action over the years to address high-level recommendations to tighten controls on highly sensitive materials. The DOE officials also testified regarding changes DOE ordered following the Los Alamos National Laboratory incident. Specifically, DOE ordered all of its sites to upgrade vault access control procedures, so as to record duration and time of access by authorized personnel. DOE also required that deployable, classified encyclopedic databases such as those used by NEST and other similar response teams be encrypted and stored in vaults, with sign out and sign in procedures and the use of electronic bar codes for inventory purposes. DOE also announced plans to re-institute some accountability controls for the more sensitive electronic media, and full accountability for Top Secret data. Further, DOE testified, and was questioned extensively, about its intention to "restructure," in an undefined fashion, the security-related aspects of its contract with the University of California (UC) (which runs Los Alamos National Laboratory and Livermore).

Also on the second panel were the three directors of the nuclear weapon laboratories, and Mr. Steve Aftergood, a Senior Research Fellow from the Federation of American Scientists, who testified concerning broader classification issues, including what is known as the "Higher Fences Initiative." The Higher Fences Initiative grew out of a 1996 DOE study, which recommended that DOE impose higher levels of security on its more sensitive Secret-level materials, particularly nuclear weapon design, control, and use information (such as the NEST hard drives), by either re-classifying them as Top Secret (which at the time had greater control mechanisms) or by imposing additional protection requirements on this subcategory of Secret material. After much internal debate, in December 1999 DOE issued a formal proposal to the Department of Defense (DOD)—which receives and uses some of this sensitive data from DOE—to re-classify all nuclear weapons material to Top Secret. DOD, however, indicated to DOE and Committee staff that it believed the DOE proposal was too sweeping in nature and would impose significant financial and operational costs on DOD, if implemented. DOE nonetheless could have proceeded on its own to impose tighter requirements for these materials when in DOE's possession at any time since it was first recommended in 1996—as the actions taken by DOE to tighten such requirements after the June 2000 Los Alamos National Laboratory hard drive incident demonstrated. To pursue this matter directly with DOD, Chairman Bliley also wrote to Defense Secretary William Cohen in August 2000 to request an explanation of DOD's plans in this regard, and the Committee is currently reviewing this response.

Several weeks after the July 11th hearing, Committee Members met with General John Gordon, the newly-confirmed Administrator of the NNSA, to discuss issues relating to security at NNSA sites. In particular, the focus of the meeting was on DOE's announced plans to restructure its contract with UC to improve security management at Los Alamos National Laboratory and Livermore, among other sites. Committee Members expressed concern that DOE's suggested possibility of bringing into the contract in some way various security subcontractors (to either DOE or UC) would only further blur already confused lines of authority and accountability for security matters, and would fail to address the principal problem underlying the history of security weaknesses—the lack of clear and consistent policy guidance and implementation on the part of DOE headquarters and its contractors, respectively. General Gordon pledged to consider such matters when evaluating reform options for the Secretary's consideration, which he said would be presented in September 2000.

In mid-October 2000, General Gordon submitted to Secretary Richardson a recommendation regarding the UC contract, and his senior staff was called to brief Committee Members on its substance on October 19, 2000. NNSA officials explained that Administrator Gordon recommended to the Secretary a course of action—which the Secretary had accepted—that included the replacement of the existing 5-year contract with UC that was set to expire at the end of 2002 with a new 5-year contract. In other words, DOE agreed to negotiate with UC a three-year, non-competitive extension of this contract. An NNSA representative expressed the Department's intent to finalize the contract extension negotiations by the end of 2000. The parties also agreed to renegotiate the terms of the contract to include five “new” actions proposed by UC to address security and other management-related concerns at these labs.

However, when pressed about the details of these five actions, or how they would be implemented, neither DOE nor UC was able to offer any substantive explanations to Committee Members—saying only that the specifics would be worked out during contract negotiations. Both at the briefing and in subsequent correspondence to Secretary Richardson from Chairman Bliley and Ranking Member Dingell dated October 26, 2000, Committee Members expressed concern that the five action items fell far short of the fundamental restructuring necessary to bring new management expertise and accountability into the operations of these labs. Chairman Bliley and Mr. Dingell wrote that “these actions are, for all practical purposes, either meaningless or already provided for in the current contract. These action items mask the lack of any real change to the UC contract and, unfortunately, appear to be an excuse for further extending this contract without competition.” The joint letter also noted that the current contract does not expire until the end of 2002, which provided time for DOE to conduct a thorough renegotiation with UC and/or a competitive bidding of the contract, and criticized the Department's “rush to complete such a major undertaking in less than two months.” The letter concluded by expressing the Members' views that “[n]o extension of the UC contract is warranted at this time, and in this manner.”

At the October 19, 2000 Member briefing with NNSA officials, two other security-related issues were reviewed as well. The first issue was discussed in closed session due to its classified nature. The final topic discussed at the October 19, 2000 Member briefing related to the second part of the computer security review of DOE headquarters conducted by Mr. Podonsky's office at the Committee's request. This portion of the review focused on the headquarters classified computer networks, and found some of the same problems that had been found in June 2000 with respect to the unclassified network. Specifically, the review found that, not only had the headquarters offices failed to implement the enhancements to classified computing ordered by the Secretary in May 1999 (and largely implemented by the laboratories last year), but that the Department's Chief Information Office had not yet even transformed these enhancements into specific directives or orders for DOE's headquarters and other offices/sites to follow. DOE's computer policy staff were questioned about these failures at the briefing and pledged to work promptly to bring DOE headquarters into compliance with the Secretary's May 1999 order.

In summary, the Committee's sustained oversight effort—including numerous oversight hearings, Member briefings, on-site inspections and other investigative activities—on the poor state of security at our nation's most sensitive nuclear facilities and other critical DOE sites helped to keep pressure on the laboratories and DOE officials to match their rhetoric of improved security with reality on the ground. In addition, this oversight led to the passage of legislation by the Committee that, if enacted by the next Congress, will further strengthen and clarify the Department's own internal oversight of site security policies and practices. The Committee will continue to conduct oversight of the Department's safeguards and security programs in the 107th Congress.

THE DEPARTMENT OF ENERGY'S FAILURE TO DEVELOP AND USE DOE-FUNDED ENVIRONMENTAL CLEANUP TECHNOLOGIES

On May 26, 1999, the Subcommittee on Oversight and Investigations held a hearing that focused on DOE's failure to deploy innovative cleanup technologies funded by the Office of Science and Technology (OST) at DOE waste sites. The mission of OST, as defined by both Congress and the Department, is to fund the development of new technologies that will improve DOE's massive environmental restoration and management efforts—by making them cheaper, faster, and safer. The Subcommittee held a hearing in May 1997 that revealed severe management problems within OST, leading to the waste of hundreds of millions of dollars on technologies that either did not work as planned or were not being used for DOE cleanup by site managers.

The May 1999 Oversight and Investigations Subcommittee hearing focused on the problem of deploying those useful OST-funded technologies at DOE waste sites. At the hearing, Dr. Ernest Moniz, Under Secretary of Energy, testified that the Subcommittee's May 1997 hearing "galvanized the Department into action to solve the technology development and deployment problem." Dr. Moniz stated "we have turned the corner and are beginning to see the results of the investments we have made in science and technology." How-

ever, four witnesses at the May 1999 hearing representing companies that market commercially available OST-funded cleanup technologies identified real-world barriers that continue to prevent deployment at DOE waste sites. Several of these companies developed commercially available OST-funded technologies, but have been unable to gain access to DOE waste sites due to non-technical barriers. Combined, these four companies received \$52 million in DOE and OST funds to develop and test their wares (\$27 million from the OST program).

Mr. John Schofield, representing Thermatrix, Inc., testified that his technology—developed with \$29 million in DOE and OST funds—has achieved widespread use treating noxious emissions in the refining, chemical, and pharmaceutical industries. Unfortunately, due to the cost and frustration associated with several failed attempts to deploy the Thermatrix technology at DOE sites, Mr. Schofield told the Subcommittee “it is our policy not to do business with DOE, and I am sorry to report that.” Dr. Payasada Kotrappa, representing Rad Elec, Inc., received approximately \$1 million in DOE funds to develop and demonstrate a technology to measure low levels of radioactive contaminants on surfaces and soils. At the hearing, Dr. Kotrappa described his efforts to gain access to DOE sites as “an example of the long and difficult path to get to any commercial business from the DOE, however promising the technology may be.” Dr. Kotrappa noted that the critical performance information on his technology is available to DOE site managers and contractors, yet “it takes a painfully long period for making a decision to use the technology at DOE sites.” Mr. Dick Bernardi of BIR, Inc., who also testified at the hearing, has worked with OST and DOE over 10 years to develop and test Waste Inspection Tomography (WIT)—a technology for non-intrusive characterization of transuranic waste drums. OST and DOE have invested approximately \$13 million in the development of WIT. As a result of this substantial investment, BIR now operates two mobile, full-scale, and operable WIT units that could be driven to more than 20 DOE sites where thousands of drums of transuranic wastes are located. However, WIT is not currently deployed for use at any DOE site. The Subcommittee also received testimony from several DOE site management contractors that manage environmental cleanup activities at DOE’s largest waste sites, including DOE’s Hanford site, Fernald site, Rocky Flats site, Oak Ridge site, Savannah River site, and the Waste Isolation Pilot Plant (WIPP).

On November 1, 2000, Chairman Bliley issued a Majority staff report entitled “Incinerating Cash: The Department of Energy’s Failure to Develop and Use Innovative Technologies to Clean Up the Nuclear Waste Legacy.” The Majority staff report concluded that several of EM’s largest waste sites—including the Hanford site, the WIPP site, and the Rocky Flats site—failed to use commercially available OST-funded technologies to date, and have limited plans to do so in the foreseeable future.

WORKER SAFETY AT DEPARTMENT OF ENERGY NUCLEAR FACILITIES

On June 29, 1999, the Subcommittee on Oversight and Investigations held a hearing to review worker safety at Department of Energy (DOE) nuclear facilities. The hearing focused on DOE’s en-

forcement of Price-Anderson Act nuclear safety requirements. In 1988, Congress enacted the Price-Anderson Amendments Act (PAAA), which provided DOE with new authority to assess civil fines on DOE contractors that violate DOE regulations or orders related to nuclear safety. However, the 1988 amendments also exempted seven non-profit M&O contractors from paying civil penalties, including the University of California (at Los Alamos National Laboratory and Lawrence Livermore, and Lawrence Berkeley National Labs) and the University of Chicago (at Argonne National Laboratory). In 1996, DOE established its PAAA nuclear safety program after promulgating two enforceable rules covering quality assurance requirements and radiation protection for workers. DOE's Office of Enforcement and Investigations—which reports to the Assistant Secretary for Environment, Safety, and Health—is responsible for investigating possible violations of these rules and imposing civil penalties or other corrective actions when appropriate.

At the request of Chairman Bliley, the General Accounting Office reviewed DOE's nuclear safety program and assessed whether there is a continued need for exempting non-profit contractors from paying civil penalties for nuclear safety violations. According to the testimony of Ms. Gary Jones, Associate Director of Energy Issues for GAO, DOE had issued only two enforceable rules, covering two out of the 11 safety areas originally proposed under the law. Because the nine remaining safety areas are not now enforceable, GAO reported that DOE has limited the overall effectiveness of its enforcement program. Of the two rules that are enforceable, GAO reported that DOE field offices have inconsistently applied its quality assurance rule at nuclear facilities. GAO recommended that the Secretary of Energy “strengthen DOE's nuclear safety enforcement program and ensure that field offices are consistent in applying it.”

GAO also recommended that DOE end the civil penalty exemptions it has administratively extended to all non-profit educational institutions, and called for Congress to consider ending the exemption for the remaining non-profit educational institutions exempted by statute (including the University of California and the University of Chicago). At the hearing, Ms. Mary Anne Sullivan, DOE's General Counsel, cited three reasons for continuing and expanding the exemptions: (1) non-profit contractors' unwillingness to put their assets at risk for civil penalties; (2) the effectiveness of existing contract mechanisms to compel safety; and (3) consistency with other regulatory agencies' treatment of non-profit contractors. Ms. Jones countered, however, that non-profit contractors are now paid performance fees that can be used to pay civil penalties, that DOE has not used contract mechanisms consistently in the past to address safety problems, and that the Nuclear Regulatory Commission assesses civil penalties on all contractors that violate its nuclear safety requirements, regardless of their non-profit or for-profit status.

The Subcommittee also received testimony from several DOE contractors (including several non-profit contractors) that manage DOE facilities, including the University of California, the University of Chicago, Kaiser Hill Company (contractor at the Rocky Flats

site), and Lockheed Martin Corporation (contractor at Idaho and Oak Ridge Laboratory sites).

On a related matter, the Subcommittees on Oversight and Investigations and Energy and Power held a joint hearing on March 14, 2000, on safety and security oversight of the newly-established National Nuclear Security Administration, within DOE. The Subcommittees heard from, among others, the Assistant Secretary of Energy for Environment, Safety, and Health, who testified to the conflict between the responsibilities of his office to enforce the PAAA throughout the DOE complex and the restrictions imposed by section 3213 of the National Defense Authorization Act for Fiscal Year 2000 on his authority over the NNSA.

As a result of these hearings on DOE safety issues, the Committee reported legislation in May 2000 that would ensure that the Secretary of Energy, acting through the Assistant Secretary of Energy for Environment, Safety, and Health, can continue to enforce the civil penalties section of the PAAA for the entire Department of Energy, including the NNSA, and to end the exemption provided for non-profits under this regulatory scheme. Also, Ms. Sullivan committed that DOE would improve the effectiveness of its nuclear safety enforcement program by finalizing the remaining enforceable rules covering nuclear safety management at DOE nuclear facilities by the end of 2000. For more information about this legislation, see the Energy and Power section of this report.

WORKER SAFETY AND ENVIRONMENTAL CONTAMINATION AT THE PADUCAH GASEOUS DIFFUSION PLANT

On September 16, 1999, the Subcommittee on Oversight and Investigations held a hearing that revealed serious worker safety and environmental contamination concerns at the Paducah Gaseous Diffusion Plant (Paducah site), located in Kentucky. The hearing focused on the current status of worker safety and environmental cleanup activities at the site, as well as past practices related to these issues. The Paducah plant is one of three gaseous diffusion plants (including K-25 and Portsmouth) built by the Atomic Energy Commission (AEC) within the Oak Ridge complex. The plant was operated for AEC and DOE under contract by Union Carbide between 1951 and 1986, and by Martin Marietta (later Lockheed Martin) between 1984 and 1996. Pursuant to the Energy Policy Act of 1992, the newly-created government corporation known as the United States Enrichment Corporation (USEC) assumed uranium enrichment responsibility in 1993 at the Paducah and Portsmouth plants (with Lockheed Martin continuing as contractor).

Three plaintiffs to a lawsuit filed in June 1999 against former contractor Lockheed Martin—Mr. Garland E. Jenkins, Mr. Ronald B. Fowler, and Dr. Thomas B. Cochran—provided testimony at the hearing alleging that Lockheed Martin dumped radioactive wastes at Paducah in unauthorized locations, exposed workers to unlawful levels of radioactivity, failed to report levels of radioactive contamination on and off the Paducah site, and failed to remove contamination from recycled materials prior to shipment of those materials off site.

Based on documents obtained by the Committee and released at the hearing, the Subcommittee revealed inaccuracies in the quality

and accuracy of data contained in several environmental reports written by former DOE site contractors. In at least one case, data provided by DOE and its contractors to the State of Kentucky, and used to permit a non-hazardous RCRA Subtitle D sanitary landfill (the C-746-S Closed Non-Hazardous Landfill), failed to identify the long-standing presence of uranium and technetium, which DOE and Bechtel just discovered in March 2000. The Subcommittee also revealed inaccuracies that failed to report off-site radiological contamination in a Superfund site assessment generated by Lockheed Martin and its subcontractor (CH2M Hill). Additionally, the Subcommittee revealed several corporate environmental audit reports from Lockheed Martin that indicated deficiencies in health physics technician staffing at the site, inadequate radiological postings, and poor environmental monitoring systems.

The Subcommittee also received testimony from representatives of Lockheed Martin, USEC, and Bechtel Jacobs Corp., the current DOE contractor at Paducah. Also testifying at the hearing were Dr. David M. Michaels, DOE Assistant Secretary for Environment, Safety, and Health, who discussed worker safety and environmental issues at the Paducah site, as well as representatives of the U.S. Nuclear Regulatory Commission, the U.S. Environmental Protection Agency, and the Kentucky Department of Environmental Protection.

WHISTLEBLOWER RETALIATION AT DOE NUCLEAR FACILITIES

On May 23, 2000, the Subcommittee on Oversight and Investigations held a hearing to review retaliation against whistleblowers at Department of Energy contractor-operated facilities. In particular, the hearing focused on DOE's failure to enforce its "zero tolerance" policy for reprisals taken by DOE contractors against their employees, and DOE's questionable policy regarding reimbursement of its contractors' legal costs associated with defending against whistleblower retaliation claims.

The Subcommittee reviewed several specific cases of whistleblower retaliation. Mr. Randy Walli testified that he was fired by DOE's Hanford site contractor Flour Daniel for refusing to install an under-rated valve on a high-level nuclear waste transfer line at the Hanford site. Mr. Walli initially contacted DOE's Employee Concerns Program with his complaint, but the Department performed only a cursory review and decided that it could not resolve the matter. Subsequently, the Occupational Safety and Health Administration (OSHA) investigated the complaint and, in July 1997, ordered Flour Daniel to reinstate Mr. Walli and others with back pay and damages. Flour Daniel appealed OSHA's ruling, at taxpayer expense, and after another year of litigation decided to settle one day before the administrative law judge (ALJ) hearing. The Department reimbursed Flour Daniel \$500,000 for its legal costs, including the settlement costs. Yet, according to Mr. Walli's testimony, the harassment of the returning pipefitters continued by Flour Daniel, including a decision by Flour Daniel (with DOE's approval) to file suit against the pipefitters for alleged breach of the settlement agreement for their decision to file internal union grievances against certain union personnel. That suit was dismissed by the judge, who ordered Flour Daniel to pay the pipefitters' legal

costs and pay interest on the original settlement funds (which had been wrongfully withheld). Not only did DOE pay these costs, but also paid for Flour Daniel's \$50,000 in legal fees.

The Subcommittee also heard testimony from Mr. Joe Gutierrez, who suffered acts of retaliation taken against him by the University of California (UC) at Los Alamos National Laboratory for disclosing nuclear safety concerns. An investigation by OSHA verified Mr. Gutierrez' claims to the satisfaction of a Department of Labor (DOL) ALJ, who ordered UC to expunge negative comments from his personnel record and readjust his salary. UC has appealed the ALJ decision within DOL.

The testimony provided by these whistleblowers, and by Mr. Tom Carpenter on behalf of the Government Accountability Project, raised serious questions as to whether the Department has properly implemented Secretary Richardson's zero tolerance policy for whistleblower retaliation. These cases also highlight the Department's questionable policy of reimbursing its contractors' outside legal costs in defending retaliation cases that clearly have merit. During her testimony, Ms. Mary Anne Sullivan, DOE's General Counsel, was unable to provide a single instance in which DOE had refused a contractor's choice of outside counsel, regardless of the cost, to defend against a whistleblower claim. Nor was she able to provide a single instance in which DOE had formally disallowed a contractor's legal bills in such a case, despite the fact that former DOE Secretary Hazel O'Leary pledged five years ago to implement such a disallowance policy. Also at the hearing, Mr. Bob Van Ness, Senior Vice President of UC, and Mr. Ron Hansen, President of Flour Hanford, Inc., discussed their organization's respective actions with regard to whistleblower claims at DOE facilities they operate.

Moreover, in preparation for the hearing, the Committee learned and revealed that Kaiser Hill Company, which operates the Rocky Flats site, was inappropriately reimbursed \$210,000 by the Department for outside legal costs related to another successful whistleblower claim filed by Mr. Mark Graf—even though the Department initially reported to the Committee that it had not reimbursed any legal fees associated with this case. As a result of the Committee's oversight, Kaiser Hill returned the funds to DOE.

In addition to this hearing, the Committee sent two letters to Secretary Richardson (dated January 26, 2000, and April 3, 2000, respectively), regarding ongoing acts of retaliation taken against Mr. David Lappa, an employee of the University of California at Lawrence Livermore National Laboratory (LLNL). In June 1998, DOL determined that Mr. Lappa was retaliated against for raising nuclear safety concerns at LLNL; however, the Department refused to take any action to enforce its "zero tolerance" policy against UC. DOE also refused to investigate Mr. Lappa's matter under its nuclear safety enforcement authority, and in January 2000, Mr. Lappa resigned his position after 20 years at LLNL due to ongoing acts of retaliation. DOE has paid, and continues to pay, for hundreds of thousands of dollars in UC legal costs related to various suits brought by Mr. Lappa.

DOE'S CONTRACT REFORM EFFORTS: FIXED-PRICE CONTRACTING

On June 22, 2000, the Subcommittee on Oversight and Investigations held a hearing to continue the Committee's long-standing review of the Department of Energy's efforts to control nuclear waste cleanup costs with fixed-price contracts. The hearing focused on the current status of DOE's major fixed price contracts at the Hanford, Idaho, and Oak Ridge sites.

In 1994, the Department initiated sweeping contract reform initiatives that included a plan to fundamentally change the way DOE acquired environmental remediation services by moving to a fixed-price contracting system that was supposed to solve the severe cost and schedule increases experienced under the old "cost-plus" contracting approach. Yet, six years later, DOE's major privatization initiatives have failed to control cleanup costs, schedule performance, or improve contractor performance. Based on the findings of two Subcommittee hearings in the 105th Congress and subsequent work by the Committee during the 106th Congress, the Department's fixed-price contracts, including the Pit 9 project and the Hanford Tank Waste project, have resulted in dramatic cost escalation and contract termination without any cleanup progress. Other major fixed-price contracts, including the Oak Ridge Metals Recycling project and the Idaho Advanced Mixed Waste project, also have experienced significant cost overruns and schedule delays.

According to the testimony of Ms. Gary Jones, Associate Director for Energy, Resource, and Science Issues for the General Accounting Office, DOE has pursued fixed-price contracting for several complex cleanup projects as a key component of its contract reform efforts, but these contracts have experienced cost, schedule, and performance problems similar to problems found on more traditional cost-plus contracting approaches. Ms. Jones also testified that DOE has chosen to apply fixed-price contracting to projects that are inconsistent with government guidelines, and thus may not have been good candidates for fixed-price contracting. Additionally, DOE's lack of technical, financial, and managerial oversight capabilities has resulted in the Department's failure to address significant cost, technical, and schedule slippages as they occurred.

At the Subcommittee's October 1998 hearing on the Hanford Tank Waste project, GAO reported that effective oversight by DOE would be critical to project success. Yet despite this warning, and after 20 months and over \$260 million spent by BNFL (the main contractor on this project), DOE's financial and oversight personnel at Hanford failed to anticipate BNFL's surprise announcement in May 2000 that it had more than doubled the original fixed-price estimate of \$6.9 billion to \$15.2 billion, resulting in an abrupt termination of the contract by DOE without any contingent plan to proceed with the cleanup. The hearing also revealed severe problems with DOE's fixed-price contract with BNFL to decontaminate and recycle contaminated metals from three buildings at the Oak Ridge site. The Oak Ridge fixed-price contract with BNFL was signed in 1997 with a total project cost fixed at \$238 million. However, changing DOE policies for recycling contaminated metals, and nu-

merous requests for additional funds from BNFL could add an additional \$210 million to the original contract price.

Mr. T.J. Glauthier, Deputy Secretary of Energy, provided testimony on behalf of DOE. Mr. Paul A. Miskimin, CEO of BNFL, also testified regarding the company's efforts to manage the Department's three largest fixed-price cleanup contracts at Hanford, Idaho, and Oak Ridge.

PRIVATIZATION OF THE UNITED STATES ENRICHMENT CORPORATION

On April 13, 2000, the Subcommittee on Oversight and Investigations held a hearing to review the privatization of the United States Enrichment Corporation (USEC), and its impact on the uranium industry. The hearing focused on the financial status of USEC and other segments of the domestic uranium industry two years after USEC privatization.

Pursuant to the Energy Policy Act of 1992 (the 1992 Act), the government-owned USEC assumed responsibility from DOE in 1993 for production and marketing of uranium enrichment services, with the mandate to operate as an efficient business. The 1992 Act, and the USEC Privatization Act of 1996 (the 1996 Act), called for the privatization of USEC, transferring ownership from the government to private investors—provided, however, that the Administration and the USEC Board first concluded that privatization would not jeopardize other strategic goals specified by Congress. Specifically, Congress required Presidential approval before any plan for USEC privatization was implemented, and also required the USEC Board of Directors to determine, in consultation with appropriate agencies of the United States, that privatization would not be inimical to the health and safety of the public or the common defense and security. Additionally, the 1996 Act required the Treasury Secretary to ensure that the manner of transfer chosen by the USEC Board to implement privatization provided for, among other things, the long-term viability of the corporation, continuous operation of both gaseous diffusion plants, the protection of the public interest in maintaining a reliable and economical domestic source of uranium mining, enrichment and conversion services, and maximum proceeds to the United States Treasury from the privatization.

On July 26, 1998, the Treasury Department determined, based on the recommendation of the USEC Board, and the concurrence of several Federal agencies, that the sale of USEC through an initial public offering of stock (IPO) best met the statutory criteria. On July 27, 1998, USEC was privatized through the sale of 100 million shares on the New York Stock Exchange, priced at \$14.25. USEC's financial condition since privatization deteriorated rapidly to \$4.75 per share as of April 7, 2000—a 66% decline in stock value. USEC's decline can be attributed to its actions in the marketplace, and the steady decline in the market price of enriched uranium, which has continued since privatization. In June 1999, USEC announced the termination of its development of AVLIS, next-generation enrichment technology intended to replace the Portsmouth and Paducah gaseous diffusion plants. In February 2000, Standard and Poor's reduced its credit rating on USEC's debt to below investment grade. The downgrade in its credit rating was

considered by USEC to be a "significant event" under the exception to USEC's agreement with Treasury to keep both plants open and, subsequently, in June 2000 USEC announced that it would close the Portsmouth plant in 2001.

In an effort to generate additional cash flow, USEC has aggressively sold its stockpiles of unenriched uranium. Much of USEC's current inventory of unenriched uranium was transferred to the corporation by DOE at privatization. The uranium mining and conversion service industries (companies that mine and convert unenriched uranium) have expressed concern regarding the impact of USEC's aggressive sale of unenriched uranium. They argue that, as a result of USEC privatization, the market price for uranium mining and conversion services have plummeted, raising questions about the future viability of the industry. The blended-down highly-enriched uranium (HEU) that USEC buys from Russia under the U.S.-Russian HEU Agreement now accounts for approximately 50% of the enriched uranium USEC sells each year. With USEC's announced closure of the Portsmouth plant, USEC will have to rely on deliveries of Russian HEU to meet its commercial orders.

In November 1999, USEC threatened to resign as executive agent to the HEU Agreement unless the government paid USEC \$200 million over a two-year period to cover its asserted losses under this agreement. DOE assessed USEC's request for financial assistance and raised questions regarding USEC's ability to economically produce enriched uranium at a price less than what it currently pays Russia. Due in part to criticism from this Committee of any potential bailout, USEC was unsuccessful in its effort to obtain government funds, but decided to continue as executive agent to the HEU Agreement nonetheless. Although USEC remains as executive agent, its threats to resign and its poor financial condition raise serious concerns about the future of the HEU Agreement, which has significant national security implications.

USEC's dire financial condition, the impact it is reported to have had on the domestic uranium mining and conversion services industries, the national security implications of the threat to the U.S.-Russia HEU agreement and the closure of one of only two domestic uranium enrichment plants all raise serious questions about the manner of privatization chosen by the Treasury Department and the USEC Board. These circumstances also indicated that Treasury, the USEC Board, and its financial advisers failed to fully consider market conditions and other issues, including the applicable statutory criteria, when they determined to proceed with the IPO in July 1998. Indeed, the Committee's review of extensive documentation, as well as interviews of relevant personnel, revealed that many of these concerns were raised prior to privatization, but were either ignored or otherwise discounted by the Administration.

The hearing provided the Subcommittee with the opportunity to assess the current and projected financial condition of USEC and the uranium industry, whether the manner of privatization chosen by Treasury met statutory criteria regarding long-term viability and the maintenance of a reliable domestic uranium industry, and the future options for USEC and the industry. The Subcommittee received testimony from Mr. William Timbers, President and CEO of USEC, Mr. Gary Gensler, Under Secretary of Treasury for Do-

mestic Finance, Dr. Ernest Moniz, Under Secretary of Energy, and Mr. Carl Paperiello, Deputy Secretary for the Nuclear Regulatory Commission. The Subcommittee also received testimony from representatives of the domestic uranium conversion and mining industries, a uranium industry consultant, and a labor union representing USEC workers.

On a related matter, the Chairman sent a letter to Secretary Richardson on October 24, 2000, regarding DOE's plan, announced October 6, 2000, to secure domestic enrichment capacity in the aftermath of USEC privatization and USEC's decision to close the Portsmouth Gaseous Diffusion plant. USEC's decision to close the Portsmouth plant, without a credible plan for a successor enrichment technology, reduces domestic enrichment capacity by 50%—a level that is no longer adequate to meet domestic energy and national security needs. On October 6, 2000, DOE announced an initiative to keep the Portsmouth plant on cold stand-by, and to build a pilot-scale gas centrifuge plant at the Portsmouth site to secure future enrichment capacity. The Secretary proposed to use \$630 million from the USEC Revolving Fund without Congressional authorization or appropriation to pay for this effort.

At the Chairman's request, the Congressional Research Service (CRS) completed a preliminary review that has identified several critical flaws in the Department's contention that it can spend \$630 million from the USEC Revolving Fund as an "expense of privatization," and without Congressional appropriation or authorization. Accordingly, the Committee has requested further information regarding these decisions from various sources. Specifically, the Committee has requested from DOE additional information on the technology decision, from the Office of Management and Budget a detailed legal analysis (addressing concerns raised by the CRS preliminary review), and from the General Accounting Office a determination as to whether DOE can spend funds deposited in the Treasury after USEC privatization in the proposed manner.

INVESTIGATIVE ACTIVITIES

TRITIUM PRODUCTION AT CIVILIAN TVA REACTORS

On February 8, 1999, the Chairman sent a letter to DOE requesting documents and information regarding the Department's decision to select the Tennessee Valley Authority's (TVA) Watts Bar and Sequoyah commercial light water reactors (TVA reactors) as a primary source for tritium production. Given a new production source of tritium is needed by 2005 to maintain the U.S. nuclear weapons stockpile at START I force levels, this was a key national security decision. The Committee reviewed key aspects of this decision. Specifically, the Committee reviewed the decision criteria, factors, and other considerations supporting the selection of TVA reactors, and the nuclear nonproliferation implications of utilizing civilian reactors to produce essential nuclear weapon components.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING
TO THE FEDERAL COMMUNICATIONS COMMISSION

INVESTIGATIVE ACTIVITIES

LOCAL COMPETITION IN THE TELEPHONE MARKET

The Telecommunications Act of 1996 marked the beginning of a new era in the development of telecommunications and information technologies. The Act swept away a monopoly paradigm and made competition the rule of law. During the 106th Congress, the Committee continued its review of the state of competition in the broadband market to determine whether the Act was working and whether any roadblocks were thwarting the development of competition. The Committee's review consisted of numerous letters from Chairman Bliley to—and staff interviews with—market participants and government regulators, staff interviews, and site visits to telecommunications facilities.

The Committee Majority staff discovered in its review that the Act was working in large part because it provided new incentives for the incumbent local exchange carriers (ILECs), or Regional Bell Operating Companies (RBOCs), to open their markets to competition. Today, this competition is driving the deployment of high-speed data services, such as digital subscriber line (DSL), and competition in the local loop. For example, prior to the Act's passage, there were only 13 competitive local exchange carriers (CLECs). Today, there are nearly 400 CLECs offering a diverse variety of services to consumers. Despite this competition, however, many remain concerned about remaining barriers to competition in the marketplace.

REVIEW OF SBC MATTER

As part of the Committee's review into the remaining barriers to local telecommunications competition, the Committee also investigated a situation involving Southwestern Bell Telephone (SWBT)—a subsidiary of SBC Communications, Inc. (SBC)—the Texas Public Utilities Commission (PUC), and two CLECs. The CLECs requested arbitration from the Texas PUC in order to establish an interconnection agreement with SBC. As part of the discovery in the arbitration proceeding, the CLECs uncovered an e-mail written by a SBC employee (at the direction of her supervisor) to 81 other SWBT and SBC employees directing them to destroy draft documents related to SWBT's retail digital subscriber line offering—documents that in the normal course of the company's disposition of documents would have been routinely destroyed, but that the CLECs alleged should not have been destroyed because they might have been relevant to the ongoing PUC proceeding. Although the e-mail was under protective seal by the Texas PUC, Chairman Bliley requested that SWBT turn the document over to the Committee. After several exchanges of letters and threats of subpoenas, SBC provided Committee staff with access to the e-mail. Shortly thereafter, the Texas Attorney General released the e-mail publicly, and the Texas PUC sanctioned SWBT for discovery abuses and ordered them to pay \$850,000. The arbitrators in the

case described the e-mail as “unsettling” and indicative of a “general disregard on the part of SBC for matters pending in litigation at the [Texas PUC].”

Because the contents of the e-mail raised a substantial issue as to whether SBC was complying with its legal “duty” under the 1996 Act to “negotiate in good faith” with competitive carriers seeking to interconnect with SBC, the Chairman requested to interview the e-mail’s author and the SBC staff attorney who, according to the author, gave the directions to send the e-mail. During the interviews with both individuals, Committee staff heard two different accounts of why the e-mail was sent out. Committee staff questioned the SBC staff attorney extensively about when she learned of the arbitration proceeding in Texas and its relationship to the e-mail. Although she could not pinpoint exactly when she learned of the arbitration proceeding, she was adamant that it was after the e-mail had been sent out ordering the destruction of documents. Shortly after the interviews, Committee staff met with SBC’s counsel to review follow-up questions that needed to be addressed by both of the interviewed employees. At the meeting, Committee staff indicated that the Chairman would be requesting additional documents from SBC that the Committee believed could clarify whether the SBC staff attorney and others did in fact know about the arbitration proceeding before the e-mail was sent. A few days after this meeting, Committee staff received a letter from SBC’s counsel indicating that the SBC staff attorney’s representation to the Committee that she did not know about the arbitration proceeding prior to the e-mail being sent was wrong. According to SBC’s counsel, after further thought, the SBC staff attorney now believed she was aware of the existence of the arbitration at the time the e-mail was sent.

REVIEW OF THE SBC-AMERITECH MERGER

In August 1999, the Committee initiated a review of the Federal Communications Commission’s (FCC) handling of a proposed merger between SBC Communications, Inc. (SBC), and Ameritech Corporation (Ameritech). The Committee was concerned about the process the FCC used to impose certain conditions on the companies involved. In a letter to FCC Chairman William Kennard, dated August 19, 1999, Chairman Biley expressed his belief that the FCC did not act in a transparent and open manner with regard to developing a set of conditions under which it might approve the SBC-Ameritech merger.

On June 29, 1999, SBC and Ameritech announced a deal in which they would agree to 26 conditions intended to address the FCC’s concerns about the merger. The Committee was concerned that the public had no knowledge or input into the negotiations between the two companies and the FCC staff. The public was not apprised of the actual language of the conditions until the conditions were filed with the FCC by SBC and Ameritech two days after the June 29 announcement. Therefore, in his August 19th letter, Chairman Biley wrote FCC Chairman Kennard and the FCC staff in charge of the merger negotiations and asked them to respond to questions regarding their initial reservations about the merger and the conditions they felt at the time would be necessary

for approval. Chairman Bliley also requested documents designed to elicit information with respect to how the proposed conditions were developed by staff and what role, if any, the commissioners played in those negotiations. Chairman Bliley sent follow-up letters to the FCC on September 9, September 14, and October 13, 1999, asking for additional clarification regarding the proposed merger conditions, the amendments proposed to the conditions, and the circumstances under which commissioners cast their votes while the negotiations were still underway. Chairman Bliley also questioned whether FCC staff had made changes to the merger conditions after several commissioners had already voted on an item. In order to gain a complete understanding of the FCC's review of the proposed merger, on October 5, 1999, Chairman Bliley also wrote a letter to the Chairmen of both SBC and Ameritech, requesting their documents relating to the proposed merger as well.

The Committee learned that, since June 29, 1999, when the 26 conditions were initially revealed, further negotiations had been conducted between the FCC and the companies involved that resulted in amendments being proposed to the conditions. Again, these negotiations were not conducted in an open or transparent manner. The Committee's review was helpful in determining and analyzing the process used by the FCC to approve this merger. The review also highlighted the overall process the FCC uses to approve complex mergers and the need to consider reforms to that process.

REVIEW OF THE AMERICA ONLINE-TIME WARNER MERGER

On September 26, 2000, the Committee requested information and materials from the Federal Communications Commission and the Federal Trade Commission (FTC) related to their reviews of the America Online (AOL)-Time Warner merger. In these letters, Chairman Bliley expressed concern about reported conditions that both Commissions were planning on requiring before permitting the AOL-Time Warner merger to proceed, and whether those conditions were in violation of the First Amendment to the U.S. Constitution. The Chairman also expressed his concern about the impact of these regulatory agencies mandating conditions during a merger review that could set a de facto industry-wide standard, nation-wide, without the benefit of full input from the Congress and affected stakeholders. Further, the Chairman criticized the Commissions for apparent leaks to the media of confidential information pertaining to this merger.

On October 3, 2000, the FTC provided a briefing for Committee staff and, on October 6, 2000, the FTC formally responded by letter to the Committee's written questions and agreed to provide requested documents at the conclusion of merger negotiations. On November 17, 2000, the Committee requested additional information and materials from the FTC related to the ongoing negotiations between the FTC and America Online and Time Warner. On November 21, 2000, the FTC provided a further briefing for Committee staff on this matter, and is in the process of providing requested documents. With respect to the FCC, on September 29, 2000, the FCC provided a briefing for Committee staff related to confidential information leaks concerning this merger from FCC staff. On October 3, 2000, the FCC provided a briefing for Com-

mittee staff related to the license transfer negotiations between the FCC and America Online and Time Warner. On October 6, 2000, the FCC formally responded by letter to the Committee's written questions. The Committee continues to review this matter.

NEXTWAVE WIRELESS LICENSE CONTROVERSY

In September 1999, the Committee requested, and received, documentation pertaining to an agreement by Nextel Communications, Inc., the Federal Communications Commission, and the Department of Justice, under which the Federal agencies would support a hostile bankruptcy reorganization plan of NextWave Personal Communications offered by Nextel. Such a plan would have included the transfer of certain wireless licenses held by NextWave to Nextel.

The Committee inquiry was prompted by concerns that, by agreeing to support Nextel's plan for reorganization of NextWave in bankruptcy, the FCC had, in effect, granted putative regulatory approval of the proposed transfer of licenses to Nextel without the benefit of public notice and comment, even though Nextel would not be eligible to receive NextWave's licenses without a waiver from the FCC. In response to this oversight, the FCC assured the Committee that it had not made any private deals with Nextel to pre-judge the regulatory issues in their favor, nor that it would preclude competition by other entities for those same wireless licenses should the courts uphold the reversion of those licenses from NextWave.

FOLLOW-UP ON PORTALS INVESTIGATION

During the 105th Congress, the Subcommittee on Oversight and Investigations held a series of hearings on the circumstances surrounding the planned relocation of the Federal Communications Commission to the Portals, a building complex financed in large part by a politically well-connected developer named Franklin Haney. At the end of the 105th Congress, the Chairmen of the Committee and the Subcommittee referred the findings of this investigation to the Department of Justice, which continues to review certain aspects of this matter.

In February 2000, the Committee learned about the existence of a highly relevant document that had not been produced to the Committee during the course of its lengthy investigation into the Portals matter. On April 14, 2000, DOJ provided this Committee with a copy of the document, which had been produced to the Department by a source DOJ would not identify. The document contains a discussion of how the intended recipient should use his political connections to the Vice President and his status as a major Democrat fundraiser to influence the General Services Administration (GSA) with respect to the Portals lease changes sought by Mr. Haney. Specifically, the document states that Vice President "Gore has called or is ready to call" the head of GSA to help resolve the issues in contention, and that Mr. Gore will have someone else make follow-up calls to GSA to handle the details. An extensive FBI investigation failed to identify the author or the intended recipient of the memorandum.

Concerned about why this document had never been turned over to the Committee by the various parties who were subpoenaed or requested to provide documents during the course of the Committee's Portals investigation, Chairman Bliley wrote to Attorney General Janet Reno on June 1, 2000, to request that DOJ launch a criminal inquiry into whether Franklin Haney or one of his business associates deliberately attempted to obstruct a lawful Committee investigation into his Portals-related dealings by intentionally withholding a key piece of requested documentation.

DOJ agreed to conduct an investigation into this matter and, on July 24, 2000, informed the Committee that it would not prosecute the individual who had been in possession of this document, given that he relied upon the advice of legal counsel in withholding this document from the Committee, and thus did not have the requisite willful intent to obstruct a lawful congressional proceeding.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING TO THE CORPORATION FOR PUBLIC BROADCASTING

INVESTIGATIVE ACTIVITIES

PUBLIC BROADCASTING STATION DONOR SHARING WITH PARTISAN POLITICAL ORGANIZATIONS

Following public revelations in July 1999 that at least four public broadcasting stations had exchanged donor lists with partisan political organizations, Chairman Bliley wrote to the Corporation for Public Broadcasting (CPB), the Public Broadcasting Service (PBS), National Public Radio (NPR), and America's Public Television Stations (APTS) on July 23, 1999, to request a full accounting of all such activity by public broadcasting stations, and to learn what these organizations knew about such practices and what, if anything, they had done to prevent or stop such activity on the part of their member stations. At a hearing days earlier, before the Subcommittee on Telecommunications, Trade, and Consumer Protection, representatives from CPB, PBS, NPR, and APTS testified as part of the Subcommittee's work toward reauthorization of CPB, providing preliminary information about the donor-sharing activity of a few member stations and stating that they did not condone such activity.

In order to respond to the Chairman's detailed request for information about donor-sharing practices, CPB requested that its Inspector General conduct a thorough inquiry into the matter by interviewing public broadcasting stations nationwide. The Inspector General issued a report on September 8, 1999, finding that the scope of the donor-sharing went far beyond the four stations initially identified by CPB, and included 53 stations. During the course of the Committee's investigation, the Committee also learned that CPB had become aware of the donor-sharing activity of at least one station prior to its initial reauthorization hearing before the Subcommittee on Telecommunications, Trade, and Consumer Protection in June 1999, but failed to notify the Subcommittee of such activity at that time. In response to the Committee's oversight on this matter, the Congress passed legislation, as part of the Satellite Home Viewer Improvement Act, barring any

recipient of Federal public broadcasting funds from engaging in swaps, sales, or other exchanges of donor information with partisan political organizations.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING
TO THE FEDERAL TRADE COMMISSION

INVESTIGATIVE ACTIVITIES

REVIEW OF THE FTC'S "CLEAN SWEEP" POLICY REGARDING
DIVESTITURES IN GROCERY STORE MERGERS

On April 18, 1999, the parent company of Food Lion, Inc., and Hannaford Brothers Company (a large, northeastern grocery store chain) announced that the two firms would be merging, creating the sixth largest U.S. food retailer. As part of this merger, the FTC required the parties to divest assets in overlapping markets. Amid concerns that the FTC's "clean sweep" policy—requiring the divestiture of all overlapping assets in a particular market to a single, usually large, entity—would place certain small, community-based firms at a competitive disadvantage and have the effect of reducing competition in the affected markets over the long-term, the Chairman decided to inquire further about the FTC's policies in this matter.

On May 3, 2000, the Chairman of the Full Committee requested that the FTC staff provide a confidential briefing to Committee staff regarding the FTC staff's initial findings regarding the merger. After the briefing and further discussions between the parties, the FTC staff, and others, the Chairman wrote to the FTC Chairman Robert Pitofsky on May 31, 2000, indicating concern that the FTC's "own policies with respect to divestitures are limiting competition for the sake of administrative efficiencies and adversely impacting independent, minority-owned companies, rather than protecting competition over the long term." The Chairman went on to explain that it appeared that the FTC's policies favored large, corporate purchasers to the exclusion of smaller community-based firms.

On May 31, 2000, Chairman Pitofsky responded to Chairman Bliley's inquiry indicating that the Commission's policy regarding supermarket divestitures was designed to ensure that the competition lost in a particular market was replaced, and stating that its experience has shown that a single buyer purchasing a divested network of stores best serves that goal. On June 15, 2000, the Chairman of the Full Committee responded with further questions for the Commission and its staff.

While the merger between Hannaford Bros. and Food Lion was completed in August 2000, Committee Majority staff continued the inquiry and travelled to the FTC's regional office in New York City to review documents related to the merger.

HEARINGS AND INVESTIGATIVE ACTIVITIES
PERTAINING TO THE NATIONAL HIGHWAY TRAFFIC
SAFETY ADMINISTRATION

HEARINGS

THE FIRESTONE TIRE RECALL ACTION INVOLVING FORD EXPLORERS

On September 6, 2000, and September 21, 2000, the Subcommittees on Telecommunications, Trade and Consumer Protection and Oversight and Investigations held joint hearings on the August 2000 Firestone Tire Recall Action as it pertains to Ford Explorers. At the hearings, the Subcommittees heard testimony from the two companies' top executives, as well as Federal safety regulators, an insurance company official who warned the regulators years ago about this problem, and a representative from an auto safety interest group.

The Committee's investigation and hearings uncovered damaging evidence that both companies—as well as Federal safety regulators—knew or were warned repeatedly about dangerous problems with the recalled tires years ago, but failed to take prompt action to investigate and remove them from the market. The Committee found that the National Highway Traffic Safety Administration (NHTSA) failed to fully or timely analyze the numerous—and increasing—reports it received from various sources (including Mr. Samuel Boyden of State Farm Insurance Company, who testified at the first hearing), citing accidents and deaths involving these tires, particularly when mounted on Ford Explorers. The Committee also uncovered evidence that Ford Motor Company and Firestone discussed their concerns with respect to notifying safety regulators in the United States about foreign recall actions on related tires, and that neither company ever conducted high-speed tests of these tires on the Ford Explorer at Ford's recommended tire air pressure prior to or during routine production of the Explorer. The evidence also showed that Firestone was analyzing its problems with these tires as early as 1996, that Firestone's own random compliance testing at its key plant in 1996 resulted in a 10% failure rate on the high-speed tests, and that Firestone made a significant change to the tire design in 1998 to reduce the incidence of tread belt separations. The investigation also raised questions about the adequacy of Ford's decisions on tire-vehicle safety margins and tire pressure recommendations, both domestically and abroad.

Partially because of the Committee's oversight hearings on this matter, the House passed—and the Senate and White House agreed to—new legislation that requires companies to report significant defect claims or lawsuits, as well as foreign recall actions, to Federal safety regulators on a regular basis. The law also provides NHTSA with additional resources to evaluate such data, and requires that NHTSA strengthen its organization and management to avoid similar failures in the future. For more information on this legislation, see H.R. 5164 in the Subcommittee on Telecommunications, Trade, and Consumer Protection section of this report.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING
TO THE DEPARTMENT OF COMMERCE

HEARINGS

MANAGEMENT OF THE INTERNET DOMAIN NAME SYSTEM

During the 106th Congress, the Committee continued to examine the Administration's plan to inject competition into the assignment of Internet domain names—such as registering .com, .net and .org domain names—which previously had been done by a single company named Network Solutions, Inc., under an exclusive cooperative agreement with the Department of Commerce. In September 1998, the cooperative agreement for management of the Internet Domain Name System (DNS) between the U.S. government and Network Solutions was transferred from the National Science Foundation to the Department of Commerce. Since that time, the Committee has conducted oversight of the ongoing management of the DNS to ensure its stability during the transition of management from the Federal government to the private sector. The smooth functioning of this system is essential to the stability and growth of the Internet, and Chairman Bliley was concerned about several aspects of the Administration's handling of this matter. The Committee also has been closely following the activities of the Internet Corporation for Assigned Names and Numbers (ICANN) since the selection of this non-profit corporation by the Department of Commerce to assume management functions of the DNS from Network Solutions.

On June 22, 1999, Chairman Bliley wrote to Esther Dyson, chair of the board of directors of ICANN, raising questions about the formation of the interim board of directors of ICANN, the authority granted to the interim board of directors (including the authority to impose a \$1 per domain name fee), and the annual budget of ICANN. That same day, the Chairman wrote to Commerce Secretary William Daley concerning the relationship between the Department of Commerce and ICANN. The Chairman inquired about the authority of ICANN to negotiate agreements with domain name registrars and domain name registries, the authority of ICANN to impose a \$1 per domain name fee, and the scope of the Department's oversight of ICANN's activities. After the Chairman's objections, the \$1 tax idea was dropped. The new board also changed its policies to open its meetings to the public, another reform resulting from the Committee's oversight and criticism.

On July 22, 1999, the Subcommittee on Oversight and Investigations held a hearing to address the management of the DNS. The hearing focused on the efforts by the Administration to transfer management functions of the DNS from government control to ICANN and some Members' concerns about NSI's efforts to maintain its dominant position in name registration. The hearing also examined closely a number of actions by ICANN's interim board—such as its imposition of a \$1 per domain name tax on registrants, and its decision to exclude the public from portions of its board meetings—that called into question whether ICANN was exercising sound judgment and making well-informed decisions. The oversight hearing also explored whether ICANN and the Department of Com-

merce, which oversaw the Administration's efforts in this area, were creating the type of transparent, consensus-based, standards-setting organization contemplated in the Administration's privatization plan.

The July 22nd hearing featured testimony from three panels of witnesses. The first panel consisted of representatives from the National Telecommunications Information Agency (NTIA) (which is part of the Commerce Department), Network Solutions, and ICANN. This panel focused on the Administration's conception and implementation of its plan to transfer the management of the DNS from the public sector to the private sector, how ICANN was selected, ICANN's decision-making and accountability, and the interaction between the panel's three organizations during the transfer of the DNS. The second and third panels consisted of nine witnesses from various corporations, industry and consumer groups with interests in the management of the DNS. They shared with the Committee their experiences related to the actual implementation of competition for domain name registration services, as well as their views on how ICANN's present policies will affect future management of the DNS.

On July 28, 1999, the Chairman wrote to Attorney General Janet Reno concerning contacts between the Department of Justice and ICANN regarding the ongoing Justice Department antitrust investigation of Network Solutions. The Chairman of the Full Committee was concerned about the propriety of such contacts in light of the continuing negotiations between ICANN and Network Solutions on a registrar agreement. That same day, the Chairman also wrote to ICANN Board Chair Esther Dyson regarding contacts between ICANN's chief outside counsel and the Department of Justice regarding the antitrust investigation of Network Solutions. The Chairman of the Full Committee requested a full accounting of such contacts, and inquired if such contacts had been approved by the board of directors of ICANN.

On August 4, 1999, the Chairman wrote to Charles F. C. Ruff, Counsel to the President, concerning contacts between ICANN and an employee of the Executive Office of the President regarding fund-raising activities on behalf of ICANN. The Chairman of the Full Committee inquired if the employee in question were undertaking the fund-raising activities in an official capacity, and the extent of any fund-raising activities on behalf of ICANN. The Chairman of the Full Committee also inquired about the ethics guidelines for fund-raising activities by employees of the Executive Office of the President. Further, on August 18, 1999, the Chairman wrote a letter to ICANN Board Chair Esther Dyson regarding the financial status of ICANN and fund-raising activities by ICANN. The Chairman of the Full Committee inquired about efforts by ICANN to solicit funding from the private sector and from the Federal government, including outstanding loans or other financial arrangements. As a result of these letters, the Chairman of the Full Committee learned of contacts made by an employee of the Executive Office of the President to a number of individuals and corporations to solicit funding to support ICANN. The Chairman of the Full Committee also learned of a number of financial arrangements between ICANN and corporations as a result of ICANN's broader

solicitations, including those by the employee of the Executive Office of the President.

INVESTIGATIVE ACTIVITIES

DEPARTMENT OF COMMERCE COMPUTER SECURITY REVIEW

In June 2000, the Committee initiated a review of cyber security practices at the Department of Commerce. Committee staff met with senior Commerce Department officials in June and July 2000 to review the state of cyber security at the Commerce Department and discuss efforts underway at the Department to ensure that its wide area networks and other computer-based resources are adequately secure from damage, destruction, and unauthorized misuse. The Department provided the Committee with detailed information, including relevant planning materials, descriptions and prior audit materials; however, these materials did not contain any comprehensive or rigorous penetration testing or similar audits of the strength of the Department's cyber security defenses. Based on a review of these materials, on July 25, 2000, Chairman Bliley requested that the General Accounting Office initiate a more detailed review of cyber security practices at the Department. GAO's review will include penetration testing and security vulnerability assessments at key agencies within the Department. GAO's review is underway and testing is scheduled to commence in early 2001.

HEARINGS AND INVESTIGATIVE ACTIVITIES PERTAINING TO THE DEPARTMENT OF THE TREASURY

HEARINGS

OFFICE OF COMPTROLLER OF THE CURRENCY EFFORTS TO PREVENT CONSUMER FRAUD BY BANK OPERATING SUBSIDIARIES

During the 106th Congress, the Committee reviewed the financial dangers associated with cases of fraudulent sales practices in bank operating subsidiaries that provide securities brokerage services to bank customers. The Committee's oversight team gathered information on the specifics of several cases or allegations involving such fraud, as well as on the regulatory interaction between the Securities and Exchange Commission (SEC), the National Association of Securities Dealers (NASD), and the Office of the Comptroller of the Currency (OCC) regarding such cases. In addition, Committee staff evaluated other allegations of securities fraud in bank operating subsidiaries to determine whether securities fraud was a widespread problem in operating subsidiaries or whether it was primarily limited to one or two banks.

Pursuant to this oversight effort, Committee staff conducted interviews with representatives from OCC, which confirmed a variety of concerns regarding OCC's oversight and investigation of NationsBank and its subsidiary NationsSecurities, one high-profile case in this area. Specifically, Committee staff found that: (1) OCC's own examination process failed to discover the problems at NationsSecurities until a highly publicized securities fraud lawsuit was brought against the bank; (2) OCC's subsequent investigation failed to include interviews with any of the plaintiffs in the lawsuit

who had first-hand experience of the illegal sales practices, and also failed to include any significant root cause analysis of financial arrangements between NationsBank staff and NationsSecurities staff that facilitated the illegal securities sales; (3) OCC's sanctions against NationsBank and NationsSecurities appear to be seriously inadequate in comparison to those taken by the SEC and the courts—OCC imposed a civil monetary penalty of \$750,000 on NationsBank and imposed relatively light sanctions on three NationsBank employees, whereas the SEC forced NationsBank and NationsSecurities to pay a \$7 million settlement, and the courts forced a \$20 million settlement on the bank with regard to the class-action lawsuit; and (4) following the discovery of the problems at NationsSecurities, OCC did not appear to have made an adequate effort to examine other national banks and their operating subsidiaries for similar sales practice problems.

Committee staff subsequently met with a representative from the Department of the Treasury's Office of Inspector General (OIG) to review the adequacy of the Inspector General's role in overseeing the OCC (which is part of the Treasury Department). At the meeting, staff were informed that the OIG was being totally restructured following a series of revelation about its lax attitude and inept approach towards investigations of the programs within its jurisdiction. The Inspector General's representative also informed the Committee that the OIG's audit department has just completed a review of OCC's oversight of the insurance activities undertaken by banks and concluded that the Comptroller was not well equipped to ensure that banks selling insurance products comply with all the relevant insurance regulations.

On June 25, 1999, the Subcommittee held an oversight hearing that focused on the contrasting regulatory roles of the bank regulators and the securities regulators, and the inadequacy of OCC's examination of illegal securities activities at NationsBank and NationsSecurities. The hearing also highlighted the inadequacy of OCC's subsequent efforts to discipline NationsBank, and to determine whether similar sales practice problems also existed at any of the other 2,400 national banks under OCC's jurisdiction. At the hearing, representatives from OCC, the Consumers Union, and the Securities Commission of the State of Texas testified.

HEARINGS AND INVESTIGATION ACTIVITIES PERTAINING TO THE SECURITIES AND EXCHANGE COMMISSION

INVESTIGATIVE ACTIVITIES

RULES GOVERNING DISCLOSURE OF INSIDER TRANSACTIONS

In response to the extreme volatility in the equity markets during 2000, the Committee launched a review of current Securities and Exchange Commission rules designed to ensure that individual investors have timely access to material information about a company's future market prospects. In particular, Chairman Bliley was concerned that current SEC rules on the disclosure of insider transactions may provide corporate insiders with a window of opportunity to cash in or cash out of their companies' stock before the average outside investor ever learns about these transactions. A

March 2000 *Wall Street Journal* article, entitled “Founding Investors and Insiders Unloaded Tech Shares Before Fall,” highlighted this problem, reporting: “This month’s ugly plunge in technology stocks left many stunned investors wishing they had sold earlier * * *. But one group seems to have been more prescient: corporate insiders * * *.” The article noted that, as the technology-heavy NASDAQ Composite Index “roared toward its high on March 10, many of these people were selling at a heavy pace.” In fact, according to *The Journal*, “insiders at the 100 large companies that make up the NASDAQ 100 sold \$4.5 billion worth of shares” in the month of February 2000 alone—more than “all insiders in all U.S. stocks combined sold in February 1999.”

Following its record closing high on March 10, the NASDAQ Composite Index quickly fell by as much as one third, with many individual stocks suffering losses far greater than the composite average. As the Committee noted, March 10 also was the date by which all February insider transactions were required to be reported under SEC regulations—that is, the first time that outside investors were able to learn about and analyze the meaning behind the massive insider selling of high-priced technology stocks by corporate insiders that occurred during the month of February. Under current SEC rules, insiders have until the 10th day of the month following their transaction to report it to the SEC, which means that someone who sells shares on the 1st of February need not publicly disclose that sale until the 10th of March, or up to 40 days later. Further, the filing rules for the SEC’s electronic, public database (EDGARS) give insiders the option as to whether to file their disclosure forms in the EDGARS system at all.

To learn why the SEC regulates the disclosure of insider transactions in this less-than-investor-friendly manner, and whether the SEC has considered alternative disclosure requirements that would provide the ordinary investor with more timely information about such transactions, Chairman Bliley wrote to SEC Chairman Arthur Levitt on May 8, 2000. In return correspondence and staff-level conversations, the SEC pledged to review its current rules regarding the timing and method of disclosure of such information, and to consider seeking new statutory authority, if necessary, to provide investors with more timely information on corporate insider transactions.

MISCELLANEOUS HEARINGS AND INVESTIGATIVE ACTIVITIES

HEARINGS

THE INTERNATIONAL OLYMPIC COMMITTEE SITE SELECTION PROCESS

During the 106th Congress, the Subcommittee on Oversight and Investigations held two hearings dealing with the site selection process associated with the awarding of the International Olympic Games. The purpose of the first hearing, held on September 15, 1999, was to review the conduct of the Atlanta Organizing Committee in connection with the bidding for the 1996 Summer Olympic Games, the International Olympic Committee’s site selection process, and the relationship between the International Olympic

Committee (IOC), its delegates, the United States Olympic Committee, and the bidding cities. At the time when Salt Lake City Olympic bribery scandal was being portrayed as an isolated incident, the Committee investigated the gift-giving practices to IOC members conducted by the Atlanta Organizing Committee in an effort to determine whether there was a pattern or practice of improper activities associated with the IOC's site selection process.

At the Committee's request, the Atlanta Organizing Committee submitted a written report to Chairman Bliley on June 1, 1999, setting forth answers to questions regarding whether it gave improper payments or other inappropriate inducements to influence the IOC's selection of Atlanta as the site for the 1996 Olympics. At the same time, Committee staff were given access to numerous boxes of documents containing contemporaneous records of the bidding process. After reviewing these records, Committee staff raised serious concerns as to whether the June 1 report submitted by the Atlanta Organizing Committee—which only admitted to a few minor violations of the IOC's gift rule—accurately portrayed the volume and type of gifts or other assistance provided by Atlanta organizers to the IOC members and their families. Consequently, and as a result of the Committee's investigation, the Atlanta Olympic Committee was forced to amend its report to admit that it, too, had actively gathered personal information about the IOC members, and armed with this information, repeatedly broke gift and travel rules in order to keep its host city bid competitive.

The second oversight hearing, held on December 15, 1999, focused on the IOC site selection process, and reviewed what reforms and enforcement mechanisms were necessary to ensure that the abuses and excesses that were apparent within the site selection process would not occur again. In response to the Committee's findings, Olympic officials, including IOC President Juan Antonio Samaranch, testified regarding the IOC's recommendations for new procedures and restrictions involving the site selection process. The IOC voted to forbid IOC members from visiting potential host cities and accepting any gifts from persons representing the bidding cities. Additionally, the IOC authorized the creation of an independent Ethics Commission to investigate future abuses and corruption.

HEARINGS HELD

Internet Posting of "Worst-Case" Scenarios: A Roadmap for Terrorists?—Joint oversight hearing with the Subcommittee on Health and Environment on Internet Posting of "Worst-Case" Scenarios: A Roadmap for Terrorists? Hearing held on February 10, 1999. PRINTED, serial number 106-3.

Supporting Welfare Reform: Cracking Down on Deadbeat Parents.—Oversight hearing on Supporting Welfare Reform: Cracking Down on Deadbeat Parents. Hearing held on February 24, 1999. PRINTED, serial number 106-9.

"Date-Rape" Drugs.—Oversight hearing on "Date-Rape" Drugs. Hearing held on March 11, 1999. PRINTED, serial number 106-7.

Security at the Department of Energy's Laboratories: The Perspective of the General Accounting Office.—Oversight hearing on Security at the Department of Energy's Laboratories: The Perspective

of the General Accounting Office. Hearing held on April 20, 1999. PRINTED, serial number 106-31.

Y2K and Medicare Providers: Inoculating Against the Y2K Bug.—Joint oversight hearing with the Subcommittee on Health and Environment on Y2K and Medicare Providers: Inoculating Against the Y2K Bug. Hearing held on April 27, 1999. PRINTED, serial number 106-20.

Threat of Bioterrorism in America: Assessing the Adequacy of Federal Law Relating to Dangerous Biological Agents.—Oversight hearing held on Threat of Bioterrorism in America: Assessing the Adequacy of Federal Law Relating to Dangerous Biological Agents. Hearing held on May 20, 1999. PRINTED, serial number 106-19.

Y2K and Medical Devices: Screening for the Y2K Bug.—Joint oversight hearing with the Subcommittee on Health and Environment on Y2K and Medical Devices: Screening for the Y2K Bug. Hearing held on May 25, 1999. PRINTED, serial number 106-25.

Nuclear Waste Policy Act of 1999.—Hearing on H.R. 45, the Nuclear Waste Policy Act of 1999. Hearing held on February 10 and March 12, 1999. PRINTED, serial number 106-17.

Department of Energy's Proposed Budget for Fiscal Year 2000.—Oversight hearing held on the Department of Energy's Proposed Budget for Fiscal Year 2000. Hearing held on February 24, 1999. PRINTED, serial number 106-54.

A Review of the Department of Energy's Deployment of DOE-Funded Environmental Cleanup Technologies.—Oversight hearing held on A Review of the Department of Energy's Deployment of DOE-Funded Environmental Cleanup Technologies. Hearing held on May 26, 1999. PRINTED, serial number 106-36.

Risky Business in the Op. Sub: How the OCC Dropped the Ball.—Oversight hearing on Risky Business in the Op. Sub: How the OCC Dropped the Ball. Hearing held on June 25, 1999. PRINTED, serial number 106-37.

Worker Safety at DOE Nuclear Facilities.—Oversight hearing on Worker Safety at DOE Nuclear Facilities. Hearing held on June 29, 1999. PRINTED, serial number 106-43.

How Healthy are the Government's Medicare Fraud Fighters?—Oversight hearing on How Healthy are the Government's Medicare Fraud Fighters? Hearing held on July 14, 1999 and September 9, 1999. PRINTED, serial number 106-

Results of Security Inspections at the Department of Energy's Lawrence Livermore National Laboratory.—Oversight hearing on Results of Security Inspections at the Department of Energy's Lawrence Livermore National Laboratory. Hearing held on July 20, 1999. PRINTED, serial number 106-

Domain Name System Privatization: Is ICANN Out of Control?—Oversight hearing on Domain Name System Privatization: Is ICANN Out of Control? Hearing held on July 22, 1999. PRINTED, serial number 106-47.

Drugstores on the Net: The Benefits and Risks of On-Line Pharmacies.—Oversight hearing on Drugstores on the Net: The Benefits and Risks of On-Line Pharmacies. Hearing held on July 30, 1999. PRINTED, serial number 106-51.

Paducah Gaseous Diffusion Plant: An Assessment of Worker Safety and Environmental Contamination.—Oversight hearing on Pa-

ducah Gaseous Diffusion Plant: An Assessment of Worker Safety and Environmental Contamination. Hearing held on September 22, 1999. PRINTED, serial number 106-87.

Blood Safety and Availability.—Oversight hearing on Blood Safety and Availability. Hearing held on September 23, October 6 and 19, 1999. PRINTED, serial number 106-79.

Y2K and Medical Devices: Testing for the Y2K Bug.—Oversight hearing on Y2K and Medical Devices: Testing for the Y2K Bug. Hearing held on October 21, 1999. PRINTED, serial number 106-69.

Problems with EPA's Brownfields Cleanup Revolving Loan Fund Program.—Oversight hearing on Problems with EPA's Brownfields Cleanup Revolving Loan Fund Program. Hearing held on November 4, 1999. PRINTED, serial number 106-86.

Medicaid Fraud and Abuse: Assessing State and Federal Responses.—Oversight hearing on Medicaid Fraud and Abuse: Assessing State and Federal Responses. Hearing held on November 9, 1999. PRINTED, serial number 106-72.

Medical Errors: Improving Quality of Care and Consumer Information.—Joint oversight hearing with the Subcommittee on Health and Environment and the Committee on Veterans' Affairs Subcommittee on Health on Medical Errors: Improving Quality of Care and Consumer Information. Hearing held on February 9, 2000. PRINTED, serial number 106-90.

Reuse of Single-Use Medical Devices.—Oversight hearing on the reuse of single-use medical devices. Hearing held on February 10, 2000. PRINTED, serial number 106-89.

Public Access to the National Practitioner Data Bank: What Consumers Should Know About Their Doctors.—Oversight hearing on Public Access to the National Practitioner Data Bank: What Consumers Should Know About Their Doctors. Hearing held on March 1, 2000. PRINTED, serial number 106-93.

Safety and Security Oversight of the New National Nuclear Security Administration.—Joint oversight hearing with the Subcommittee on Energy and Power on Safety and Security Oversight of the New National Nuclear Security Administration. Hearing held on March 14, 2000. PRINTED, serial number 106-105.

Assessing the Operation of the National Practitioner Data Bank.—Oversight hearing on Assessing the Operation of the National Practitioner Data Bank. Hearing held on March 16, 2000. PRINTED, serial number 106-93.

Third Party Billing Company Fraud: Assessing the Threat Posed to Medicare.—Oversight hearing on Third Party Billing Company Fraud: Assessing the Threat Posed to Medicare. Hearing held on April 6, 2000. PRINTED, serial number 106-97.

Review of U.S. Enrichment Corporation Privatization and its Impact on the Domestic Uranium Industry.—Oversight hearing on review of U.S. Enrichment Corporation privatization and its impact on the domestic uranium industry. Hearing held on April 13, 2000. PRINTED, serial number 106-129.

Whistleblowers at Department of Energy Facilities: Is There Really "Zero Tolerance" for Contractor Retaliation?—Oversight hearing on Whistleblowers at Department of Energy Facilities: Is There

Really “Zero Tolerance” for Contractor Retaliation? Hearing held on May 23, 2000. PRINTED, serial number 106–135.

Enforcing the Laws on Internet Pharmaceutical Sales: Where are the Feds?—Oversight hearing on Enforcing the Laws on Internet Pharmaceutical Sales: Where are the Feds? Hearing held on May 25, 2000. PRINTED, serial number 106–112.

Computer Insecurities at DOE Headquarters: DOE’s Failure to Get its Own Cyber House in Order.—Oversight hearing on Computer Insecurities at DOE Headquarters: DOE’s Failure to Get its Own Cyber House in Order. Hearing held on June 13, 2000. PRINTED, serial number 106–157.

DOE’s Fixed-Price Cleanup Contracts: Why are Costs Still Out of Control?—Oversight hearing on DOE’s Fixed-Price Cleanup Contracts: Why are Costs Still Out of Control? Hearing held on June 22, 2000. PRINTED, serial number 106–137.

Weaknesses in Classified Information Security Controls at DOE’s Nuclear Weapon Laboratories.—Weaknesses in Classified Information Security Controls at DOE’s Nuclear Weapon Laboratories. Hearing held on July 11, 2000. PRINTED, serial number 106–148.

Medicaid Provider Enrollment: Assessing State Efforts to Prevent Fraud.—Oversight hearing on Medicaid Provider Enrollment: Assessing State Efforts to Prevent Fraud. Hearing held on July 18, 2000. PRINTED, serial number 106–120.

Firestone Tire Recall Action.—Joint oversight hearing with the Subcommittee on Telecommunications, Trade, and Consumer Protection on the recent Firestone tire recall action, focusing on the action as it pertains to relevant Ford vehicles. Hearing held on September 9 and 21, 2000.

Counterfeit Bulk Drugs and Related Concerns.—Oversight hearing on counterfeit bulk drugs and related concerns. Hearing held on June 8 and October 3, 2000.

EPA’s Brownfields Initiative: The Reality Behind the Rhetoric.—Oversight hearing on EPA’s Brownfields Initiative: The Reality Behind the Rhetoric. Hearing held on October 11, 2000.

COMMITTEE ON COMMERCE OVERSIGHT PLAN FOR THE 106TH
CONGRESS

Clause 2(d) of Rule X of the Rules of the House of Representatives for the 106th Congress requires each standing Committee in the first session of a Congress to adopt an oversight plan for the two-year period of the Congress and to submit the plan to the Committee on Government Reform and Oversight and the Committee on House Oversight.

Clause 1(d)(1) of Rule XI requires each Committee to submit to the House not later than January 2 of each odd-numbered year, a report on the activities of that committee under Rules X and XI during the Congress ending on January 3 of such year. Clause 1(d)(3) of Rule XI also requires that such report shall include a summary of the oversight plans submitted by the Committee pursuant to clause 2(d) of Rule X; a summary of the actions taken and recommendations made with respect to each such plan; and a summary of any additional oversight activities undertaken by the Committee, and any recommendations made or actions taken thereon.

Part A of this section contains the Committee on Commerce Oversight Plan for the 106th Congress which the Full Committee considered and adopted by a voice vote on February 13, 1997, a quorum being present.

Part B of this section contains a summary of the actions taken by the Committee on Commerce to implement the Oversight Plan for the 106th Congress and the recommendations made with respect to this plan. Part B also contains a summary of the additional oversight activities undertaken by the Committee, and the recommendations made or actions taken thereon.

PART A

COMMITTEE ON COMMERCE OVERSIGHT PLAN

U.S. HOUSE OF REPRESENTATIVES

106TH CONGRESS

CONGRESSMAN TOM BLILEY, CHAIRMAN

Rule X, clause 2(d) of the Rules of the House requires each standing Committee to adopt an oversight plan for the two-year period of the Congress and to submit the plan to the Committees on Government Reform and House Administration not later than February 15 of the first session of the Congress.

This is the oversight plan of the Committee on Commerce for the 106th Congress. It includes the areas in which the Committee expects to conduct oversight during the 106th Congress, but does not preclude oversight or investigation of additional matters as the need arises.

HEALTH AND ENVIRONMENT ISSUES

MEDICARE AND MEDICAID: WASTE, FRAUD, AND ABUSE

The Committee will continue its efforts to identify instances of and opportunities for waste, fraud, and abuse in the Medicare and Medicaid programs. This oversight will focus on a range of program areas, including administration, contracting, provider reimbursement, and eligibility determination.

HEALTH CARE FINANCING ADMINISTRATION'S MANAGEMENT OF THE MEDICARE PARTIAL HOSPITALIZATION PROGRAM

The Committee will continue its ongoing inquiry into evidence of widespread fraud and abuse regarding Medicare partial hospitalization services provided to psychiatric patients in community mental health centers (CMHCs) and hospitals. Last year, the HHS Inspector General found noncompliance rates of greater than 90 percent in CMHCs the worst rates of noncompliance in Medicare history. Numerous concerns have arisen regarding HCFA's ability to identify and fix the compliance problems adequately and to manage the partial hospitalization program effectively in the future. In the 106th Congress, the Committee will continue to assess the current efforts to reform CMHCs and the role of Medicare fiscal intermediaries in administering the partial hospitalization benefit.

HEALTH CARE FINANCING ADMINISTRATION'S IMPLEMENTATION OF
ANTI-FRAUD BILLING SOFTWARE

During the 105th Congress, the Committee conducted a review of the Health Care Financing Administration's (HCFA) failure to implement pre-payment, anti-fraud software in its Medicare claims systems, in light of several reports by the HHS Inspector General and the General Accounting Office suggesting that Medicare could save hundreds of millions of dollars annually by implementing software systems similar to those currently available in the private sector. HCFA recently took steps to implement and evaluate such systems, and the Committee will monitor the agency's progress in this regard during the 106th Congress.

HEALTH CARE FINANCING ADMINISTRATION'S IMPLEMENTATION OF
THE BALANCED BUDGET ACT

During the 106th Congress, the Committee will continue to monitor the Health Care Financing Administration's (HCFA) implementation of the Balanced Budget Act of 1997 (BBA). Many of the changes required by the BBA would help modernize Medicare, save money, and open the program to a wider range of private health plans.

HEALTH CARE FINANCING ADMINISTRATION'S MANAGEMENT OF FISCAL
INTERMEDIARIES AND CARRIERS

The Committee will assess the Health Care Financing Administration's management of the fiscal intermediaries and carriers that are responsible for processing all Medicare claims and payments. In particular, the Committee will examine the relationship between HCFA and the fiscal intermediaries and carriers in combating waste, fraud and abuse in Medicare. Although HCFA provides overall policy guidance for the administration of Medicare, day-to-day operation of the program is dependent on contractors (known as fiscal intermediaries for Part A, and carriers for Part B) who process beneficiary claims and make Medicare payments to healthcare providers. Through oversight, the Committee will seek to ensure that there is a proper balance between the financial incentives that HCFA offers the fiscal intermediaries for processing claims, and their responsibility to take appropriate measures to prevent waste, fraud, and abuse in the Medicare billing process.

HEALTH CARE FINANCING ADMINISTRATION'S MANAGEMENT
STRUCTURE

The Health Care Financing Administration was created in 1977 as part of an internal reorganization ordered by the Secretary of Health, Education, and Welfare, in order to consolidate the administration of Medicare and Medicaid in one agency. In the Spring of 1999, the National Bipartisan Commission on the Future of Medicare is expected to announce reform proposals to save Medicare for future generations, some of which may require structural changes to HCFA. The Committee will review any Medicare proposals submitted to Congress by the Bipartisan Commission.

The Committee also will conduct a comprehensive oversight review of HCFA's current management structure. Oversight activities will include a review of HCFA's recent reorganization which was completed in 1997. In considering HCFA's 1997 reorganization, the Committee will evaluate the effectiveness of specific offices within HCFA and the extent to which HCFA's effectiveness may be enhanced.

HEALTH CARE FINANCING ADMINISTRATION'S YEAR 2000 COMPUTER
PROBLEM

The Committee will continue to monitor the Health Care Financing Administration's (HCFA) efforts to resolve its Year 2000 (Y2K) problem for its Medicare claims processing systems. The Medicare program uses seven Medicare claims processing systems, more than 70 private contractors, and financial institutions to process nearly 800 million Medicare claims annually for approximately one million physicians, hospitals, medical equipment suppliers and home health agencies. Since nearly 85 percent of all Medicare claims are submitted and paid electronically, it is crucial that HCFA, its contract carriers, fiscal intermediaries, and providers are Y2K compliant.

REVIEW OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES
PROGRAMS AFFECTING CHILDREN AND FAMILIES

The Committee will conduct oversight of the Department of Health and Human Services (HHS) grant programs that affect the health of children and families. According to estimates, HHS funding for programs related to the health of children and families was more than \$13.7 billion in FY 1998. The Committee's oversight review will evaluate where the money is going, whether it is being spent effectively, and the extent to which these programs are consistent with statutory requirements and Congressional intent. In conjunction with the Committee's oversight of these HHS grant programs, the Committee also intends to conduct oversight of the various HHS agencies that have responsibility for children and family-related programs. For example, the Centers for Disease Control and Prevention (CDC) and the National Institutes of Health (NIH) conduct extensive studies of youth risk behaviors, including alcohol, drugs, tobacco, sex and violence. In addition, these two agencies are increasingly active in establishing health policy programs in areas such as school health, HIV education, pregnancy and sexually transmitted disease (STD) prevention. The Committee intends to review the effectiveness of these programs in the 106th Congress.

THE DEPARTMENT OF HEALTH AND HUMAN SERVICES DEADBEAT
PARENT PROGRAM

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), commonly known as the Welfare Reform Act, increased the accountability of parents in the welfare system by imposing strict work requirements and eligibility time limits on welfare recipients, and by establishing and enforcing strict child support obligations on noncustodial parents. The Com-

mittee will conduct oversight of the role of the Department of Health and Human Services' (HHS) Child Support Enforcement efforts in implementing the Welfare Reform Act. In particular, the Committee will assess the effectiveness of the Child Support Multi-Agency Investigative Team (CSMAIT) in identifying and locating noncustodial parents who have not fulfilled their child support obligations. Under this new program, the HHS Inspector General has teamed up with the HHS Office of Child Support Enforcement, the Justice Department and State and local authorities to develop a high profile program to track down the most egregious child-support offenders and arrest and punish them in order to encourage estranged parents to pay child support. The multi-agency teams have already conducted a pilot in Michigan, Illinois, and Ohio. HHS intends to implement the program nationwide in 1999.

ADOPTION

The Committee will conduct an oversight review of adoption promotion programs within the purview of the Department of Health and Human Services (HHS). In conducting this review, the Committee will determine the extent to which HHS programs have an impact on increasing the number of adoptions. The oversight activities associated with a review of adoption programs will include assessment of relevant authorizing statutes, Federal regulations, program guidelines and practices, and statistical data.

TITLE V ABSTINENCE EDUCATION PROGRAM

During the 105th Congress, the Committee initiated a review of the Title V Abstinence Education program, which was authorized by the Welfare Reform Bill of 1996. This oversight identified problems and concerns in the implementation of this program by the Department of Health and Human Services (HHS), which the Committee will continue to assess in the 106th Congress.

THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM

The Balanced Budget Act of 1997 amended the Social Security Act to add Title XXI—The State Children's Health Insurance Program (S-CHIP). Under this Title, funds are provided to States to enable them to initiate and expand health assistance to uninsured, low-income children. S-CHIP targets children in families whose income levels exceed Medicaid thresholds, but who lack private insurance. States may receive funds by providing child health assistance through a separate State-only S-CHIP program, an S-CHIP financed Medicaid expansion, or a combination of the two. The Health Care Financing Administration (HCFA) was charged with approving and reviewing States' plans for implementing the S-CHIP program. HCFA is responsible for approving and reviewing a State's application of a plan prior to receiving S-CHIP funds. At the Committee's request, the General Accounting Office (GAO) is examining HCFA's oversight role in a State's use of the program's design flexibility, unresolved design issues, strategies to enroll children, and plans to coordinate S-CHIP with Medicaid and private health insurance and plans to review the matter during the 106th Congress.

HUMAN PAPILLOMA VIRUS (HPV) AND CERVICAL CANCER

An estimated 15,000 cases of cervical cancer are diagnosed in the United States each year, and 5,000 women die from the disease annually. Worldwide, cervical cancer affects 500,000 women each year and, after breast cancer, it is the second most common malignancy found in women. Human Papilloma Virus (HPV) is recognized as the primary cause of cervical cancer, and is one of the most common sexually transmitted diseases (STD). However, the Centers for Disease Control and Prevention (CDC) does not have a program to track comprehensive surveillance data for HPV. The Committee will conduct oversight to determine why this widely prevalent STD is not being tracked by the CDC, and what measures can be implemented to fight the spread of this lethal, cancer-causing virus.

CANCER RESEARCH

The National Institutes of Health and other agencies have made tremendous progress in the “War on Cancer.” Scientists have been able to learn about the fundamental processes of cellular development, maintenance, and proliferation, and how these processes can be corrupted to cause cancer. The Committee will continue to oversee cancer research to help ensure that Federal efforts are properly managed, and that these recent scientific advances on the prevention, detection, and treatment of cancer are brought to the forefront of the battle.

DRUG ABUSE TREATMENT AND PREVENTION

In the 105th Congress, the Committee worked to broaden the war on drug abuse by working to bring innovative solutions to the area of drug treatment. For example, the Committee worked with several Federal agencies on proposed legislation that would build an infrastructure for the distribution of buprenorphine, which, according to the National Institute on Drug Abuse (NIDA), is a safer and better treatment for opiate addiction than methadone. The Committee will conduct oversight of the incentives for developing anti-addictive medications and the potential of other methods of drug addiction treatment.

In light of the 1998 Substance Abuse and Mental Health Services Administration Services Research Outcomes Study that found a 202 percent increase in adolescent crack use after drug addiction treatment, the Committee will inquire into Department of Health and Human Services (HHS) funding for research in this area. The Committee also will work with State and local initiatives that may provide the Committee with valuable insights on programs that succeed where others fail. Recent reports have raised concerns about the effectiveness of drug abuse rehabilitation programs, especially among adolescents seeking drug treatment. The Committee will conduct oversight of drug abuse programs and illegal drug use in order to determine the effectiveness of existing HHS efforts to reduce such usage. The Committee will examine the relationship between HHS programs and other Federal anti-drug initiatives and their overall impact on public health.

ORGAN ALLOCATION REFORM

After a thorough review, the Department of Health and Human Services'(HHS) efforts to reconfigure the organ allocation system were delayed by the 105th Congress for at least one year. During the 106th Congress, the Committee will conduct further oversight to insure that State and regional organ procurement and transplantation systems operate in the best interests of current and future patients, and that the Federal government will assist in the efforts of the transplant community. The Committee also will assess the Institute of Medicine Study on organ allocation systems ordered by the 105th Congress.

ASSISTED SUICIDE COVERAGE FOR MEDICAL PLANS

In 1993, the State of Oregon, operating under a Section 1115 Medicaid waiver, began the Oregon Health Plan as an alternative to traditional Medicaid. The Oregon Health Plan guarantees a set of benefits (Basic Health Care Package) that provides Medicaid coverage to Oregonians based on a list of prioritized health services. The Oregon Health Plan is funded using State general funds, portions of the State's cigarette tax, and matching Federal funds. With regard to the matching Federal dollars, in April of 1997, Congress passed the "Assisted Suicide Funding Restoration Act of 1997," Public Law 105-12. The purpose of this bill was "to clarify Federal law with respect to restricting the use of Federal funds in support of assisted suicide."

In February of 1998, the Oregon Health Services Commission agreed to include assisted suicide as a covered medical item, thus making funding available to low-income residents for this purpose. The Federal Health Care Financing Administration (HCFA), which must ratify any change or amendment to the Oregon plan, approved this amendment allowing coverage of assisted suicide. Since Oregon uses matching Federal Medicaid funds to support the Oregon Health Plan, the Committee will conduct oversight to ensure that no Federal funds are being used to support assisted suicide in Oregon in violation of Public Law 105-12.

PATIENT PROTECTION: HEALTH MARKET REFORM AND HEALTH CARE QUALITY

The Committee will conduct oversight of patient protection issues, particularly the ability of patients to seek outside appeals for treatment decisions that are imposed by health plans, and the ability of patients to access their health care provider's performance records. One current proposal calls for patients to have electronic access to the service records of their providers so that they can make more fully informed health-care choices based on sound knowledge of their health-care provider's medical qualifications, and any malpractice or disciplinary records. The Committee will review this and other proposals to improve patient access to information regarding the quality of their health care.

IMPLEMENTATION OF THE FDA MODERNIZATION ACT OF 1997

In 1997, Congress passed the Food and Drug Administration Modernization Act (FDAMA), a wide-ranging piece of legislation affecting key components of the Food and Drug Administration (FDA). Under the authority of the Act, the FDA has issued a variety of rules, guidance documents, and regulatory notices dealing with such issues as the distribution of information about off-label uses for marketed drugs and fast track programs designed to speed the development and approval of drugs and biologics to treat serious and life-threatening illnesses. The Committee will closely monitor FDA's activities to ensure FDA's implementation is consistent with the statutory requirements and intent of FDAMA.

IMPORTED DRUGS

Over the last decade, there has been a surge in shipments of drug products from overseas. This trend has implications for the public health and the ability of the Food and Drug Administration (FDA) to ensure safety and efficacy of drugs. In connection with this area, the Committee has been examining FDA's foreign drug inspections, the Mutual Recognition Agreement (MRA) between the U.S. and the European Union on drug inspections, and counterfeit bulk drugs.

With respect to foreign drug inspections, the issue is whether there is an unlevel playing field between the U.S., where FDA regulation is tougher, and overseas where the FDA regulation is looser. If in fact there is a double-standard, it would mean that drugs from overseas do not meet the same safety standards as drugs made in the U.S.

With respect to the MRA, the FDA was pressured into signing an agreement with the European Union regarding drug inspections. If the agreement works, FDA will in effect rely on European inspectors to conduct the inspections of European plants shipping drugs into the U.S. by the year 2002. However, some of the European inspectorates lack the expertise and safeguards that give us assurance they can do as competent a job as the FDA conducts. Moreover, this agreement can also be viewed as a foreign-aid package to European countries, already enjoying a huge trade advantage with the US, by giving them FDA personnel to build their drug inspection programs. In addition, U.S. drug companies continue to be burdened by at-border batch testing by some EU member states. With respect to counterfeit bulk drugs, the Committee is examining the problem of counterfeit drug products from overseas.

DRUG TESTING

The Committee will continue oversight of drug-testing issues. This oversight will involve monitoring of the Department of Health and Human Services' efforts to include more advanced drug-testing technologies in the Federal workplace drug testing program, and examining Food and Drug Administration regulation of drug-testing systems.

PRESCRIPTION DRUG SAFETY

In October 1998, Chairman Bliley, along with Chairman Jeffords and Senator Frist, requested GAO to initiate a comprehensive study of the U.S. system for ensuring the safety of prescription drugs. This examination would cover not only the Food and Drug Administration's post-marketing surveillance activities, but the entire system including the pre- and post-marketing activities conducted by both public and private organizations.

PATIENT ACCESS TO TREATMENT

The Committee will continue its oversight work to ensure seriously-ill patients have early access to treatment, especially in the cases of promising treatment for incurable, life-threatening diseases. One way is to help patients get more information on clinical trials. In consultation with the Food and Drug Administration and other public health contacts, the Committee is looking at administrative measures to provide more information to patients. The benefit is making a life-and-death difference in the lives of many patients.

FALSE CLAIMS ACT

During the 105th Congress, the Committee conducted oversight of the Department of Justice's (DOJ) application of the False Claims Act in the fight against waste, fraud, and abuse in the health care industry. In response to the Committee's review, DOJ issued new guidance on fair and appropriate use of the False Claims Act in health care. In the 106th Congress, the Committee will monitor DOJ's application of the False Claims Act with regard to the health care industry in order to evaluate the impact of the new guidelines.

HHS OVERSIGHT OF USE OF FEDERAL RESEARCH AND DEVELOPMENT
GRANT FUNDS

The Department of Health and Human Services (HHS) awards billions of dollars each year under thousands of extramural agreements, many of those with universities and colleges, for scientific research. Graduate students play a central role in these Federally-funded research agreements. The Office of Management and Budget and HHS are responsible for setting the standards for determining the level of compensation for graduate student research. Generally, such compensation is allowable if it represents reasonable compensation for necessary research and development (R&D) work. However, Federal guidance strictly limits using Federal R&D awards to provide educational assistance to selected graduate students, rather than as reasonable compensation for work performed on Federal R&D awards.

The Committee is concerned that HHS may lack appropriate oversight to safeguard against hundreds of millions of Federal dollars that may be diverted or misused by some colleges and universities into a form of student aid. On May 1, 1998, the Full Committee Chairman requested that the GAO investigate allegations of improper use of Federal research and development grant funds by

the University of California. The GAO's Office of Special Investigations is investigating this matter. The Committee expects to receive a report on this matter in the upcoming year.

ON-LINE HEALTH CARE

During the 105th Congress, the Committee followed the development of a number of on-line health care resources. In particular, a growing number of companies are now preparing to distribute prescription pharmaceuticals on-line, and some are moving into the realm of providing health care advice and diagnosis without physically meeting the patient. The Committee will hold hearings on the growth of on-line health care, and evaluate a variety of new consumer protection issues which have arisen in relation to this new field. The Committee will work to ensure that consumers are able to select the best health care options available and to protect themselves against unscrupulous or unqualified providers.

REVIEW OF NATIONAL INSTITUTES OF HEALTH GRANTS

The National Institutes of Health (NIH), through its 24 Institutes, Centers and Divisions, supports the research of scientists in universities, medical schools, hospitals and research institutes throughout the country. The Committee will review NIH research grants and assess how to improve the overall efficiency and accountability of the grant program. The Committee will examine the overhead costs charged by some universities, which reduce the amount of money directly spent on Federal research priorities.

CONTROL OF BIOLOGICAL AND CHEMICAL WARFARE MATERIALS

In 1996, Congress required the Department of Health and Human Services (HHS) to promulgate regulations providing for the establishment and enforcement of safety procedures for the transfer of biological agents (such as anthrax or the ebola virus), and safeguards to prevent access to such agents for terrorism or other criminal purposes. In 1997, the Centers for Disease Control and Prevention (CDC) issued final regulations governing the transport of biological agents, the registration of transferee facilities, and notification of interstate shipments. Despite these regulations, law enforcement and terrorism experts have expressed concerns about the unrestricted availability, possession, use, and transfer of these potentially dangerous agents, similar to concerns they have raised about chemical agents such as sarin gas. The Committee plans to review whether the CDC regulations adequately comply with the intent of Congress to ensure the safety and security of these agents, whether there is sufficient compliance with these regulations in a manner useful to law enforcement agencies, and whether changes to Federal laws or regulations are necessary to ensure that both biological and chemical agents are used solely for legitimate purposes. The Committee also intends to review whether there are sufficient regulations or controls on the export and import of biological and chemical agents.

THE ENVIRONMENTAL PROTECTION AGENCY'S MANAGEMENT AND OPERATIONS

During the 106th Congress, the Committee intends to continue its general oversight of the Environmental Protection Agency's (EPA) management, structure, and operations, including the agency's budget and funding decisions, resource allocation, research activities, enforcement actions, relations with State and local governments, and program implementation.

THE ENVIRONMENTAL PROTECTION AGENCY'S IMPLEMENTATION OF RECENTLY ESTABLISHED AIR QUALITY STANDARDS AND PROGRAMS

The Committee has the responsibility to ensure that the Environmental Protection Agency (EPA) implements the Clean Air Act in accordance with statutory language and Congress' intent. In July 1997, EPA published significant revisions to the existing national ambient air quality standards (NAAQS) for particulate matter and ozone. In October 1998, EPA established a major program intended to address the interstate transport of ozone within 22 States and the District of Columbia. In early 1999, EPA will establish a program to address "regional haze" affecting visibility in Federal parks. Given the significance of these rules and programs to the environment and to States, local governments, and private entities, the Committee will continue its oversight of EPA's implementation of the revised NAAQS, ozone transport, and regional haze programs in the 106th Congress.

THE ENVIRONMENTAL PROTECTION AGENCY'S HANDLING OF ENVIRONMENTAL JUSTICE CLAIMS

In February 1998, the Environmental Protection Agency (EPA) issued interim guidance setting forth how it would handle "environmental justice" claims filed with the agency against the issuance of State environmental permits to industries located in certain areas. These claims generally allege that a specific State environmental permitting action discriminates against a class of citizens living near such sites, such as minority groups, who are protected under Title VI of the Federal Civil Rights Act. Many State and local government organizations have expressed concerns that EPA's approach to this issue may hurt urban revitalization efforts and the cleanup of contaminated "brownfields" by dissuading companies from seeking, or preventing State agencies from issuing, permits in these areas, which often are in heavily minority neighborhoods. Relatedly, EPA plans to decide in 1999 how to handle complaints that State emission-trading programs have discriminatory effects on minority areas and thus violate Title VI. The Committee raised concerns with EPA and sought information from the agency about environmental justice matters during the 105th Congress, and intends to continue its oversight in the upcoming Congress in order to ensure that the views of States and other interested parties are considered in the final agency decision making on this important matter, and that EPA's actions in this regard do not negatively impact State and local urban revitalization efforts.

INTERNET PUBLICATION OF RISK MANAGEMENT PLANS UNDER THE
CLEAN AIR ACT

The Clean Air Act requires that the Environmental Protection Agency (EPA) implement a "Risk Management Program" focused on the prevention of chemical accidents. Under that program, approximately 66,000 facilities will send EPA detailed information regarding potential accidental chemical release points and estimating damages and injuries that could result from a worst-case scenario. Law enforcement and national security experts have expressed concerns that this information, which must be made available to the public under current Federal law, may be disseminated in a searchable, electronic database on the Internet, providing a targeting tool for international and domestic terrorists. The Committee plans to continue its oversight of this matter in the 106th Congress, in order to ensure that third-party access to and dissemination of worst-case scenario data is properly managed to protect the American public from potential acts of terrorism.

THE ENVIRONMENTAL PROTECTION AGENCY'S PROPOSED REGULATION
OF PEST-RESISTANT PLANTS AS PESTICIDES

The Environmental Protection Agency's (EPA) proposed "plant pesticide" rule would regulate as pesticides any pest-resistant traits transferred to agricultural crop plants through recombinant DNA techniques. Under EPA's plan, these plants would become subject to regulation under both the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) and the Federal Food, Drug, and Cosmetics Act (FFDCA), and may face additional export-related restrictions in light of their domestic classification as pesticides. The Committee plans to review whether EPA's proposed action is based on sound science, proper risk management, and good policy, and what impact it could have on human health, the environment, and the United States' agricultural and technology development communities.

MERCURY EMISSIONS AND EXPOSURE STANDARDS UNDER THE CLEAN
AIR ACT

During the 105th Congress, the Committee initiated an inquiry into the activities of several Federal agencies (including the Environmental Protection Agency (EPA), the Department of Commerce, and the Department of Health and Human Services) regarding the implementation of the mercury provisions of the Clean Air Act Amendments of 1990. Specifically, the Committee raised concerns and sought information about the adequacy of the scientific basis underlying EPA's report to Congress suggesting that certain levels of mercury exposure and emissions are harmful to human health, given the contrary views expressed by Federal public health agencies and many within the scientific community. The Committee intends to continue its oversight of interagency activities related to mercury exposure to ensure that EPA's regulatory determinations are made on the basis of sound science, and do not unnecessarily scare consumers away from healthy foods that generally contain mercury, such as most types of fish.

THE ENVIRONMENTAL PROTECTION AGENCY'S DIESEL ENGINE
CERTIFICATION PROGRAM

The Environmental Protection Agency's (EPA) and the Department of Justice recently signed consent decrees with the manufacturers of heavy-duty diesel engines for alleged Clean Air Act (CAA) violations. EPA claims that, for years, the manufacturers used a "defeat device" in their electronically-controlled engines that allowed the engines to pass the emissions test under urban driving conditions, while emitting levels of nitrogen oxide in excess of the regulatory standard when under highway driving conditions. The settlement raises concerns regarding the consistency and level of EPA's enforcement activities under the CAA, and the harm to the environment caused by this long-term breakdown in the regulatory system. During the 105th Congress, the Committee requested and reviewed documentary information concerning this enforcement activity. This review will be expanded in the 106th Congress in order to determine how and why this situation occurred, and what changes are necessary to ensure similar problems do not occur in the future.

THE ENVIRONMENTAL PROTECTION AGENCY'S FAILURE TO ENFORCE
CLEAN AIR ACT REQUIREMENTS AGAINST "SIGNIFICANT VIOLATORS"

Recent audits by the Environmental Protection Agency's (EPA) Office of Inspector General revealed that certain States and EPA's regional offices have failed to properly enforce the Clean Air Act with respect to "significant violators" in States throughout the country. The audits suggest an inconsistent application of Federal law among the various EPA regions, as well as lack of oversight by EPA headquarters. The Committee plans to investigate the problems identified by these audits, as well as the corrective actions that may need to be taken to ensure appropriate levels of enforcement by all parties.

THE ENVIRONMENTAL PROTECTION AGENCY'S ENVIRONMENTAL
INFORMATION PROGRAMS

The Environmental Protection Agency (EPA) is in the process of expanding programs designed to provide environmental information resources to the public. These programs comprise efforts to package and publish agency data bases on the Internet, to develop new information products and resources, and to implement information management reforms that address cross-cutting issues, such as data quality, public access and burden reduction. The Committee intends to monitor these information products and programs, and review the agency's implementation of its information management reform commitments.

GLOBAL CLIMATE CHANGE

The Committee will continue its close oversight of the Administration's various climate change programs and policies, with particular attention to ensuring that the Administration does not take measures that would constitute implementation of the Kyoto Protocol in advance of receiving the Senate's advice and consent on

this agreement. The Committee also will review the components of the Global Change Research Program and the Climate Change Technology Initiative to ensure compliance with Congressional intent and guidance.

SAFE DRINKING WATER AMENDMENTS

During the 105th Congress, the Committee examined the Environmental Protection Agency's (EPA) implementation of the 1996 Safe Drinking Water Act Amendments, and heard concerns that EPA may not be allocating sufficient resources to ensure the successful implementation of those amendments. Specifically, the Committee was advised that funds allocated by EPA to health-effects research may be insufficient to allow the agency to address future regulatory decisions required under the 1996 amendments, and that current and future infrastructure needs may outstrip projected resources in the State Revolving Fund established by those amendments. In the 106th Congress, the Committee plans to continue its oversight of the implementation of the 1996 amendments, in order to ensure that EPA's activities are sufficient to address critical issues regarding the safety and reliability of our nation's drinking water supply.

TELECOMMUNICATIONS, TRADE, AND CONSUMER PROTECTION ISSUES

YEAR 2000 PROBLEM

The Committee is concerned about the potential impact the failure of computer systems due to the Year 2000 problem will have on the nation. The Committee is concerned that a number of Federal agencies under the Committee's jurisdiction have not been making satisfactory progress in remediating Year 2000 problems in their computer systems. Of particular concern is the potential impact on the critical telecommunications and energy infrastructure, financial markets, and the delivery of health care. The Committee will review efforts by the private sector and Federal agencies to remediate Year 2000 problems and develop contingency plans.

ELECTRONIC COMMERCE: DOMAIN NAME SYSTEM

The National Telecommunications and Information Administration is currently in the process of turning over management of the Domain Name System (the system by which numeric Internet addresses are translated into easy to remember names such as www.house.gov) to a newly created non-profit corporation, the Internet Corporation for Assigned Names and Numbers (ICANN). In 1998, the Committee undertook oversight of the establishment of ICANN and the transition from government management to private sector management. The Committee will continue to monitor the transition of the Domain Name System to ensure the stability of the Internet.

ELECTRONIC COMMERCE: ON-LINE PRIVACY

One of the top concerns of on-line users is the protection of private information on the Internet or other computer networks. As

more consumers use the Internet to conduct electronic transactions or to locate medical or financial information, there are concerns that personal information that is provided to websites may be misused. To alleviate these concerns, the private sector has undertaken self-regulatory efforts to create enforceable standards to protect the privacy of their customers. In 1998, the Committee examined through a public hearing the private sector's privacy protection initiative. The Committee will continue to monitor these efforts in the 106th Congress.

POSSIBLE PAYOLA ABUSES

The Committee plans to examine the relationship between the radio broadcast industry and the recording industry to determine whether adequate protections are in place to prevent payments for the inclusion of any matter in a broadcast without disclosure to the public. Specifically, the Committee will examine current prohibitions on such payments to determine whether they are effective and whether radio licensees are complying with the law.

CELL SITING ON FEDERAL PROPERTY

The Committee intends to examine procedural barriers that may prevent commercial wireless companies from siting wireless towers on Federal property and thus from completing a seamless wireless network for the benefit of consumers and increased public safety. In particular, the Committee will examine the established procedures of the National Park Service and General Services Administration to consider wireless tower applications.

THE ROLE OF TELECOMMUNICATIONS SERVICES IN PRIMARY AND SECONDARY EDUCATION

The Committee will continue its examination of Federal and private technology programs that facilitate the educational techniques currently employed in our nation's schools. The Committee plans to work with the Committee on Education and the Workforce to examine the results of the General Accounting Office (GAO) study conducted on behalf of Chairmen Bliley and Goodling. The Committee's effort will help develop the scope of Federal educational programs that utilize technology and explore the educational benefits of new telecommunications technologies. In addition, the Committee will examine the operations of the National Education Technology Funding Corporation, created in part by the Telecommunications Act of 1996.

The Committee will conduct oversight of the increasing utilization of technology and telecommunications in America's classrooms to supplement the curriculum. Technology can be a very effective tool for enhancing the education of our youth but only if used in the proper manner. During the 106th Congress, the Committee will review this and other issues related to the use of technology and telecommunications in our educational system.

SET-TOP BOXES

The Committee intends to examine the relationship between the cable industry and set-top box manufacturers to determine whether this relationship is harming efforts to promote the retail accessibility of set-top boxes. In particular, the Committee will examine whether recent large set-top box orders from the cable industry promote the spirit of provisions of the Telecommunications Act of 1996, which seek to promote consumers' ability to obtain set-top boxes from non-cable sources. Further, the Committee will look at how the cable industry's current involvement with the use and functionality of set-top boxes is affecting the development of other multi-media options.

TAXATION OF TELECOMMUNICATIONS SERVICES

The Committee will review and examine the use of taxes and fees on telecommunications services by governments at the local, State and Federal level. The Committee will examine the impact of these taxes or fees on telecommunications companies, telecommunications services, and most importantly, on consumers. The Committee also will examine whether these taxes or fees represent entry barriers that prevent telecommunications competition from developing or flourishing. Lastly, the Committee will gain information to educate consumers on exactly what taxes or fees they now make to government entities and where their money is going.

ADMINISTRATION ACTIONS IN CONNECTION WITH INMARSAT
RESTRUCTURING

The International Maritime Satellite Act set out the statutory regime applicable to Inmarsat (the International Mobile Satellite Organization, formerly known as the International Maritime Satellite Organization). The Administration participated in international negotiations on a restructuring plan for Inmarsat that differs from the existing statutory structure. The Committee intends to continue its examination of the conduct of the Administration in the restructuring of Inmarsat. The examination will include the issue of whether the Administration and the U.S. Signatory to Inmarsat have the statutory authority for the actions they have taken and may take in connection with the Inmarsat restructuring.

BROADCAST OWNERSHIP

Both the Telecommunications Act of 1996 and the Balanced Budget Act of 1997 mandated that the FCC liberalize its broadcast ownership rules. The 1996 Act, for example: increased the national ownership cap on television stations to 35 percent of the national audience; eliminated the national ownership rules for radio and increased the number of radio stations that could be owned in the same local market; promoted radio-television combinations by expanding the one-to-a-market waiver process from the top 25 to the top 50 markets; instructed the FCC to conduct a study to determine whether its television duopoly rules should be modified given the significant growth in the media marketplace; and grandfathered existing television local marketing agreements (LMAs).

Similarly, the Balanced Budget Act of 1997 provided substantial relief from the FCC's duopoly and newspaper cross-ownership rules by prohibiting the FCC from disqualifying potential auction bidders for reclaimed broadcast spectrum based on the application of these ownership rules. The Act's report language additionally instructed the Commission to "provide additional relief (e.g., VHF/UHF combinations) that it finds to be in the public interest, and [to] implement the permanent grandfather requirement for local marketing agreements as provided in the Telecommunications Act of 1996."

Notwithstanding Congress' clear intent on this issue, the FCC has signaled that it may possibly tighten, rather than relax, these rules. The Committee therefore intends to closely monitor the FCC's implementation of these provisions, and to specifically identify the basis (if any) for the FCC's failure to implement Congressional intent.

LOCAL COMPETITION

The Committee is in the midst of a wide-ranging review of the state of competition in local exchange markets. In October 1998, the Committee requested information from 16 entities, including regulatory agencies, consumer advocate groups, and various private-sector trade associations. The Committee specifically sought their views on the extent to which local exchange competition was developing, what barriers existed to this development, and the impact of regulatory proceedings.

With this information, the Committee will be in a better position to determine to what extent the local competition provisions of the Act are operating as intended. In addition, the Committee will be able to determine whether the FCC is adequately prioritizing Incumbent Local Exchange Carrier (ILEC) compliance with the local competition provisions of the Act and better assess what actions may be necessary to speed compliance with these provisions.

IMPLEMENTATION OF THE TELECOMMUNICATIONS ACT OF 1996

On February 8, 1996, the Telecommunications Act of 1996 was enacted into law. The Act fundamentally changes the way the telecommunications industry is regulated. In particular, the Act swept away more than 60 years of outdated laws and regulations and replaced them with pro-competitive provisions. Under the Act, the Federal Communications Commission (FCC) is required to conduct approximately 80 rulemakings on major issues such as interconnection, universal service, Bell Operating Company entry into the long distance market, accounting and non-accounting safeguards, cable reform, open video systems, and regulatory reform. As the Telecommunications Act enters its fourth year, the Committee will continue an examination of its implementation.

FEDERAL COMMUNICATIONS COMMISSION STRUCTURE AND MANAGEMENT

Congress created the Federal Communications Commission (FCC) in 1934 for the purpose of regulating interstate and foreign communication by wire and radio. Once implementation of the Telecommunications Act of 1996 has been successfully completed,

the need for regulation of the telecommunications industry will diminish. The Committee will evaluate the need for restructuring the FCC once competition flourishes in each telecommunications market. The Committee also will continue its oversight of the FCC to ensure that it operates as efficiently as possible.

CORPORATION FOR PUBLIC BROADCASTING

Congress created the Corporation for Public Broadcasting (CPB) in the Public Broadcasting Act of 1967. Historically, the Committee has been charged with monitoring the activities of the CPB and authorizing appropriations. The Committee will review the level of Federal funding necessary for the continuation of public broadcasting. The Committee also will examine issues relating to the efficiency of CPB, the Public Broadcasting Service, and the National Public Radio.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

Congress created the National Telecommunications and Information Administration (NTIA) in 1978 to perform a number of functions including: advising the President on telecommunications policy; developing policies for international communications conferences; managing Federal use of the radio frequency spectrum; and awarding financial grants to communications companies that are in need of assistance. The Committee will examine NTIA's execution of these functions and its role as a part of the Department of Commerce.

INTERNATIONAL TRADE

The services industry is an increasingly important area of the American and world economies. Services also provide an important export opportunity for American business. The Committee will examine implementation of World Trade Organization (WTO) services sector agreements, in particular the WTO agreement on basic telecommunications and, if it is put into effect, the WTO agreement on financial services. Because another key area for growth of the American economy is electronic commerce, the Committee will examine the Administration's efforts to prevent or remove overseas barriers to international electronic commerce. Encouraging other nations to comply with their trade obligations is important in terms of opening markets for American companies. Accordingly, another area the Committee will examine is the Administration's efforts to encourage other nations to fulfill their obligations under existing trade agreements.

U.S. - JAPAN INSURANCE AGREEMENT

In August 1998, the Committee began an inquiry into certain aspects of the 1996 U.S. - Japan Insurance Agreement. The Committee will continue its examination of this agreement, which raises several policy concerns, and also will look at, more generally, the issue of transparency in trade agreements. The Committee also may review other recent trade agreements to assess how accom-

panying side agreements are being used and what ramifications they have for promoting the United States' free-trade policies.

CONSUMER PRODUCT SAFETY COMMISSION

The Committee will continue to review the activities of the Consumer Product Safety Commission (CPSC), in particular its response to the recommendations made by the General Accounting Office in a report entitled "Better Data Needed to Help Identify and Analyze Potential Hazards," which was requested by the Committee.

LIABILITY REFORM

The Committee will continue to examine the need for further liability reform in a number of areas. In particular, the Committee will assess current trends in medical malpractice liability, product liability, and punitive damage reform.

COSTS OF ELECTRIC UTILITY ADVERTISING

Numerous reports indicate that electric utilities are incurring significant increases in their advertising expenses. While utilities are permitted to allocate those advertising expenses necessary to keep their current ratepayers informed, utilities are not allowed to pass along to their customers those advertising expenses intended to increase market share or attract new ratepayers. The Committee will investigate the nature of these increased advertising costs to ensure that electric customers are only paying for costs properly attributable to their existing service.

ENERGY AND POWER ISSUES

ELECTRICITY RESTRUCTURING

The Energy Policy Act of 1992 promoted wholesale competition in the electric industry. Since then, many States have decided to open up their retail markets to competition. The Committee will conduct a comprehensive review of the electric industry and consider legislation to promote retail competition.

NUCLEAR REGULATORY COMMISSION

The mission of the Nuclear Regulatory Commission (NRC) is to ensure adequate protection of the public health and safety through regulation of commercial nuclear power plants, nonpower research, test and training reactors, fuel cycle facilities, medical, academic, and industrial uses of nuclear materials, and the transport, storage, and disposal of nuclear waste. The Committee will conduct oversight of how the Commission discharges these responsibilities, and whether the Commission is an effective regulator of nuclear facilities. The Committee will consider whether the Commission should be granted regulatory authority over DOE nuclear facilities.

NUCLEAR REGULATORY COMMISSION'S ANTI-TERRORISM PROGRAM

The Nuclear Regulatory Commission (NRC) is responsible for ensuring that licensees provide adequate safeguards and security for

the nation's 100-plus commercial nuclear reactors, which operate in 32 States across the nation. In September 1998, the NRC announced the termination of its Operational Safeguards Response Evaluations program; subsequently, the program was reinstated in November 1998. Also in 1998, the NRC undertook a comprehensive review of security at commercial nuclear power plants. In light of these actions, the Committee intends to conduct oversight of the NRC safeguards and security program to ensure that it provides the public with adequate levels of safety and protection against the threat of terrorism at commercial reactors.

FEDERAL ENERGY REGULATORY COMMISSION

The Federal Energy Regulatory Commission (FERC) regulates electric utilities, hydropower facilities, and natural gas and oil pipelines. The Committee will review how FERC discharges these responsibilities, in light of the sweeping changes in the electric industry. Some of the specific areas the Committee may examine are FERC's implementation of Orders 888 and 889, FERC's merger policy and approach to market power, and FERC regulation of the transmission system. The Committee will examine FERC's hydro-power relicensing process and natural gas policies.

GENERAL MANAGEMENT OF THE DEPARTMENT OF ENERGY

The Committee will continue to conduct oversight on the Department of Energy to assure improvements in management of the Department and its many contractors. Following are some of the issues that the Committee will consider in the conduct of this oversight.

DEPARTMENT OF ENERGY'S HANFORD SPENT NUCLEAR FUEL PROJECT

The Department of Energy's (DOE) Spent Nuclear Fuel project (SNF project) is an effort to remove 210,000 spent nuclear fuel rods from leaking wet storage basins (K-Basins) located at DOE's Hanford site in Richland, Washington. The K-Basins are one of the largest health and safety risks within the government's nuclear waste complex, and are known to have leaked at least 15 million gallons of slightly contaminated water, some of which already has reached the nearby Columbia River. The SNF project has encountered more than \$600 million in cost overruns and schedule delays that have delayed the removal of the deteriorated fuel elements by more than four years. The Committee conducted oversight of the SNF project in the 105th Congress and, as a result, several commitments were made by DOE and its contractors to improve management of this multi-year project. The Committee plans to continue this oversight in the 106th Congress in order to ensure that this major environmental health and safety threat is managed adequately and resolved in a cost-effective manner.

DOE'S PRIVATIZATION OF ENVIRONMENTAL MANAGEMENT

The Department of Energy's contract reform initiative has focused on efforts to "privatize" major environmental cleanup projects, including a very recent \$6.9 billion dollar contract issued

to a private contractor to clean up radioactive wastes stored in underground tanks at DOE's Hanford reservation. As revealed by Committee oversight during the 105th Congress, the Department's initial privatization effort to clean up Pit 9 at DOE's Idaho site was a failure. Accordingly, the Committee plans to monitor DOE's performance on the Hanford Radioactive Tank Waste privatization contract, which not only is much larger in terms of costs to the American taxpayers, but also poses a much more serious environmental health and safety threat than did Pit 9. The Committee began its oversight of this contract in the 105th Congress and plans to continue this review, as well as its review of Pit 9 and other major DOE privatization efforts, in the 106th Congress, in order to ensure effective DOE management and to prevent serious public health threats and billions in wasted taxpayer dollars.

DOE'S OFFICE OF SCIENCE AND TECHNOLOGY

The Department of Energy estimates that between \$150 and \$300 billion in taxpayer funds will be needed over the next 40 years to clean up and stabilize wastes within its nuclear weapons complex. The Office of Science and Technology was created by DOE in response to a Congressional directive in 1989 to begin a program to fund the development of innovative environmental technologies that will make DOE's cleanup activities faster, cheaper, and safer. DOE has estimated that approximately \$20 billion in cleanup costs could be avoided with the use of innovative technologies developed by OST. However, the Committee's review of OST in the 105th Congress revealed that few technologies developed by OST have been deployed, in part due to OST's ineffective management, poor technology selection and review, and lack of integration with DOE's cleanup program offices. Close and continuing oversight of OST in the 106th Congress is necessary to ensure that DOE's \$3 billion investment in OST results in cheaper, faster and safer cleanups throughout the DOE nuclear waste complex.

HANFORD PLUTONIUM FINISHING PLANT

The Department of Energy is responsible for the stabilization and removal of 17 metric tons of plutonium and plutonium-bearing materials currently stored at the Hanford Plutonium Finishing Plant (PFP)—America's second largest plutonium inventory. The PFP was built in 1951 to convert plutonium liquids and powders into metal for use in nuclear weapons, but production operations at PFP were stopped in 1987. The plutonium and plutonium-bearing materials remaining at PFP must be stabilized, packaged, and shipped offsite. According to the Defense Nuclear Facilities Safety Board, DOE has halted plutonium cleanup activities at PFP due to repeated instances of poor work control, criticality safety infractions, and lack of management involvement. The Committee will review PFP cleanup activities at Hanford in the 106th Congress in order to identify and resolve management weaknesses and safety issues.

DOE'S PERFORMANCE-BASED INCENTIVE CONTRACTING

In its implementation of contract reform, the Department of Energy continues to experiment with incentive fee arrangements, such as annual performance-based incentive (PBI) contracts, with its major private contractors. The Committee's review of these reform initiatives during the 105th Congress revealed significant deficiencies in the management of these incentive contracts, and the Committee will continue to review these efforts to ensure that they effectively incentivize contractors to perform more efficiently and do not result in a waste of taxpayer dollars.

DOE NUCLEAR HEALTH AND SAFETY

One of DOE's major responsibilities at its nuclear production and research facilities is to ensure that health and safety requirements are being met by the contractors who operate or remediate the Department's nuclear facilities. Events at Brookhaven, Lawrence Livermore, and other national laboratories involving worker radiation exposures have raised questions about DOE's effectiveness in enforcing nuclear health and safety. The Committee will review DOE's nuclear health and safety efforts to ensure adequate attention is given to this important issue by the Department.

DEPARTMENT OF ENERGY'S OFFICE OF SAFEGUARDS AND SECURITY PROGRAM

The Department of Energy is responsible for safeguards and security at more than 50 Department of Energy facilities nationwide, including 12 nuclear weapon facilities and 27 non-weapon facilities. The DOE inventory includes tons of weapons-grade nuclear material, classified hardware, computer systems and documents, and over 120,000 security clearances. In the 105th Congress, the Committee initiated an inquiry into the adequacy of safeguards and security at nuclear facilities, in light of a January 1997 report issued by the DOE's Office of Safeguards and Security (OSS). In the 106th Congress, the Committee intends to continue to monitor the adequacy of DOE's efforts to improve safeguards and security in view of the potentially serious public health and safety consequences of a major security breach at a DOE facility or during transportation of DOE nuclear materials on public highways.

STORAGE OF WEAPONS GRADE FISSILE MATERIAL

The Department of Energy (DOE) currently stores weapons-grade uranium and plutonium from dismantled U.S. nuclear weapons in above-ground structures. By contrast, the United States, through the Cooperative Threat Reduction program, is assisting Russia in the design and construction of a secure underground facility for the fissile material removed from warheads possessed by the former Soviet Union. U.S. assistance on this Russian project is commendable, but it raises the question of why the DOE is not providing a similar level of safety and security here in the United States. The Committee will review the current situation at DOE's facilities, and investigate whether they should be upgraded to enhance the safety and security of these nuclear materials.

WASTE ISOLATION PILOT PLANT

The Waste Isolation Pilot Project (WIPP) in southeastern New Mexico is designed to store radioactive transuranic wastes from the production of nuclear weapons. The facility is complete but WIPP has yet to begin accepting transuranic waste because of continued objections from the State of New Mexico. These delays in opening WIPP will impact the schedule for cleaning up radioactive waste at other DOE sites. The Committee will review the current status of the WIPP project, including plans for transporting transuranic waste from other DOE sites to WIPP, and will evaluate the substance and impact of the delays in waste acceptance at WIPP.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM (FUSRAP)

The Formerly Utilized Sites Remedial Action Program was created in the early 1970s to clean up low-level radioactive contamination resulting from the nation's early nuclear weapons development. The program encompassed a total of 46 sites, of which 24 had been cleaned up by the Department of Energy (DOE). In October 1997, program responsibility for the remaining 22 active FUSRAP sites was transferred from DOE to the Army Corps of Engineers. The Committee, with the assistance of the General Accounting Office, will review the Corps' performance to date and evaluate the effectiveness of the program under Corps management.

DEPARTMENT OF ENERGY'S BUDGET REQUEST

The Committee will hold hearings on the Department of Energy's (DOE) budget requests for Fiscal Year 2000 and 2001 and closely examine the requests. The missions of DOE have changed dramatically over time. When DOE was first established, the major mission was promoting energy security. At present, the principal DOE missions are environmental management, defense programs, science and technology, and energy security. DOE has sought to add new missions such as trade promotion and enhancing environmental quality. The Committee will examine the DOE budget requests and determine whether they are consistent with the Committee's priorities.

APPLIANCE STANDARDS

The Energy Policy and Conservation Act set energy efficiency standards and directed DOE to consider revisions to these standards. The primary purpose of the program is to promote energy efficiency. Concerns have been raised about how DOE has developed revised standards, the impact of the standards on consumers, their potential anti-competitive effects, and the impact on manufacturers. During the 106th Congress, the Committee will review revised standards issued by DOE.

DOE'S ALTERNATIVE FUELS PROGRAM

Current law directs DOE to develop an alternative fuels program that displaces 10 percent of petroleum motor fuels in 2000 and 30 percent in 2010. DOE is well short of these goals. The Committee

will consider whether the existing DOE program will meet these goals, and whether reforms to the program are needed.

DOE'S NATIONAL LABORATORIES

The Committee will examine whether DOE is effectively managing the contractors that operate the national laboratories. The Committee will review proposals to improve management of the labs.

FEDERAL ENERGY MANAGEMENT PROGRAM

Current law directs agencies to cut their energy use by 20 percent through 2000 and 30 percent through 2005. The Committee will examine whether Federal agencies are meeting these goals, and whether Federal accounting of energy savings is accurate.

FINANCE AND HAZARDOUS MATERIALS ISSUES

ON-LINE INVESTOR PROTECTION

The Committee will conduct oversight of the rapidly growing practice of on-line trading. The Internet is a powerful and inexpensive new research tool for investors, and provides considerable potential to improve price discovery and enhance capital formation in American markets. However, the rapid growth of on-line trading has been associated with increased market volatility, in particular with regard to Internet stocks, and with the growth of Internet securities fraud. The Committee intends to examine the state of the on-line trading industry and the impact of Internet trading on the stability of the capital markets. The Committee will assess the adequacy of the efforts made to protect investors from on-line securities fraud schemes.

BOND MARKET TRANSPARENCY

The U.S. bond market is the largest securities market in the world, representing more than \$11 trillion in outstanding debt obligations. The bond markets play a vital role in providing private companies and State and local governments with capital on more favorable lending terms than those offered by banks. However, the level of transparency in the bond market, particularly the corporate and municipal market, is substantially less than that in the U.S. equity markets. Consequently, it can be difficult for investors and regulators to determine whether investors are paying the best price for a bond, and difficult for investors to determine the valuation of their portfolios. The Committee will review efforts to improve transparency in these markets, and may propose legislation to accomplish this goal.

PROFIT SHARING ARRANGEMENTS ON STOCK EXCHANGES

The Committee will continue its inquiry into profit sharing arrangements between companies and brokers on the various stock exchanges. The Committee will conduct oversight to determine the full scope of market problems related to questionable profit sharing arrangements and to evaluate the adequacy of market surveillance

reforms introduced by the New York Stock Exchange and the Securities and Exchange Commission (SEC) in response to the ongoing investigation by Federal law enforcement authorities.

EDGAR PRIVATIZATION

The Committee continues to oversee the Securities and Exchange Commission's (SEC) efforts to improve public access to corporate filings data through modernization and privatization of the Electronic Data Gathering and Retrieval System (EDGAR) for corporate filings.

The National Securities Markets Improvement Act of 1996 (Public Law 104-290) directed the SEC to examine proposals for the privatization of its Electronic Data Gathering and Retrieval system (EDGAR) in order to promote competition in the collection and dissemination of corporate filings. Pursuant to the 1996 act, the SEC developed an EDGAR privatization initiative in 1997, and then, in June 1998, awarded a three-year \$49 million contract to modernize and maintain the EDGAR system. The Committee will monitor the SEC's efforts to modernize and privatize EDGAR, in order to ensure adequate public access to EDGAR data, and also to determine whether a privatized system will benefit taxpayers without sacrificing public policy concerns.

OVERSIGHT OF THE SEC'S IMPLEMENTATION OF ITS MANDATE "TO PROMOTE EFFICIENCY, COMPETITION & CAPITAL FORMATION"

The National Securities Markets Improvement Act of 1996 created a major new mandate for the Securities and Exchange Commission (SEC). The SEC is now required not only to protect investors, but also to promote efficiency, competition and capital formation. Section 106 of the Act requires that: "Whenever pursuant to this title the Commission is engaged in rulemaking and is required to consider or determine whether an action is necessary or appropriate in the public interest, the Commission shall also consider, in addition to the protection of investors, whether the action will promote efficiency, competition, and capital formation."

The Committee intends to conduct oversight of the SEC's implementation of this new mandate. In particular, the Committee will examine the adequacy and timeliness of information provided by the SEC's major Divisional Offices to the Office of Chief Economist, which has the responsibility for conducting cost-benefit analyses of proposed new rules. Additionally, the Committee will conduct oversight to ensure that final rules as adopted are consistent with the proposed rule. Changes in rule proposals upon adoption that would otherwise trigger a cost-benefit analysis on the basis of being a major rule will be examined.

Many of the recent rules affect significant changes in the fundamental structure and operation of the capital markets. Some of the most significant proposals have been enacted by the SEC while others remain in the proposal stage. The Committee will continue to conduct oversight to determine the effects and market impact of these recent rule changes, as well as to examine whether current rulemaking proposals are consistent with promoting efficiency, competition, and capital formation.

OVERSIGHT OF SELF REGULATORY ORGANIZATION RULEMAKING

The Committee will continue to examine rulemaking by the self regulatory organizations to ensure that the rules are necessary and do not afford anti-competitive advantages to particular market participants.

CIRCUIT BREAKERS AND COLLARS

The Securities and Exchange Commission (SEC) approved changes to so-called "circuit breakers," automatic halts in trading on the New York Stock Exchange, triggered by large downturns during a trading day. The changes were made to more accurately reflect the original purpose of maintaining orderly markets during volatile trading periods. The point loss levels that trigger trading halts are now based on percentage drops relative to the level of the Dow Jones Industrial Average. The Committee will conduct oversight to determine the effectiveness and impact of the new trading halt levels in light of the increased volatility in the markets.

While the new trigger levels reflect today's stock market level, the "collars" that suspend program trading have not been adjusted. The Committee plans to examine the utility of the collars and determine if changes are warranted to reflect current market conditions without placing individual investors at a disadvantage.

PRESERVING DERIVATIVES' STATUS AS PRIVATE CONTRACTS

Derivatives have become a useful and integral risk management tool for many businesses and financial institutions. The Committee will continue to ensure that the utility and status of derivatives is not harmed through any new regulatory efforts, while working to preserve protections for investors.

OVERSIGHT OF HEDGE FUNDS

The Committee will continue to monitor questions relating to moral hazard and enforcement of applicable regulations in the hedge fund industry. The Committee will continue to monitor the unwinding of positions at Long Term Capital Management.

Y2K / INSURANCE

The Committee will examine the progress made by the insurance industry and the State insurance regulators in preparing for Y2K problems. In particular, the Committee will consider insurance solvency issues and the potential losses from duty to defend responsibilities and from coverage exposure related to directors and officers liability policies.

INSURANCE REGULATION

The Committee will oversee the Financial Standards Accreditation program, and will examine recent efforts by the National Association of Insurance Commissioners (NAIC) to regulate investment guidelines, company splits, and producer database networks. The Committee also will review the role of the NAIC in the functional regulation of insurance products offered by non-insurance compa-

nies and agents, the involvement by the NAIC in setting uniform standards for commercial insurance transactions, and the implementation of NAIC proposals to address insurance fraud.

COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND
LIABILITY ACT (CERCLA, COMMONLY KNOWN AS SUPERFUND)

The Committee will continue to conduct oversight with respect to the operation of the Superfund program. In particular, the Committee will be interested in ensuring that the program is achieving its primary goal—cleaning up toxic waste sites—in an efficient and expeditious manner. The Committee will also review the implementation of State cleanup programs and will investigate whether changes to existing Federal laws are necessary to expedite cleanups at toxic waste sites to ensure the protection of human health and the environment.

BASEL CONVENTION

The Committee will conduct oversight on the implementation of the Basel Convention, an international agreement governing the transboundary movement of hazardous materials. The Committee's oversight will help determine whether the United States should become a party to the Convention through the enactment of implementing legislation.

PART B

IMPLEMENTATION OF THE COMMITTEE ON COMMERCE OVERSIGHT PLAN FOR THE 106TH CONGRESS⁴

HEALTH AND ENVIRONMENT ISSUES

MEDICARE AND MEDICAID: WASTE, FRAUD, AND ABUSE

During the 106th Congress, the Committee held hearings and conducted extensive oversight focusing on fraud and abuse in the Medicare and Medicaid programs, as well as methods of reducing the vulnerability of these programs to such activities.

The Committee's oversight activities in the 106th Congress focused upon Medicaid, the joint State and Federal program that provides health insurance coverage, primarily for low-income children, pregnant women, elderly, and blind and disabled individuals. On November 9, 1999, the Subcommittee on Oversight and Investigations held a hearing to assess current State and Federal efforts to combat the problem of fraud and abuse within State Medicaid programs and explore possible means to improve these efforts. The hearing featured the testimony of witnesses from the General Accounting Office (GAO), the Department of Health and Human Services Office of Inspector General (HHS OIG), the Health Care Financing Administration (HCFA), several representatives from State law enforcement and Medicaid program integrity agencies, along with several private companies that currently assist State efforts to detect and prevent Medicaid fraud and abuse. Witness testimony, along with Member questions, identified the need for greater investments in computer technology and program integrity efforts to deter fraud and abuse in this important program. In addition, witnesses identified how certain HCFA regulations currently impede some States' efforts to rigorously pursue false claims.

On July 18, 2000, the Subcommittee on Oversight and Investigations and the Subcommittee on Health and Environment held a joint oversight hearing on Medicaid provider enrollment controls. Such controls, which can include criminal background checks and site visits to a provider's place of business, can be used to screen out of State Medicaid programs individuals with criminal records who are seeking to become providers. The hearing examined how the lack of provider enrollment controls contributed to several recent major fraud cases, and assessed how current State efforts to deter such fraud could be improved. The hearing featured the testimony of a cooperating witness in an ongoing FBI investigation into

⁴For a more complete description of these and other oversight activities by the Committee, see the appropriate subcommittee sections of this report.

Medicaid fraud in California, State and Federal law enforcement and Medicaid program officials working on Medicaid program integrity efforts, and representatives from the General Accounting Office and a company that performs site visits and criminal background checks of both Medicare and Medicaid providers. As a result of this oversight, the Committee is preparing legislation that would create incentives for States to conduct more rigorous screening of providers before allowing them to enroll in their Medicaid programs. As a result of these hearings, legislation has been prepared, which will be introduced in the 107th Congress, to combat the problems identified in both hearings and reduce the Medicaid program's vulnerability to fraud and abuse. In addition, the Chairman of the Full Committee requested that the General Accounting Office survey all State anti-fraud activities and report back to the Committee with recommendations on how these efforts could be improved.

The Committee's oversight activities also focused on the vulnerability of the Medicare program to fraud. On April 6, 2000, the Subcommittee on Oversight and Investigations held a hearing that revealed the findings of a General Accounting Office investigation and report into the activities of a Texas billing company. The report, prepared by GAO's Office of Special Investigations summarized how this company appears to have submitted numerous false claims for services never rendered. The hearing also featured the testimony of witnesses who highlighted the Medicare program's vulnerability to fraud by billing companies, and HCFA's inadequate efforts to reduce this risk by more rigorously supervising such billing companies. The findings summarized in the report were also referred to the Office of Inspector General and the Department of Justice for further investigation and possible prosecution.

HEALTH CARE FINANCING ADMINISTRATION'S MANAGEMENT OF THE MEDICARE PARTIAL HOSPITALIZATION PROGRAM

The Committee's healthcare-related work also continued to review problems with HCFA's oversight of Community Mental Health Centers in the Medicare partial hospitalization program. In the 105th Congress on this topic, HCFA announced a new 10-point plan to address the problem of rampant abuse in the partial hospitalization program. On March 24, 1999, Chairman Bliley wrote to the HCFA Administrator to express his concerns about the implementation of this new plan. The letter noted that, contrary to its previous assertions, HCFA had failed to expel a single questionable provider. The letter also required HCFA to provide additional information about its efforts, to assist the Committee's ongoing efforts to guarantee that the levels of fraud and abuse in the partial hospitalization program are actually reduced.

The Committee continued its examination of the mental health partial hospitalization services program, and approved by voice vote an amendment that would bring reform to this program. The Committee reported an amendment to H.R. 1070, the Breast and Cervical Cancer Prevention and Treatment Act of 1999, that addressed the weaknesses of the partial hospitalization program.

The first element of the amendment excluded from the definition of "partial hospitalization services" items and services that are pro-

vided in a skilled nursing facility, residential treatment facility, or other residential setting. It also required community mental health centers to determine the clinical appropriateness of admissions to inpatient psychiatric hospitals by engaging a full-time mental health professional who is licensed or certified to make such a determination by the State involved. It also required that the Secretary provide for the periodic recertification of each community mental health center that furnishes partial hospitalization services for which payment is made under title XVIII of the Social Security Act, and that the Secretary promulgate regulations for national coverage policies for partial hospitalization services furnished under title XVIII of the Social Security Act using a negotiated rule-making process within one year after the enactment of the bill.

HEALTH CARE FINANCING ADMINISTRATION'S IMPLEMENTATION OF
ANTI-FRAUD BILLING SOFTWARE

In the 106th Congress, the Committee continued its review of the Health Care Financing Administration's use of commercial-off-the-shelf software to process edits to Medicare claims. The Committee monitored HCFA's implementation of its two-year contract with McKesson HBOC. Committee staff requested and received several briefings by HCFA and McKesson HBOC personnel to monitor HCFA's implementation of this anti-fraud software.

HEALTH CARE FINANCING ADMINISTRATION'S IMPLEMENTATION OF
THE BALANCED BUDGET ACT

The Committee held three hearings on Medicare reforms contained in the Balanced Budget Act: two focused on the Medicare+Choice program, the third focused on Medicare fee-for-service policy changes contained in the Balanced Budget Act of 1997.

HEALTH CARE FINANCING ADMINISTRATION'S MANAGEMENT OF FISCAL
INTERMEDIARIES AND CARRIERS, AND OTHER STRUCTURAL CONCERNS

On July 14, 1999 and September 9, 1999, the Subcommittee on Oversight and Investigations held hearings to assess the adequacy of HCFA's oversight of its Medicare contractors, and to highlight concerns identified in the course of the Committee's examination of the anti-fraud efforts of the contractors who review and process Medicare claims and payments. The hearings reviewed the performance of Medicare contractors, focusing particularly on the acts of criminal conduct by certain contractors that were revealed in reports by the GAO released at the hearings. These reports identified weaknesses in HCFA's contractor oversight, widespread non-compliance with HCFA's anti-fraud regulations, and evidence of major fraud perpetrated by these HCFA Medicare contractors. The hearings featured the testimony of witnesses from GAO, the Department of Health and Human Services' Office of Inspector General, HCFA, anti-fraud associations that provide private sector and non-governmental perspectives on the anti-fraud efforts of HCFA, relators from the qui tam cases that first revealed many of the Medicare contractor fraud cases, as well as representatives from the ac-

tual Medicare contractors and associations implicated in the fraud schemes, including the Blue Cross Blue Shield companies.

HEALTH CARE FINANCING ADMINISTRATION'S YEAR 2000 COMPUTER
PROBLEM

On January 26, 1999, Chairman Bliley sent a letter to Donna Shalala, Secretary of the Department of Health and Human Services (HHS), regarding HCFA's efforts to resolve its Year 2000, or Y2K, problem for Medicare claims processing systems. The Medicare program uses seven Medicare claims processing systems, and more than 70 private contractors and financial institutions to process nearly 800 million Medicare claims annually for approximately one million physicians, hospitals, medical equipment suppliers and home health agencies. Because nearly 85 percent of all Medicare claims are submitted and paid electronically, it was crucial that HCFA, its contract carriers, fiscal intermediaries, and providers were Y2K compliant.

On February 9, 1999, Chairman Bliley and two Members of the Committee—Mr. Lazio and Mr. Burr—also requested information from several healthcare associations regarding the status of its members on Year 2000, or Y2K, compliance efforts. These associations included: the American Hospital Association (AHA), the American Medical Association (AMA), the Blue Cross and Blue Shield Association, the American Association of Health Plans (AAHP), the American Association of Homes and Services for the Aging, the American Health Care Association (AHCA), the National Association for Home Care (NAHC), and the Health Insurance Association of America (HIAA). The Committee questioned whether each association was assisting its members with Y2K compliance efforts, whether an auditor had been hired to examine Y2K compliance efforts, the association's overall assessment of its member companies' status in achieving Y2K compliance, whether the association was familiar with outreach programs by the Health Care Financing Administration (HCFA) on Y2K, and whether any of the association's member companies had utilized HCFA's programs.

Over the next few months, the Committee received responses from HCFA and all of the healthcare associations, and the Subcommittees on Oversight and Investigations and Health and Environment held a joint oversight hearing, on April 27, 1999, to gain insight on the status of Medicare providers in preparing for Y2K. The hearing consisted of two panels of witnesses, including representatives from HCFA, the GAO, the HHS Office of Inspector General (OIG), AMA, AHA and NAHC. Nancy-Ann Min DeParle, the head of HCFA, testified at the hearing, providing updates and assurances on HCFA's Medicare claims processing systems. The hearing also raised concerns about the readiness of the health care providers for Y2K, and highlighted the need for all healthcare providers to be Y2K compliant and to have contingency plans in place by January 1, 2000.

Due to concerns raised at the hearing on April 27, 1999, the Committee sent a letter to GAO requesting that it undertake a review of a number of issues, including a review of HCFA's efforts to ensure that Medicare providers will be Y2K compliant, a review

of the main segments of the Medicare provider community and the progress each was making on Y2K compliance, and a review of the surveys that had been conducted to date regarding the Y2K compliance of the Medicare provider community. In July 1999, GAO released its report, entitled "Year 2000 Computing Crisis: Status of Medicare Providers Unknown," concluding: (1) HCFA was conducting numerous outreach activities, but provider participation was low; (2) Medicare contractor testing with providers had been limited and reported results were not encouraging; and (3) insufficient information was available from surveys to assess the Year 2000 status of healthcare providers.

Throughout the remainder of 1999, the Committee continued to meet with provider groups, HCFA, GAO, the HHS OIG, and others to ensure that HCFA and its Medicare providers would be Y2K compliant by December 31, 1999, resulting in few reported incidents at the start of the new year that presented significant problems for HCFA, its providers, or consumers.

REVIEW OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES
PROGRAMS AFFECTING CHILDREN AND FAMILIES

As part of an on-going examination of HHS programs affecting children and families, the Committee moved forward with hearings on children's health programs, and enacted H.R. 4365, the Children's Health Act, into law (Public Law 106-310).

The legislation is a multi-faceted approach to remedying the public health challenges facing American children, addressing adoption awareness for infants and special needs children; autism; research and development regarding fragile x; juvenile arthritis and related conditions; diabetes among children and youth; asthma services for children; birth defects prevention activities through a national folic acid education program; hearing loss in infants; children and epilepsy; safe motherhood and infant health promotion; pediatric research initiative; childhood malignancies; traumatic brain injury; child care safety and health grants; authorization for the healthy start initiative, including increased access to ultrasound screenings and prenatal surgery; oral health; vaccine-related programs; hepatitis C; autoimmune diseases; graduate medical education programs in children's hospitals; pediatric organ transplantation; muscular dystrophy research; Tourette Syndrome awareness; childhood obesity prevention; childhood lead poisoning; screening for heritable disorders; metabolic disorders.

The legislation also reauthorizes programs within the Substance Abuse and Mental Health Services Administration (SAMHSA) to improve mental health and substance abuse services for children and adolescents, to implement proposals giving States more flexibility in the use of block grant funds with accountability based on performance, and to consolidate discretionary grant authorities to give the Secretary more flexibility to respond to the needs of those who need mental health and substance abuse services while permitting faith-based charities to compete for grants on an equal footing with secular institutions, similar to the provisions of §. 979. It also provides a waiver from the requirements of the Narcotic Addict Treatment Act, which would permit qualified physicians to dispense and prescribe schedule III, IV, or V narcotic drugs or com-

binations of such drugs approved by FDA for the treatment of heroin and other opioid addictions. It also provides a comprehensive strategy to combat use of methamphetamine and other “club drugs” abused by America’s young people.

THE DEPARTMENT OF HEALTH AND HUMAN SERVICES DEADBEAT
PARENT PROGRAM

The Committee conducted a review of the Department of Health and Human Services’ deadbeat parent program. Specifically, on February 24, 1999, the Subcommittee on Oversight and Investigations held a hearing on the implementation of a new joint Federal-State-local child support enforcement program called Project Save Our Children (PSOC). The purpose of the hearing was to assess the Department of Health and Human Services’ role in the program, and to examine the results of the initiative following its first year in operation.

The first panel of witnesses featured custodial parents with delinquent ex-spouses who had been identified, located, and prosecuted by the PSOC multi-agency task force in order to force them to pay their outstanding child support obligations. The second panel consisted of witnesses from various Federal and state child welfare agencies, as well as a local sheriff department investigator and an attorney for the Center for Law and Social Policy. The hearing provided the Committee an opportunity to gain insight into this new program before the program was expanded to 17 States, and to highlight the importance of cracking down on deadbeat parents.

ADOPTION

The Committee continued to study adoptions to ensure that pregnant women are appropriately informed about adoption. After discussions and negotiations with adoption and foster care advocates, as well as representatives from the pro-life community and the abortion industry, the Committee was successful in enacting the Infant Adoption Awareness Act as part of H.R. 4365, the Children’s Health Act, into law (Public Law 106–310). This legislation would set up a training program by which clinic workers and others could receive professional in-service training in educational adoption counseling. If properly trained, these counselors would be equipped to provide valuable information on adoption to their clients.

TITLE V ABSTINENCE EDUCATION PROGRAM

The Committee continued to monitor the progress of an HHS evaluation of this important program. Staff met with the consultants hired to conduct the study, as well as the HHS personnel who are supervising it.

THE STATE CHILDREN’S HEALTH INSURANCE PROGRAM

When S-CHIP was enacted in 1997, each state and territory was allocated a specific amount of money to be spent on children’s health insurance coverage. While a number of states have not spent all of their allotted funds, others have exhausted their allotment. The Committee has continued to examine the allocation of S-

CHIP resources, and the presumptive eligibility for S-CHIP benefits, and such matters were addressed by the Committee in H.R. 5291, the Beneficiary Improvement and Protection Act of 2000.

HUMAN PAPILLOMA VIRUS (HPV) AND CERVICAL CANCER

In order to increase awareness about cervical cancer and educate the public on the link between HPV and cervical cancer, the Committee held the first-ever congressional hearing on cervical cancer on March 16, 1999. The hearing focused not only on the causes of cervical cancer, but also new advances being made in cervical cancer detection, prevention and treatment. Currently, pap smears at least once a year comprise the accepted medical practice for cervical cancer detection and prevention. However, current pap smear testing does not detect every strain of HPV. At the hearing, Senator Mack and Ms. Eshoo testified regarding a concurrent resolution recognizing the severity of cervical cancer. On the second panel, the Centers for Disease Control and Prevention (CDC) and NCI testified. According to CDC testimony, it is now estimated that approximately five million new cases of genital HPV occur in the United States each year, making it the most common of all STDs. While it is further estimated that at least 50 percent of sexually active men and women will acquire genital HPV infection at some point in their lives, most strains of HPV do not cause cancer. On the last panel, a cervical cancer survivor, a practicing physician, the American Medical Women's Association, and the American Society of Clinical Pathologists testified.

The Committee's oversight hearing exposed that the available scientific evidence points to a small number of strains of HPV that cause cancer. Despite this link between cervical cancer and HPV, Federal health authorities do not track HPV infections, and do not warn women about the heightened risk of cancer or the fact that condoms do not prevent HPV transmission. The Committee's oversight led to the enactment of provisions in H.R. 4386 and the Labor, Health and Human Services appropriations act for Fiscal Year 2001, that would require the Federal government to begin tracking data on HPV transmission, conduct HPV prevention studies and analysis, and review whether warning labels on condoms are medically adequate. For additional information on this legislation, see H.R. 4386 in the legislative activities portion of the Subcommittee on Health and Environment section of this report.

CANCER RESEARCH

The Committee's continuing work in this area led to legislation to provide medical assistance for certain women screened and found to have breast or cervical cancer under a Federally-funded screening program: H.R. 4386, the Breast and Cervical Cancer Treatment Act of 2000 (Public Law 106-354).

DRUG ABUSE TREATMENT AND PREVENTION

The Committee's review of drug abuse treatment programs, through such fora as the July 30, 1999 hearing entitled "The Drug Addiction Treatment Act of 1999," led to significant programs included in H.R. 4365, the Children's Health Act (Public Law 106-

310). This law reauthorizes programs within the jurisdiction of the Substance Abuse and Mental Health Services Administration (SAMHSA) to improve mental health and substance abuse services for children and adolescents, to implement proposals giving States more flexibility in the use of block grant funds with accountability based on performance, and to consolidate discretionary grant authorities to give the Secretary more flexibility to respond to the needs of those who need mental health and substance abuse services. The law also provides a waiver from the requirements of the Narcotic Addict Treatment Act, which would permit qualified physicians to dispense (including prescribe) Schedule III, IV, or V narcotic drugs or combinations of such drugs approved by FDA for the treatment of heroin addiction. It also provides a comprehensive strategy to combat methamphetamine and club drug abuse.

ORGAN ALLOCATION REFORM

Over the last two Congresses, the Committee has re-examined the National Organ Transplant Act in general, with special attention given to the matter of organ allocation. On September 22, 1999, the Committee held a hearing on organ allocation, and succeeded in House passage of H.R. 2418, the Organ Procurement and Transplantation Network Amendments of 1999, on April 4, 2000. For further information on this legislation, see the Subcommittee on Health and Environment section of this report.

ASSISTED SUICIDE COVERAGE FOR MEDICAL PLANS

Following the announcement by the State of Oregon that it would provide state Medicaid assistance to low-income individuals seeking assisted suicide, Chairman Bliley sought assurances from Donna Shalala, Secretary of the Department of Health and Human Services (HHS), that the manner in which Oregon implemented physician-assisted suicide into its Medicaid program would in no way violate the requirements of Federal law, which bar the use of Federal funds for such purposes. In response, HHS, the Health Care Financing Administration, and Oregon provided numerous assurances to the Committee that Federal law prohibiting the use of Federal funds to pay for assisted suicide and related services would be respected.

Despite these assurances, the Committee continued its investigation to ensure that no Federal funds were being used in violation of the law. The Committee questioned whether HCFA had ever conducted an "on-site" review of the claims processing procedures in determining whether Oregon was complying with Federal law. Having discovered that no such review had ever taken place, HCFA decided in February 1999 to perform an on-site review. After concluding its initial review, HCFA admitted to the Committee there was a possibility that Federal law had been broken in Oregon by the use of Federal funds for assisted suicide and related services. A subsequent investigation ultimately discovered that, between 1998 and 1999, \$2,334 (\$1,167 in Federal funds) was spent for salaries, payroll and other administrative costs that were not allowable claims under Federal law. These unlawful reimbursements were refunded to the Federal government, and both Oregon and HCFA put

several safeguards into place to ensure that further improper use of Federal funds would not take place. One year following the Committee's investigation, the State of Oregon conducted an audit and determined that, in the year following the Committee's investigation, no funds were used by the State in violation of Federal law.

The Committee's long-standing interest in this area led to House passage of H.R. 2260, the Pain Relief Promotion Act of 1999, amends the Controlled Substances Act to promote pain management and palliative care while reinforcing the illegality of the administration or distribution of drugs for the purpose of assisting in suicide. H.R. 2260 establishes a "Program for Palliative Care Research and Quality" within HHS, and it authorizes a program in education and training in palliative care for physicians and law enforcement officers. For more information regarding this legislation, see the Subcommittee on Health and Environment section of this report.

PATIENT PROTECTION: HEALTH MARKET REFORM AND HEALTH CARE QUALITY

During this Congress, the Committee closely examined the delivery of health care services to Americans through managed care plans, and how patients access to quality care could be improved. Specifically, the Committee held three hearings on proposed reforms to the laws governing managed care plans. On March 24, 1999, the Committee held a hearing that focused on Americans' need to have quality information about their health care and better access to emergency room services and specialty care. In its June 16, 1999 hearing, it examined the problem of America's 43 million uninsured and sought to craft legislation to promote access to health insurance for this population. Finally, on June 26, 1999, the Committee heard testimony from several health care experts regarding the current external appeals processes used by health plans, the problems that have arisen within the existing system and potential ways of resolving them. With respect to legislative action on managed care issues, see the Subcommittee on Health and Environment section of this report.

Further, in an effort to improve patient access to critical healthcare-related information, the Committee also began a review of the adequacy of the National Practitioner Data Bank (NPDB), and whether this confidential database containing malpractice and disciplinary records of doctors and dentists should be opened to the public. During the 106th Congress, the Committee evaluated the effectiveness of the NPDB in improving the quality of health care. The Committee also examined various potential improvements to the Data Bank, including granting public access to the NPDB, expansion of the Data Bank to include criminal convictions, and revisions to entity reporting requirements to the NPDB.

On November 2, 1999, Chairman Bliley sent a letter to the Secretary of the Department of Health and Human Services to express his concern that the NPDB was failing to protect consumers from questionable practitioners and to determine how the operation of the NPDB could be improved. On November 23, 1999, Chairman Bliley sent correspondence to the American Medical Association and the American Hospital Association to garner their views on

possible improvements to the NPDB. Chairman Bliley sent a second letter to the Secretary of the Department of Health and Human Services on February 3, 2000, to obtain information of certain practitioners with an inordinate number of reports in the NPDB. On April 3, 2000, Chairman Bliley sent a third letter to the Secretary of the Department of Health and Human Services and requested the Secretary to clarify the Administration's views on how the NPDB could be used to offer greater protections to patients. Specifically, Chairman Bliley asked the Administration to reconcile its support of public access to the Data Bank in 1993 with its current position that there are significant concerns with providing public access to the NPDB.

On March 1, 2000, the Subcommittee on Oversight and Investigations held a hearing on public access to the Data Bank. The Subcommittee heard from various interested parties on the benefits and disadvantages of giving the public access to the NPDB. The Subcommittee held a second hearing on March 16, 2000, to assess the operation of the National Practitioner Data Bank. As a result of these hearings and the Committee's investigation, on September 7, 2000, Chairman Bliley introduced H.R. 5122, the Patient Protection Act of 2000, which would grant the public access to the NPDB. On September 20, 2000, the Full Committee held a legislative hearing to examine the Patient Protection Act of 2000.

IMPLEMENTATION OF THE FDA MODERNIZATION ACT OF 1997

In 1997, Congress passed the Food and Drug Administration Modernization Act (FDAMA), a wide-ranging piece of legislation affecting key components of the Food and Drug Administration (FDA). Under the authority of the Act, the FDA has issued a variety of rules, guidance documents, and regulatory notices dealing with such issues as the distribution of information about off-label uses for marketed drugs and biologics to treat serious and life-threatening illnesses. Through briefings and meetings with the FDA and interested parties, the Committee closely monitored FDA's activities to ensure FDA's implementation was consistent with the statutory requirements and intent of FDAMA.

IMPORTED DRUGS

Since the summer of 1998, the Committee has been investigating FDA's activities relating to counterfeit bulk drugs. Developments from this investigation led Chairman Bliley to send a letter to FDA Commissioner Jane Henney on May 8, 2000, detailing the Committee's concerns about the lack of FDA leadership and weaknesses in FDA's import system that appear to have left the American people vulnerable to dangerous, counterfeit bulk drugs from abroad. On June 8, 2000, the Subcommittee on Oversight and Investigations held a hearing on counterfeit bulk drugs. The purposes of the hearing were: (1) to examine the FDA's failure to take adequate actions concerning imported bulk drugs and (2) to determine whether the FDA will take adequate actions to prevent crimes, and address public health issues, associated with the introduction of counterfeit, unapproved, or substandard bulk drugs imported into the U.S. healthcare delivery system. The hearing featured the witness for

the Food and Drug Administration, Dennis Baker, FDA's Associate Commissioner for Regulatory Affairs. He testified that maintaining safety and authenticity of imported drug products is a priority and discussed FDA's actions and plans to address the problem.

On October 3, 2000, the Subcommittee on Oversight and Investigations held a follow-up hearing on counterfeit bulk drugs and related concerns. Since the previous hearing of June 8, some of the issues raised about imported counterfeit bulk drugs gained more prominence as the House and the Senate passed legislation on reimportation of U.S.-made prescription drugs. The purposes of the hearing were: (1) to explore any additional concerns about imported bulk drugs and counterfeit drugs generally; (2) to determine whether the FDA is taking and proposing appropriate actions to protect American consumers from imported counterfeit drugs, including reimported drugs; (3) to obtain additional information and proposals on counterfeit drugs from the U.S. Customs Service, the Department of Justice, and the pharmaceutical industry. The hearing featured a panel of federal witnesses. The witness for the Food and Drug Administration, was Jane E. Henney, M.D., Commissioner of Food and Drugs. She testified that maintaining safety and authenticity of imported drug products is a priority and will discuss FDA's actions and plans to address the problem. The witness for the U.S. Customs Service (USCS) was Raymond W. Kelly, the Commissioner of USCS. He discussed the problem of counterfeit drugs generally, and his agency's coordination with FDA's plan to improve detection and interdiction of counterfeit or substandard bulk drugs. The witness from the Department of Justice was Patricia L. Maher, Deputy Assistant Attorney General in the Civil Division. She discussed the Department's views on how to strengthen criminal investigations of counterfeit bulk drugs. A second panel representing industry views featured Nikki Mehringer, the Area Quality Control Leader at Eli Lilly.

In addition to the above oversight, the Chairman and Ranking Minority Member of the Full Committee, and the Chairman and Ranking Minority Member of the Subcommittee on Oversight and Investigations requested in 1999 that GAO provide an update on the status of FDA's implementation of a mutual recognition agreement between the U.S. and the European Union concerning inspections of pharmaceutical facilities.

DRUG TESTING

Through meetings with the Substance Abuse and Mental Health Services Administration (SAMHSA), the FDA, and interested parties, the Committee continued oversight of drug-testing issues. This oversight involved monitoring of the Department of Health and Human Services' efforts to include more advanced drug-testing technologies in the Federal workplace drug testing program, and examining Food and Drug Administration regulation of drug-testing systems.

PRESCRIPTION DRUG SAFETY

In 1998, the Chairman and requestors from the Senate asked the GAO to summarize from available research what is known about

adverse drug events. The GAO concluded that adverse drug events arise either from adverse drug reactions, which are previously known or newly detected side effects of drugs, or from medication errors committed by health care professionals or the patients themselves. Although it is clear that a wide range of commonly used drugs cause adverse drug events with potentially serious consequences for patients, relatively little is known about their frequency. Thus, the magnitude of health risk is uncertain because of limited incidence data.

PATIENT ACCESS TO TREATMENT

The Committee continued its oversight work to ensure seriously-ill patients have early access to treatment, especially in the cases of promising treatment for incurable, life-threatening diseases. One way is to help patients get more information on clinical trials. In consultation with the Food and Drug Administration and other public health contacts, the Committee looked at administrative measures to provide more information to patients. During the 106th Congress, both FDA and the National Institutes of Health began to provide clinical trial information through the Internet.

FALSE CLAIMS ACT

During the 106th Congress, the Committee continued to oversee the Department of Justice's response to concerns relating to its healthcare fraud activities under the False Claims Act. Committee staff were briefed by DOJ attorneys regarding the Department's efforts to improve its performance, including the adoption of new standards for correspondence with providers and establishing working groups to set protocols for initiating new types of cases.

HHS OVERSIGHT OF USE OF FEDERAL RESEARCH AND DEVELOPMENT GRANT FUNDS

On May 1, 1998, the Chairman requested that the GAO investigate the use of federal research and development grant funds by the University of California system in its payments to graduate student researchers (GSRs). The Chairman asked that GAO determine if (1) the compensation paid to GSRs was in accordance with the guidelines set forth in the OMB Circular A-21, "Principles for Determining Costs Applicable to Grants, Contracts, and other Agreements With Educational Institutions"; (2) foreign students were receiving a larger share of federal research funds than resident students as compensation for performing as GSRs; and (3) the university's treatment of GSR compensation for federal income tax purposes was consistent with its actions in charging such moneys to the federal grants under OMB Circular A-21. The GAO found: (1) that the compensation paid to GSRs for services charged to federal research grants sometimes exceeded the allowable costs that could be charged to such grants; (2) although all GSRs receive substantially the same salary for work performed on federal research grants, foreign students receive a proportionally larger share of fee and tuition payments charged to the grants because they pay a higher nonresident student tuition; (3) in light of a pending court case against the University of California on the taxability issue and

opinions from HHS and NIH, GAO did not address whether the tuition remission provided to GSRs should have been taxed or whether the university's treatment of the tuition remission for tax purposes is consistent with the OMB circular.

ON-LINE HEALTH CARE

During the 106th Congress, the Committee followed the development of a number of Internet healthcare issues. In particular, the Committee focused on the growing number of companies distributing prescription pharmaceuticals over the Internet. Although the Committee identified various potential benefits that the on-line distribution of pharmaceuticals can provide for patients, the Committee also identified many areas of potential fraud and abuse that pose a threat to the American people and may undermine the public's confidence in legitimate Internet pharmacies.

The Subcommittee on Oversight and Investigations held a hearing on the benefits and risks of Internet pharmacies, followed by a second hearing that examined what progress the Federal and state agencies had made in enforcing current law regarding the sale and dispensing of pharmaceuticals over the Internet. In addition, the second hearing examined the increase of pharmaceuticals and over-the-counter medications being sent into the United States from foreign countries, including the lack of uniformity on what products are allowed into the U.S.

The Committee's two hearings on this matter, and the General Accounting Office report requested by the Committee, confirmed the need for narrowly-tailored legislation to protect consumers from rogue sellers of prescription drugs who use the Internet. In response, the Chairman Bliley introduced H.R. 5476, Internet Prescription Drug Consumer Protection Act of 2000, a bipartisan Committee effort to address these major concerns.

REVIEW OF NATIONAL INSTITUTES OF HEALTH GRANTS

In 1999, because of concerns about NIH oversight and monitoring of extramural grants, the Chairman and the Subcommittee Chairman asked GAO to report on: (1) how NIH monitors the scientific progress of extramural research, (2) whether NIH has controls to ensure the effective financial management of extramural research grants, and (3) how NIH used the increased funds from its fiscal year 1999 appropriations to support extramural research. The GAO found that NIH had developed policies and procedures to carry out oversight functions of monitoring scientific progress and financial management of the grants, but the GAO identified areas in the system of internal controls that could be strengthened. Regarding NIH's use of fiscal year 1999 appropriations, about 41 percent of the increase for extramural grants was used to expand the number of competitive grants and to increase the average amount awarded for competitive grants. The remaining funds were used to provide out year commitments to more than 20,000 ongoing grants, support for extramural research centers, and other extramural research activities.

CONTROL OF BIOLOGICAL AND CHEMICAL WARFARE MATERIALS

Due to the Chairman's concerns about the adequacy of Federal controls on the possession, use and transfer of biological agents such as anthrax and the ebola virus that could be used for criminal or terrorist purposes, the Committee launched a review in late 1998 of the current regulatory and legal schemes. In April 1996, Congress passed a law that, for the first time, required the CDC to identify—and regulate the transfer of—those biological agents whose misuse could pose a severe threat to public health and safety. The law was passed in response to concerns that it was too easy for individuals to gain access to and possess biological agents that could be used for terrorist and other criminal purposes. However, mere possession of a biological agent—without evidence of any intent to use the agent as a weapon—was not made unlawful, regardless of the possessor's past criminal record or lack of scientific credentials (a state of law that continues to this day). CDC issued final regulations pursuant to this statutory mandate, which became effective on April 15, 1997, identifying roughly 40 "select agents" whose transfers would be regulated. Under the regulations, any person that either transfers or receives a select agent must register with CDC and receive its approval prior to such transfer or receipt. Notably, the scheme does not require individuals who gained possession of these agents prior to April 15, 1997 to register with CDC or comply with any of the other safety and administrative requirements. Nor does the CDC rule require individuals who develop these agents on their own to register their possession, even if they were developed after the effective date of the regulations.

In January 1999, Committee staff began interviewing interested parties within the Federal government and non-governmental organizations in order to assess the current scope and adequacy of regulations governing the possession and use of biological agents. During these interviews, concerns were expressed by law enforcement officials and some members of the scientific community that the current CDC regulations exempt too many entities that possess or use these select agents, and that both the public health and law enforcement would benefit from tightening up the existing regulations. Specifically, they have argued that the CDC regulations should be expanded to govern all cases of possession (not just transfers), so that the Federal government would be notified of all legitimate possessors and could ensure minimum safety requirements. From a law enforcement perspective, the Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI) have argued that an expanded registration scheme would assist law enforcement by providing a tool to use against individuals caught in possession of these select agents without having registered with the Federal government. DOJ and the FBI also have expressed concern that the burden under current law of proving intent to use as a weapon in order to prosecute someone for unlawful possession provides a large loophole for questionable possessors of these dangerous agents to avoid prosecution.

The Committee's review also revealed the slow pace of action by the Clinton Administration to address these law enforcement concerns, which had been raised within the Administration for several

years prior to the Committee's oversight but had been blocked by concerns raised by CDC and HHS regarding the impact of tighter regulations on the academic and scientific communities. In March 1998, Attorney General Reno testified that she was concerned about the current state of Federal law in this area—particularly, the unregulated possession issue—and that the Department was actively reviewing legislative proposals to address some of its concerns with Federal criminal statutes and CDC's regulations. However, when President Clinton announced his anti-terrorism initiatives on January 22, 1999, they did not include any changes in either the Federal criminal statutes or the CDC regulations to enhance the prevention of biological terrorism. That same day, Chairman Bliley wrote to the President, urging him to focus on preventing biological terrorist attacks by reviewing the questions of access and possession. Chairman Bliley also wrote to Attorney General Reno in March 1999, reminding her of her prior testimony on this subject and inquiring into the status of the Department's legislative and regulatory proposals.

On May 12, 1999—a week after the Committee notified the Administration that it planned to hold an oversight hearing on this topic—the Administration announced that its soon-to-be-released omnibus crime bill would contain several provisions strengthening current law in the area of biological agents, including barring the unauthorized possession of certain deadly biological agents by anyone, and preventing certain categories of individuals—such as felons and fugitives—from possessing any such agents, presumably through some form of background checks.

On May 20, 1999, the Subcommittee on Oversight and Investigations held a hearing on the Threat of Bioterrorism in America: Assessing the Adequacy of Federal Laws relating to Dangerous Biological Agents, and heard testimony from two panels of witnesses. The first panel consisted of governmental witnesses from DOJ, FBI, CDC, and HHS, all of whom now expressed support for regulating possession, as well as transfers, of such agents, and otherwise enhancing both Federal laws and regulations in this area. The second panel consisted of non-governmental witnesses from the academic and scientific communities, all of whom also conceded (and in some cases advocated) the need for tighter controls on who may possess such deadly agents and for what purposes, and for improved Federal oversight. Subsequent to the hearing, the Committee continued to press the Administration for specific proposals to improve Federal law and regulations in this area, which finally resulted in a package of reforms sent to Congress in December 1999.

THE ENVIRONMENTAL PROTECTION AGENCY'S MANAGEMENT AND OPERATIONS

During the 106th Congress, the Committee continued its general oversight of the Environmental Protection Agency's (EPA) management, structure, and operations, including the agency's budget and funding decisions, research activities, relations with State and local governments, and program implementation. Following are some of the specific issues upon which the Committee conducted such oversight.

THE ENVIRONMENTAL PROTECTION AGENCY'S IMPLEMENTATION OF
RECENTLY ESTABLISHED AIR QUALITY STANDARDS AND PROGRAMS

The Committee continued its review of the Environmental Protection Agency's implementation of new National Ambient Air Quality Standards (NAAQS) for ozone and particulate matter (PM) which were issued in final regulations in July 1997. The Committee staff received briefings from EPA and evaluated the agency's actions with respect to the new NAAQS, both in terms of direct implementation of the standards themselves and other regulatory activity associated or dependent upon the existence of the new standards.

Of note to the Committee is pending litigation concerning the legal basis of the standards. Specifically, on November 7, 2000, the U.S. Supreme Court heard oral arguments on EPA's appeal of the lower court decision rendering the standards unenforceable. The Supreme Court is expected to rule on EPA's appeal in mid-2001.

THE ENVIRONMENTAL PROTECTION AGENCY'S HANDLING OF
ENVIRONMENTAL JUSTICE CLAIMS

In February 1998, EPA issued the Interim Guidance for Investigating Title VI Administrative Complaints (Interim Guidance) setting forth how the Agency would process "environmental justice" claims filed against State environmental agencies under the legal theory that a State environmental permitting decision discriminated against a protected class of citizens, such as racial minorities. Many State and local government organizations, such as the National Governors Association, the Environmental Council of States (ECOS), and the U.S. Conference of Mayors, complained that EPA should have consulted with States, local governments, and other stakeholder groups prior to issuing the Interim Guidance. These groups also complained that the Interim Guidance would hurt urban revitalization and the redevelopment of contaminated brownfields.

During the 106th Congress, the Committee continued its review of EPA's efforts to issue a final guidance on environmental justice and other environmental justice issues. During the 106th Congress, Committee staff met regularly with Ann Goode, Director of EPA's Office of Civil Rights, to discuss the steps she was taking to ensure stakeholder input into the revised Title VI guidance, and to receive updates on the progress EPA was making toward issuing a revised guidance. Chairman Bliley wrote to Administrator Browner on December 1, 1999, to request the latest draft of the revised guidance document. Chairman Bliley also wrote a second letter to Administrator Browner on December 1, 1999, to express concern regarding public statements attributed to Agency officials about EPA's Select Steel decision (the only Title VI complaint that EPA has resolved on the merits to date). The letter also severely criticized EPA for, and requested information about, the handling of environmental justice investigations in the South Bronx in New York City, and Indianapolis, Indiana—both of which were the subject of leaked press reports indicating questionable Agency, and even White House, activity with respect to pending enforcement actions.

EPA issued its revised draft guidance on June 16, 2000, roughly six years after President Clinton and EPA Administrator Browner committed to developing an environmental justice policy. Committee staff was briefed by Ann Goode on June 16, prior to EPA's release of the revised guidance to the general public. Ann Goode briefed Committee legislative assistants on the revised guidance on June 26, 2000, and met with Committee staff again on June 27 to answer additional questions pertaining to the revised guidance. The revised guidance, which was not actually printed in the Federal Register until June 27, 2000, was subject to a 60-day comment period, during which EPA received more than 120 comments. Committee staff requested and received copies of the comments that were filed on the revised guidance, which raised many of the same criticisms and praises directed at the interim guidance. As of this date, EPA has not decided whether to further revise its guidance or issue the June guidance document as final.

As part of the Committee's oversight of EPA's development of the Title VI guidance, Chairman Bliley wrote to Administrator Browner on April 13, 2000, to request a draft of the Integrated Federal Interagency Environmental Justice Action Agenda (Action Agenda), a government-wide effort being coordinated by EPA that is designed to address environmental justice concerns. Committee staff was briefed on this matter on April 18, 2000, by Barry Hill, Director of EPA's Office of Environmental Justice, and other EPA officials. Chairman Bliley also sent a letter to Administrator Browner on September 18, 2000, requesting information from the Agency about its efforts to follow up on recommendations made by the U.S. Commission on Civil Rights (Commission) in its 1996 report on EPA's Title VI program. The letter requested that EPA inform the Committee what actions it took with respect to the more than 70 recommendations made by the Commission, and provide documents in support of what actions the Agency took or did not take with respect to those recommendations. Committee staff currently is reviewing EPA's response to Chairman Bliley's September letter.

INTERNET PUBLICATION OF RISK MANAGEMENT PLANS UNDER THE CLEAN AIR ACT

On February 10, 1999, the Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigations held a joint hearing on the national security, public safety impact, and benefits of public disclosure of electronic dissemination of worst-case scenario chemical release data to be collected by the Environmental Protection Agency (EPA) under Section 112(r) of the Clean Air Act (CAA). In accordance with this section, EPA published a "Risk Management Program" rule on June 20, 1996 that required an EPA-estimated 66,000 facilities nationwide to send EPA by June 1999 a "Risk Management Plan" (Plan) containing, among other things, what is commonly known as "worst-case scenario" data—that is, identification of potential accidental chemical release points within each facility, the precise quantities of specific chemicals associated with each of those potential release points, and an estimate of the injuries to human health that could result from a worst-case accident scenario. Section 112(r) required that these Plans be made available to the public, but the statute did not

specify the method by which the information should be disseminated to the public.

In 1998, EPA proposed disseminating these Plans to the public, including the worst-case scenario data, by posting them in a searchable electronic format on the agency's Internet website. EPA's proposal was met with substantial opposition from law enforcement agencies, the Federal Bureau of Investigation, and other public safety officials who expressed concerns that the searchable electronic format could be used as a targeting tool by terrorists. Community and pro-information disclosure groups supported widespread dissemination of information relating to risks faced by the communities.

Committee Chairman Tom Bliley wrote to EPA to express concerns about the agency's plans. In late October 1998, EPA and the FBI reached an agreement under which EPA would not post the worst-case scenario data on the agency's Internet site, although EPA would continue to work to ensure that State and local governments and their citizens had access to such critical data about the facilities located in their particular communities. However, the agreement would not prevent the release of this information in a searchable electronic format under the Freedom of Information Act.

The Subcommittees heard testimony from a panel of experts in the field of law enforcement and emergency response. The Subcommittees also heard testimony from representatives of the FBI and EPA, the principal Federal agencies involved in designing a dissemination plan, as well as interested environmental, community safety, and industry representatives. The Committee subsequently developed a bill, which was passed by Congress and ultimately signed into law by the President, that addresses dissemination of worst-case scenario data.

THE ENVIRONMENTAL PROTECTION AGENCY'S PROPOSED REGULATION OF PEST-RESISTANT PLANTS AS PESTICIDES

During the 106th Congress, the Committee continued to monitor the status of EPA's proposed rule that would regulate pesticide-resistant plants as pesticides. Committee staff conducted a review of the relevant studies and literature on the issue, and met with interested parties to gather additional information about the basis and implications of EPA's proposed regulatory effort. At this time, the proposed rule is at the Office of Management and Budget awaiting approval before it can go to the Administrator of EPA for her signature.

MERCURY EMISSIONS AND EXPOSURE STANDARDS UNDER THE CLEAN AIR ACT

During the 106th Congress, the Committee continued its inquiry into the activities of several Federal agencies regarding the implementation of the mercury-related provisions of the Clean Air Act Amendments of 1990. The Committee requested and received numerous briefings and documentary materials from relevant officials, including the Agency for Toxic Substances and Disease Registry's draft Toxicological Profile for Mercury (Draft Profile), EPA's

comments on the Draft Profile, and several scientific case studies on the toxic effects of mercury in humans.

THE ENVIRONMENTAL PROTECTION AGENCY'S DIESEL ENGINE
CERTIFICATION PROGRAM

During the 106th Congress, the Committee continued its review of EPA's diesel engine certification program. On October 28, 1998, Attorney General Reno and EPA Administrator Browner announced a settlement of claims in the enforcement action against diesel engine manufacturers for allegedly using electronic engine control "defeat devices" to circumvent Federal emission standards.

The Committee continued to receive and review information from EPA pertaining to the diesel engine enforcement action during 1999. As part of the Committee's investigation, Committee Majority staff traveled to Ann Arbor, Michigan in February 1999 to meet with several EPA officials who were familiar with the diesel engine certification program. Committee Majority staff learned that EPA was repeatedly warned by internal and outside experts, as far back as 1991, that the diesel truck engines the Agency certified as being in compliance were emitting pollutants in excess of the regulatory standard. Committee Majority staff further learned that EPA itself acknowledged the possibility of this problem in a related 1993 rule-making, but nonetheless took no further action to investigate whether these excess emissions were occurring until 1997. Majority staff learned that in 1997 such emissions were "first discovered"—according to EPA officials—as part of an unrelated audit, and not as part of an intentional effort by EPA to investigate whether electronic controls were being used to circumvent or defeat applicable emission standards.

The Majority staff report on this oversight effort, issued by Chairman Bliley on March 23, 1999, contained the above findings, and also characterized EPA's testing protocol for measuring emissions of diesel engines, known as the Federal Test Procedure (FTP), as flawed, outdated, and capable of being circumvented by electronic engine controllers being used by diesel engine manufacturers. The report also stated that EPA was aware of the deficiencies in the FTP, but nonetheless did not revise it until the 1998 settlement with certain diesel engine manufacturers. Published reports recently indicated that the diesel engine manufacturers have requested that EPA alter the terms of the settlement agreement reached with EPA and the Department of Justice, in order to provide additional flexibility in meeting the agreed upon emission targets.

THE ENVIRONMENTAL PROTECTION AGENCY'S FAILURE TO ENFORCE
CLEAN AIR ACT REQUIREMENTS AGAINST "SIGNIFICANT VIOLATORS"

Committee Majority staff reviewed documentation and interviewed various parties regarding the findings of certain audits conducted by the Environmental Protection Agency's Office of Inspector General (EPA IG). In the view of the Majority staff, these findings revealed that certain States and EPA's regional offices had failed to properly enforce the Clean Air Act with respect to "significant violators," due to inconsistent application of Federal law

among the various EPA regions and by individual States, as well as a lack of oversight by EPA headquarters.

THE ENVIRONMENTAL PROTECTION AGENCY'S ENVIRONMENTAL INFORMATION PROGRAMS

During the 106th Congress, the Committee closely monitored and reviewed developments and activities relating to EPA's creation and operation of the Office of Environmental Information (OEI). Committee staff were provided briefings and met routinely with Agency officials about key initiatives proposed by that office, including the Integrated Information Initiative, the OEI Reorganization, the Cumulative Risk Screening Tool, the Cumulative Exposure Project, the TRI Risk Indicators Model, and the CBI substantiation proposed rule. In addition, the Committee conducted detailed assessments of cyber security at EPA, resulting in major upgrades to EPA's information systems and security.

GLOBAL CLIMATE CHANGE

In June 1992, the United States signed the Framework Convention on Climate Change (Rio Treaty), which provided for developed countries to aim to reduce their greenhouse gas emissions to 1990 levels by the year 2000. In 1997, U.S. negotiators agreed to support the Kyoto Protocol which was designed to strengthen and extend the commitments of the Rio Treaty beyond the year 2000. During 1999-2000, U.S. negotiators continued work to reach agreement on the detail of implementing the Kyoto Protocol. Commerce Committee observers attended the international negotiations in Bonn, Germany and The Hague, Netherlands and continued to monitor the process of these agreements.

SAFE DRINKING WATER AMENDMENTS

The Health and Environment Subcommittee held two hearings concerning the implementation of the 1996 Safe Drinking Water Act Amendments. On October 20, 1999, the Subcommittee reviewed the status of implementing the 1996 Amendments and the conduct of safe drinking water research programs. On September 19, 2000, the Subcommittee again reviewed the status of implementing the 1996 Amendments, as well as the funding of state programs to implement the 1996 Amendments.

The October 20, 1999 hearing included testimony from the EPA Assistant Administrator for Research and Development, the EPA Director of the Office of Groundwater and Drinking Water, and the United States General Accounting Office Director of Environmental Protection Issues. The Subcommittee also received testimony from a representative of publicly and privately-owned water companies, the Association of California Water Agencies and a representative of the Natural Resource Defense Council. This hearing reviewed provisions of the 1996 Amendments that require the establishment of new drinking water regulations taking into account those contaminants that present the greatest risk to public health and the best available science and technical information on such contaminants. The Subcommittee also received a report from GAO indicating that, although EPA's research budget had doubled in the

last 5 years, EPA did not have research plans for significant portions of its regulatory work load, did not have an overall estimate of the resources needed for drinking water research, and did not have an effective tracking system to understand the progress of the research that it was conducting.

The September 19, 2000 hearing included testimony from the EPA Assistant Administrator for Water and the GAO Director for Environmental Protection Issues. The Subcommittee also received testimony from the State of Vermont Director of Environmental Conservation, as well as representatives of the American Water Works Association, the American Metropolitan Water Association, the National Association of Water Companies and the Natural Resource Defense Council. The GAO testimony indicated that, while available Federal resources were presently sufficient for state drinking water programs, state program funding was less than the estimated need for such spending and that program requirements would increase in future years. GAO also indicated that States currently are experiencing personnel shortages in their drinking water programs due to such factors as State personnel ceilings and inadequate salaries and that States expect such shortages to increase in future years. The hearing further explored pending and future rulemakings required by the 1996 Amendments, including rulemakings for arsenic and radon. Additionally, the hearing examined the effect of funding and implementation efforts on public health and safety of drinking water supplies. The hearing also examined the adequacy of State implementation of source water protection programs.

TELECOMMUNICATIONS, TRADE, AND CONSUMER PROTECTION ISSUES

YEAR 2000 PROBLEM

Concerned about the potential impact the failure of computer systems due to the Year 2000 problem could have had on the nation, the Committee reviewed the efforts of the private sector and Federal agencies to remediate Y2K problems and develop contingency plans if necessary. As noted elsewhere in this report, the Committee conducted oversight of the insurance industry's Y2K efforts, as well as those of the Health Care Financing Administration and the Medicare program's major health care providers and contractors. The Committee also met with the major securities firms and exchanges to review their Y2K compliance efforts, and were briefed by Department of Energy officials on oil, gas, and electricity transportation and distribution readiness for Y2K.

ELECTRONIC COMMERCE: DOMAIN NAME SYSTEM

During the 106th Congress, the Committee continued to examine the Administration's plan to inject competition into the assignment of Internet domain names—such as registering .com, .net and .org domain names—which previously had been done by a single government-sanctioned company named Network Solutions, Inc., under an exclusive cooperative agreement with the Department of Commerce. In September 1998, the cooperative agreement for man-

agement of the Internet Domain Name System (DNS) between the U.S. government and Network Solutions was transferred from the National Science Foundation to the Department of Commerce. Since that time, the Committee has conducted oversight of the ongoing management of the DNS to ensure its stability during the transition of management from the Federal government to the private sector. The smooth functioning of this system is essential to the stability and growth of the Internet, and Chairman Bliley was concerned about several aspects of the Administration's handling of this matter. The Committee also has been closely following the activities of the Internet Corporation for Assigned Names and Numbers (ICANN) since the selection of this non-profit corporation by the Department of Commerce to assume management functions of the DNS from Network Solutions.

On June 22, 1999, Chairman Bliley wrote to Esther Dyson, chair of the board of directors of ICANN, raising questions about the formation of the interim board of directors of ICANN, the authority granted to the interim board of directors (including the authority to impose a \$1 per domain name fee), and the annual budget of ICANN. That same day, the Chairman wrote to Commerce Secretary William Daley concerning the relationship between the Department of Commerce and ICANN. The Committee inquired about the authority of ICANN to negotiate agreements with domain name registrars and domain name registries, the authority of ICANN to impose a \$1 per domain name fee, and the scope of the Department's oversight of ICANN's activities. After the Chairman's objections, the \$1 tax idea was dropped. The new board also changed its policies to open its meetings to the public, another reform resulting from the Committee's oversight and criticism.

On July 22, 1999, the Subcommittee on Oversight and Investigations held a hearing to address the management of the DNS. The hearing focused on the efforts by the Administration to transfer management functions of the DNS from government control to ICANN. The hearing also examined closely a number of actions by ICANN's interim board—such as its imposition of a \$1 per domain name tax on registrants, and its decision to exclude the public from portions of its board meetings—that called into question whether ICANN was exercising sound judgment and making well-informed decisions. The oversight hearing also explored whether ICANN and the Department of Commerce, which oversaw the Administration's efforts in this area, were creating the type of transparent, consensus-based, standards-setting organization contemplated in the Administration's privatization plan. Witnesses included representatives of ICANN, Network Solutions, the Commerce Department, domain name registrars and academic experts on the DNS.

The July 22nd hearing featured testimony from three panels of witnesses. The first panel consisted of representatives from the National Telecommunications Information Agency (NTIA) (which is part of the Commerce Department), Network Solutions, and ICANN. This panel focused on the Administration's conception and implementation of its plan to transfer the management of the DNS from the public sector to the private sector, how ICANN was selected, ICANN's decision-making and accountability, and the interaction between the panel's three organizations during the transfer

of the DNS. The second and third panels consisted of nine witnesses from various corporations, industry and consumer groups with interests in the management of the DNS. They shared with the Committee their experiences related to the actual implementation of competition for domain name registration services, as well as their views on how ICANN's present policies will affect future management of the DNS.

On July 28, 1999, the Chairman wrote to Attorney General Janet Reno concerning contacts between the Department of Justice and ICANN regarding the ongoing Justice Department anti-trust investigation of Network Solutions. The Committee was concerned about the propriety of such contacts in light of the continuing negotiations between ICANN and Network Solutions on a registrar agreement. That same day, the Chairman also wrote to ICANN Board Chair Esther Dyson regarding contacts between ICANN's chief outside counsel and the Department of Justice regarding the anti-trust investigation of Network Solutions. The Committee requested a full accounting of such contacts, and inquired if such contacts had been approved by the board of directors of ICANN.

On August 4, 1999, the Chairman wrote to Charles F. Ruff, Counsel to the President, concerning contacts between ICANN and an employee of the Executive Office of the President regarding fund-raising activities on behalf of ICANN. The Committee inquired if the employee in question were undertaking the fund-raising activities in an official capacity, and the extent of any fund-raising activities on behalf of ICANN. The Committee also inquired about the ethics guidelines for fund-raising activities by employees of the Executive Office of the President. Further, on August 18, 1999, the Chairman wrote a letter to ICANN Board Chair Esther Dyson regarding the financial status of ICANN and fund-raising activities by ICANN. The Committee inquired about efforts by ICANN to solicit funding from the private sector and from the Federal government, including outstanding loans or other financial arrangements. As a result of these letters, the Committee learned of contacts made by an employee of the Executive Office of the President to a number of individuals and corporations to solicit funding to support ICANN. The Committee also learned of a number of financial arrangements between ICANN and corporations as a result of ICANN's broader solicitations, including those by the employee of the Executive Office of the President.

ELECTRONIC COMMERCE: ON-LINE PRIVACY

On July 13, 1999, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the status of privacy protections for online consumers. The Subcommittee received the FTC's findings and recommendation on privacy self-regulation from its recently released report. In addition, the Subcommittee reviewed two industry-wide surveys of the privacy policies and practices of commercial websites. The hearing explored the efforts of industry to develop self-regulatory guidelines to protect the privacy of online consumers and the need for government regulations to establish minimum privacy protections for consumers. Witnesses included the Chairman and Commissioners of the FTC and representatives from industry and privacy advocates.

On October 11, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on recent developments in privacy protections for consumers. The Subcommittee reviewed a recent GAO report comparing the privacy policies of Federal government websites to the privacy policies of commercial websites. The hearing also explored other developments such as the latest privacy-enhancing technologies, recent efforts by the Internet advertising industry to promote standardized privacy practices and the status of privacy policies of commercial websites. Witnesses included representatives from the GAO, relevant federal agencies, representatives from industry, and privacy advocates.

POSSIBLE PAYOLA ABUSES

The Committee examined the relationship between the radio broadcast industry and the recording industry to determine whether adequate protections are in place to prevent payments for the inclusion of any matter in a broadcast without disclosure to the public. The Committee conducted meetings and conversations to determine whether the radio broadcast industry is complying with current prohibitions on payola. Further, the Committee conducted a hearing to examine the Clinton Administration's anti-drug advertising campaign to determine whether existing law on payola notices needs to be expanded or refined.

CELL SITING ON FEDERAL PROPERTY

The Committee examined procedural barriers that prevented commercial wireless companies from siting wireless towers on Federal property and thus from completing a seamless wireless network for the benefit of consumers and increased public safety. In particular, the Committee examined the established procedures of the National Park Service (NPS) and General Services Administration (GSA) to consider wireless tower applications. As a result, GSA and NPS agreed to permit the siting of towers in specific locations and to simplify the review of their respective process for considering and approving applications.

THE ROLE OF TELECOMMUNICATIONS SERVICES IN PRIMARY AND SECONDARY EDUCATION

The Committee continued its examination of Federal and private technology programs that facilitate the educational techniques currently employed in our nation's schools. The Committee worked with the Committee on Education and the Workforce to examine the results of the General Accounting Office study conducted on behalf of Chairmen Bliley and Goodling. The Committee conducted oversight of the increasing utilization of technology and telecommunications in America's classrooms to supplement the curriculum.

In August 1999, the Committee on Commerce and the Committee on Education and the Workforce received the report requested of GAO. The report detailed the Federal funding for telecommunications technology to schools and libraries. GAO examined the 35 programs and eight agencies that give money in some way to tele-

communications technology being delivered to schools and libraries across the nation.

The Committee on Commerce also examined the FCC's role in implementing the E-Rate program. H.R. 1746 was introduced and a hearing was held by the Subcommittee on Telecommunications, Trade, and Consumer Protection. H.R. 1746 would replace the Schools and Libraries Corporation with a system administered at the state level. The bill would have first reduced the existing telephone excise tax from three percent to one percent, effective January 1, 2000. The one percent excise tax would then have remained in effect until October 1, 2003, and would be repealed altogether on October 1, 2004. The Committee also examined the fairness of the E-Rate program, in which a majority of the States were adding far more into the program than the amount they received from it.

SET-TOP BOXES

The Committee examined the relationship between the cable industry and set-top box manufacturers to determine whether this relationship is harming efforts to promote the retail accessibility of set-top boxes. The Committee looked at how the cable industry's current involvement with the use and functionality of set-top boxes is affecting the development of other multi-media options. The Committee conducted numerous meetings with affected industry participants to gather a broad knowledge of the private industry efforts to promote set-top box availability. Further, the Committee examined the Federal Communications Commission's efforts to implement the set-top box provisions of the Telecommunications Act of 1996. The Committee examined the issue of set-top boxes during hearings that involved the examination of the future of interactive television and also in a hearing on the implementation of high-definition television standards.

TAXATION OF TELECOMMUNICATIONS SERVICES

While telecommunications industry growth has led to substantial job creation and technological innovation, it has also attracted the attention of legislators and regulators at all levels of government. Policymakers—particularly those at the state and local level—increasingly view consumers' telecommunications services as a means of funding a variety of government programs. Many state and local governments impose their own excise taxes, franchise fees, rights-of-way charges, gross receipts taxes, license fees, 911 fees, public utility taxes, infrastructure maintenance fees, and access line taxes. Moreover, state and local government taxation is often discriminatory—that is, state and local governments will typically tax wireless services differently than wireline services, and will tax competitive local exchange carriers (CLECs) differently than incumbent local exchange carriers (ILECs).

The Committee reviewed and examined the use of taxes and fees on telecommunications services by governments at the local, state and Federal level. The Committee examined the impact of these taxes or fees on telecommunications companies, telecommunications services, and most importantly, on consumers. The Committee also examined whether these taxes or fees represent entry

barriers that prevent telecommunications competition from developing or flourishing. Lastly, the Committee gained information to educate consumers on exactly what taxes or fees they now make to government entities and where their money is going. The Committee conducted numerous meetings with affected parties, which led to the introduction and consideration of legislation to require telecommunications companies to provide additional information on consumer telephone bills. For more information, see the legislative activity on H.R. 3011.

ADMINISTRATION ACTIONS IN CONNECTION WITH INMARSAT RESTRUCTURING

The International Maritime Satellite Act set out the statutory regime applicable to Inmarsat (the International Mobile Satellite Organization, formerly known as the International Maritime Satellite Organization). The Administration participated in international negotiations on a restructuring plan for Inmarsat that differs from the existing statutory structure. The Committee examined the conduct of the Administration in the restructuring of Inmarsat. The examination included the issue of whether the Administration and the U.S. Signatory to Inmarsat have the statutory authority for the actions they have taken and may take in connection with the Inmarsat restructuring. The Committee conducted meetings with the Administration and related industry representatives. Further, the Committee wrote follow-up letters to the Department of State on this matter, and requested that the Congressional Research Service conduct a legal analysis of the Administration's authority to pursue the privatization of Inmarsat. The Committee ultimately enacted legislation (Public Law 106-180) on the subject of privatization. This law dramatically altered existing authority and provided clear new direction for the Administration in its privatization efforts of Inmarsat.

BROADCAST OWNERSHIP

The Committee closely monitored the FCC's implementation of the broadcast ownership rules. In August 1999, the FCC amended several of its rules relating to ownership and attribution, which allowed both the FCC and the industry to better identify the real interests that companies hold in broadcast properties. The Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the status of the FCC's revisions to the broadcast ownership rules, including the two remaining issues that the FCC did not address—the cross ownership rules between newspaper and broadcast companies within a single broadcast market, and the further increase of the national ownership cap. Witnesses included newspaper and broadcast industry representatives. Two pieces of legislation were introduced and examined in the 106th Congress to address broadcast ownership issues: H.R. 942, the Broadcast Ownership for the 21st Century Act, and H.R. 598, a bill ending restrictions on the cross-ownership of newspapers and broadcasting stations.

LOCAL COMPETITION AND THE IMPLEMENTATION OF THE TELECOM
ACT OF 1996

The Telecommunications Act of 1996 marked the beginning of a new era in the development of telecommunications and information technologies. The Act swept away a monopoly paradigm and made competition the rule of law. During the 106th Congress, the Committee continued its review of the state of competition in the broadband market to determine whether the Act was working and whether any roadblocks were thwarting the development of competition. The Committee's review consisted of numerous letters from Chairman Bliley to—and staff interviews with—market participants and government regulators, staff interviews, and site visits to telecommunication facilities.

The Committee Majority staff discovered in its review that the Act was working in large part because it provided new incentives for the incumbent local exchange carriers (ILECs), or Regional Bell Operating Companies (RBOCs), to open their markets to competition. Today, this competition is driving the deployment of high-speed data services, such as digital subscriber line (DSL), and competition in the local loop. For example, prior to the Act's passage, there were only 13 competitive local exchange carriers (CLECs). Today, there are nearly 400 CLECs offering a diverse variety of services to consumers. Despite this competition, however, many remain concerned about remaining barriers to competition in the marketplace.

FEDERAL COMMUNICATIONS COMMISSION STRUCTURE AND
MANAGEMENT

The Committee has examined the structure and management of the FCC and has exercised oversight of the FCC to ensure that it operates efficiently. The Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on FCC reform from the States' perspective. The Subcommittee also held an oversight hearing on FCC Reform for the New Millennium. The purpose of this hearing was to examine FCC Chairman Kennard's proposal for restructuring the FCC to ensure the FCC was devoting resources to its core functions. Further, the Committee has sent letters and attended meetings to encourage FCC reform efforts.

CORPORATION FOR PUBLIC BROADCASTING

Congress created the Corporation for Public Broadcasting (CPB) in the Public Broadcasting Act of 1967. Historically, the Committee has been charged with monitoring the activities of the CPB and authorizing appropriations. During the 106th Congress, the Committee reviewed the level of Federal funding necessary for the continuation of public broadcasting. The Committee also examined issues relating to the efficiency of CPB, the Public Broadcasting Service, and National Public Radio. As a result of this process, Subcommittee Chairman Tauzin introduced the Corporation for Public Broadcasting Reauthorization Act of 1999, H.R. 2384, in June 1999. The bill reauthorized CPB for FY 2000 through FY 2006. The Subcommittee on Telecommunications, Trade and Consumer Protection held a legislative hearing on the bill on June 30, 1999.

In addition, following public revelations in July 1999 that at least four public broadcasting stations had exchanged donor lists with partisan political organizations, Chairman Bliley wrote to CPB, the Public Broadcasting Service, National Public Radio, and America's Public Television Stations to request a full accounting of all such activity by public broadcasting stations. In response to the Committee's oversight on this matter, the Congress passed legislation, as part of the Satellite Home Viewer Improvement Act, barring any recipient of Federal public broadcasting funds from engaging in swaps, sales, or other exchanges of donor information with partisan political organizations.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

Congress created the National Telecommunications and Information Administration in 1978 to perform a number of functions including: advising the President on telecommunications policy; developing policies for international communications conferences; managing Federal use of the radio frequency spectrum; and awarding financial grants to communications companies that are in need of assistance. The Committee conducted an extensive examination of NTIA, including holding a hearing on reauthorization. The Committee also conducted numerous meetings with NTIA and related industry representatives to determine what reforms would be helpful to make NTIA run more efficiently to deal with the changing telecommunications industry. This process led to the introduction and consideration of reauthorization legislation. Further, the Committee held a hearing on spectrum management issues that included an examination of NTIA's role in spectrum management for Federal agencies and its involvement in international spectrum bodies.

INTERNATIONAL TRADE

The Committee has examined a number of issues relating to telecommunications and international trade. The Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the issue of foreign government ownership of American telecommunications companies, during which issues were raised relating to the actions taken by the Clinton Administration to implement the Basic Telecommunications Agreement. Following up on that hearing, the Committee sent a letter to the U.S. Trade Representative requesting information and documents relating to the U.S. role in implementing the Basic Telecommunications Agreement. Further, the Subcommittee on Telecommunications, Trade, and Consumer Protection held an oversight hearing on the WTO Agreement and upcoming Seattle Ministerial Conference. The Committee has also encouraged free and open electronic commerce and reductions in interconnection rates through letters to the Administration and foreign governments.

U.S.-JAPAN INSURANCE AGREEMENT

During the 105th Congress, the Committee began an investigation into allegations surrounding a private minute to the 1996 Supplemental Measures to the Insurance Agreement negotiated be-

tween the United States and Japan. The private minute, which related to the acquisition of a U.S. insurance company's Japanese subsidiary by another Japanese insurance company, was allegedly negotiated in secret by the U.S. Trade Representative and not disclosed to other U.S. insurance companies. During the 106th Congress, the Committee continued its investigation into this matter. The Committee requested that the USTR produce additional documents relating to the Committee's inquiry, which were subsequently reviewed by Committee staff.

CONSUMER PRODUCT SAFETY COMMISSION

On May 16, 2000, the Subcommittee on Telecommunications, Trade, and Consumer Protection held a hearing which continued the Committee's oversight of the Consumer Product Safety Commission. In particular, the Subcommittee reviewed the Commission's activities with respect to the flammability of children's sleepwear, as well as a number of other proposals related to electric bicycles and amusement parks. Testimony was received by the Commission Chairman and the other two Commissioners, as well as by various industry, consumer, and scientific experts.

LIABILITY REFORM

On October 20, 1999, the Subcommittee on Finance and Hazardous Materials held a hearing examining tort reform. The Subcommittee focused on increased fairness and individual responsibility in the laws governing rental vehicles, and specifically examined the various state vicarious liability laws and their effect on the vehicle rental markets. The Subcommittee received testimony from small business owners, large rental companies, and legal experts

COSTS OF ELECTRIC UTILITY ADVERTISING

The Committee undertook an investigation into consumer issues related to utility advertising. Traditionally, promotional expenditures in closed States (States which still grant monopoly franchise areas) must be approved by the State utility commission in rate making proceedings where a consumer advocate represent the interests of the State's rate payers. The current state-by-state pace of electricity restructuring, however, often results in a situation where a utility is located in part in a State that allows retail competition and part in a non-competition State. Staff conducted meetings with State utility commission officials and consumer advocates, as well as officials from FERC, FTC, EIA and the RUS.

ENERGY AND POWER ISSUES

ELECTRICITY RESTRUCTURING

The electric power industry is in the midst of a major transition. To date, more than half of the States have undertaken comprehensive restructuring of their electric industries, away from a regime of vertically integrated monopolies, towards a market structure where electricity is competitively generated and marketed to customers. This transition is raising numerous questions regarding

the reliability of interstate transmission and the governance of interstate commerce in electricity—issues paramount to the Committee’s oversight activities.

Over the course of the 106th Congress, the Committee conducted a comprehensive review of the electric industry and considered legislation to promote retail competition. The Subcommittee on Energy and Power held a total of 15 hearings, including a field hearing in San Diego on September 11, 2000 to address restructuring problems in the California electricity market and an October 29, 1999 markup which produced a bill, H.R. 2944, The Electricity Competition and Reliability Act of 1999. Following production of the Subcommittee bill, Staff held a series of 10 technical and policy briefings for all full Committee Member staff by experts from government, academia, and the private sector and met individually with the personal staff of each Majority Member’s office to discuss specific concerns. Staff requested comments on proposed legislation from 106 interested parties and received nearly 100 responses, a number of which were unsolicited. Staff followed up these responses with 25 letters to selected stakeholders requesting answers to detailed questions necessary to clarify stakeholder positions.

Additionally, Staff traveled to various sites across the country to gain a first hand knowledge of emerging issues confronting such stakeholders as energy clearing houses, financial institutions, Wall Street, TVA, as well as individual states, municipal systems, and rural electric co-ops. Staff also worked with GAO and CRS to request a number of useful reports, and with the Department of Energy on mutual policy objectives, including a June 19, 2000 presentation by Chairman Bliley at a DOE-sponsored electric reliability summit in Richmond, Virginia. Throughout this process and the 106th Congress, Committee Staff maintained an “open door” policy which resulted in numerous meetings with interested parties from government, state, industry, and consumer representatives.

Finally, the Committee continually monitored the progress and the status of implementation of retail competition in the states in order to evaluate the impact on a nationwide basis and on Federal legislation. Committee staff traveled to various states and interviewed state public utility commissioners and senior commission staff on a wide range of issues, including reliability, jurisdictional impediments to the development of competitive wholesale markets, the promotion of an economic environment favorable to the construction of new generation and transmission facilities, and consumer and environmental protection.

NUCLEAR REGULATORY COMMISSION

The Subcommittee on Energy and Power exercised its oversight of the Nuclear Regulatory Commission (NRC) primarily through consideration of legislation (H.R. 2531) to authorize appropriations for the NRC for Fiscal Year 2000. The Subcommittee on Energy and Power held a hearing on NRC reauthorization on July 21, 1999. The Subcommittee received testimony from the Nuclear Regulatory Commission, the Environmental Protection Agency, the Nuclear Energy Institute, and the Natural Resources Defense Council. The focus of this hearing was on refinements to allow the NRC to exercise its regulatory authority over nuclear reactors and nuclear

materials in a more efficient manner. A more detailed description of the specific provisions contained in H.R. 2531 and the fate of that legislation is provided in the legislative section of this activity report.

The other NRC issue of concern dealt with the recycling of radioactive materials. The issue became most visible in the context of a Department of Energy contract that provided for the decontamination of radioactive nickel from the Oak Ridge site and the eventual release of this material into general commerce. Although the Secretary of Energy eventually imposed a moratorium on the release of any radioactive material from Oak Ridge and other DOE sites for uses outside of the DOE complex, this particular contract prompted widespread discussion on the benefits and risks of such recycling. The NRC ultimately agreed to embark on an effort to set a national standard for the recycling and release of radioactive materials, with the first step in the regulatory process being a technical analysis to be conducted in 2001 by the National Academy of Sciences.

NUCLEAR REGULATORY COMMISSION'S ANTI-TERRORISM PROGRAM

The NRC conducts anti-terrorism exercises under its Operational Safeguards Response Evaluation (OSRE) program. The goal of OSRE is to evaluate the capability of individual nuclear power plants to meet a security threat, primarily through the use of force-on-force exercises. NRC was scheduled to conclude its current round of OSRE exercises in 2000 and replace it with a program in which the licensees bear greater responsibility for evaluating their own security readiness. However, based on concerns expressed by Members of Congress, including Members of the Commerce Committee, NRC agreed to continue the current OSRE program until an improved replacement program can be implemented.

FEDERAL ENERGY REGULATORY COMMISSION

In light of the sweeping changes in the electric power industry, Committee oversight of the Federal Energy Regulatory Commission (FERC) was of paramount importance during the 106th Congress. In the context of electricity restructuring, one or more FERC commissioners or their staff testified before the Energy and Power Subcommittee on five occasions including the March 18, 1999 hearing Electricity Restructuring: Evolving Federal and State Roles; April 22, 1999 hearing Electricity Competition: Reliability and Transmission in Competitive Electricity Markets; May 6, 1999 hearing Electricity Competition: Market Power, Mergers and PUHCA; the October 5, 1999 Legislative Hearing of the Subcommittee on Energy and Power; and the September 11, 2000 Field Hearing on Electric Utility Industry Restructuring: The California Market. FERC testimony was often directed to implementation of Orders 888, 889 and 2000, as well as merger review authority and market power issues.

The Committee also continued a review of FERC's hydroelectric licensing procedures that began in the 105th Congress. On September 25, 1998, the Committee conducted an oversight hearing into problems with FERC's licensing procedures such as Federal-

State conflicts and frictions between FERC and the Federal resource agencies. In that hearing FERC indicated that they were undertaking a comprehensive interagency review that would streamline those procedures. Two years later there appeared to be little progress in resolving those conflicts, so legislation was considered to clarify FERC's jurisdiction. At a legislative hearing on March 30, 2000, the Energy and Power Subcommittee heard testimony on FERC's authority under current law, examined the progress of the interagency review to date, and crafted legislation to clarify FERC's jurisdiction. The Subcommittee approved H.R. 2335, The Hydroelectric Licensing Process Improvement Act of 1999, to improve the hydroelectric licensing process by granting FERC statutory authority to better coordinate participation by other agencies and entities, and for other purposes.

GENERAL MANAGEMENT OF THE DEPARTMENT OF ENERGY

In the 106th Congress, the Committee continued its oversight of the Department of Energy to assure improvements in management of the Department and its many contractors. Following are several of the major issues the Committee addressed in hearings and other oversight activities.

DEPARTMENT OF ENERGY'S HANFORD SPENT NUCLEAR FUEL PROJECT

The Committee continued its review of the Hanford Spent Nuclear Fuel project at the Hanford site (Hanford SNF project). The Hanford SNF project is an effort to remove 210,000 spent nuclear fuel rods from leaking wet storage basins located 400 yards from the Columbia River in Richland, Washington. The Committee began its review of the Hanford SNF project in the 105th Congress, including a May 12, 1998 hearing (May 1998 hearing) of the Subcommittee on Oversight and Investigations. The Committee staff have continued to monitor the Hanford SNF project, and have obtained briefings from DOE and contractor personnel. At Chairman Bliley's request, the General Accounting Office issued a September 1999 report on the project that acknowledged DOE's improvement in oversight of the project since the May 1998 hearing, but also recommended further steps to ensure the SNF project is completed. Since the May 1998 hearing and the September 1999 GAO report, significant improvements and progress have occurred on the project. It is apparent that a commitment made by Hanford contractors at the May 1998 hearing to begin the removal of spent nuclear fuel by November 2000 were substantially met with the initiation of fuel removal in early December 2000.

DOE'S OFFICE OF SCIENCE AND TECHNOLOGY

On May 26, 1999, the Subcommittee on Oversight and Investigations held a hearing that focused on DOE's failure to deploy innovative cleanup technologies funded by the Office of Science and Technology (OST) at DOE waste sites. The mission of OST, as defined by both Congress and the Department, is to fund the development of new technologies that will improve DOE's massive environmental restoration and management efforts—by making them cheaper, faster, and safer. The Subcommittee held a hearing in

May 1997 that revealed severe management problems within OST, leading to the waste of hundreds of millions of dollars on technologies that either did not work as planned or were not being used for DOE cleanup by site managers.

The May 1999 Subcommittee on Oversight and Investigations hearing focused on the problem of deploying those useful OST-funded technologies at DOE waste sites. At the hearing, Dr. Ernest Moniz, Under Secretary of Energy, testified that the Subcommittee's May 1997 hearing "galvanized the Department into action to solve the technology development and deployment problem." Dr. Moniz stated "we have turned the corner and are beginning to see the results of the investments we have made in science and technology." However, four witnesses at the May 1999 hearing representing companies that market commercially available OST-funded cleanup technologies identified real-world barriers that continue to prevent deployment at DOE waste sites. Several of these companies developed commercially available OST-funded technologies, but have been unable to gain access to DOE waste sites due to non-technical barriers. Combined, these four companies received \$52 million in DOE and OST funds to develop and test their wares (\$27 million from the OST program).

On November 1, 2000, the Chairman of the Full Committee issued a staff report entitled "Incinerating Cash: The Department of Energy's Failure to Develop and Use Innovative Technologies to Clean Up the Nuclear Waste Legacy." The Incinerating Cash report details the Committee's oversight of this issue since 1997, and presents the findings of a survey conducted by the Committee demonstrating that several of EM's largest waste sites—including the Hanford site, the WIPP site, and the Rocky Flats site—have failed to use commercially available OST-funded technologies to date, and have limited plans to do so in the foreseeable future.

HANFORD PLUTONIUM FINISHING PLANT

Although the Committee took no direct oversight action on this topic, the Committee monitored DOE's performance in this area throughout the 106th Congress.

DOE'S PERFORMANCE-BASED INCENTIVE CONTRACTING AND PRIVATIZATION OF ENVIRONMENTAL MANAGEMENT

On June 22, 2000, the Subcommittee on Oversight and Investigations held a hearing to continue the Committee's long-standing review of the Department of Energy's efforts to control nuclear waste cleanup costs with fixed-price contracts. The hearing focused on the current status of DOE's major fixed price contracts at the Hanford, Idaho, and Oak Ridge sites.

In 1994, the Department initiated sweeping contract reform initiatives that included a plan to fundamentally change the way DOE acquired environmental remediation services by moving to a fixed-price contracting system that was supposed to solve the severe cost and schedule increases experienced under the old "cost-plus" contracting approach. Yet, six years later, DOE's major privatization initiatives have failed to control cleanup costs, schedule performance, or improve contractor performance. Based on the find-

ings of two Subcommittee hearings in the 105th Congress and subsequent work by the Committee during the 106th Congress, the Department's fixed-price contracts, including the Pit 9 project and the Hanford Tank Waste project, have resulted in dramatic cost escalation and contract termination without any cleanup progress. Other major fixed-price contracts, including the Oak Ridge Metals Recycling project and the Idaho Advanced Mixed Waste project, also have experienced significant cost overruns and schedule delays.

At the Subcommittee's October 1998 hearing on the Hanford Tank Waste project, GAO reported that effective oversight by DOE would be critical to project success. Yet despite this warning, and after 20 months and over \$260 million spent by BNFL (the main contractor on this project), DOE's financial and oversight personnel at Hanford failed to anticipate BNFL's surprise announcement in May 2000 that it had more than doubled the original fixed-price estimate of \$6.9 billion to \$15.2 billion, resulting in an abrupt termination of the contract by DOE without any contingent plan to proceed with the cleanup. The June 2000 hearing also revealed severe problems with DOE's fixed-price contract with BNFL to decontaminate and recycle contaminated metals from three buildings at the Oak Ridge site. The Oak Ridge fixed-price contract with BNFL was signed in 1997 with a total project cost fixed at \$238 million. However, changing DOE policies for recycling contaminated metals, and numerous requests for additional funds from BNFL could add an additional \$210 million to the original contract price.

Mr. T.J. Glauthier, Deputy Secretary of Energy, provided testimony on behalf of DOE. Mr. Paul A. Miskimin, CEO of BNFL, also testified regarding the company's efforts to manage the Department's three largest fixed-price cleanup contracts at Hanford, Idaho, and Oak Ridge.

In the 106th Congress the Committee also continued its review of DOE's performance based incentive contracting (PBI contracting), a major contract reform effort. Under this approach, DOE and its site contractors negotiate annually various tasks for which the contractors will be awarded an incentive fee for completion ahead of schedule. The Committee has requested and obtained briefings, data, and information on the status of each of DOE's PBI contracts with its major site contractors.

DOE NUCLEAR HEALTH AND SAFETY

The Committee has continuing concerns with the health and safety of workers in the Department of Energy complex and with the health and safety of the general public in the communities surrounding DOE facilities. The ongoing record of nuclear safety violations at certain DOE facilities as revealed by Committee oversight activities, coupled with media revelations of exposures of enrichment workers to significant radiation levels, only served to heighten the Committee's concerns.

On June 29, 1999, the Subcommittee on Oversight and Investigations held a hearing to review worker safety at Department of Energy nuclear facilities. The hearing focused on DOE's enforcement of Price-Anderson Act nuclear safety requirements. In 1988, Congress enacted the Price-Anderson Amendments Act (PAAA), which

provided DOE with new authority to assess civil fines on DOE contractors that violate DOE regulations or orders related to nuclear safety. However, the 1988 amendments also exempted seven non-profit contractors from paying civil penalties, including the University of California (at Los Alamos and Lawrence Livermore National Labs) and the University of Chicago (at Argonne National Laboratory).

At the request of Chairman Bliley, the General Accounting Office reviewed DOE's nuclear safety program and assessed whether there is a continued need for exempting non-profit contractors from paying civil penalties for nuclear safety violations. According to the testimony of Ms. Gary Jones, Associate Director of Energy Issues for GAO, DOE had issued only two enforceable rules, covering two out of the 11 safety areas originally proposed under the law. GAO recommended that the Secretary of Energy "strengthen DOE's nuclear safety enforcement program and ensure that field offices are consistent in applying it." GAO also recommended that DOE end the civil penalty exemptions it has administratively extended to all non-profit educational institutions, and called for Congress to consider ending the exemption for the remaining non-profit educational institutions exempted by statute (including the University of California and the University of Chicago).

The Subcommittee also received testimony from several DOE contractors (including several non-profit contractors) that manage DOE facilities, including the University of California (DOE's contractor at Los Alamos National Laboratory, Lawrence Livermore National Laboratory, and Lawrence Berkeley National Laboratory), the University of Chicago (contractor at Argonne National Laboratory), Kaiser Hill Company (contractor at the Rocky Flats site), and Lockheed Martin Corporation (contractor at Idaho and Oak Ridge Laboratory sites).

On a related matter, the Subcommittees on Oversight and Investigations and Energy and Power held a joint hearing on March 14, 2000, on safety and security oversight of the newly-established National Nuclear Security Administration (NNSA), within DOE. The Subcommittees heard from, among others, the Assistant Secretary of Energy for Environment, Safety, and Health, who testified to the conflict between the responsibilities of his office to enforce the PAAA throughout the DOE complex and the restrictions imposed by section 3213 of the National Defense Authorization Act for Fiscal Year 2000 on his authority over the NNSA.

As a result of these hearings on DOE safety issues, the Committee reported legislation that would ensure that the Secretary of Energy, acting through the Assistant Secretary of Energy for Environment, Safety, and Health, can continue to enforce the civil penalties section of the PAAA for the entire Department of Energy, including the NNSA, and to end the exemption provided for non-profits under this regulatory scheme. Also, Ms. Sullivan committed that DOE would improve the effectiveness of its nuclear safety enforcement program by finalizing the remaining enforceable rules covering nuclear safety management at DOE nuclear facilities by the end of 2000.

In addition to the above activities, the Committee reviewed other worker safety matters as well. On September 16, 1999, the Sub-

committee on Oversight and Investigations held a hearing that revealed serious worker safety and environmental contamination concerns at the Paducah Gaseous Diffusion Plant (Paducah site), located in Kentucky. The hearing focused on the current status of worker safety and environmental cleanup activities at the site, as well as past practices related to these issues.

Moreover, on May 23, 2000, the Subcommittee on Oversight and Investigations held a hearing to review retaliation against whistleblowers at Department of Energy contractor-operated facilities. In particular, the hearing focused on DOE's failure to enforce its "zero tolerance" policy for reprisals taken by DOE contractors against their employees, and DOE's questionable policy regarding reimbursement of its contractors' legal costs associated with defending against whistleblower retaliation claims. The Subcommittee reviewed several specific cases of whistleblower retaliation. The testimony provided by these whistleblowers, and by Mr. Tom Carpenter on behalf of the Government Accountability Project, indicated a failure on behalf of the Department to implement Secretary Richardson's zero tolerance policy for whistleblower retaliation. These cases also highlighted the Department's questionable policy of reimbursing its contractors' outside legal costs in defending retaliation cases that clearly have merit. During her testimony, Ms. Mary Anne Sullivan, DOE's General Counsel, was unable to provide a single instance in which DOE had refused a contractor's choice of outside counsel, regardless of the cost, to defend against a whistleblower claim. Nor was she able to provide a single instance in which DOE had formally disallowed a contractor's legal bills in such a case, despite the fact that former DOE Secretary Hazel O'Leary pledged five years ago to implement such a disallowance policy. Also at the hearing, Mr. Bob Van Ness, Senior Vice President of UC, and Mr. Ron Hansen, President of Fluor Hanford, Inc., discussed their organization's respective actions with regard to whistleblower claims at DOE facilities they operate.

Moreover, in preparation for the hearing, the Committee learned and revealed that Kaiser Hill Company, which operates the Rocky Flats site, was inappropriately reimbursed \$210,000 by the Department for outside legal costs related to another successful whistleblower claim filed by Mr. Mark Graf—even though the Department initially reported to the Committee that it had not reimbursed any legal fees associated with this case. As a result of the Committee's oversight, Kaiser Hill returned the funds to DOE.

In addition to this hearing, the Committee sent two letters to Secretary Richardson (dated January 26, 2000, and April 3, 2000, respectively), regarding ongoing acts of retaliation taken against Mr. David Lappa, an employee of the University of California at Lawrence Livermore National Laboratory (LLNL). In June 1998, DOL determined that Mr. Lappa was retaliated against for raising nuclear safety concerns at LLNL; however, the Department refused to take any action to enforce its "zero tolerance" policy against UC. DOE also refused to investigate Mr. Lappa's matter under its nuclear safety enforcement authority, and in January 2000, Mr. Lappa resigned his position after 20 years at LLNL due to ongoing acts of retaliation. DOE has paid, and continues to pay, for hun-

dreds of thousands of dollars in UC legal costs related to various suits brought by Mr. Lappa.

DEPARTMENT OF ENERGY'S OFFICE OF SAFEGUARDS AND SECURITY
PROGRAM

During the 105th Congress, Committee staff received several briefings and internal security reports raising questions about the adequacy of the safeguards and security programs at the Department of Energy's nuclear weapon laboratories and other sensitive facilities. As a result, toward the end of 1998, the Committee began to work with the General Accounting Office to plan a comprehensive review of DOE security. During the subsequent 21 months, the Committee held seven hearings on this topic, and Members met five times to receive briefings—most of them classified—relating to security concerns at the Department and its laboratories. Committee Members and staff made several visits to DOE sites to conduct inspections and question officials on security matters. Committee staff also received dozens of classified and unclassified briefings on matters relating to site security during the 106th Congress, and reviewed extensive documentation relating to security evaluations conducted by the various DOE program elements responsible for security policies, practices, and assessments. Further, as noted above, the Committee also requested and received the assistance of GAO in this matter, which conducted several specific security-related evaluations for the Committee during the 106th Congress.

The Committee's bipartisan review of this important matter was the subject of repeated delays and objections from DOE with respect to requested briefings and the production of documentary materials relating to security evaluations—leading to the issuance of subpoenas to compel certain information that Energy Secretary Bill Richardson refused to provide voluntarily. Eventually, DOE provided all information, classified and unclassified, requested or subpoenaed by the Committee during the course of this review.

The Committee's sustained oversight effort on the poor state of security at our nation's most sensitive nuclear facilities and other critical DOE sites—as detailed more fully in the Subcommittee on Oversight and Investigation's Activity Report for the 106th Congress—helped to keep pressure on the laboratories and DOE officials to match their rhetoric of improved security with reality on the ground. In addition, this oversight led to the passage of legislation by the Committee that, if enacted by the next Congress, will further strengthen and clarify the Department's own internal oversight of site security policies and practices.

STORAGE OF WEAPONS GRADE FISSILE MATERIAL

Although the Committee took no direct oversight action on this topic, the Committee monitored DOE's performance in this area throughout the 106th Congress.

WASTE ISOLATION PILOT PLANT

The Waste Isolation Pilot Plant (WIPP) in New Mexico is essential to completing the cleanup of transuranic wastes from several other sites in the DOE complex. After extensive delays in the per-

mitting process for the facility, WIPP received its first shipment of transuranic waste on March 26, 1999. The 100th shipment safely arrived at WIPP on October 19, 2000. Throughout the lengthy process that culminated in the opening of WIPP, the Committee has carefully watched over this program to ensure that WIPP itself and the other DOE sites dependent on WIPP stay on schedule. The status of WIPP was discussed with DOE at the hearing on the DOE budget request for Fiscal Year 2000.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM (FUSRAP)

This program was created by the Department of Energy to clean up low-level radioactive contamination resulting from activities in support of the nuclear weapons programs of the Manhattan Engineer District and the Atomic Energy Commission. Through the end of fiscal year 1997, the DOE had completed work on 24 out of a total of 46 FUSRAP sites. At that time, Congress transferred the responsibility for the remaining 22 sites from DOE to the Army Corps of Engineers in the Energy and Water Development Appropriations Act for Fiscal Year 1998 (Public Law 105-62). The Commerce Committee continues to exercise its jurisdiction over this program. The Committee chartered a GAO review of the transition from DOE to Corps management, and of the Corps performance since that transition. Concerns over the Corps use of disposal facilities that are not licensed by the Nuclear Regulatory Commission led to several exchanges of correspondence with the Corps and to discussion of this problem at the July 21, 1999, hearing of the Energy and Power Subcommittee on the reauthorization of the NRC, but ultimately no legislation was enacted on this issue.

DEPARTMENT OF ENERGY'S BUDGET REQUEST

The Subcommittee on Energy and Power held a hearing on the Department of Energy budget request for fiscal year 2000 on February 24, 1999. The DOE witness was the Honorable Ernest Moniz, the Under Secretary of Energy. Areas of inquiry included: DOE progress on the Yucca Mountain repository and the adequacy of long-term funding for the program, Power Marketing Administrations, petroleum reserves and energy security, electricity reliability, uranium enrichment, DOE's proposed Nuclear Cities Initiative, U.S. policy with respect to oil sales by Iraq, DOE asset sales, cleanup of contaminated DOE sites, and DOE research and development activities.

The Subcommittee on Energy and Power held a hearing on the Department of Energy budget request for fiscal year 2001 on March 24, 2000. Testifying for the Department was the Honorable T.J. Glauthier, the Deputy Secretary of Energy. Areas of inquiry by the Subcommittee included: progress on the Yucca Mountain repository, implementation of the new National Nuclear Security Administration, energy security, the Strategic Petroleum Reserve, the proposed Home Heating Oil Reserve, worker's compensation, radiation standards, gasoline prices, environmental cleanup, Hanford privatization, metals recycling, technology development, DOE surplus assets, DOE national laboratories, remediation of the Atlas uranium mill tailings site, nuclear stockpile stewardship, DOE se-

curity and safeguards, uranium enrichment, tritium production, electricity reliability, and energy efficiency.

APPLIANCE STANDARDS

The Energy Policy and Conservation Act established energy efficiency standards and directed DOE to consider revision to these standards. On October 5, 2000, the Department of Energy published in the Federal Register new proposed energy efficiency standards for clothes washers and residential air conditioners and heat pumps. The Committee is examining these new standards and will continue to monitor the proposed rulemaking as it goes forward to assure that the new standards are achievable and do not have any anti-competitive effects.

DOE'S ALTERNATIVE FUELS PROGRAM

Although the Committee took no direct oversight action on this topic, the Committee monitored DOE's performance in this area throughout the 106th Congress.

DOE'S NATIONAL LABORATORIES

As described in more detail in other subsections of this report, as well as the Committee's Activity Report for the 106th Congress, the Committee conducted extensive oversight of DOE's management of the contractors that operate the national laboratories, particularly with respect to the three national nuclear weapons laboratories. The Committee will continue to review proposals to improve management of the labs in such critical areas as safety, security, and project management during the 107th Congress.

In addition to the scrutiny placed on near-term safety and security problems at the Department of Energy national laboratories, the Committee also looked into the longer-term challenges facing the national laboratories. On August 24, 2000, the Subcommittee on Energy and Power held an informal field forum at Sandia National Laboratories in Albuquerque, New Mexico, to discuss these concerns with laboratory management. Members heard testimony from two panels of witnesses representing the Lawrence Livermore, Los Alamos, and Sandia laboratories. The first panel discussed the future roles and missions of the laboratories, particularly in view of the recent creation of the National Nuclear Security Administration to consolidate work on nuclear weapons. The second panel addressed the challenges the laboratories face in recruiting and retaining the top scientific talent, a task made especially difficult in times of strong economic growth in other fields, enhanced emphasis on security, and changing roles of the laboratories.

FEDERAL ENERGY MANAGEMENT PROGRAM

Current law directs agencies to cut their energy use by 20 percent through 2000 and 30 percent through 2005. In order to assist the Administration in achieving these goals, the Energy Act of 2000 (H.R. 2884, Public Law 106-469) amended the Nation Energy Conservation Policy Act to make it easier for Federal managers to enter into energy savings performance contracts.

FINANCE AND HAZARDOUS MATERIALS ISSUES

ON-LINE INVESTOR PROTECTION

The Committee held several hearings on the emergence of new technologies in the financial markets, including on-line brokerage. The Committee passed legislation, the Electronic Signatures in Global and National Commerce Act (H.R. 1714), which was signed by the President (Public Law 106-229), to promote investor protection and competition in on-line brokerage.

BOND MARKET TRANSPARENCY

The Committee considered legislation, H.R. 1400, to require improved transparency in the bond market. Pursuant to that legislation, initiatives by both the private sector and by the National Association of Securities Dealers have been undertaken to improve bond market transparency.

PROFIT SHARING ARRANGEMENTS ON STOCK EXCHANGES

The Committee examined competitive and investor protection issues raised by stock exchanges in its hearings on the developments of new technologies in the financial marketplace.

EDGAR PRIVATIZATION

The Committee monitored the actions taken by the SEC in improving the EDGAR system, in particular, the process pursuant to which the Commission issued requests for proposals for modernization of that system.

OVERSIGHT OF THE SEC'S IMPLEMENTATION OF ITS MANDATE "TO PROMOTE EFFICIENCY, COMPETITION & CAPITAL FORMATION"

The Committee continued to monitor the SEC's activities in rulemaking and found that the Commission has not adequately complied with this mandate, in that it has not conducted adequate cost-benefit analyses of its major rules, as required by the statutory provision of the National Securities Markets Improvement Act of 1996.

OVERSIGHT OF SELF REGULATORY ORGANIZATION RULEMAKING

The Committee examined SRO rulemaking in particular in the context of the hearings on technological developments in the financial marketplace. Chairman Bliley sent SEC Chairman Levitt several letters raising concerns with one SRO rulemaking in particular, the NASDAQ's SuperMontage proposal, which is currently in the process of being amended.

CIRCUIT BREAKERS AND COLLARS

The Committee monitored the effects of changes to the trigger levels for circuit breakers implemented in 1998 by the stock exchanges. The circuit breakers were changed from an absolute point level to a percentage based trigger to reflect the original intention of the circuit breakers and eliminate unnecessary trading halts. In

light of the variance in the stock market indices, the Committee believes the new percentage based circuit breakers are more appropriate in determining trading halts and found no reason for further changes.

PRESERVING DERIVATIVES' STATUS AS PRIVATE CONTRACTS

The Committee carefully considered derivative instruments in the context of its deliberations on what was ultimately signed into law as the Gramm-Leach-Bliley Act. The Committee took pains in marking up that legislation to ensure that no unwarranted regulation was applied to these instruments. In addition, the Committee marked up legislation to amend the Commodity Exchange Act (which was not ultimately signed into law, as the Senate did not act on the legislation) in a manner geared to preserve the private, contractual nature of derivative instruments.

OVERSIGHT OF HEDGE FUNDS

The Committee monitored the unwinding of positions of Long Term Capital Management and found no reason to take legislative or other actions to regulate hedge funds.

Y2K / INSURANCE

With regard to possible Y2K problems in the insurance industry, the Committee conducted requested documents and conducted interviews with representatives of the National Association of Insurance Commissioners, and found the industry to be adequately prepared for the event.

INSURANCE REGULATION

On July 20, 2000, the Subcommittee on Finance and Hazardous Materials held an oversight hearing on Improving Insurance for Consumers—Increasing Uniformity and Efficiency in Insurance Regulation. The hearing examined efforts by state insurance regulators and the National Association of Insurance Commissioners to achieve uniformity in insurance regulation and what might be required of Congress and State legislators to help realize this goal. Various options and approaches to achieving uniformity were considered, including State reciprocity and uniformity reforms, a State-run national chartering system, and an optional Federal chartering system. The hearing also examined the level of coordination and cooperation between the insurance and banking agencies, including a determination of whether Congress needs to act further to facilitate such cooperation, and what further interagency discussions need to take place relating to bank insurance consumer protections and general anti-fraud efforts to further the goals of the Gramm-Leach-Bliley Act. Testimony was received by representatives from the National Association of Insurance Commissioners, the Office of the Comptroller of the Currency, and the National Conference of Insurance Legislators.

On September 19, 2000, the Subcommittee on Finance and Hazardous Materials held its second day of hearings on Improving Insurance for Consumers—Increasing Uniformity and Efficiency in Insurance Regulation. This second hearing continued the Committee's oversight of improving insurance regulation uniformity and effectiveness, with an additional focus on the progress made by the state insurance commissioners since the Gramm-Leach-Bliley Act, and what goals and short-term time-frames should be agreed upon by the participants for achieving regulatory uniformity. The hearing also examined a report by the General Accounting Office on an insurance scandal, and the Subcommittee considered what additional steps needed to be taken by Congress and the insurance and federal regulators to prevent future fraud. Testimony was received by numerous insurance industry associations, including bank insurance associations, by a state insurance commissioner, and by the General Accounting Office.

COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT (CERCLA, COMMONLY KNOWN AS SUPERFUND)

The Committee held numerous hearings on the Superfund program, including an oversight hearing on the status of the program's implementation on March 23, 1999. The Committee received testimony from various government officials and experts, including representatives from the General Accounting Office (GAO), the Environmental Protection Agency, and the Association of State and Territorial Solid Waste Management Officials. During the 106th Congress, the GAO conducted several studies of the Superfund program at the Chairman's request, and issued various reports about Superfund program expenditures, EPA progress on Superfund administrative reforms, and other aspects of the program.

BASEL CONVENTION

During the 106th Congress, the Committee continued to review the failure of the Clinton Administration to propose draft legislation implementing the Basel Convention. The United States is one of a handful of countries that has failed to ratify the Basel Convention governing transboundary shipments of hazardous materials. The Clinton Administration has failed to deliver implementing legislation to the Congress that was promised by the Secretary of State in 1998. Committee staff met repeatedly with officials from the State Department and EPA, who assured the Committee staff that the legislation would be delivered, but repeatedly failed to fulfill that commitment. In the meantime, Committee staff participated in the Fifth Conference of the Parties in Basel, Switzerland in December 1999, at which parties to the Convention drafted a liability protocol as an addition to the original Convention.

APPENDIX I

LEGISLATIVE ACTIVITIES

COMMITTEE ON COMMERCE

Summary of Committee Activities

Total Bills and Resolutions Referred to Committee	1,198
Public Laws	50
Bills and Resolutions Reported to the House	58
Hearings Held:	
Days of Hearings	205
Full Committee	4
Subcommittee on Energy and Power	39
Subcommittee on Finance and Hazardous Materials	29
Subcommittee on Health and Environment	45
Subcommittee on Telecommunications, Trade, and Consumer Protection	50
Subcommittee on Oversight and Investigations	42
Hours of Sitting	680:34
Full Committee	17:18
Subcommittee on Energy and Power	141:38
Subcommittee on Finance and Hazardous Materials	61:06
Subcommittee on Health and Environment	156:18
Subcommittee on Telecommunications, Trade, and Consumer Protection	153:34
Subcommittee on Oversight and Investigations	150:40
Legislative Markups:	
Days of Markups	64
Full Committee	25
Subcommittee on Energy and Power	8
Subcommittee on Finance and Hazardous Materials	9
Subcommittee on Health and Environment	9
Subcommittee on Telecommunications, Trade, and Consumer Protection	13
Hours of Sitting	135:14
Full Committee	63:47
Subcommittee on Energy and Power	19:20
Subcommittee on Finance and Hazardous Materials	13:14
Subcommittee on Health and Environment	6:41
Subcommittee on Telecommunications, Trade, and Consumer Protection	30:31
Business Meetings:	
Days of Meetings	3
Subcommittee on Oversight and Investigations	2
Subcommittee on Health and Environment	1
Hours of Sitting:	5:54
Subcommittee on Oversight and Investigations	5:42
Subcommittee on Health and Environment	0:12
Executive Sessions:	
Days of Meetings	2
Subcommittee on Oversight and Investigations	2
Hours of Sitting	6:05
Subcommittee on Oversight and Investigations	6:05

APPENDIX II

This list includes: (1) legislation on which the Committee on Commerce acted directly; legislation developed through Committee participation in House-Senate conferences; and (3) legislation which included provisions within the Committee's jurisdiction, including legislation enacted by reference as part of other legislation.

Public Laws: [50]

Public Law	Date Approved	Bill	Title
106-4	3/25/1999	H.R. 540	Nursing Home Resident Protection Amendments of 1999
106-31	5/21/1999	H.R. 1141	Emergency Supplemental Appropriations Bill for Fiscal Year 1999
106-34	6/8/1999	H.R. 1183	Fastener Quality Act Amendments Act of 1999
106-37	7/20/1999	H.R. 775	Y2K Act
106-39	7/28/1999	H.R. 2035	To correct errors in the authorizations of certain programs administered by the National Highway Traffic Safety Administration
106-40	8/5/1999	S. 880	To amend the Clean Air Act to ensure that communities receive chemical "worst case" scenarios in a manner that does not jeopardize national security, and to address the regulatory status of certain fuels
106-53	8/17/1999	S. 507	Water Resources Development of 1999
106-64	10/5/1999	H.R. 2981	To extend energy conservation programs under the Energy Policy and Conservation Act through March 31, 2000
106-65	10/5/1999	S. 1059	National Defense Authorization Act for Fiscal Year 2000
106-81	10/26/1999	S. 800	Wireless Communications and Public Safety Act
106-87	11/3/1999	H.R. 2367	Torture Victims Relief Reauthorization Act of 1999
106-102	11/12/1999	S. 900	Financial Services Act
106-113	11/29/1999	S. 1948 *	Trademark Cyberpiracy Prevention Act; Satellite Competition and Consumer Protection Act
		H.R. 3075 *	Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999
106-121	12/6/1999	H.R. 459	To extend the deadline under the Federal Power Act for FERC project No. 9401, the Mt. Hope Water Project
106-129	12/6/1999	S. 580	Healthcare Research and Quality Act of 1999
106-169	12/14/1999	H.R. 3443	Foster Care Independence Act of 1999
106-170	12/17/1999	H.R. 1180	Ticket to Work and Work Incentives Improvement Act of 1999
106-172	2/18/2000	H.R. 2130	Hillory J. Farias and Samantha Reid Date-Rape Drug Prohibition Act of 2000
106-174	2/25/2000	S. 632	Poison Control Center Enhancement and Awareness Act
106-180	3/17/2000	S. 376	Open-Market Reorganization for the Betterment of International Telecommunications Act
106-181	4/5/2000	H.R. 1000	Aviation Investment and Reform Act for the 21st Century
106-210	5/26/2000	H.R. 1832	Muhammad Ali Boxing Reform Act
106-213	5/26/2000	S. 1836	To extend the deadline for commencement of construction of a hydroelectric project in the State of Alabama
106-229	6/30/2000	S. 761	Electronic Signatures in Global and National Commerce Act
106-248	7/25/2000	S. 1892	Valles Caldera Preservation Act
106-253	7/28/2000	H.R. 4437	Semipostal Authorization Act
106-260	8/18/2000	H.R. 1167	Tribal Self-Governance Act of 2000.
106-273	9/22/2000	S. 1937	To amend the Pacific Northwest Electric Power Planning and Conservation Act to provide for sales of electricity by the Bonneville Power Administration to joint operating entities
106-310	10/17/2000	H.R. 4365	Children's Health Act of 2000
106-317	10/19/2000	H.R. 2641	To make technical corrections to title X of the Energy Policy Act of 1992
106-343	10/19/2000	S. 1236	A bill to extend the deadline under the Federal Power Act for commencement of the construction of the Arrowrock Dam Hydroelectric Project in the State of Idaho
106-345	10/20/2000	S. 2311	Ryan White CARE Act Amendments of 2000

Public Laws: [50]—Continued

Public Law	Date Approved	Bill	Title
106-354	10/24/2000	H.R. 4386	Breast and Cervical Cancer Prevention and Treatment Act of 2000
106-377	10/27/2000	H.R. 4635	Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001
106-398	10/30/2000	H.R. 4205	Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001
106-402	10/30/2000	S. 1809	Developmental Disabilities Assistance and Bill of Rights Act of 2000
106-414	11/1/2000	H.R. 5164	Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act; Child Passenger Protection Act of 2000
106-417	11/1/2000	S. 406	Alaska Native and American Indian Direct Reimbursement Act of 1999
106-469	11/9/2000	H.R. 2884	Energy Policy and Conservation Act Amendments of 2000
106-505	11/13/2000	H.R. 2498	Public Health Improvement Act
106-521	11/22/2000	H.R. 2346	To authorize the enforcement by State and local governments of certain Federal Communications Commission regulations regarding use of citizens band radio equipment
106-525	11/13/2000	S. 1880	Minority Health and Health Disparities Research and Education Act of 2000
106-534	11/22/2000	S. 3164	Protecting Seniors From Fraud Act
106-545	12/19/2000	H.R. 4281	ICCVAM Authorization Act of 2000
106-551	12/20/2000	H.R. 3514	Chimpanzee Health Improvement, Maintenance, and Protection Act
N/A†	12/29/2000	H.R. 1795	National Institute of Biomedical Imaging and Bioengineering Establishment Act
106-554	12/21/2000	H.R. 5661 ‡ H.R. 5660 ‡	Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act Commodity Futures Modernization Act
106-564	12/23/2000	H.R. 3756	To establish a standard time zone for Guam and the Commonwealth of the Northern Mariana Islands, and for other purposes

*Enacted by reference in H.R. 3194.

† A public law number was not available at the time of filing of this report.

‡ Enacted by reference in H.R. 4577.

APPENDIX III

PART A

Printed Hearings of the Committee on Commerce

Serial No.	Hearing Title	Hearing Date(s)
106-1	The Nursing Home Resident Protection Amendments of 1999. (Subcommittee on Health and Environment.)	February 11, 1999
106-2	The Wireless Privacy Enhancement Act of 1999 and the Wireless Communications and Public Safety Enhancement Act of 1999 (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	February 3, 1999
106-3	Internet Posting of Chemical "Worst Case" Scenarios: a Roadmap for Terrorists. (Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigations.)	February 10, 1999
106-4	Women's Health: Raising Awareness of Cervical Cancer. (Subcommittee on Health and Environment.)	March 16, 1999
106-5	The Market Impact of the President's Social Security Proposal. (Subcommittee on Finance and Hazardous Materials.)	February 25, 1999, March 3, 1999
106-6	Reauthorization of the Satellite Home Viewer Act. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	February 24, 1999
106-7	Date Rape Drugs. (Subcommittee on Oversight and Investigations.)	March 11, 1999
106-8	The Bond Price Improvement Act of 1999. (Subcommittee on Finance and Hazardous Materials.)	March 18, 1999
106-9	Supporting Welfare Reform: Cracking Down On Deadbeat Dads. (Subcommittee on Oversight and Investigations.)	February 24, 1999
106-10	Medicare+Choice: An Examination of the Risk Adjuster. (Subcommittee on Health and Environment.)	February 25, 1999
106-11	Reauthorization of the Natural Gas Pipeline Safety Act and the Hazardous Liquid Pipeline Safety Act. (Subcommittee on Energy and Power.)	February 3, 1999
106-12	The Exxon-Mobile Merger. (Subcommittee on Energy and Power.)	March 10, 1999, March 11, 1999
106-13	Reauthorization of the Federal Communications Commission. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	March 17, 1999
106-14	Putting Patients First: Increasing Organ Supply for Organ Transplantation. (Subcommittee on Health and Environment.)	April 15, 1999
106-15	The Work Incentives Improvement Act of 1999. (Subcommittee on Health and Environment.)	March 23, 1999
101-16	Identity Theft: Is There Another You? (Subcommittee on Telecommunications, Trade, and Consumer Protection and the Subcommittee on Finance and Hazardous Materials.)	April 22, 1999
106-17	The Nuclear Waste Policy Act of 1999. (Subcommittee on Energy and Power.)	February 10, 1999 March 12, 1999
106-18	Reformulated Gasoline. (Subcommittee on Health and Environment.)	May 6, 1999
106-19	The Threat of Bioterrorism in America: Assessing the Adequacy of the Federal Law Relating to Dangerous Biological Elements. (Subcommittee on Oversight and Investigations.)	May 20, 1999
106-20	Y2K and the Medicare Providers: Innoculating Against the Y2K Bug. (Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigations.)	April 27, 1999
106-21	Regulatory Classification of Low-power TV Licensees. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	April 13, 1999
106-22	Access to Buildings and Facilities by Telecommunications Providers. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	May 13, 1999
106-23	Federal Communications Commission Reform: The States Perspective. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	May 20, 1999
106-24	The Chemical Safety Information and Site Security Act of 1999. (Subcommittee on Health and Environment.)	May 19, 1999 May 26, 1999

Printed Hearings of the Committee on Commerce—Continued

Serial No.	Hearing Title	Hearing Date(s)
106-25	Y2K and Medical Devices: Screening for the Y2K Bug. (Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigations.)	May 25, 1999
106-26	The Muhammad Ali Boxing Reform Act. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	June 29, 1999
106-27	The Iraqi Oil for Food Program and Its Impact. (Subcommittee on Energy and Power.)	March 26, 1999
106-28	The Security and Freedom Through Encryption (SAFE) Act. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	May 25, 1999
106-29	Reauthorization of the Agency for Health Care Policy and Research. (Subcommittee on Health and Environment.)	April 29, 1999
106-30	The Financial Services Act of 1999. (Subcommittee on Finance and Hazardous Materials.)	April 28, 1999 May 5, 1999
106-31	Security at the Department of Energy's Laboratories: The Perspective of the General Accounting Office. (Subcommittee on Oversight and Investigations.)	April 20, 1999
106-32	The Electronic Signatures in Global and National Commerce Act. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	June 9, 1999
106-33	The Electronic Signatures in Global and National Commerce Act. (Subcommittee on Finance and Hazardous Materials.)	June 24, 1999
106-34	Medical Records Confidentiality in the Modern Delivery of Health Care. (Subcommittee on Health and Environment.)	May 27, 1999
106-35	The Consumer and Investor Access to Information Act of 1999. (Subcommittee on Finance and Hazardous Materials.)	June 30, 1999
106-36	Review of the Department of Energy's Deployment of DOE-Funded Environmental Cleanup Technologies. (Subcommittee on Oversight and Investigations.)	May 26, 1999
106-37	Risky Business in the Operating Subsidiary: How the OCC Dropped the Ball. (Subcommittee on Oversight and Investigations.)	June 25, 1999
106-38	The Kansas Ad Valorem Tax Refund. (Subcommittee on Energy and Power.)	June 8, 1999
106-39	Electronic Commerce: The Current Status of Privacy Protections for Online Consumers. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	July 13, 1999
106-40	Restructuring the Department of Energy (Subcommittee on Energy and Power.)	July 13, 1999
106-41	The Impact of Market Volatility on Securities Transactions. (Subcommittee on Finance and Hazardous Materials.)	July 27, 1999
106-42	Breast and Cervical Cancer Federally Funded Screening Programs. (Subcommittee on Health and Environment.)	July 21, 1999
106-43	Worker Safety at DOE Nuclear Facilities. (Subcommittee on Oversight and Investigations.)	June 29, 1999
106-44	The Status of the Federal Superfund Program. (Subcommittee on Finance and Hazardous Materials.)	March 23, 1999
106-45	The Drug addiction and Treatment Act of 1999. (Subcommittee on Health and Environment.)	July 30, 1999
106-46	The Nuclear Regulatory Commission Authorization Act for Fiscal Year 2000. (Subcommittee on Energy and Power.)	July 21, 1999
106-47	Domain Name System Privatization: Is ICANN Out of Control? (Subcommittee on Oversight and Investigations.)	July 22, 1999
106-48	America's Health: Protecting Patients' Access to Quality Care and Information. (Subcommittee on Health and Environment.)	March 6, 1999 June 16, 1999 June 23, 1999
106-49	The Consumer and Investor Access to Information Act of 1999. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	June 15, 1999
106-50	Deployment of Data Services. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	June 24, 1999
106-51	Drugstores on the Net: the Benefits and Risks of On-Line Pharmacies. (Subcommittee on Oversight and Investigations.)	July 30, 1999
106-52	Medicare+Choice: An Evaluation of the Program. (Subcommittee on Health and Environment.)	August 4, 1999
106-53	The Medical Information and Research Enhancement Act of 1999. (Subcommittee on Health and Environment.)	July 15, 1999
106-54	Department of Energy's Proposed Budget for FY 2000. (Subcommittee on Energy and Power.)	February 24, 1999
106-55	The NTIA Reauthorization Act of 1999. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	May 11, 1999
106-56	Corporation for Public Broadcasting Authorization Act of 1999. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	June 30, 1999 July 20, 1999
106-57	The Rudman Report: Science at its Best, Security at its Worst. (Full Committee.)	June 22, 1999

Printed Hearings of the Committee on Commerce—Continued

Serial No.	Hearing Title	Hearing Date(s)
106-58	Reauthorization of Expiring Energy Policy and Conservation Act Programs. (Subcommittee on Energy and Power.)	September 23, 1999
106-59	How Healthy are the Government's Medicare Fraud Fighters? (Subcommittee on Oversight and Investigations.)	July 14, 1999 September 9, 1999
106-60	Children's Health: Building Toward A Better Future. (Subcommittee on Health and Environment.)	October 12, 1999
106-61	Electric Restructuring Legislation. (Subcommittee on Energy and Power.)	June 17, 1999 July 22, 1999
106-62	Securities Transaction Fees. (Subcommittee on Finance and Hazardous Materials.)	September 28, 1999
106-63	Electricity Competition—Volume 1. (Subcommittee on Energy and Power.)	March 18, 1999 April 22, 1999 May 6, 1999
106-64	Electricity Competition—Volume 2. (Subcommittee on Energy and Power.)	May 13, 1999 May 20, 1999 May 26, 1999 July 1, 1999
106-65	Electricity Competition—Volume 3. (Subcommittee on Energy and Power.)	July 15, 1999 September 13, 1999
106-66	The Electricity Competition and Reliability Act. (Subcommittee on Energy and Power.)	October 5, 1999 October 6, 1999
106-67	Balanced Budget Act of 1997: Impact on Cost Savings and Patient Care. (Subcommittee on Health and Environment.)	September 15, 1999
106-68	PUHCA Repeal: Is the Time Now? (Subcommittee on Finance and Hazardous Materials.)	October 7, 1999
106-69	Y2K and Medical Devices: Testing for the Y2K Bug. (Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigations.)	October 21, 1999
106-70	Increasing Disclosure to Benefit Investors. (Subcommittee on Finance and Hazardous Materials.)	October 29, 1999
106-71	WTO 2000: The Next Round. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	November 4, 1999
106-72	Medicaid Fraud and Abuse: Assessing State and Federal Responses. (Subcommittee on Oversight and Investigations.)	November 9, 1999
106-73	Prescription Drugs: What We Know and Don't Know About Seniors' Access to Coverage. (Subcommittee on Health and Environment.)	September 28, 1999 October 4, 1999
106-74	The Kansas Ad Valorem Tax Refund Legislation. (Subcommittee on Energy and Power.)	July 29, 1999
106-75	Organ Procurement and Transplantation Network Amendments of 1999. (Subcommittee on Health and Environment.)	September 22, 1999
106-76	EPCA Regulation of Plumbing Supplies. (Subcommittee on Energy and Power.)	July 27, 1999
106-77	Broadcast Ownership Regulations. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	September 15, 1999
106-78	The Rental Fairness Act of 1999. (Subcommittee on Finance and Hazardous Materials.)	October 20, 1999
106-79	Blood Safety and Availability. (Subcommittee on Oversight and Investigations.)	September 23, 1999 October 6, 1999 October 19, 1999
106-80	Implementation of the 1996 Safe Drinking Water Amendments and Safe Drinking Water Research Programs. (Subcommittee on Health and Environment.)	October 20, 1999
106-81	The Schools and Libraries Internet Access Act. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	September 30, 1999
106-82	Legislation to Improve the Comprehensive Environmental Response, Compensation and Liability Act. (Subcommittee on Finance and Hazardous Materials.)	August 4, 1999 September 22, 1999
106-83	WIPO One Year Later: Assessing Consumer Access to Digital Entertainment on the Internet and Other Media. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	October 28, 1999
106-84	Spamming: The E-mail You Want To Can. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	November 3, 1999
106-85	Federal Communications Commission Reform for the New Millennium. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	October 26, 1999
106-86	Problem's With EPA's Brownfields Cleanup Revolving Loan Fund Program. (Subcommittee on Oversight and Investigations.)	November 4, 1999
106-87	The Paducah Gaseous Diffusion Plant: An Assessment of Worker Safety and Environmental Contamination. (Subcommittee on Oversight and Investigations.)	September 22, 1999

Printed Hearings of the Committee on Commerce—Continued

Serial No.	Hearing Title	Hearing Date(s)
106-88	The Olympics Site Selection Process. (Subcommittee on Oversight and Investigations.)	October 14, 1999 December 15, 1999
106-89	Reuse of Single Use Medical Devices. (Subcommittee on Oversight and Investigations.)	February 10, 2000
106-90	Medical Errors: Improving Quality of Care and Consumer Education. (Subcommittee on Health and Environment and the Subcommittee on Oversight and Investigations.)	February 9, 2000
106-91	The White House, the Networks and TV Censorship. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	February 9, 2000
106-92	Seniors' Access to Affordable Prescription Drugs: Models for Reform. (Subcommittee on Health and Environment.)	February 16, 2000
106-93	Public Access to the National Practitioner Data Bank. (Subcommittee on Oversight and Investigations.)	March 1, 1999 March 16, 2000
106-94	Video on the Internet: iCraveTV.com and Other Recent Developments in Webcasting. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	February 16, 2000
106-95	The Telecommunications Act of 2000. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	March 14, 2000
106-96	The Wireless Telecommunications Sourcing and Privacy Act (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	April 6, 2000
106-97	Third-Party Billing Company Fraud: Assessing the Threat Posed to Medicare. (Subcommittee on Oversight and Investigations.)	April 6, 2000
106-98	The Report of the Advisory Commission on Electronic Commerce. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	April 6, 2000
106-99	Saving Lives: The Cardiac Arrest Survival Act. (Subcommittee on Health and Environment.)	May 9, 2000
106-100	Accounting for Business Combinations: Should Pooling Be Eliminated? (Subcommittee on Finance and Hazardous Materials.)	May 4, 2000
106-101	National Implementation of the Reformulated Gasoline Program. (Subcommittee on Health and Environment.)	March 2, 2000
106-102	PNTR: Opening the World's Biggest Potential Market to American Financial Services Competition. (Subcommittee on Finance and Hazardous Materials.)	May 23, 2000
106-103	The State of Security at the Department of Energy's Nuclear Weapons Laboratories. (Subcommittee on Oversight and Investigations.)	October 26, 1999
106-104	Fetal Tissue: Is It Being Sold In Violation of Federal Law? (Subcommittee on Health and Environment.)	March 9, 2000
106-105	Safety and Security Oversight of the New Nuclear Security Administration. (Subcommittee on Energy and Power and the Subcommittee on Oversight and Investigations.)	March 14, 2000
106-106	Hydroelectric Legislation. (Subcommittee on Energy and Power.)	March 30, 2000
106-107	Decimals 2000—Will the Exchanges Convert? (Subcommittee on Finance and Hazardous Materials.)	June 13, 2000
106-108	The Health Care Fairness Act of 1999. (Subcommittee on Health and Environment.)	May 11, 2000
106-109	Chimpanzee Health Improvement, Maintenance and Protection Act. (Subcommittee on Health and Environment.)	May 18, 2000
106-110	Prescription Drugs: Modernizing Medicare for the 21st Century. (Subcommittee on Health and Environment.)	June 14, 2000
106-111	Competition in the New Electronic Market. (Subcommittee on Finance and Hazardous Materials.)	March 29, 2000 May 11, 2000
106-112	Enforcing the Laws on Internet Pharmaceutical Sales: Where are the Feds? (Subcommittee on Oversight and Investigations.)	May 25, 2000
106-113	Decimal Conversion 2000: Are the Markets Ready?. (Subcommittee on Finance and Hazardous Materials.)	March 1, 2000
106-114	The Internet Services Promotion Act of 2000, and the Internet Access Charge Prohibition Act of 2000. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	May 3, 2000
106-115	Obscene Material Available Via the Internet. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	May 23, 2000
106-116	Deployment of Broadband Technologies. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	May 25, 2000
106-117	The Know Your Caller Act of 1999 and the Telemarketing Victim Protection Act of 1999. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	June 13, 2000
106-118	FCC's Low Power FM: A Review of the FCC's Spectrum Management Responsibilities. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	February 17, 2000

Printed Hearings of the Committee on Commerce—Continued

Serial No.	Hearing Title	Hearing Date(s)
106-119	The Rural Broadcast Signal Act. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	March 16, 2000
106-120	Medicaid Provider Enrollment: Assessing State Efforts to Prevent Fraud. (Subcommittee on Oversight and Investigations.)	July 18, 2000
106-121	The Religious Broadcasting Freedom Act and the Noncommercial Broadcasting Freedom Act of 2000. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	April 13, 2000
106-122	Patient Access to Self-Injectable Prescription Drugs in the Medicare Program. (Subcommittee on Health and Environment.)	March 23, 2000
106-123	The Commodity Futures Modernization Act of 2000. (Subcommittee on Finance and Hazardous Materials.)	July 12, 2000
106-124	Remediation of Uranium and Thorium Processing Sites. (Subcommittee on Energy and Power.)	April 5, 2000
106-125	Medicare's Management: Is HCFA's Complexity Threatening Patient Access to Quality Care? (Subcommittee on Health and Environment.)	June 27, 2000
106-126	Legislation to Improve Safety and Security in the Department of Energy. (Subcommittee on Energy and Power.)	March 22, 2000
106-127	The Truth in Billing Act of 1999 and the Rest of the Truth in Telephone Billing Act of 1999. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	March 9, 2000
106-128	The Status of Deployment of Data Services. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	April 11, 2000
106-129	Privatization of the U.S. Enrichment Corporation and its Impact on the Domestic Uranium Industry. (Subcommittee on Oversight and Investigations.)	April 13, 2000
106-130	Consumer Safety Initiatives: Protecting the Vulnerable. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	May 16, 2000
106-131	National Energy Policy: The Future of Nuclear and Coal Power in the United States. (Subcommittee on Energy and Power.)	June 8, 2000
106-132	The Internet Freedom and Broadband Deployment Act of 1999. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	July 27, 2000
106-133	The National Oilheat Research Alliance Act of 1999. (Subcommittee on Energy and Power.)	April 5, 2000
106-134	Exempt from Reciprocal Compensation Requirements Telecommunications Traffic to the Internet. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	June 22, 2000
106-135	Whistleblowers at Department of Energy Facilities: Is There Really "Zero Tolerance" for Contractor Retaliation? (Subcommittee on Oversight and Investigations.)	May 23, 2000
106-136	Summer Energy Concerns for the American Consumer. (Full Committee.)	June 28, 2000
106-137	Department of Energy's Fixed-Price Cleanup Contracts: Why are Costs Still Out of Control? (Subcommittee on Oversight and Investigations.)	June 22, 2000
106-138	The Environmental Protection Agency's Proposed Budget Request for Fiscal Year 2001. (Subcommittee on Health and Environment and the Subcommittee on Finance and Hazardous Materials.)	March 30, 2000
106-139	Department of Energy's Proposed Budget for Fiscal Year 2001. (Subcommittee on Energy and Power.)	March 24, 2000
106-140	The Ryan White Care Act Amendments of 2000. (Subcommittee on Health and Environment.)	April 11, 2000
106-141	The Independent Telecommunications Consumer Enhancement Act of 2000. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	July 20, 2000
106-142	A Review of the FCC's Spectrum Policies for the 21st Century and H.R. 4758, the Spectrum Resource Assurance Act. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	July 19, 2000
106-143	High Definition Television. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	July 25, 2000
106-144	Telehealth: A Cutting Edge Medical Tool. (Subcommittee on Health and Environment.)	September 7, 2000
106-145	The Balanced Budget Act of 1997: A Look at the Current Impact on Providers and Patients. (Subcommittee on Health and Environment.)	July 19, 2000
106-146	Results of Security Inspections at the Department of Energy's Lawrence Livermore National Laboratory. (Subcommittee on Oversight and Investigations.)	July 20, 1999
106-147	National Energy Policy: Ensuring Adequate Supply of Natural Gas and Crude Oil. (Subcommittee on Energy and Power.)	May 24, 2000
106-148	Weaknesses in Classified Information Security Controls at Department of Energy's Nuclear Weapons Laboratories. (Subcommittee on Oversight and Investigations.)	July 11, 2000
106-149	Price Fluctuations in Oil Markets. (Subcommittee on Energy and Power.)	March 9, 2000

Printed Hearings of the Committee on Commerce—Continued

Serial No.	Hearing Title	Hearing Date(s)
106-150	Internet Gambling. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	June 15, 2000
106-151	Status of the Department of Energy's Program to Develop a Permanent Geologic Repository at Yucca Mountain Nevada. (Subcommittee on Energy and Power.)	July 23, 2000
106-152	Improving Insurance for Consumers—Increasing Uniformity and Efficiency in Insurance Regulation. (Subcommittee on Finance and Hazardous Materials.)	July 20, 2000
106-153	Foreign Government Ownership of American Telecommunications Companies. (Subcommittee on Telecommunications, Trade, and Consumer Protection.)	September 7, 2000
106-154	Lost Security Holders: Reuniting Security Holders With Their Investments. (Subcommittee on Finance and Hazardous Materials.)	October 4, 2000
106-155	Improving Insurance for Consumers—Increasing Uniformity and Efficiency in Insurance Regulation. (Subcommittee on Finance and Hazardous Materials.)	September 19, 2000
106-156	Organized Crime on Wall Street. (Subcommittee on Finance and Hazardous Materials.)	September 13, 2000
106-157	Computer Insecurities at DoE Headquarters: DoE's Failure to Get It's Own Cyber House in Order. (Subcommittee on Oversight and Investigations.)	June 13, 2000
106-158	Implementation of the 1996 SDWA Amendments and Funding of State Drinking Water Programs. (Subcommittee on Health and Environment.)	September 19, 2000

PART B

Committee Prints

Serial No.	Title
106-A	Committee Rules—January 1999. (Full Committee.)
106-B	Compilation of Securities Law—March 1999. (Full Committee.)
106-C	Compilation of Communications Law—April 1999. (Full Committee.)
106-D	Compilation of Health Law—May 1999. (Full Committee.)
106-E	Tributes to Departing Members—December 2000. (Full Committee.)

Union Calendar No. 609

106TH CONGRESS }
2d Session

HOUSE OF REPRESENTATIVES

{ REPORT
106-1047

REPORT ON THE ACTIVITY
OF THE
COMMITTEE ON COMMERCE
FOR THE
ONE HUNDRED SIXTH CONGRESS



JANUARY 2, 2001.—Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

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LETTER OF TRANSMITTAL

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON COMMERCE,
Washington, DC, January 2, 2001.

Hon. JEFF TRANDAHL
Clerk,
House of Representatives
H-154 The Capitol
Washington, D.C. 20515

DEAR MR. TRANDAHL: Pursuant to clause 1(d) of Rule XI of the Rules of the House of Representatives, I present herewith a report on the activity of the Committee on Commerce for the 106th Congress, including the Committee's review and study of legislation within its jurisdiction and the oversight activities undertaken by the Committee.

Sincerely,

TOM BLILEY, *Chairman,*

CONTENTS

	Page
Jurisdiction	1
Rules for the Committee	2
Members and Organization	20
Legislative and Oversight Activity	27
Full Committee	29
Subcommittee on Telecommunications, Trade, and Consumer Protection ..	35
Subcommittee on Finance and Hazardous Materials	95
Subcommittee on Health and Environment	121
Subcommittee on Energy and Power	169
Subcommittee on Oversight and Investigations	205
Oversight Plan for the 106th Congress	281
Appendix I—Legislative Summary	351
Appendix II—Public Laws	353
Appendix III—Publications of the Committee	355