United States of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, FIRST SESSION

Vol. 147 WASHINGTON, WEDNESDAY, DECEMBER 19, 2001 No. 177

# House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. ISAKSON).

## DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
*December 19, 2001.*

I hereby appoint the Honorable JOHNNY ISAKSON to act as Speaker pro tempore on this day.

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

## PRAYER

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

O Lord, You are our God. We will extol You and praise Your name, for You have fulfilled Your wonderful plans of old, faithful and true.

From the barren earth You bring forth new life. From injustice and disaster You draw forth goodness and promises that reshape the world. We look to You, O Lord, ever faithful, in the midst of darkness and fear, to give birth to wisdom, at a time pregnant with insecurity, and promise to breathe forth integrity.

Bless this Congress with Your almighty power and gentle grace. Let not today's problems be left for tomorrow, rather lead this Nation to take steps that prepare the way for Your swift coming with justice and peace. Fulfill in our day Your true promise of abundant life and lasting security. We praise Your holy name both now and forever. Amen.

## THE JOURNAL

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

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

## PLEDGE OF ALLEGIANCE

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

Mr. DOOLEY of California led the Pledge of Allegiance as follows:

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

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 1-minutes from each side.

## FAILED SCIENTIFIC PROCESS

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

Mr. GIBBONS. Mr. Speaker, well, here we go again. Last week, the Department of Energy changed the ground rules once again for judging the suitability of Yucca Mountain.

How convenient for them to change the guidelines after scientists began to conclude the natural features of the mountain would not work.

You cannot change the rules of the game once the game has begun, Mr. Speaker. The audacity of the Department of Energy is deplorable. First, their own Inspector General cites 9 years of possible collusion of a corrupt law firm; then, the GAO warns that the plans the DOE has shown to Congress and the Nevadans may not describe the facility the GAO would actually build and develop. And now, after changing the regulations to suit their science, we, the American people, are supposed to trust them?

The Department of Energy should be ashamed of itself. It is time to put the safety of Nevadans and Americans ahead of their own desire to win at any cost.

**NOTICE**

Effective January 1, 2002, the subscription price of the Congressional Record will be $422 per year or $211 for six months. Individual issues may be purchased for $5.00 per copy. The cost for the microfiche edition will remain $141 per year with single copies remaining $1.50 per issue. This price increase is necessary based upon the cost of printing and distribution.

Michael F. DiMario, *Public Printer*

## TRIBUTE TO WASHINGTON, WEST ALLEGHENY, AND ROCHESTER HIGH SCHOOL FOOTBALL TEAMS

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

Mr. MASCARA. Mr. Speaker, I rise today to recognize a very special group of high schools in western Pennsylvania: Washington, West Allegheny, and Rochester High Schools. All three became Pennsylvania State football champions in their respective divisions.

The Washington High School Little Prexies defeated Pen Argyle 19 to 12 to win their first Pennsylvania State championship. The Little Prexies finished their season with a perfect record of 15 and 0, the only team in their division to finish their season without a loss. They are also the first team in Washington County to win a State championship game.

The West Allegheny Indians defeated Strath Haven 28 to 13, breaking Strath Haven's 44-game winning streak. This is the third consecutive year these two teams have met in the State finals, and West Allegheny's first win.

The Rochester Rams defeated Southern Columbia 16 to 0 to win their third Pennsylvania State championship, only the fourth team ever to do so.

Mr. Speaker, I know the entire House of Representatives joins me in congratulating the Washington High School Little Prexies, the West Allegheny Indians, and the Rochester Rams on their well-deserved State championships.

## IN HONOR OF PHILIP LAMONACO

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

Mr. LoBIONDO. Mr. Speaker, I rise today in honor of a fallen New Jersey State Trooper, a man who served our State proudly. Twenty years ago Friday, Trooper Philip Lamonaco was shot and killed by two self-avowed revolutionaries during a traffic stop on a stretch of highway in Warren County. Trooper Lamonaco, who was named ''Trooper of the Year'' in 1979, left behind a wife and three children.

His murder sparked a dogged manhunt for his killers, and they were tracked down and jailed. Philip Lamonaco was the kind of law enforcement professional that inspires others to take up the fight to protect our communities. Since Philip's murder, his wife Donna, who I have met at several functions, has worked tirelessly as an advocate for police and their families. And earlier this year, Trooper Lamonaco's son Michael joined the New Jersey State Police, following the example of his father.

To the Lamonaco family, his friends and colleagues, I extend my condolences on this sad anniversary, and I extend the thanks of the people of New Jersey for his service. Philip Lamonaco will never be forgotten.

## FAA MAILS PILOT LICENSES TO FOREIGN COUNTRIES

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

Mr. TRAFICANT. Mr. Speaker, while Congress continues to pass airline security measures, pilot licenses are flying to foreign countries faster than bin Laden's been running.

Unbelievable, but check this out. My investigation shows the FAA regularly sends pilot licenses in the mail to places like Afghanistan, Iraq, Iran, Libya and Pakistan. Now, if that is not enough to drench some fire hydrant, these licenses are being sent to post office boxes, no less. Beam me up. I am asking that the GAO investigate this madness.

I yield back the fact that the FAA may have supplied bin Laden with an air force legally certified to attack America.

## CAPTURING THE QUEST FOR EXCELLENCE IN TEACHING, RESEARCH, AND SERVICE

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

Mr. RILEY. Mr. Speaker, capturing the quest for excellence in teaching, research and service is the motto of the famed Tuskegee University, home of the World War II Tuskegee Airmen. And under the direction of University President Benjamin Payton, his faculty and staff, they have stood by this motto in the academic arena for years.

Founded in 1881 by Booker T. Washington, the School's distinguished list of accomplishments include the number one producer of African-American aerospace engineers in the nation, provider of more African-American general officers to the military than any other institution, and alma mater to over 75% of the African-American veterinarians in the world.

This year, Tuskegee University Golden Tigers have captured the quest for excellence in the athletic world, as well, by being named the 2001 Football Champions of the Southern Intercollegiate Athletic Conference. With an athletic record that includes 533 victories, 19 SIAC championships, 7 black college national championships, and 15 postseason bowl appearances, Tuskegee University has rightly been named the Nation's winningest historically black college.

As their representative, I have a lot of pride in this institution. Please join me in congratulating them in their many successes and wishing them the best of luck as they travel to Atlanta to compete in the Pioneer Bowl on December 22.

Congratulations to Dr. Payton, head coach Rick Comegy, and the Golden Tigers for excellence both on and off the football field.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

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

## TERRORIST BOMBINGS CONVENTION IMPLEMENTATION ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3275) to implement the International Convention for the Suppression of Terrorist Bombings to strengthen criminal laws relating to attacks on places of public use, to implement the International Convention of the Suppression of the Financing of Terrorism, to combat terrorism and defend the Nation against terrorist acts, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3275

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

### TITLE I—SUPPRESSION OF TERRORIST BOMBINGS

**SEC. 101. SHORT TITLE.**

This title may be cited as the ''Terrorist Bombings Convention Implementation Act of 2001''.

**SEC. 102. BOMBING STATUTE.**

(a) OFFENSE.—Chapter 113B of title 18, United States Code, relating to terrorism, is amended by inserting after section 2332e the following new section:

**''§ 2332f. Bombings of places of public use, government facilities, public transportation systems and infrastructure facilities**

''(a) OFFENSES.—

''(1) IN GENERAL.—Whoever unlawfully delivers, places, discharges, or detonates an explosive or other lethal device in, into, or against a place of public use, a state or government facility, a public transportation system, or an infrastructure facility—

''(A) with the intent to cause death or serious bodily injury, or

''(B) with the intent to cause extensive destruction of such a place, facility, or system, where such destruction results in or is likely to result in major economic loss,

shall be punished as prescribed in subsection (c).

''(2) ATTEMPTS AND CONSPIRACIES.—Whoever attempts or conspires to commit an offense under paragraph (1) shall be punished as prescribed in subsection (c).

''(b) JURISDICTION.—There is jurisdiction over the offenses in subsection (a) if—

''(1) the offense takes place in the United States and—

''(A) the offense is committed against another state or a government facility of such state, including its embassy or other diplomatic or consular premises of that state;

''(B) the offense is committed in an attempt to compel another state or the United States to do or abstain from doing any act;

''(C) at the time the offense is committed, it is committed—

''(i) on board a vessel flying the flag of another state;

''(ii) on board an aircraft which is registered under the laws of another state; or

''(iii) on board an aircraft which is operated by the government of another state;

''(D) a perpetrator is found outside the United States;

''(E) a perpetrator is a national of another state or a stateless person; or

''(F) a victim is a national of another state or a stateless person;

''(2) the offense takes place outside the United States and—

''(A) a perpetrator is a national of the United States or is a stateless person whose habitual residence is in the United States;

''(B) a victim is a national of the United States;

''(C) a perpetrator is found in the United States;

''(D) the offense is committed in an attempt to compel the United States to do or abstain from doing any act;

''(E) the offense is committed against a state or government facility of the United States, including an embassy or other diplomatic or consular premises of the United States;

''(F) the offense is committed on board a vessel flying the flag of the United States or an aircraft which is registered under the laws of the United States at the time the offense is committed; or

''(G) the offense is committed on board an aircraft which is operated by the United States.

''(c) PENALTIES.—Whoever violates this section shall be imprisoned for any term of years or for life, and if death results from the violation, shall be punished by death or imprisoned for any term of years or for life.

''(d) EXEMPTIONS TO JURISDICTION.—This section does not apply to—

''(1) the activities of armed forces during an armed conflict, as those terms are understood under the law of war, which are governed by that law,

''(2) activities undertaken by military forces of a state in the exercise of their official duties; or

''(3) offenses committed within the United States, where the alleged offender and the victims are United States citizens and the alleged offender is found in the United States, or where jurisdiction is predicated solely on the nationality of the victims or the alleged offender and the offense has no substantial effect on interstate or foreign commerce.

''(e) DEFINITIONS.—As used in this section, the term—

''(1) 'serious bodily injury' has the meaning given that term in section 1365(g)(3) of this title;

''(2) 'national of the United States' has the meaning given that term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22));

''(3) 'state or government facility' includes any permanent or temporary facility or conveyance that is used or occupied by representatives of a state, members of Government, the legislature or the judiciary or by officials or employees of a state or any other public authority or entity or by employees or officials of an intergovernmental organization in connection with their official duties;

''(4) 'intergovernmental organization' includes international organization (as defined in section 1116(b)(5) of this title);

''(5) 'infrastructure facility' means any publicly or privately owned facility providing or distributing services for the benefit of the public, such as water, sewage, energy, fuel, or communications;

''(6) 'place of public use' means those parts of any building, land, street, waterway, or other location that are accessible or open to members of the public, whether continuously, periodically, or occasionally, and encompasses any commercial, business, cultural, historical, educational, religious, governmental, entertainment, recreational, or similar place that is so accessible or open to the public;

''(7) 'public transportation system' means all facilities, conveyances, and instrumentalities, whether publicly or privately owned, that are used in or for publicly available services for the transportation of persons or cargo;

''(8) 'explosive' has the meaning given in section 844(j) of this title insofar that it is designed, or has the capability, to cause death, serious bodily injury, or substantial material damage;

''(9) 'other lethal device' means any weapon or device that is designed or has the capability to cause death, serious bodily injury, or substantial damage to property through the release, dissemination, or impact of toxic chemicals, biological agents or toxins (as those terms are defined in section 178 of this title), or radiation or radioactive material;

''(10) 'military forces of a state' means the armed forces of a state which are organized, trained, and equipped under its internal law for the primary purpose of national defense or security, and persons acting in support of those armed forces who are under their formal command, control, and responsibility;

''(11) 'armed conflict' does not include internal disturbances and tensions, such as riots, isolated and sporadic acts of violence, and other acts of a similar nature; and

''(12) 'state' has the same meaning as that term has under international law, and includes all political subdivisions thereof.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 113B of title 18, United States Code, is amended by adding after the item relating to section 2332e the following:

''2332f. Bombings of places of public use, government facilities, public transportation systems and infrastructure facilities.''.

(c) DISCLAIMER.—Nothing contained in this section is intended to affect the applicability of any other Federal or State law which might pertain to the underlying conduct.

**SEC. 103. EFFECTIVE DATE.**

Section 102 of this title shall become effective on the date that the International Convention for the Suppression of Terrorist Bombings enters into force for the United States.

## TITLE II—SUPPRESSION OF THE FINANCING OF TERRORISM

**SEC. 201. SHORT TITLE.**

This title may be cited as the ''Suppression of the Financing of Terrorism Convention Implementation Act of 2001''.

**SEC. 202. TERRORISM FINANCING STATUTE.**

(a) IN GENERAL.—Chapter 113B of title 18, United States Code, relating to terrorism, is amended by adding at the end thereof the following new section:

**''§ 2339C. Prohibitions against the financing of terrorism**

''(a) OFFENSES.—

''(1) IN GENERAL.—Whoever, in a circumstance described in subsection (c), by any means, directly or indirectly, unlawfully and willfully provides or collects funds with the intention that such funds be used, or with the knowledge that such funds are to be used, in full or in part, in order to carry out—

''(A) an act which constitutes an offense within the scope of a treaty specified in subsection (e)(7), as implemented by the United States, or

''(B) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act,

shall be punished as prescribed in subsection (d)(1).

''(2) ATTEMPTS AND CONSPIRACIES.—Whoever attempts or conspires to commit an offense under paragraph (1) shall be punished as prescribed in subsection (d)(1).

''(3) RELATIONSHIP TO PREDICATE ACT.—For an act to constitute an offense set forth in this subsection, it shall not be necessary that the funds were actually used to carry out a predicate act.

''(b) CONCEALMENT.—

''(1) IN GENERAL.—Whoever, in the United States, or outside the United States and a national of the United States or a legal entity organized under the laws of the United States (including any of its States, districts, commonwealths, territories, or possessions), knowingly conceals or disguises the nature, the location, the source, or the ownership or control of any material support or resources provided in violation of section 2339B of this chapter, or of any funds provided or collected in violation of subsection (a) or any proceeds of such funds, shall be punished as prescribed in subsection (d)(2).

''(2) ATTEMPTS AND CONSPIRACIES.—Whoever attempts or conspires to commit an offense under paragraph (1) shall be punished as prescribed in subsection (d)(2).

''(c) JURISDICTION.—There is jurisdiction over the offenses in subsection (a) in the following circumstances—

''(1) the offense takes place in the United States and—

''(A) a perpetrator was a national of another state or a stateless person;

''(B) on board a vessel flying the flag of another state or an aircraft which is registered under the laws of another state at the time the offense is committed;

''(C) on board an aircraft which is operated by the government of another state;

''(D) a perpetrator is found outside the United States;

''(E) was directed toward or resulted in the carrying out of a predicate act against—

''(i) a national of another state; or

''(ii) another state or a government facility of such state, including its embassy or other diplomatic or consular premises of that state;

''(F) was directed toward or resulted in the carrying out of a predicate act committed in an attempt to compel another state or international organization to do or abstain from doing any act; or

''(G) was directed toward or resulted in the carrying out of a predicate act—

''(i) outside the United States; or

''(ii) within the United States, and either the offense or the predicate act was conducted in, or the results thereof affected, interstate or foreign commerce;

''(2) the offense takes place outside the United States and—

''(A) a perpetrator is a national of the United States or is a stateless person whose habitual residence is in the United States;

''(B) a perpetrator is found in the United States; or

''(C) was directed toward or resulted in the carrying out of a predicate act against—

''(i) any property that is owned, leased, or used by the United States or by any department or agency of the United States, including an embassy or other diplomatic or consular premises of the United States;

''(ii) any person or property within the United States;

''(iii) any national of the United States or the property of such national; or

''(iv) any property of any legal entity organized under the laws of the United States, including any of its States, districts, commonwealths, territories, or possessions;

''(3) the offense is committed on board a vessel flying the flag of the United States or an aircraft which is registered under the laws of the United States at the time the offense is committed;

''(4) the offense is committed on board an aircraft which is operated by the United States; or

''(5) the offense was directed toward or resulted in the carrying out of a predicate act committed in an attempt to compel the United States to do or abstain from doing any act.

''(d) PENALTIES.—

''(1) Whoever violates subsection (a) shall be fined under this title, imprisoned for not more than 20 years, or both.

''(2) Whoever violates subsection (b) shall be fined under this title, imprisoned for not more than 10 years, or both.

''(e) DEFINITIONS.—As used in this section—

''(1) the term 'funds' means assets of every kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such assets, including coin, currency, bank credits, travelers checks, bank checks, money orders, shares, securities, bonds, drafts, and letters of credit;

''(2) the term 'government facility' means any permanent or temporary facility or conveyance that is used or occupied by representatives of a state, members of a government, the legislature, or the judiciary, or by officials or employees of a state or any other public authority or entity or by employees or officials of an intergovernmental organization in connection with their official duties;

''(3) the term 'proceeds' means any funds derived from or obtained, directly or indirectly, through the commission of an offense set forth in subsection (a);

''(4) the term 'provides' includes giving, donating, and transmitting;

''(5) the term 'collects' includes raising and receiving;

''(6) the term 'predicate act' means any act referred to in subparagraph (A) or (B) of subsection (a)(1);

''(7) the term 'treaty' means—

''(A) the Convention for the Suppression of Unlawful Seizure of Aircraft, done at The Hague on December 16, 1970;

''(B) the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on September 23, 1971;

''(C) the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, adopted by the General Assembly of the United Nations on December 14, 1973;

''(D) the International Convention against the Taking of Hostages, adopted by the General Assembly of the United Nations on December 17, 1979;

''(E) the Convention on the Physical Protection of Nuclear Material, adopted at Vienna on March 3, 1980;

''(F) the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on February 24, 1988;

''(G) the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, done at Rome on March 10, 1988;

''(H) the Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf, done at Rome on March 10, 1988; or

''(I) the International Convention for the Suppression of Terrorist Bombings, adopted by the General Assembly of the United Nations on December 15, 1997;

''(8) the term 'intergovernmental organization' includes international organizations;

''(9) the term 'international organization' has the same meaning as in section 1116(b)(5) of this title;

''(10) the term 'armed conflict' does not include internal disturbances and tensions, such as riots, isolated and sporadic acts of violence, and other acts of a similar nature;

''(11) the term 'serious bodily injury' has the same meaning as in section 1365(g)(3) of this title;

''(12) the term 'national of the United States' has the meaning given that term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)); and

''(13) the term 'state' has the same meaning as that term has under international law, and includes all political subdivisions thereof.

''(f) CIVIL PENALTY.—In addition to any other criminal, civil, or administrative liability or penalty, any legal entity located within the United States or organized under the laws of the United States, including any of the laws of its States, districts, commonwealths, territories, or possessions, shall be liable to the United States for the sum of at least $10,000, if a person responsible for the management or control of that legal entity has, in that capacity, committed an offense set forth in subsection (a).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 113B of title 18, United States Code, is amended by adding at the end thereof the following:

''2339C. Prohibitions against the financing of terrorism.''.

(c) DISCLAIMER.—Nothing contained in this section is intended to affect the scope or applicability of any other Federal or State law.

**SEC. 203. EFFECTIVE DATE.**

Except for sections 2339C(c)(1)(D) and (2)(B) of title 18, United States Code, which shall become effective on the date that the International Convention for the Suppression of the Financing of Terrorism enters into force for the United States, and for the provisions of section 2339C(e)(7)(I) of title 18, United States Code, which shall become effective on the date that the International Convention for the Suppression of Terrorist Bombing enters into force for the United States, section 202 of this title shall be effective upon enactment.

**TITLE III—ANCILLARY MEASURES**

**SEC. 301. ANCILLARY MEASURES.**

(a) WIRETAP PREDICATES.—Section 2516(1)(q) of title 18, United States Code, is amended by—

(1) inserting ''2332f,'' after ''2332d,''; and

(2) striking ''or 2339B'' and inserting ''2339B, or 2339C''.

(b) FEDERAL CRIME OF TERRORISM.—Section 2332b(g)(5)(B) of title 18, United States Code, is amended by—

(1) inserting ''2332f (relating to bombing of public places and facilities),'' after ''2332b (relating to acts of terrorism transcending national boundaries),''; and

(2) inserting ''2339C (relating to financing of terrorism),'' before ''or 2340A (relating to torture)''.

(c) PROVIDING MATERIAL SUPPORT TO TERRORISTS PREDICATE.—Section 2339A of title 18, United States Code, is amended by inserting ''2332f,'' before ''or 2340A''.

(d) FORFEITURE OF FUNDS, PROCEEDS, AND INSTRUMENTALITIES.—Section 981(a)(1) of title 18, United States Code, is amended by adding at the end thereof the following new subparagraph:

''(H) Any property, real or personal, involved in a violation or attempted violation, or which constitutes or is derived from proceeds traceable to a violation, of section 2339C of this title.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin, (Mr. SENSENBRENNER), and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3275, the bill under consideration.

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

There was no objection.

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

Mr. Speaker, as we have learned in recent months, the only effective way to fight terrorism is to fight it on a global scale. In order to accomplish this, it is important that we build an international framework for combating terrorism in all its forms. The first and most important piece of this framework is international cooperation. Passage of the bill before us today will allow the United States to reinforce the international community's intolerance for and condemnation of terrorist acts and their financing.

Mr. Speaker, on December 5, 2001, the Senate gave its advice and consent to ratify the International Convention for the Suppression of Terrorist Bombings and the International Convention for the Suppression of Financing of Terrorism. H.R. 3275 makes appropriate changes to Title 18 of the United States Code in order to implement these treaties so that they can be ratified by the President.

The Terrorist Bombings Convention addresses the most utilized form of terrorism, the bombings of public places, State or government facilities, public transportation systems or infrastructure facilities, with the intent to cause death or serious bodily injury. H.R. 3275 enacts a new statute which would criminalize these acts if they have an international nexus, such as the bombing of a foreign embassy located in the United States. Nations who are a party to this treaty agree to extradite or

prosecute persons accused of such offenses, and also agree to provide assistance in connection with the investigation of such crimes.

I am sure everyone is aware that there are already State and Federal laws that criminalize terrorist bombings. This legislation will supplement those laws and close any loopholes that an accused terrorist may try to exploit in a court of law. Furthermore, the legislation covers biological, chemical, and radiological weapons, as well as conventional explosives.

The Terrorist Financing Convention addresses a common element of every terrorist act, financing and other support. This treaty recognizes that the financial backers of terrorism are just as responsible as those who commit the terrorist acts themselves. H.R. 3275 makes it a crime to unlawfully and willingly provide or collect funds with the intention or knowledge that such funds are to be used to carry out any act intended to cause death or serious bodily injury to a civilian. As with the Terrorist Bombing Convention, there must be some international nexus with the terrorist financing, such as someone operating outside of the United States. Likewise, nations who are a party to this treaty also agree to extradite or prosecute and assist in criminal investigations.

The Terrorist Bombing and Terrorist Financing Conventions follow the general model of prior terrorism conventions negotiated by the United States. These conventions will significantly strengthen the network of anti-terrorism treaties built over the last 30 years by requiring nations to criminalize terrorist conduct identified in the treaties and to cooperate in the investigation and prosecution of the offenses. Given the global way that terrorists operate, it is imperative that we make sure that as many countries as possible have comparable laws against terrorism for an effective framework of investigation, extradition, and prosecution.

□ 1015

Mr. Speaker, I urge all Members to support this bill.

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

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

Mr. Speaker, I rise in opposition to H.R. 3275 which would implement the international convention for the suppression of terrorist bombings, and the international convention for the suppression of the financing of terrorism. I am not opposed to the bill because of the treaties, but because of the extraneous items that are in the treaties. These treaties have been pending for some time, and I applaud the President for his present resolve in having the treaties ratified.

There are many extraneous provisions in the bills that are not necessary, however, to ratify either of the treaties. The treaties require that we have such laws on the books which would do such things like criminalize terrorist bombings and the financing of terrorist activities.

A few weeks ago, we passed legislation which was represented by the administration as a comprehensive anti-terrorism bill designed to cover the full gamut terrorist threats in this country, as well as the support of terrorist activities. Upon that representation, we provided unprecedented extensions of wiretap, RICO asset forfeitures, and additional punishments were enacted into law. Now we are told that additional laws have to be passed.

One of the provisions that requires us to have a law prohibiting bombing of foreign embassies in the United States cannot possibly be necessary. It is obviously against the law in the United States to bomb any building, much less a foreign embassy. A lot of these statutes are not needed.

The provisions before us do not constitute the treaties. The treaties are embodied in other documents. There are provisions, for example, that are actually counterproductive. This bill includes certain death penalties. The death penalty actually works against us because many of our allies will not extradite their criminals to the United States because we have the death penalty. There are other provisions that are not necessary. We were told by the administration that the death penalty provisions were, in fact, not needed to implement the treaties, and yet here they are in the bill.

Given this situation, Mr. Speaker, and other provisions in the bill that are not necessary to implement the treaties, I would hope that we would defeat the bill and reconsider the bill just providing the provisions that are necessary to implement the treaty.

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

Mr. SENSENBRENNER. Mr. Speaker, I have no further requests for time, and am prepared to close if the gentleman from Virginia has no further speakers.

Mr. SCOTT. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the ranking member for his kindness in yielding me this time, and I would also like to thank the gentleman from Wisconsin (Chairman SENSENBRENNER). I know that the chairman is working on a number of legislative initiatives that are coming to the floor of the House, and that the gentleman is being required to move these legislative initiatives rather quickly. In fact, I also know that the gentleman has been working to help us move some legislation forward dealing with the access to legalization of immigrants, and I know that we have had some difficulties with that, but I thank him for his leadership and concern on those issues.

I say that because I do not think any Member has opposition to an international convention that deals with the suppression of terrorist bombings, and that we recognize the key importance of the international convention of the suppression of the financing of terrorism. There is not one iota of difference, I believe, with Members on both sides of the aisle on the importance of moving forward on finding terrorists, bringing terrorists to justice, and ensuring that our international colleagues, our friends around the world, the nations that are our allies and others around the world, should have a convention and treaty that puts us on the same page in fighting terrorism.

At the same time, I think it is important to note as we move forward on this legislation, and I raise a number of caution flags, for me to again offer my concerns about the existence of military tribunals without any set criteria and regulations upon which they are utilized. Members might ask the question where goes the relationship in connection with this legislation, but I think if we refuse to bring this up and continue in silence to accept the existence of military tribunals with what the other body has annunciated is not in place, meaning the other body asked the questions what kind of regulation, what kind of requirements, what kind of criteria do you use to try people at military tribunals? If we do not raise that issue even as we bring to the floor of the House this legislation, then we have a problem.

I acknowledge my concern with the quiet violation of the 6th Amendment, and that is individuals who are being listened to as their attorney is providing them counsel. If we do not raise these issues on the floor of the House, my concern about those policies is they have no criteria, they have no regulation, they have no governance.

Mr. Speaker, how can we claim to want to fairly deal with laws and pass an international convention on terrorism where we want everyone to join in around consistent rules and regulations, when we have these provisions in the United States with seemingly no basis and no need.

It is interesting that we are now going to try one of the terrorists found in the United States by a civil court, a judiciary system under the laws of the United States. I think that is commendable. It says that we are unsure of the reasons for the military tribunal, and whether or not we need to use them. And we have found that our judicial system, the third branch of government, is more than adequate to be able to try one of the alleged horrific terrorists that was involved in the September 11 attacks.

As it relates to this legislation, I would add my concerns to the passage of this legislation, without any commentary pro or con on the death penalty. I think it is important that we

make the point that many of those who would be adhering to this treaty have great concern that we have language dealing with the death penalty, and that we could have cleaned this particular legislation up by accepting the amendment offered by the gentleman from Massachusetts (Mr. DELAHUNT) and the gentleman from Virginia (Mr. SCOTT) to delete the language, leaving in place the provision authorizing a maximum sentence of life imprisonment. That, I think, would have made this a more legitimate piece of legislation, in recognition of the fact that many of those who would join in on this treaty are absolutely opposed to the death penalty.

One of our known allies, France, in dealing with bringing people to justice who find themselves in France, is the refusal of that country to deport individuals for trial here in the United States because of the death penalty.

It is also worthy of noting that the administration acknowledged that capital punishment is not required to implement the conventions. For those Members listening to this debate and saying, here we go again on the debate of the death penalty, that is not the debate we are speaking about. We are talking about making an effective legislative initiative that deals with having a convention that will stand up.

Right now we have an Achilles heel. We have a failing in this legislation because we know that there are many who have argued that they will not participate or not join in or that there will be a problem because of the death penalty provision, and at the same time, we have an administration that says this is not necessary.

I am hoping as this legislation moves along, that we will take into consideration the point of view of some of our closest allies who have routinely refused to honor extradition requests by the United States unless their judicial authorities can be assured that the defendants will not face execution.

We have faced heinous acts against the people of the United States, and I offer my deepest sympathy to those who lost loved ones on September 11. Whether this legislation with the death penalty helps solve our problems, I think not, particularly if those who are harboring criminals would not extradite them because of the death penalty.

Mr. Speaker, in closing, tomorrow I will be holding a briefing dealing with the terrible atrocities or how the children of Afghanistan are being treated because I believe all Americans are concerned about two sides of the coin, the humanitarian side and the fighting terrorism side. This is good legislation, but I think it could have been better legislation if we had taken into consideration the viewpoints of those who we seek to convene or seek to engage in the treaty, and that is that we would have a life imprisonment provision as opposed to a death penalty provision which undermines our relationship with our allies who have opposition to this point of view.

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

Mr. Speaker, I cannot believe what I just heard. We are told that we should not put a death penalty in this bill that relates to implementing a convention against terrorist bombings where a death or serious injury occur because the French do not like it. Well, the last time I read the United States Constitution, the elected representatives of the American people legislate for America, not the elected representatives of the French people. This is an issue of our national sovereignty and whether or not we believe that the death penalty is an appropriate option for those who are accused of crimes under the convention designed to combat terrorist bombings.

The overwhelming majority of the American people support the death penalty, particularly when it is with respect to a terrorist act. We should not let the parliament of any other country in the world make a determination on what the appropriate penalty is for those who are accused of these heinous crimes and are convicted by a unanimous verdict of 12 jurors who believe beyond a reasonable doubt that the defendant committed the crimes that are mentioned.

We already have provisions in the United States code providing for the death penalty for terrorist act that result in somebody's death. Without making this law parallel to the other penalties in the United States code, we are setting up a dual system of justice. If a defendant is indicted for violating one section, the defendant is subject to the death penalty. If a defendant is indicted for violating another section of the code as created by this bill, the defendant is not. That, I think, is the wrong message that we ought to send both domestically and internationally with respect to this issue.

I remind Members, Mr. Speaker, that since 1972, the death penalty is not automatic upon conviction of a crime. The same jury that has convicted someone of a capital defense is reimpaneled and hears aggravating and mitigating evidence, and makes a determination whether or not the death penalty should be imposed. Who is better equipped to do that but the jurors that listened to the trial on the merits, saw the demeanor of the defendant in court, whether or not the defendant testified in his or her own behalf, decided which witnesses were telling the truth and which witnesses were not, and were able to see the demeanor of every other participant in that trial.

I think that the message that we ought to send, purely and simply, is that the elected representatives of the American people will decide what these penalties are, not people in France or in Italy or in Sweden or Germany or anyplace else. I think that the American people want the death penalty for these types of crimes as an option when a defendant is indicted.

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

□ 1030

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

Mr. Speaker, this bill is designed to facilitate the fight against terrorism and working with our allies in that fight, and it is, frankly, not helpful in that process to have situations where our allies will not cooperate with us because of the death penalty.

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. DELAHUNT).

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

Mr. Speaker, I have to respectfully disagree with the chairman of the committee for the same reasons that were articulated by both the gentlewoman from Texas and the ranking member of the subcommittee. I think we have to put this in context and understand exactly what is required in terms of the Convention. The administration itself has acknowledged that this death penalty provision is not required to implement the Convention.

I have no disagreement with the gentleman's premise that it is the United States Congress that imposes or reflects, if you will, the will of the majority of the American people. At the same time, this provision is going to cause serious problems. In fact, not only is it not required under the Convention, but, as the gentleman from Virginia (Mr. SCOTT) indicated, it will actually impair the fight against international terrorism by making it harder for the Justice Department to secure extradition in these kinds of cases.

Our continued resort to the death penalty has brought condemnation from nations across the globe. Even some of our closest allies routinely refuse to honor extradition requests by the United States unless their judicial authorities can be assured that the defendants will not face execution. It has become a serious problem in terms of our legal relationships with our most steadfast allies, some of which were enumerated by the chairman of the committee.

Earlier this year, the Supreme Court of Canada ruled that the Canadian Charter of Rights and Freedoms precludes extradition to the United States unless U.S. authorities give assurances that the death penalty will not be imposed. Similar rulings have been made by governments and courts in France, South Africa and elsewhere.

I do not see how it serves American interests to enact additional provisions that do not exist currently in the law that will further complicate our ability to prosecute terrorists and further marginalize the U.S. within the family of nations.

Now, the administration justifies the new death penalty provision by claiming that it merely tracks current law with respect to comparable domestic

crimes. That, I am sure, is accurate. But the fact that the current law presents an obstacle to our law enforcement objectives is hardly a persuasive argument for compounding the problem.

Reasonable people may continue to disagree with whether the death penalty serves as a deterrent to some categories of crimes, but I am at a loss to see how anyone can seriously believe that the prospect of the death penalty will deter suicide missions of the kind that this Nation witnessed on September 11. I dare say it will have no effect whatsoever, and I believe the administration implicitly concedes as much when it says that this new provision merely replicates existing death penalty provisions, provisions which did nothing to prevent those attacks from occurring.

Now, again, I support the Convention. I believe it should be ratified and implemented with all reasonable dispatch. But we have a responsibility to achieve that goal in a way that generally advances our national interests. I hope the Senate will fix this legislation so that that can happen.

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

Mr. Speaker, this bill is designed to implement a treaty. In order to be limited to that purpose, the bill goes well beyond what needs to be done, and, in fact, contains provisions that may be counterproductive. I therefore urge my colleagues to oppose the legislation.

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

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

Mr. Speaker, we have now heard the proposition that passing this bill as it is with the death penalty provisions contained in it is somehow going to render ineffective the foreign policy of the United States.

I would draw the attention of the gentleman from Massachusetts, in particular, to House document 107–139, which is a legislative proposal transmitted by the President of the United States to Congress on October 25, 2001, containing the death penalty. Now, under the Constitution, it is the President that conducts the foreign policy of the United States, and if he believed that the death penalty features in this legislation which involved terrorist bombings would somehow hamper his ability to put together an international coalition to fight the al Qaeda or any other terrorist organization, I am sure he would have said so in this message that he sent to the Congress. But he did not.

Giving prosecutors the opportunity to ask for the death penalty when there is a particularly heinous crime I think is something that should be an arrow in the quiver of the Justice Department. I regret that the opponents of this legislation have made their philosophical opposition to the death penalty a reason to vote down the implementation of a treaty designed to combat international terrorism such as bombing of public facilities that we have seen occur at our embassies in Africa and which, unfortunately, occur on an almost daily basis in Israel, but I think that the President is right that we should have the option of having a death penalty as one of the penalties, should someone be indicted, tried and convicted.

I would urge the membership to support this bill overwhelmingly.

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

The SPEAKER pro tempore (Mr. ISAKSON). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 3275, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

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

The yeas and nays were ordered.

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

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3427

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 3427, the Afghanistan Freedom and Reconstruction Act.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

## PROVIDING FOR PLACEMENT OF PLAQUE HONORING DR. JAMES HARVEY EARLY IN THE WILLIAMSBURG, KENTUCKY, POST OFFICE BUILDING

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1714) to provide for the installation of a plaque to honor Dr. James Harvey Early in the Williamsburg, Kentucky, Post Office Building.

The Clerk read as follows:

S. 1714

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

**SECTION 1. INSTALLATION OF PLAQUE TO HONOR DR. JAMES HARVEY EARLY.**

(a) IN GENERAL.—The United States Postmaster General shall install a plaque to honor Dr. James Harvey Early in the Williamsburg, Kentucky Post Office Building located at 1000 North Highway 23 West, Williamsburg, Kentucky 40769.

(b) CONTENTS OF PLAQUE.—The plaque installed under subsection (a) shall contain the following text:

''Dr. James Harvey Early was born on June 14, 1808 in Knox County, Kentucky. He was appointed postmaster of the first United States Post Office that was opened in the town of Whitley Courthouse, now Williamsburg, Kentucky in 1829. In 1844 he served in the Kentucky Legislature. Dr. Early married twice, first to Frances Ann Hammond, died 1860; and then to Rebecca Cummins Sammons, died 1914. Dr. Early died at home in Rockhold, Kentucky on May 24, 1885 at the age of 77.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Virginia (Mrs. JO ANN DAVIS) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Virginia (Mrs. JO ANN DAVIS).

GENERAL LEAVE

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1714.

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

There was no objection.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate 1714, sponsored by Senator MITCH MCCONNELL, would install a plague to honor Dr. James Harvey Early in the Williamsburg, Kentucky, Post Office.

Mr. Speaker, I urge adoption of this bill.

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

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

As a member of the Committee on Government Reform, I am pleased to join my colleague in the House consideration of S. 1714, which places a plague in the Post Office in Williamsburg, Kentucky, honoring Dr. James Harvey Early. This measure was introduced by Senator MITCH MCCONNELL on November 5, 2001.

Dr. James Harvey Early was born on June 4, 1808, in Knox County, Kentucky. He was appointed postmaster of the first United States Post Office that was opened in the town of Whitley Courthouse, now Williamsburg, Kentucky, in 1829. In 1844 he served in the Kentucky legislature.

Dr. Early died at home in Rockhold, Kentucky, on May 24, 1885, at the age of 77. He represents the significance of individuals who have made a tremendous impact on the development of our community for many, many years to come.

Mr. Speaker, I join with my colleague and urge swift passage of this resolution.

Mr. ROGERS of Kentucky. Mr. Speaker, I rise in strong support of S. 1714, a bill to provide for the installation of a plaque in the Williamsburg Kentucky Post Office Building to honor Dr. James Harvey Early.

Kentucky was one of the first frontiers, marked with rugged terrain and harsh conditions. In this challenging frontier land, Dr. Early helped shape his community through his

many years of service. Born in Knox County, Kentucky in 1808, the young James Early served as the first Postmaster for the community of Whitley Courthouse, now known as Williamsburg, Kentucky. He went on to serve the community in the Kentucky State Legislature as a member of the Whig party in 1844 at the same time that he maintained a farm near Rockhold, Kentucky.

However, his greatest contribution to the community might well be his service as a doctor for nearly 30 years. Dr. Early practiced as a civilian doctor for the Union Army during the Civil War and continued as a country doctor until his death at the age of 77.

Married twice, Dr. Early helped raise 15 children, four of whom went on to serve this country in their own right by joining the Union Army during the war. Some of his descendants still live in Kentucky and continue to serve our commonwealth and this great nation in numerous ways.

Dr. James Harvey Early was a man who provided great service to his community through the trying and difficult times of war in this country, and it is fitting that we honor him today with this plaque.

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

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Virginia (Mrs. JO ANN DAVIS) that the House suspend the rules and pass the Senate bill, S. 1714.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. DAVIS of Illinois. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

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

The point of no quorum is considered withdrawn.

## MAJOR LYN McINTOSH POST OFFICE BUILDING

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1432) to designate the facility of the United States Postal Service located at 3698 Inner Perimeter Road in Valdosta, Georgia, as the ''Major Lyn McIntosh Post Office Building''.

The Clerk read as follows:

H.R. 1432

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

**SECTION 1. MAJOR LYN McINTOSH POST OFFICE BUILDING.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 3698 Inner Perimeter Road in Valdosta, Georgia, shall be known and designated as the ''Major Lyn McIntosh Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Major Lyn McIntosh Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Virginia (Mrs. JO ANN DAVIS) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Virginia (Mrs. JO ANN DAVIS).

GENERAL LEAVE

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1432.

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

There was no objection.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1432 would designate the post office located at 3698 Inner Perimeter Road in Valdosta, Georgia, as the Major Lyn McIntosh Post Office Building.

Lyn Davis McIntosh was born in Valdosta, Georgia, on October 11, 1946. He went to school in Valdosta, graduating from Valdosta State College in 1968. He taught mathematics at Valdosta Junior High School. He enlisted in the Air Force and served overseas in Thailand. After returning to the United States, he was stationed at Travis Air Force Base, California, serving as a National Security Officer.

Major McIntosh returned to flying, joining the 8th Special Operations Squadron as an aircraft commander in 1979. On November 4, 1979, Iranians seized the U.S. Embassy in Tehran, taking 66 Americans hostage. Major McIntosh volunteered for the rescue mission. This extremely dangerous and complex rescue attempt ended in disaster in an Iranian desert on April 25, 1980. Major McIntosh was among those who lost their lives during this rescue mission.

In 1969, Major McIntosh married Ann Dixon and they had three sons, Scott, Mark and Stewart. Ann Dixon passed away on February 17, 2001.

This bill is a fitting tribute to this American patriot. I commend the gentleman from Georgia (Mr. BISHOP) and the other members of the Georgia delegation for sponsoring this bill.

Mr. Speaker, I urge adoption of this bill.

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

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a member of the Committee on Government Reform, I am pleased to join my colleague in the House consideration of H.R. 1432, which names a Post Office in Valdosta, Georgia, after Major Lyn McIntosh. H.R. 1432 was introduced by my good and colleague, the gentleman from Georgia (Mr. BISHOP) on April 4, 2001. This bill, which meets the committee policy, is cosponsored by the entire Georgia delegation.

□ 1045

I commend the gentleman from Georgia (Mr. BISHOP) for seeking to honor Major McIntosh.

Major McIntosh grew up in Valdosta and received his education in his hometown. He enlisted in the United States Air Force and completed his pilot training. As a member of the Eighth Special Operations Squadron, he commanded an MC–130 aircraft. He later volunteered for a rescue mission to recover the hostages seized in Iran at the U.S. embassy in Tehran, Iran, in 1979. Sadly and unfortunately, he was killed on a ground aircraft collision on April 25, 1979. Here is another example of an individual who was willing to give all that he had for his country; and I think it is certainly fitting, proper and appropriate that we honor him by naming a post office for him. I urge my colleagues to vote in the affirmative for the passage of this resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. BISHOP), the author of this legislation.

Mr. BISHOP. Mr. Speaker, I thank the gentleman for yielding me this time. I thank the committee for the hard work on both sides that have been done to bring this bill to the floor. It is a very, very important and emotional piece of legislation for the people of south Georgia.

If one visits the city of Valdosta in deep central south Georgia and happens to be on the corner of North Ashley Street and Woodrow Wilson Drive, one will see a memorial that includes an F–86 fighter plane and a plaque commemorating the life of Major Lyn David McIntosh.

Lyn McIntosh was an extraordinary American.

He was raised in Valdosta; and he attended the public schools there, where he was involved in football and tennis, drama and student government, and as sports editor of the school paper. He graduated from Valdosta State College; and for a while, he taught math at Valdosta Junior High School. Later, he would earn a master's degree from the University of California.

Moody Air Force Base is located in Valdosta, and this outstanding young man decided that military service is what he wanted to do with his life. In 1969, two big things happened: he was married to Ann Dixon of Valdosta, and he joined the Air Force. In the years that followed, he became the father of three sons; and he served as an Air Force pilot and a commander throughout much of the world, and he earned a long list of commendations, including the Air Force Commendation Medal

with two Oak Leaf Clusters. He flew with the Eighth Special Operations Squadron as an MC–130 aircraft commander in June of 1979.

As my colleagues know, on November 4, 1979, the Iranians seized the United States Embassy in Tehran, taking 66 Americans hostage. An extremely complex rescue mission was formed and Lyn volunteered for the mission. The rescue attempt began April 24, 1980; and it ended in a disaster in an Iranian desert on April 25. Lyn was among those who lost their lives in an on-the-ground aircraft collision. Unfortunately, this mission was aborted; and Lyn, unfortunately, was among those who died in this very, very tragic accident.

But today, we are here, grateful for Lyn's service to his country, grateful for his commitment, and we want to say ''thank you'' to his family; we want to say ''thank you'' in the way that Americans will always do for eternal gratitude for those who give that last full measure of devotion for our country.

Today, I would like to urge my colleagues to pass H.R. 1432, a bill to name the United States Post Office on the Inner Perimeter Road in Valdosta, Georgia, as the Major Lyn McIntosh Building in memory of a brave American. Lyn was indeed a great American. Greater love hath no man but that he lay down his life for his friends. Lyn was a friend to all Americans. He gave himself for those 66 hostages; and for that, we will be forever grateful.

Mr. Speaker, I urge passage of this resolution as a memorial to Lyn and his family and to all those who knew and all Americans who benefited from his service to our great country.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I reserve the balance of my time.

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

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Georgia (Mr. KINGSTON), my distinguished colleague.

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

I wanted to say that the gentleman from Georgia (Mr. BISHOP), my good friend, has introduced a very timely resolution for a great American patriot. As somebody who will be representing Valdosta, Georgia, or part of Valdosta, Georgia, I look forward to participating in this. I do not know the McIntosh family personally, as does the gentleman from Georgia (Mr. BISHOP), but if one looks at the history of the United States of America in the last 10 or 15 years, it is clear that Mr. McIntosh has been a part of that history and has served his country well. During that very trying period in 1979 when Americans faced the ignominious situation in Iran, for somebody to step forward and volunteer on a rescue mission I think speaks volumes of his patriotism, love, and devotion for our country.

I look forward to supporting my colleague on this and working with him and the folks in the Senate to get this thing passed. I also look forward to getting to know the McIntosh family. I thank the gentleman from Georgia for introducing this piece of legislation.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, having no other speakers, I urge all of my colleagues to join me in supporting the passage of H.R. 1432.

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

The SPEAKER pro tempore (Mr. ISAKSON). The question is on the motion offered by the gentlewoman from Virginia (Mrs. JO ANN DAVIS) that the House suspend the rules and pass the bill, H.R. 1432.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

## OFFICE OF GOVERNMENT ETHICS AUTHORIZATION ACT OF 2001

Mrs. MORELLA. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1202) to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006.

The Clerk read as follows:

S. 1202

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Office of Government Ethics Authorization Act of 2001''.

**SEC. 2. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS.**

Section 405 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by striking ''1997 through 1999'' and inserting ''2002 through 2006''.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Maryland (Mrs. MORELLA) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Maryland (Mrs. MORELLA).

GENERAL LEAVE

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

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

Mr. Speaker, S. 1202 is critically important to ensuring honesty, integrity, and impartiality in the executive branch of the Federal Government. The bill would reauthorize the Office of Government Ethics through fiscal year 2006.

With a budget of $10 million and a staff of only 82, the Office of Government Ethics is a small agency. Despite its small size, however, it performs a vital function.

The office, established in 1978, fosters high ethical standards for government employees. It oversees compliance by Federal departments and agencies with a variety of ethics laws. It issues rules and regulations for Federal employees to follow on such matters as conflict of interest, post-employment restrictions, standards of conduct, and financial disclosure. The office also reviews financial disclosure statements of certain Presidential nominees and, when necessary, recommends corrective action if it finds violations of ethics laws.

In addition, the office trains employees in ethics, provides formal and informal guidance on the interpretation and application of various ethics laws, and it evaluates the effectiveness of conflict of interest and other ethics laws.

During the last Congress, the Subcommittee on Civil Service and Agency Organization of the Committee on Government Reform held an oversight hearing on the Office of Government Ethics. That hearing revealed that the office has performed its duties exceedingly well. There is no question that the office has earned reauthorization from this Congress.

So, Mr. Speaker, I urge adoption of this bill.

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

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the ranking member of the Subcommittee on Civil Service and Agency Organization, I am pleased to join with the gentlewoman from Maryland in support of S. 1202, a bill to amend the Ethics in Government Act of 1978 to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006.

OGE's mission is not only to prevent and resolve conflicts of interest and to foster high ethical standards for Federal employees, but also to strengthen the public's confidence so that the government's business is conducted with impartiality and integrity. OGE does this by, one, reviewing and certifying the financial disclosure forms filed by Presidential nominees requiring Senate confirmation; two, serving as the primary source of advice in counseling on conduct and financial disclosure issues; and, three, by providing information on promoting understanding of ethical standards in executive agencies.

OGE and its staff are well regarded by the Federal agencies with whom

they do business. OGE has played an essential and significant role in fostering the public's trust in the integrity of government.

Mr. Speaker, there is no component of government more important than that of assuring the public's trust. OGE helps to build and maintain that kind of trust that is essential for an orderly, ethical, and respectable conduct of the Nation's business. For those reasons, I urge swift passage of this bill.

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

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

I want to thank the gentleman from Illinois (Mr. DAVIS) for his words and tell him that I do value working with him on the Subcommittee on Civil Service and Agency Organization. I also want to thank Senator LIEBERMAN who chairs the Senate Committee on Governmental Affairs for his sponsorship of this bill. Indeed, accolades to the gentleman from Indiana (Mr. BURTON), the chairman of the committee on Government Reform and Oversight, and the gentleman from California (Mr. WAXMAN), the ranking member, for their support of this legislation. Also, thanks should go to the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the Committee on the Judiciary, for his cooperation in expediting consideration of this measure.

Mr. Speaker, promoting high ethical standards in the Federal Government is critically important if the citizens of this country are to have confidence in its operation. For this reason, I urge all Members to support S. 1202 and the reauthorization of the Office of Government Ethics.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Maryland (Mrs. MORELLA) that the House suspend the rules and pass the Senate bill, S. 1202.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. DAVIS of Illinois. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

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

The point of no quorum is considered withdrawn.

□ 1100

## DISTRICT OF COLUMBIA FAMILY COURT ACT OF 2001

Mrs. MORELLA. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 2657) to amend title 11, District of Columbia Code, to redesignate the Family Division of the Superior Court of the District of Columbia as the Family Court of the Superior Court, to recruit and retain trained and experienced judges to serve in the Family Court, to promote consistency and efficiency in the assignment of judges to the Family Court and in the consideration of actions and proceedings in the Family Court, and for other purposes.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

***SECTION 1. SHORT TITLE.***

*This Act may be cited as the ''District of Columbia Family Court Act of 2001''.*

***SEC. 2. REDESIGNATION OF FAMILY DIVISION AS FAMILY COURT OF THE SUPERIOR COURT.***

*(a) IN GENERAL.—Section 11–902, District of Columbia Code, is amended to read as follows:*

***''§ 11–902. Organization of the court***

*''(a) IN GENERAL.—The Superior Court shall consist of the following:*

*''(1) The Civil Division.*

*''(2) The Criminal Division.*

*''(3) The Family Court.*

*''(4) The Probate Division.*

*''(5) The Tax Division.*

*''(b) BRANCHES.—The divisions of the Superior Court may be divided into such branches as the Superior Court may by rule prescribe.*

*''(c) DESIGNATION OF PRESIDING JUDGE OF FAMILY COURT.—The chief judge of the Superior Court shall designate one of the judges assigned to the Family Court of the Superior Court to serve as the presiding judge of the Family Court of the Superior Court.*

*''(d) JURISDICTION DESCRIBED.—The Family Court shall have original jurisdiction over the actions, applications, determinations, adjudications, and proceedings described in section 11–1101. Actions, applications, determinations, adjudications, and proceedings being assigned to cross-jurisdictional units established by the Superior Court, including the Domestic Violence Unit, on the date of enactment of this section may continue to be so assigned after the date of enactment of this section.''.*

*(b) CONFORMING AMENDMENT TO CHAPTER 9.—Section 11–906(b), District of Columbia Code, is amended by inserting ''the Family Court and'' before ''the various divisions''.*

*(c) CONFORMING AMENDMENTS TO CHAPTER 11.—(1) The heading for chapter 11 of title 11, District of Columbia, is amended by striking ''FAMILY DIVISION'' and inserting ''FAMILY COURT''.*

*(2) The item relating to chapter 11 in the table of chapters for title 11, District of Columbia, is amended by striking ''FAMILY DIVISION'' and inserting ''FAMILY COURT''.*

*(d) CONFORMING AMENDMENTS TO TITLE 16.—*

*(1) CALCULATION OF CHILD SUPPORT.—Section 16–916.1(o)(6), District of Columbia Code, is amended by striking ''Family Division'' and inserting ''Family Court of the Superior Court''.*

*(2) EXPEDITED JUDICIAL HEARING OF CASES BROUGHT BEFORE HEARING COMMISSIONERS.—Section 16–924, District of Columbia Code, is amended by striking ''Family Division'' each place it appears in subsections (a) and (f) and inserting ''Family Court''.*

*(3) GENERAL REFERENCES TO PROCEEDINGS.—Chapter 23 of title 16, District of Columbia Code, is amended by inserting after section 16–2301 the following new section:*

***''§ 16–2301.1. References deemed to refer to Family Court of the Superior Court***

*''Any reference in this chapter or any other Federal or District of Columbia law, Executive order, rule, regulation, delegation of authority, or any document of or pertaining to the Family Division of the Superior Court of the District of Columbia shall be deemed to refer to the Family Court of the Superior Court of the District of Columbia.''.*

*(4) CLERICAL AMENDMENT.—The table of sections for subchapter I of chapter 23 of title 16, District of Columbia, is amended by inserting after the item relating to section 16–2301 the following new item:*

*''16–2301.1. References deemed to refer to Family Court of the Superior Court.''.*

***SEC. 3. APPOINTMENT AND ASSIGNMENT OF JUDGES; NUMBER AND QUALIFICATIONS.***

*(a) NUMBER OF JUDGES FOR FAMILY COURT; QUALIFICATIONS AND TERMS OF SERVICE.—Chapter 9 of title 11, District of Columbia Code, is amended by inserting after section 11–908 the following new section:*

***''§ 11–908A. Special rules regarding assignment and service of judges of Family Court***

*''(a) NUMBER OF JUDGES.—*

*''(1) IN GENERAL.—The number of judges serving on the Family Court of the Superior Court shall be not more than 15.*

*''(2) EMERGENCY REASSIGNMENT.—If the chief judge determines that, in order to carry out the intent and purposes of the District of Columbia Family Court Act of 2001, an emergency exists such that the number of judges needed on the Family Court of the Superior Court at any time is more than 15—*

*''(A) the chief judge may temporarily reassign judges from other divisions of the Superior Court to serve on the Family Court who meet the requirements of paragraphs (1) and (3) of subsection (b) or senior judges who meet the requirements of those paragraphs, except such reassigned judges shall not be subject to the term of service requirements set forth in subsection (c); and*

*''(B) the chief judge shall, within 30 days of emergency temporary reassignment pursuant to subparagraph (A), submit a report to the President and Congress describing—*

*''(i) the nature of the emergency;*

*''(ii) how the emergency was addressed, including which judges were reassigned; and*

*''(iii) whether and why an increase in the number of Family Court judges authorized in subsection (a)(1) may be necessary to serve the needs of families and children in the District of Columbia.*

*''(3) COMPOSITION.—The total number of judges on the Superior Court may exceed the limit on such judges specified in section 11–903 to the extent necessary to maintain the requirements of this subsection if—*

*''(A) the number of judges serving on the Family Court is less than 15; and*

*''(B) the Chief Judge of the Superior Court—*

*''(i) is unable to secure a volunteer judge who is sitting on the Superior Court outside of the Family Court for reassignment to the Family Court;*

*''(ii) obtains approval of the Joint Committee on Judicial Administration; and*

*''(iii) reports to Congress regarding the circumstances that gave rise to the necessity to exceed the cap.*

*''(b) QUALIFICATIONS.—The chief judge may not assign an individual to serve on the Family Court of the Superior Court or handle a Family Court case unless—*

*''(1) the individual has training or expertise in family law;*

*''(2) the individual certifies to the chief judge that the individual intends to serve the full term of service, except that this paragraph shall not apply with respect to individuals serving as senior judges under section 11–1504, individuals serving as temporary judges under section 11–908, and any other judge serving in another division of the Superior Court who is reassigned on an emergency temporary basis pursuant to subsection (a)(2);*

''(3) the individual certifies to the chief judge that the individual will participate in the ongoing training programs carried out for judges of the Family Court under section 11–1104(c); and

''(4) the individual meets the requirements of section 11–1501(b).

''(c) TERM OF SERVICE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), an individual assigned to serve as a judge of the Family Court of the Superior Court shall serve for a term of 5 years.

''(2) SPECIAL RULE FOR JUDGES SERVING ON SUPERIOR COURT ON DATE OF ENACTMENT OF FAMILY COURT ACT OF 2001.—

''(A) IN GENERAL.—An individual assigned to serve as a judge of the Family Court of the Superior Court who is serving as a judge of the Superior Court on the date of the enactment of the District of Columbia Family Court Act of 2001 shall serve for a term of not fewer than 3 years.

''(B) REDUCTION OF PERIOD FOR JUDGES SERVING IN FAMILY DIVISION.—In the case of a judge of the Superior Court who is serving as a judge in the Family Division of the Court on the date of the enactment of the District of Columbia Family Court Act of 2001, the 3-year term applicable under subparagraph (A) shall be reduced by the length of any period of consecutive service as a judge in such Division immediately preceding the date of the enactment of such Act.

''(3) ASSIGNMENT FOR ADDITIONAL SERVICE.—After the term of service of a judge of the Family Court (as described in paragraph (1)) expires, at the judge's request and with the approval of the chief judge, the judge may be assigned for additional service on the Family Court for a period of such duration (consistent with section 431(c) of the District of Columbia Home Rule Act) as the chief judge may provide.

''(4) PERMITTING SERVICE ON FAMILY COURT FOR ENTIRE TERM.—At the request of the judge and with the approval of the chief judge, a judge may serve as a judge of the Family Court for the judge's entire term of service as a judge of the Superior Court under section 431(c) of the District of Columbia Home Rule Act.

''(d) REASSIGNMENT TO OTHER DIVISIONS.—The chief judge may reassign a judge of the Family Court to any division of the Superior Court if the chief judge determines that in the interest of justice the judge is unable to continue serving in the Family Court.''.

(b) PLAN FOR FAMILY COURT TRANSITION.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the chief judge of the Superior Court of the District of Columbia shall prepare and submit to the President and Congress a transition plan for the Family Court of the Superior Court, and shall include in the plan the following:

(A) The chief judge's determination of the role and function of the presiding judge of the Family Court.

(B) The chief judge's determination of the number of judges needed to serve on the Family Court.

(C) The chief judge's determination of the number of magistrate judges of the Family Court needed for appointment under section 11–1732, District of Columbia Code.

(D) The chief judge's determination of the appropriate functions of such magistrate judges, together with the compensation of and other personnel matters pertaining to such magistrate judges.

(E) A plan for case flow, case management, and staffing needs (including the needs for both judicial and nonjudicial personnel) for the Family Court, including a description of how the Superior Court will handle the one family, one judge requirement pursuant to section 11–1104(a) for all cases and proceedings assigned to the Family Court.

(F) A plan for space, equipment, and other physical plant needs and requirements during the transition, as determined in consultation with the Administrator of General Services.

(G) An analysis of the number of magistrate judges needed under the expedited appointment procedures established under section 6(d) in reducing the number of pending actions and proceedings within the jurisdiction of the Family Court (as described in section 11–902(d), District of Columbia, as amended by subsection (a)).

(H) Consistent with the requirements of paragraph (2), a proposal for the disposition or transfer to the Family Court of child abuse and neglect actions pending as of the date of enactment of this Act (which were initiated in the Family Division but remain pending before judges serving in other Divisions of the Superior Court as of such date) in a manner consistent with applicable Federal and District of Columbia law and best practices, including best practices developed by the American Bar Association and the National Council of Juvenile and Family Court Judges.

(I) An estimate of the number of cases for which the deadline for disposition or transfer to the Family Court, specified in paragraph (2)(B), cannot be met and the reasons why such deadline cannot be met.

(2) IMPLEMENTATION OF THE PLAN FOR TRANSFER OR DISPOSITION OF ACTIONS AND PROCEEDINGS TO FAMILY COURT.—

(A) IN GENERAL.—Except as provided in subparagraph (C), the chief judge of the Superior Court and the presiding judge of the Family Court shall take such steps as may be required as provided in the proposal for disposition of actions and proceedings under paragraph (1)(H) to ensure that each child abuse and neglect action of the Superior Court (as described in section 11–902(d), District of Columbia Code, as amended by subsection (a)) is transferred to the Family Court or otherwise disposed of as provided in subparagraph (B).

(B) DEADLINE.—

(i) IN GENERAL.—Notwithstanding any other provision of this Act or any amendment made by this Act and except as provided in subparagraph (C), no child abuse or neglect action shall remain pending with a judge not serving on the Family Court upon the expiration of 18 months after the filing of the transition plan required under paragraph (1).

(ii) RULE OF CONSTRUCTION.—The chief judge of the Superior Court should make every effort to provide for the earliest practicable disposition of actions. Nothing in this subparagraph shall preclude the immediate transfer of cases to the Family Court, particularly cases which have been filed with the court for less than 6 months prior to the date of enactment of this Act.

(C) RETAINED CASES.—Child abuse and neglect cases that were initiated in the Family Division but remain pending before judges, including senior judges as defined in section 11–1504, District of Columbia Code, in other Divisions of the Superior Court as of the date of enactment of this Act may remain before judges, including senior judges, in such other Divisions when—

(i) the case remains at all times in full compliance with Public Law 105–89, if applicable;

(ii) the chief judge determines, in consultation with the presiding judge of the Family Court, based on the record in the case and any unique expertise, training, or knowledge of the case that the judge might have, that permitting the judge to retain the case would lead to permanent placement of the child more quickly than reassignment to a judge in the Family Court.

(D) PRIORITY FOR CERTAIN ACTIONS AND PROCEEDINGS.—The chief judge of the Superior Court, in consultation with the presiding judge of the Family Court, shall give priority consideration to the disposition or transfer of the following actions and proceedings:

(i) The action or proceeding involves an allegation of abuse or neglect.

(ii) The action or proceeding was initiated in the family division prior to the 2-year period which ends on the date of enactment of this Act.

(iii) The judge to whom the action or proceeding is assigned as of the date of enactment of this Act is not assigned to the Family Division.

(E) PROGRESS REPORTS.—The chief judge of the Superior Court shall submit reports to the President, to the Committee on Appropriations of each House, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives at 6-month intervals for a period of 2 years after the date of submission of the transition plan required under paragraph (1) on the progress made towards disposing of actions or proceedings described in subparagraph (B).

(F) RULE OF CONSTRUCTION.—Nothing in this subsection shall preclude the chief judge, in consultation with the presiding judge of the Family Court, from transferring actions or proceedings pending before judges outside the Family Court at the enactment of this Act which do not involve allegations of abuse and neglect but which would otherwise fall under the jurisdiction of the Family Court to judges in the Family Court prior to the deadline as defined in subparagraph 2(B), particularly if such transfer would result in more efficient resolution of such actions or proceedings.

(3) EFFECTIVE DATE OF IMPLEMENTATION OF PLAN.—The chief judge of the Superior Court may not take any action to implement the transition plan under this subsection until the expiration of the 30-day period which begins on the date the chief judge submits the plan to the President and Congress under paragraph (1).

(c) TRANSITION TO REQUIRED NUMBER OF JUDGES.—

(1) ANALYSIS BY CHIEF JUDGE OF SUPERIOR COURT.—The chief judge of the Superior Court of the District of Columbia shall include in the transition plan prepared under subsection (b)—

(A) the chief judge's determination of the number of individuals serving as judges of the Superior Court who—

(i) meet the qualifications for judges of the Family Court of the Superior Court under section 11–908A, District of Columbia Code (as added by subsection (a)); and

(ii) are willing and able to serve on the Family Court; and

(B) if the chief judge determines that the number of individuals described in subparagraph (A) is less than 15, a request that the Judicial Nomination Commission recruit and the President nominate (in accordance with section 433 of the District of Columbia Home Rule Act) such additional number of individuals to serve on the Superior Court who meet the qualifications for judges of the Family Court under section 11–908A, District of Columbia Code, as may be required to enable the chief judge to make the required number of assignments.

(2) ROLE OF DISTRICT OF COLUMBIA JUDICIAL NOMINATION COMMISSION.—For purposes of section 434(d)(1) of the District of Columbia Home Rule Act, the submission of a request from the chief judge of the Superior Court of the District of Columbia under paragraph (1)(B) shall be deemed to create a number of vacancies in the position of judge of the Superior Court equal to the number of additional appointments so requested by the chief judge, except that the deadline for the submission by the District of Columbia Judicial Nomination Commission of nominees to fill such vacancies shall be 90 days after the creation of such vacancies. In carrying out this paragraph, the District of Columbia Judicial Nomination Commission shall recruit individuals for possible nomination and appointment to the Superior Court who meet the qualifications for judges of the Family Court of the Superior Court.

(d) REPORT BY COMPTROLLER GENERAL.—

(1) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General shall prepare and submit to Congress and the chief judge of the Superior Court of the District of Columbia a report on the implementation of this Act (including the implementation of the transition plan under subsection (b)), and shall include in the report the following:

*(A) An analysis of the procedures used to make the initial appointments of judges of the Family Court under this Act and the amendments made by this Act, including an analysis of the time required to make such appointments and the effect of the qualification requirements for judges of the Court (including requirements relating to the length of service on the Court) on the time required to make such appointments.*

*(B) An analysis of the impact of magistrate judges for the Family Court (including the expedited initial appointment of magistrate judges for the Court under section 6(d)) on the workload of judges and other personnel of the Court.*

*(C) An analysis of the number of judges needed for the Family Court, including an analysis of how the number may be affected by the qualification requirements for judges, the availability of magistrate judges, and other provisions of this Act or the amendments made by this Act.*

*(D) An analysis of the timeliness of the resolution and disposition of pending actions and proceedings required under the transition plan (as described in paragraphs (1)(I) and (2) of subsection (b)), including an analysis of the effect of the availability of magistrate judges on the time required to resolve and dispose of such actions and proceedings.*

*(2) SUBMISSION TO CHIEF JUDGE OF SUPERIOR COURT.—Prior to submitting the report under paragraph (1) to Congress, the Comptroller General shall provide a preliminary version of the report to the chief judge of the Superior Court and shall take any comments and recommendations of the chief judge into consideration in preparing the final version of the report.*

*(e) CONFORMING AMENDMENT.—The first sentence of section 11–908(a), District of Columbia Code, is amended by striking ''The chief judge'' and inserting ''Subject to section 11–908A, the chief judge''.*

*(f) CLERICAL AMENDMENT.—The table of sections for chapter 9 of title 11, District of Columbia Code, is amended by inserting after the item relating to section 11–908 the following new item:*

*''11–908A. Special rules regarding assignment and service of judges of Family Court.''.*

***SEC. 4. IMPROVING ADMINISTRATION OF CASES AND PROCEEDINGS IN FAMILY COURT.***

*(a) IN GENERAL.—Chapter 11 of title 11, District of Columbia, is amended by striking section 1101 and inserting the following:*

***''§ 11–1101. Jurisdiction of the Family Court***

*''(a) IN GENERAL.—The Family Court of the District of Columbia shall be assigned and have original jurisdiction over—*

*''(1) actions for divorce from the bond of marriage and legal separation from bed and board, including proceedings incidental thereto for alimony, pendente lite and permanent, and for support and custody of minor children;*

*''(2) applications for revocation of divorce from bed and board;*

*''(3) actions to enforce support of any person as required by law;*

*''(4) actions seeking custody of minor children, including petitions for writs of habeas corpus;*

*''(5) actions to declare marriages void;*

*''(6) actions to declare marriages valid;*

*''(7) actions for annulments of marriage;*

*''(8) determinations and adjudications of property rights, both real and personal, in any action referred to in this section, irrespective of any jurisdictional limitation imposed on the Superior Court;*

*''(9) proceedings in adoption;*

*''(10) proceedings under the Act of July 10, 1957 (D.C. Code, secs. 30–301 to 30–324);*

*''(11) proceedings to determine paternity of any child born out of wedlock;*

*''(12) civil proceedings for protection involving intrafamily offenses, instituted pursuant to chapter 10 of title 16;*

*''(13) proceedings in which a child, as defined in section 16–2301, is alleged to be delinquent, neglected, or in need of supervision;*

*''(14) proceedings under chapter 5 of title 21 relating to the commitment of the mentally ill;*

*''(15) proceedings under chapter 13 of title 7 relating to the commitment of the at least moderately mentally retarded; and*

*''(16) proceedings under Interstate Compact on Juveniles (described in title IV of the District of Columbia Court Reform and Criminal Procedure Act of 1970).*

*''(b) DEFINITION.—*

*''(1) IN GENERAL.—In this chapter, the term 'action or proceeding' with respect to the Family Court refers to cause of action described in paragraphs (1) through (16) of subsection (a).*

*''(2) EXCEPTION.—An action or proceeding may be assigned to or retained by cross-jurisdictional units established by the Superior Court, including the Domestic Violence Unit.*

***''§ 11–1102. Use of alternative dispute resolution***

*''To the greatest extent practicable and safe, cases and proceedings in the Family Court of the Superior Court shall be resolved through alternative dispute resolution procedures, in accordance with such rules as the Superior Court may promulgate.*

***''§ 11–1103. Standards of practice for appointed counsel***

*''The Superior Court shall establish standards of practice for attorneys appointed as counsel in the Family Court of the Superior Court.*

***''§ 11–1104. Administration***

*''(a) 'ONE FAMILY, ONE JUDGE' REQUIREMENT FOR CASES AND PROCEEDINGS.—To the greatest extent practicable, feasible, and lawful, if an individual who is a party to an action or proceeding assigned to the Family Court has an immediate family or household member who is a party to another action or proceeding assigned to the Family Court, the individual's action or proceeding shall be assigned to the same judge or magistrate judge to whom the immediate family member's action or proceeding is assigned.*

*''(b) RETENTION OF JURISDICTION OVER CASES.—*

*''(1) IN GENERAL.—In addition to the requirement of subsection (a), any action or proceeding assigned to the Family Court of the Superior Court shall remain under the jurisdiction of the Family Court until the action or proceeding is finally disposed, except as provided in paragraph (2)(D).*

*''(2) ONE FAMILY, ONE JUDGE.—*

*''(A) FOR THE DURATION.—An action or proceeding assigned pursuant to this subsection shall remain with the judge or magistrate judge in the Family Court to whom the action or proceeding is assigned for the duration of the action or proceeding to the greatest extent practicable, feasible, and lawful, subject to subparagraph (C).*

*''(B) ALL CASES INVOLVING AN INDIVIDUAL.—If an individual who is a party to an action or proceeding assigned to the Family Court becomes a party to another action or proceeding assigned to the Family Court, the individual's subsequent action or proceeding shall be assigned to the same judge or magistrate judge to whom the individual's initial action or proceeding is assigned to the greatest extent practicable and feasible.*

*''(C) FAMILY COURT CASE RETENTION.—If the full term of a Family Court judge to whom the action or proceeding is assigned is completed prior to the final disposition of the action or proceeding, the presiding judge of the Family Court shall ensure that the matter or proceeding is reassigned to a judge serving on the Family Court.*

*''(D) EXCEPTION.—A judge whose full term on the Family Court is completed but who remains in Superior Court may retain the case or proceeding for not more than 6 months or, in extraordinary circumstances, for not more than 12 months after ceasing to serve if—*

*''(i) the case remains at all times in full compliance with Public Law 105–89, if applicable; and*

*''(ii) if Public Law 105–89 is applicable, the chief judge determines, in consultation with the presiding judge of the Family Court, based on the record in the case and any unique expertise, training or knowledge of the case that the judge might have, that permitting the judge to retain the case would lead to permanent placement of the child more quickly than reassignment to a judge in the Family Court.*

*''(3) STANDARDS OF JUDICIAL ETHICS.—The actions of a judge or magistrate judge in retaining an action or proceeding under this paragraph shall be subject to applicable standards of judicial ethics.*

*''(c) TRAINING PROGRAM.—*

*''(1) IN GENERAL.—The chief judge, in consultation with the presiding judge of the Family Court, shall carry out an ongoing program to provide training in family law and related matters for judges of the Family Court and other judges of the Superior Court who are assigned Family Court cases, including magistrate judges, attorneys who practice in the Family Court, and appropriate nonjudicial personnel, and shall include in the program information and instruction regarding the following:*

*''(A) Child development.*

*''(B) Family dynamics, including domestic violence.*

*''(C) Relevant Federal and District of Columbia laws.*

*''(D) Permanency planning principles and practices.*

*''(E) Recognizing the risk factors for child abuse.*

*''(F) Any other matters the presiding judge considers appropriate.*

*''(2) USE OF CROSS-TRAINING.—The program carried out under this section shall use the resources of lawyers and legal professionals, social workers, and experts in the field of child development and other related fields.*

*''(d) ACCESSIBILITY OF MATERIALS, SERVICES, AND PROCEEDINGS; PROMOTION OF 'FAMILY-FRIENDLY' ENVIRONMENT.—*

*''(1) IN GENERAL.—To the greatest extent practicable, the chief judge and the presiding judge of the Family Court shall ensure that the materials and services provided by the Family Court are understandable and accessible to the individuals and families served by the Family Court, and that the Family Court carries out its duties in a manner which reflects the special needs of families with children.*

*''(2) LOCATION OF PROCEEDINGS.—To the maximum extent feasible, safe, and practicable, cases and proceedings in the Family Court shall be conducted at locations readily accessible to the parties involved.*

*''(e) INTEGRATED COMPUTERIZED CASE TRACKING AND MANAGEMENT SYSTEM.—The Executive Officer of the District of Columbia courts under section 11–1703 shall work with the chief judge of the Superior Court—*

*''(1) to ensure that all records and materials of cases and proceedings in the Family Court are stored and maintained in electronic format accessible by computers for the use of judges, magistrate judges, and nonjudicial personnel of the Family Court, and for the use of other appropriate offices of the District government in accordance with the plan for integrating computer systems prepared by the Mayor of the District of Columbia under section 4(b) of the District of Columbia Family Court Act of 2001;*

*''(2) to establish and operate an electronic tracking and management system for cases and proceedings in the Family Court for the use of judges and nonjudicial personnel of the Family Court, using the records and materials stored and maintained pursuant to paragraph (1); and*

*''(3) to expand such system to cover all divisions of the Superior Court as soon as practicable.*

***"§ 11–1105. Social services and other related services***

''(a) ONSITE COORDINATION OF SERVICES AND INFORMATION.—

''(1) IN GENERAL.—The Mayor of the District of Columbia, in consultation with the chief judge of the Superior Court, shall ensure that representatives of the appropriate offices of the District government which provide social services and other related services to individuals and families served by the Family Court (including the District of Columbia Public Schools, the District of Columbia Housing Authority, the Child and Family Services Agency, the Office of the Corporation Counsel, the Metropolitan Police Department, the Department of Health, and other offices determined by the Mayor) are available on-site at the Family Court to coordinate the provision of such services and information regarding such services to such individuals and families.

''(2) DUTIES OF HEADS OF OFFICES.—The head of each office described in paragraph (1), including the Superintendent of the District of Columbia Public Schools and the Director of the District of Columbia Housing Authority, shall provide the Mayor with such information, assistance, and services as the Mayor may require to carry out such paragraph.

''(b) APPOINTMENT OF SOCIAL SERVICES LIAISON WITH FAMILY COURT.—The Mayor of the District of Columbia shall appoint an individual to serve as a liaison between the Family Court and the District government for purposes of subsection (a) and for coordinating the delivery of services provided by the District government with the activities of the Family Court and for providing information to the judges, magistrate judges, and nonjudicial personnel of the Family Court regarding the services available from the District government to the individuals and families served by the Family Court. The Mayor shall provide on an ongoing basis information to the chief judge of the Superior Court and the presiding judge of the Family Court regarding the services of the District government which are available for the individuals and families served by the Family Court.

***"§ 11–1106. Reports to Congress***

''Not later than 90 days after the end of each calendar year, the chief judge of the Superior Court shall submit a report to Congress on the activities of the Family Court during the year, and shall include in the report the following:

''(1) The chief judge's assessment of the productivity and success of the use of alternative dispute resolution pursuant to section 11–1102.

''(2) Goals and timetables as required by the Adoption and Safe Families Act of 1997 to improve the Family Court's performance in the following year.

''(3) Information on the extent to which the Family Court met deadlines and standards applicable under Federal and District of Columbia law to the review and disposition of actions and proceedings under the Family Court's jurisdiction during the year.

''(4) Information on the progress made in establishing locations and appropriate space for the Family Court that are consistent with the mission of the Family Court until such time as the locations and space are established.

''(5) Information on any factors which are not under the control of the Family Court which interfere with or prevent the Family Court from carrying out its responsibilities in the most effective manner possible.

''(6) Information on—

''(A) the number of judges serving on the Family Court as of the end of the year;

''(B) how long each such judge has served on the Family Court;

''(C) the number of cases retained outside the Family Court;

''(D) the number of reassignments to and from the Family Court; and

''(E) the ability to recruit qualified sitting judges to serve on the Family Court.

''(7) Based on outcome measures derived through the use of the information stored in electronic format under section 11–1104(d), an analysis of the Family Court's efficiency and effectiveness in managing its case load during the year, including an analysis of the time required to dispose of actions and proceedings among the various categories of the Family Court's jurisdiction, as prescribed by applicable law and best practices, including (but not limited to) best practices developed by the American Bar Association and the National Council of Juvenile and Family Court Judges.

''(8) If the Family Court failed to meet the deadlines, standards, and outcome measures described in the previous paragraphs, a proposed remedial action plan to address the failure.''.

(b) EXPEDITED APPEALS FOR CERTAIN FAMILY COURT ACTIONS AND PROCEEDINGS.—Section 11–721, District of Columbia Code, is amended by adding at the end the following new subsection:

''(g) Any appeal from an order of the Family Court of the District of Columbia terminating parental rights or granting or denying a petition to adopt shall receive expedited review by the District of Columbia Court of Appeals.''.

(c) PLAN FOR INTEGRATING COMPUTER SYSTEMS.—

(1) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Mayor of the District of Columbia shall submit to the President and Congress a plan for integrating the computer systems of the District government with the computer systems of the Superior Court of the District of Columbia so that the Family Court of the Superior Court and the appropriate offices of the District government which provide social services and other related services to individuals and families served by the Family Court of the Superior Court (including the District of Columbia Public Schools, the District of Columbia Housing Authority, the Child and Family Services Agency, the Office of the Corporation Counsel, the Metropolitan Police Department, the Department of Health, and other offices determined by the Mayor) will be able to access and share information on the individuals and families served by the Family Court.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Mayor of the District of Columbia such sums as may be necessary to carry out paragraph (1).

(d) CLERICAL AMENDMENT.—The table of sections for chapter 11 of title 11, District of Columbia Code, is amended by adding at the end the following new items:

''11–1102. Use of alternative dispute resolution.
''11–1103. Standards of practice for appointed counsel.
''11–1104. Administration.
''11–1105. Social services and other related services.
''11–1106. Reports to Congress.''.

***SEC. 5. TREATMENT OF HEARING COMMISSIONERS AS MAGISTRATE JUDGES.***

(a) IN GENERAL.—

(1) REDESIGNATION OF TITLE.—Section 11–1732, District of Columbia Code, is amended—

(A) by striking ''hearing commissioners'' each place it appears in subsection (a), subsection (b), subsection (d), subsection (i), subsection (l), and subsection (n) and inserting ''magistrate judges'';

(B) by striking ''hearing commissioner'' each place it appears in subsection (b), subsection (c), subsection (e), subsection (f), subsection (g), subsection (h), and subsection (j) and inserting ''magistrate judge'';

(C) by striking ''hearing commissioner's'' each place it appears in subsection (e) and subsection (k) and inserting ''magistrate judge's'';

(D) by striking ''Hearing commissioners'' each place it appears in subsections (b), (d), and (i) and inserting ''Magistrate judges''; and

(E) in the heading, by striking ''***Hearing commissioners***'' and inserting ''***Magistrate judges***''.

(2) CONFORMING AMENDMENTS.—Section 16–924, District of Columbia Code, is amended—

(A) by striking ''hearing commissioner'' each place it appears and inserting ''magistrate judge''; and

(B) in subsection (f), by striking ''hearing commissioner's'' and inserting ''magistrate judge's''.

(3) CLERICAL AMENDMENT.—The item relating to section 11–1732 of the table of sections of chapter 17 of title 11, D.C. Code, is amended to read as follows:

''11–1732. Magistrate judges.''.

(b) TRANSITION PROVISION REGARDING HEARING COMMISSIONERS.—Any individual serving as a hearing commissioner under section 11–1732 of the District of Columbia Code as of the date of the enactment of this Act shall serve the remainder of such individual's term as a magistrate judge, and may be reappointed as a magistrate judge in accordance with section 11–1732(d), District of Columbia Code, except that any individual serving as a hearing commissioner as of the date of the enactment of this Act who was appointed as a hearing commissioner prior to the effective date of section 11–1732 of the District of Columbia Code shall not be required to be a resident of the District of Columbia to be eligible to be reappointed.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

***SEC. 6. SPECIAL RULES FOR MAGISTRATE JUDGES OF FAMILY COURT.***

(a) IN GENERAL.—Chapter 17 of title 11, District of Columbia Code, is amended by inserting after section 11–1732 the following new section:

***"§ 11–1732A. Special rules for magistrate judges of the Family Court of the Superior Court and the Domestic Violence Unit***

''(a) USE OF SOCIAL WORKERS IN ADVISORY MERIT SELECTION PANEL.—The advisory selection merit panel used in the selection of magistrate judges for the Family Court of the Superior Court under section 11–1732(b) shall include certified social workers specializing in child welfare matters who are residents of the District and who are not employees of the District of Columbia Courts.

''(b) SPECIAL QUALIFICATIONS.—Notwithstanding section 11–1732(c), no individual shall be appointed or assigned as a magistrate judge for the Family Court of the Superior Court or as a magistrate judge for the Domestic Violence Unit handling actions or proceedings which would otherwise be under the jurisdiction of the Family Court unless that individual—

''(1) is a citizen of the United States;

''(2) is an active member of the unified District of Columbia Bar;

''(3) for the 5 years immediately preceding the appointment has been engaged in the active practice of law in the District, has been on the faculty of a law school in the District, or has been employed as a lawyer by the United States or District government, or any combination thereof;

''(4) has not fewer than 3 years of training or experience in the practice of family law as a lawyer or judicial officer; and

''(5)(A) is a bona fide resident of the District of Columbia and has maintained an actual place of abode in the District for at least 90 days immediately prior to appointment, and retains such residency during service as a magistrate judge; or

''(B) is a bona fide resident of the areas consisting of Montgomery and Prince George's Counties in Maryland, Arlington and Fairfax Counties, and the City of Alexandria in Virginia, has maintained an actual place of abode in such area, areas, or the District of Columbia for at least 5 years prior to appointment, and certifies that the individual will become a bona fide resident of the District of Columbia not later than 90 days after appointment.

''(c) SERVICE OF CURRENT HEARING COMMISSIONERS.—Those individuals serving as hearing

*commissioners under section 11–1732 on the effective date of this section who meet the qualifications described in subsection (b)(4) may request to be appointed as magistrate judges for the Family Court of the Superior Court under such section.*

*''(d) FUNCTIONS OF FAMILY COURT AND DOMESTIC VIOLENCE UNIT MAGISTRATES.—A magistrate judge, when specifically designated by the chief judge in consultation with the appropriate presiding judge to serve in the Family Court or in the Domestic Violence Unit and subject to the rules of the Superior Court and the right of review under section 11–1732(k), may perform the following functions:*

*''(1) Administer oaths and affirmations and take acknowledgements.*

*''(2) Subject to the rules of the Superior Court and applicable Federal and District of Columbia law, conduct hearings, make findings and enter interim and final orders or judgments in uncontested or contested proceedings within the jurisdiction of the Family Court and the Domestic Violence Unit of the Superior Court (as described in section 11–1101), excluding jury trials and trials of felony cases, as assigned by the appropriate presiding judge.*

*''(3) Subject to the rules of the Superior Court, enter an order punishing an individual for contempt, except that no individual may be detained pursuant to the authority of this paragraph for longer than 180 days.*

*''(e) LOCATION OF PROCEEDINGS.—To the maximum extent feasible, safe, and practicable, magistrate judges of the Family Court of the Superior Court shall conduct proceedings at locations readily accessible to the parties involved.*

*''(f) TRAINING.—The chief judge, in consultation with the presiding judge of the Family Court of the Superior Court, shall ensure that all magistrate judges of the Family Court receive training to enable them to fulfill their responsibilities, including specialized training in family law and related matters.''.*

*(b) CONFORMING AMENDMENTS.—(1) Section 11–1732(a), District of Columbia Code, is amended by inserting after ''the duties enumerated in subsection (j) of this section'' the following: ''(or, in the case of magistrate judges for the Family Court or the Domestic Violence Unit of the Superior Court, the duties enumerated in section 11–1732A(d))''.*

*(2) Section 11–1732(c), District of Columbia Code, is amended by striking ''No individual'' and inserting ''Except as provided in section 11–1732A(b), no individual''.*

*(3) Section 11–1732(k), District of Columbia Code, is amended—*

*(A) by striking ''subsection (j),'' and inserting the following: ''subsection (j) (or proceedings and hearings under section 11–1732A(d), in the case of magistrate judges for the Family Court or the Domestic Violence Unit of the Superior Court),''; and*

*(B) by inserting after ''appropriate division'' the following: ''(or, in the case of an order or judgment of a magistrate judge of the Family Court or the Domestic Violence Unit of the Superior Court, by a judge of the Family Court or the Domestic Violence Unit)''.*

*(4) Section 11–1732(l), District of Columbia Code, is amended by inserting after ''responsibilities'' the following: ''(subject to the requirements of section 11–1732A(f) in the case of magistrate judges of the Family Court of the Superior Court or the Domestic Violence Unit)''.*

*(c) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 17 of title 11, District of Columbia, is amended by inserting after the item relating to section 11–1732 the following new item:*

*''11–1732A. Special rules for magistrate judges of the Family Court of the Superior Court and the Domestic Violence Unit.''.*

*(d) EFFECTIVE DATE.—*

*(1) IN GENERAL.—The amendments made by this section shall take effect on the date of enactment of this Act.*

*(2) EXPEDITED INITIAL APPOINTMENTS.—*

*(A) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the chief judge of the Superior Court of the District of Columbia shall appoint individuals to serve as magistrate judges for the Family Division of the Superior Court in accordance with the requirements of sections 11–1732 and 11–1732A, District of Columbia Code (as added by subsection (a)), for the purpose of assisting with the implementation of the transition plan under section 3(b) of this Act, and in particular with the transition or disposal of actions or proceedings pursuant to section 3(b)(2) of this Act.*

*(B) TRANSITION RESPONSIBILITIES OF INITIALLY APPOINTED FAMILY COURT MAGISTRATES.—The chief judge of the Superior Court and the presiding judge of the Family Division of the Superior Court (acting jointly) shall first assign the magistrate judges of Family Court appointed under this paragraph to work with judges to whom the cases are currently assigned in making case disposition or transfer decisions as follows:*

*(i) The action or proceeding involves an allegation of abuse or neglect.*

*(ii) The judge to whom the action or proceeding is assigned as of the date of enactment of this Act is not assigned to the Family Division.*

*(iii) The action or proceeding was initiated in the Family Division prior to the 2-year period which ends on the date of enactment of this Act.*

*(C) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to preclude magistrate judges appointed pursuant to this subsection from performing upon appointment any or all of the functions of magistrate judges of the Family Court or Domestic Violence Unit as set forth in subsection 11–1732A(d).*

***SEC. 7. SENSE OF CONGRESS REGARDING BORDER AGREEMENT WITH MARYLAND AND VIRGINIA.***

*It is the sense of Congress that the State of Maryland, the Commonwealth of Virginia, and the District of Columbia should promptly enter into a border agreement to facilitate the timely and safe placement of children in the District of Columbia's welfare system in foster and kinship homes and other facilities in Maryland and Virginia.*

***SEC. 8. SENSE OF THE SENATE REGARDING THE USE OF COURT APPOINTED SPECIAL ADVOCATES.***

*It is the sense of the Senate that the chief judge of the Superior Court and the presiding judge of the Family Division should take all steps necessary to encourage, support, and improve the use of Court Appointed Special Advocates (CASA) in family court actions or proceedings.*

***SEC. 9. INTERIM REPORTS.***

*Not later than 12 months after the date of enactment of this Act, the chief judge of the Superior Court and the presiding judge of the Family Court—*

*(1) in consultation with the General Services Administration, shall submit to Congress a feasibility study for the construction, lease, or acquisition of appropriate permanent courts and facilities for the Family Court; and*

*(2) shall submit to Congress an analysis of the success of the use of magistrate judges under the expedited appointment procedures established under section 6(d) in reducing the number of pending actions and proceedings within the jurisdiction of the Family Court (as described in section 11–902(d), District of Columbia).*

***SEC. 10. AUTHORIZATION OF APPROPRIATIONS.***

*There are authorized to be appropriated to the Courts of the District of Columbia and the District of Columbia such sums as may be necessary to carry out the amendments made by this Act.*

***SEC. 11. EFFECTIVE DATE.***

*The amendments made by this Act shall take effect upon enactment of this Act.*

The SPEAKER pro tempore (Mr. ISAKSON). Pursuant to the rule, the gentlewoman from Maryland (Mrs. MORELLA) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentlewoman from Maryland (Mrs. MORELLA).

GENERAL LEAVE

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the measure under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

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

Mr. Speaker, I urge all Members to concur in the Senate amendment to H.R. 2657, the District of Columbia Family Court Act of 2001. These Senate amendments have been approved by the sponsor of the legislation, the gentleman from Texas (Mr. DELAY), and the original cosponsors of the legislation, the gentleman from Virginia (Mr. DAVIS), the gentlewoman from District of Columbia (Ms. NORTON), and myself, following diligent work between staff of both houses.

The Senate amendments before us raise the ceiling of the number of judges for the Family Court to 15 judges. This provision would enable the chief judge to address unforeseeable needs if judges and magistrates are not able to keep up with the caseload.

The amended bill further allows for emergency temporary reassignment of certain judges who are qualified to serve on the Family Court and who would not be subject to the length of term, should the 15 Family Court judges not be able to keep up with the docket. These temporary emergency judges are encouraged to volunteer to serve in this capacity to the greatest extent possible.

These provisions modify the restriction in the District of Columbia Code to allow the chief judge of the Superior Court to exceed the overall cap of 59 judges if necessary to maintain a full complement of 15 judges in Family Court. The amendments further provide that cases outside of the Family Court be allowed an 18-month transition period to return to the Family Court, and provide limited exception based on the records of the case.

Additionally, the amended bill establishes a priority for returning the backlog of cases to the Family Court within the transition period, and requires that when a Family Court judge leaves the bench, all the cases must remain in the Family Court, except under extraordinary circumstances. The judge may have 6 months or 12 months, if it can be demonstrated to the chief judge that taking the case out of the Family Court will lead to permanent accomplishment of the child more quickly than if the case remained in the court.

These cases must be in compliance with the Adoption and Safe Families

Act. It is hoped that only a small number of cases will be retained under this provision.

The Superior Court is required to report to Congress at 6-month intervals for 2 years. This provision will enable Congress to monitor the implementation of the reforms intended in the bill, including the transfer of cases back to the Family Court. Other reports are required by the Comptroller General, the chief judge, and the presiding judge of the Family Court at varying intervals.

The Senate amendments to the House measure, H.R. 2657, maintain the requirement of one family-one judge in cases decided by the Family Court, which include divorces, alimony, child support, adoptions, custody, writs of habeas corpus, and other proceedings. The core of this legislation is to serve the children and the families of our Nation's capital.

This legislation has been the culmination of many individual efforts, but I must especially thank the gentleman from Texas (Mr. DELAY) for his leadership in making this legislation a reality.

Mr. Speaker, I urge all Members to concur in the Senate amendments to H.R. 2657, and I reserve the balance of my time.

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

Mr. Speaker, I rise in strong support of H.R. 2657, and to ask the support of this House for the District of Columbia Family Court Act of 2001, a bill written as a bipartisan effort by the gentleman from Texas (Mr. DELAY) and me.

The bill contains the few amendments I informed the House on September 20 I could not add at that time because of the rush to get this bill to the floor in time to secure the necessary appropriation. I want to thank the Senate for assuring that these changes were included as Senate amendments to the bill.

I especially want to thank the current chairman of the Subcommittee on the District of Columbia, the gentlewoman from Maryland (Mrs. MORELLA), and the former chair, the gentleman from Texas (Mr. DELAY), for their leadership on this bill, but particular thanks are due to my friend and partner on this bill, the majority whip, the gentleman from Texas (Mr. DELAY).

The gentleman from Texas worked long and hard with me on this bill, and kept at it through tough negotiations when we had differences for more than a year until we both could agree on a final version. I appreciate the collegial way in which the gentleman from Texas (Mr. DELAY) worked with me throughout. He has my special gratitude for the extra $24 million that has been appropriated to fund the reforms that this bill mandates.

The Mayor and the City Council appreciate and support the work of the gentleman from Texas (Mr. DELAY) on the bill, as well, and the respect he has shown for home rule throughout his negotiations with me on this bill.

The need to update the family division became a priority after the tragic death of Brianna Blackmond, an infant who was returned to her troubled mother without a hearing after it was alleged that lawyers representing all the parties, the social workers and the guardians ad litem, had certified that the child should be returned.

I must continue to emphasize that the D.C. City Council is far more familiar with the children and families of the city than we in Congress, and of course was best qualified to write this bill. However, when the Home Rule Act was passed in 1973, Congress withheld jurisdiction over D.C. courts. Therefore, I asked the Council to pass a resolution in support of the reforms in this bill, after scrutinizing it and offering recommendations for changes.

We have also worked closely with Mayor Anthony Williams and Chief Judge Rufus King and the judges of the Superior Court in writing the bill. We respected the concerns of the District in negotiating this bill.

The D.C. Family Court Act of 2001 is the first overhaul of our family division since 1970, when it was upgraded to be part of the Superior Court of the District of Columbia. No court or other institutions should go a full 30 years without a close examination of its strengths and weaknesses. I know that the subcommittee will assure that there is appropriate oversight to the implementation of the bill by our subcommittee.

The Family Division has not been able to meet adequately intractable societal problems and additionally has had to depend on an outside agency, the Child Family Services Agency, which until recently had been in a Federal court receivership.

Our bill incorporates what we found in our investigation to be the best practices from successful independent family courts and family courts that are integrated into general jurisdiction courts all across the country.

These courts have in common these basic reforms: An independent family court or division; ample family court judges to handle family matters; terms for judges in the family court; family court judges, magistrate judges, and other court personnel trained or expert in family law; ongoing training of family court judges; alternative dispute resolution or mediation in family cases; only one judge for each family; family cases only in the Family Court; magistrate judges to assist family court judges with their caseloads; and special magistrate judges to assist judges with current pending cases.

The D.C. Family Court Act incorporates all these best practices.

Mr. Speaker, let me conclude by saying that I am particularly pleased that in the amendments to the bill we were able to address several problems with the House bill that I first raised on this floor.

These Senate amendments are important to ensure that, for example, the necessary work of disposing of a large volume of pending cases and continuing intake of new cases coming into the new Family Court does not overwhelm the new court, while it meets timetables mandated in the bill.

In addition, the Senate amendments will ensure that the jurisdiction of the court's successful domestic violence unit is not undermined.

We have all agreed that the successful disposition of these and other matters resolved with our Senate partners have produced a strong bipartisan consensus bill. I want to, once again, thank the gentleman from Texas (Mr. DELAY) for his tireless efforts and partnership with me on this bill, and for his great concern for the children and families of the District of Columbia; a concern that was always there, always evident, and that energized his hard work with me throughout; and, of course, the Chair of the subcommittee, the gentlewoman from Maryland (Mrs. MORELLA), as well as my good friend, the gentleman from Virginia (Mr. DAVIS), for their special efforts on this important piece of legislation.

Mr. Speaker, I urge all of our colleagues to support this bill, and thank all who assisted us on it.

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

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

Mr. Speaker, I thank the ranking member of the Subcommittee on the District of Columbia, the gentlewoman from the District of Columbia (Ms. NORTON), for her wonderful comments and for all the work that she put into this bill.

Mr. Speaker, it is my pleasure to yield such time as he may consume to the gentleman from Texas (Mr. DELAY), who is not the sponsor but the genesis of this bill in terms of responding to the great needs in the District of Columbia, and he has been tenacious.

Mr. DELAY. Mr. Speaker, I thank the gentlewoman for yielding time to me, and congratulate her on a whole year of very hard work, the work she put in to bring this bill to the floor today.

I also want to add my thanks to the gentlewoman from the District of Columbia (Ms. NORTON), who was tireless in standing up for the abused and neglected children of the District of Columbia, understanding that the District desperately needs to focus on the welfare of these children and the best interests of these children.

She understands that, and in the name of Brianna Blackmond, and maybe we should have named this bill for Brianna Blackmond, because this is the beginning of what I hope is a total reform effort to bring the kind of services and safe and permanent homes for children that are seriously abused.

I also thank the staff that worked on it, particularly on my staff, Dr. Cassie Bevan, who is tenacious in her efforts to see that these children receive the kind of services that they deserve.

These are children, Mr. Speaker, that are the most oppressed, the most

abused, not just in the District of Columbia, but all over the United States. The effort all over the United States is sort of focused here in our Nation's capital in trying to do the best we can.

There are 4,500 cases that are currently supervised outside the Family Division that can now be brought into the Family Division of the Superior Court upon the signature of the President of this bill, so maybe we can start working on this backlog and develop a system, a model system for the Nation's capital to take care of these children.

These are children that are dying, these are children that have been forgotten, in many cases. I remind my colleagues that this came to our attention not just through the death of Brianna Blackmond, but the child welfare system of the District was in receivership. It was in a mess.

The gentlewoman from the District of Columbia (Ms. NORTON) understood this and worked with us closely, and was the driving force in making this happen.

But I have to tell my colleagues, this is only the first step in a reform effort in the District of Columbia that is desperately needed. Just this last summer, over 100 files were lost, 100 files. Let me explain what that means.

A child makes an outcry, he or she is being abused and neglected in one way or another; and the stories that we hear of what is happening to children, not just in the District of Columbia, but all across the Nation are just horrendous.

But this child makes an outcry for help, and looking for someone to help them, and a file is created on this child and then lost. We do not even know what has happened to these children. The perpetrator of the abuse and neglect on this child knows now that the child made an outcry, and who knows what has been done to that child that made the outcry.

□ 1115

This is abhorrent and we can not stand for it any longer and we are not. And by passing this bill, this is the beginning of what I hope is once and for all a process that we will go through in the District of Columbia to bring these children out of an abusive situation, give them the services that they need and, most importantly, find them a safe and permanent home where they can look forward and have hope for a future that other children enjoy today. I think that is vitally important.

This is going to be a showcase hopefully for the Nation. And, colleagues, children and families need a court that focuses exclusively on their welfare and their best interest. To realize this objective, the family court absolutely has to keep cases within its boundaries in order to be effective. This bill before us requires that the backlog of 4,500 cases have to be returned; and, second, that these cases which are currently under supervision of judges in the family division, remain there even after the individual judges leave the family bench. But most importantly, it gives us the opportunity to recruit judges that want to deal in this area of the law, that want to work with these children and these families to give these children the kind of future they deserve.

This bill also requires that each year a report is prepared to Congress that includes the number of cases retained outside the family court. It is our intention that this number be very low, because one of the major purposes of this Act is to keep all the cases in the specialized family court. So under the D.C. appropriations bill, as the gentlewoman from the District of Columbia (Ms. NORTON) has said, there is $24 million that has been appropriated to implement this legislation, to upgrade our computer systems, to expand its courtroom facilities and increase the number of judicial personnel to handle this huge backlog of cases.

The reforms required in this legislation combined with the money appropriated to support these reforms was designed with a single vital purpose, and that is to save the lives of abused and neglected children in the District of Columbia who are endangered by the status quo.

I am very proud to be associated with the gentlewoman from Maryland (Mrs. MORELLA), the gentleman from Virginia (Mr. TOM DAVIS), the delegation that serves the D.C. metroplex and, particularly, the gentlewoman from the District of Columbia (Ms. NORTON) who has done an outstanding job in working all this out and bringing this bill to the floor. The children will appreciate it in the future. We have dedicated it to Brianna Blackmond.

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

Mr. Speaker, before I yield back the balance of my time, I would like to thank two staff members by name, the gentleman from Texas (Mr. DELAY), staff member Cassie Bevan, and my own staff member, John Bouker, because in a very real sense, when Members are as deeply involved as the gentleman from Texas (Mr. DELAY) and I have been in this bill, the services of very high qualified, very smart staff people need to be involved, particularly given the many technical areas that were involved in this bill and the points of disagreement we had.

I want to, once again, say that I do not need to tell this House that the gentleman from Texas (Mr. DELAY) is a tough negotiator. And yet, throughout these negotiations, they were over a year, we never came to a point where we did not think there would be a bill. And this was largely because the gentleman from Texas (Mr. DELAY), although the District is not his district, felt so deeply about the children that he was willing to put personal time into this bill. That is difficult to do if you are a leader of the House. And I want to express my appreciation to the gentleman again for his personal involvement in this bill, and for never letting go of this bill. Although, I will say on this floor that there were times I wish he would have let go of this bill. But that is what a bipartisan bill is about. It is about working together, instead of turning over the tables, until we can get a bill we can agree upon.

The gentleman from Texas (Mr. DELAY) and I probably have parts of this bill that we would like to have seen done just a little differently. But in the name of the children who will profit, who will benefit from what this bill provides, in the name of the many families in the District of Columbia for whom this bill will mean something very real in their lives, he and I reached a resolution of any differences we had.

We are both very proud of this bill.

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

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

Mr. Speaker, you can see this has been a collaborative effort that is going to help the children in the District of Columbia and be a model, I think, for the rest of the Nation. Anything good does not happen that easily. And so this is an example of something that has come from a lot of hard work.

Again, I commend the gentleman from Texas (Mr. Delay) for his leadership in making sure that this bill was negotiated throughout to come to this point, and also to the gentlewoman from the District of Columbia (Ms. Norton) for the work, her tenaciousness in having this bill again crafted and reach this point. The gentleman from Virginia (Mr. Davis) has always been involved with it, and I am certainly pleased that we have reached this point.

I want to thank the staff also, John Bouker. Certainly Cassie Statuto Bevan has been there every inch of the way. My staff, Russell Smith and Heea Vazirani-Fales and the others who worked on it.

Mr. Speaker, I identify myself with the idea that when you touch a rock, you touch the past; and when you touch a flower, you touch the present; but when you touch a child, you touch the future. And that is just what this bill does. So I urge all our colleagues to wholeheartedly endorse the bill.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today in support of H.R. 2657, the District of Columbia Family Court Act of 2001, as amended. This is an important bill that will provide the Family Court with the structural and management reforms it needs to efficiently and effectively serve the children in the District's child welfare system.

After the tragic death of 23-month-old Brianna Blackmond, the D.C. Subcommittee held two hearing last year, which revealed the dire need for reforms to the various components of the District's child welfare system, including the Family Court. The recent series of articles in the Washington Post highlight long-term systemic problems in the child welfare system, and reemphasize the need for Court reform.

The Family Court must be equipped with the strategic tools and resource to assure the safety and well-being of the city's most vulnerable children. H.R. 2657 accomplishes this objective. It mandates longer judicial terms of service to ensure greater continuity in the handling of cases. New appointees to the Superior Court who are assigned to the Family Court will serve for 5 years. The bill also requires that judges appointed to serve on the Family Court have committed themselves to the practice of family law. Furthermore, it creates magistrate judges, who will be responsible for handling the backlog of 4,500 cases.

The bill imposes the critically important ''one family, one judge'' requirement on the Family Court to ensure that a judge is familiar with a family's history in order to make appropriate decisions regarding the safety and placement of the child.

The Court will create its own integrated computer system for use by judges, magistrate judges, and nonjudicial personnel, allowing them access to all pending cases related to children and their families. The bill also provides the judges and magistrate judges with access to information regarding the myriad social services available in D.C.

In addition to these key provisions, I support the Senate amendments. These include a provision requiring that when judges leave the Family Court, all of their cases remain in the Family Court. However, the bill does allow the judges an additional 6 months, and under extraordinary circumstances and additional 12 months, to retain a case if they can demonstrate to the Chief Judge that removing the child's case from the Family Court will result in more expeditious permanent placement. Let me emphasize that the application of this provision is only intended in rare situations.

The critical reforms in this legislation will help ensure that the Family Court can meet the needs of the city's children. I urge all of my colleagues to support H.R. 2657, as amended.

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

The SPEAKER pro tempore (Mr. ISAKSON). The question is on the motion offered by the gentlewoman from Maryland (Mrs. MORELLA) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 2657.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Ms. NORTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

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

The point of no quorum is considered withdrawn.

## CONFERENCE REPORT ON H.R. 2506, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002

Mr. KOLBE (during consideration of H.R. 2657) submitted the following conference report and statement on the bill (H.R. 2506) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002.

CONFERENCE REPORT (H. REPT. 107–345)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2506) ''making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes'', having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2002, and for other purposes, namely:*

### *TITLE I—EXPORT AND INVESTMENT ASSISTANCE*

*EXPORT-IMPORT BANK OF THE UNITED STATES*

*The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country, other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act, that has detonated a nuclear explosive after the date of the enactment of this Act.*

*SUBSIDY APPROPRIATION*

*For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $727,323,000 to remain available until September 30, 2005: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall remain available until September 30, 2020 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 2002, 2003, 2004, and 2005: Provided further, That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State or any agency or national thereof.*

*ADMINISTRATIVE EXPENSES*

*For administrative expenses to carry out the direct and guaranteed loan and insurance programs, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $30,000 for official reception and representation expenses for members of the Board of Directors, $63,000,000: Provided, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: Provided further, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 2002.*

*OVERSEAS PRIVATE INVESTMENT CORPORATION*

*NONCREDIT ACCOUNT*

*The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: Provided, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed $35,000) shall not exceed $38,608,000: Provided further, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.*

*PROGRAM ACCOUNT*

*Such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.*

*FUNDS APPROPRIATED TO THE PRESIDENT*

*TRADE AND DEVELOPMENT AGENCY*

*For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $50,024,000, to remain available until September 30, 2003.*

### *TITLE II—BILATERAL ECONOMIC ASSISTANCE*

*FUNDS APPROPRIATED TO THE PRESIDENT*

*For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 2002, unless otherwise specified herein, as follows:*

*UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT*

*CHILD SURVIVAL AND HEALTH PROGRAMS FUND*

*For necessary expenses to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, and title I of Public Law 106–570, for child survival, reproductive health/family planning, assistance to combat tropical and other infectious diseases, and related activities, in addition to funds otherwise available for such purposes, $1,433,500,000, to remain available until expended: Provided, That this amount shall be made available for such activities as: (1) immunization programs; (2) oral rehydration programs; (3) health, nutrition, water and sanitation programs which directly*

*address the needs of mothers and children, and related education programs; (4) assistance for displaced and orphaned children; (5) programs for the prevention, treatment, and control of, and research on, HIV/AIDS, tuberculosis, malaria, polio and other infectious diseases; and (6) family planning/reproductive health: Provided further, That none of the funds appropriated under this heading may be made available for nonproject assistance, except that funds may be made available for such assistance for ongoing health programs: Provided further, That of the funds appropriated under this heading, not to exceed $125,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of child survival, maternal and family planning/reproductive health, and infectious disease programs: Provided further, That the following amounts should be allocated as follows: $315,000,000 for child survival and maternal health; $25,000,000 for vulnerable children; $435,000,000 for HIV/AIDS including not less than $15,000,000 which should be made available to support the development of microbicides as a means for combating HIV/AIDS; $165,000,000 for other infectious diseases, of which $65,000,000 should be made available for the prevention, treatment, and control of, and research on, tuberculosis, and of which $65,000,000 should be made available to combat malaria; $368,500,000 for family planning/reproductive health, including in areas where population growth threatens biodiversity or endangered species; and $120,000,000 for UNICEF: Provided further, That of the funds appropriated under this heading, up to $50,000,000 may be made available, notwithstanding any other provision of law for a United States contribution to a global fund to combat AIDS, tuberculosis, and malaria: Provided further, That in addition to the funds made available elsewhere under this heading and subject to the regular notification procedures of the Committees on Appropriations, the President may make available up to an additional $50,000,000, notwithstanding any other provision of law, for a United States contribution to a global fund to combat AIDS, tuberculosis, and malaria, which may be derived from funds appropriated in title II of this Act and in title II of prior Acts making appropriations for foreign operations, export financing, and related programs: Provided further, That of the funds appropriated under this heading, up to $53,000,000 may be made available for a United States contribution to The Vaccine Fund, and up to $10,000,000 may be made available for the International AIDS Vaccine Initiative: Provided further, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this Act may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions: Provided further, That none of the funds made available under this Act may be used to lobby for or against abortion: Provided further, That in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services, and that any such voluntary family planning project shall meet the following requirements: (1) service providers or referral agents in the project shall not implement or be subject to quotas, or other numerical targets, of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning (this provision shall not be construed to include the use of quantitative estimates or indicators for budgeting and planning purposes); (2) the project shall not include payment of incentives, bribes, gratuities, or financial reward to: (A) an individual in exchange for becoming a family planning acceptor; or (B) program personnel for achieving a numerical target or quota of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning; (3) the project shall not deny any right or benefit, including the right of access to participate in any program of general welfare or the right of access to health care, as a consequence of any individual's decision not to accept family planning services; (4) the project shall provide family planning acceptors comprehensible information on the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method; and (5) the project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits; and, not less than 60 days after the date on which the Administrator of the United States Agency for International Development determines that there has been a violation of the requirements contained in paragraph (1), (2), (3), or (5) of this proviso, or a pattern or practice of violations of the requirements contained in paragraph (4) of this proviso, the Administrator shall submit to the Committees on Appropriations of the Senate and the House of Representatives, a report containing a description of such violation and the corrective action taken by the Agency: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term ''motivate'', as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: Provided further, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961.*

*DEVELOPMENT ASSISTANCE*

*For necessary expenses to carry out the provisions of sections 103, 105, 106, and 131, and chapter 10 of part I of the Foreign Assistance Act of 1961, $1,178,000,000, to remain available until September 30, 2003: Provided, That $150,000,000 should be allocated for children's basic education: Provided further, That none of the funds appropriated under this heading may be made available for any activity which is in contravention to the Convention on International Trade in Endangered Species of Flora and Fauna: Provided further, That of the funds appropriated under this heading and the heading ''Child Survival and Health Programs Fund'', $2,000,000 should be made available for Laos: Provided further, That funds made available under the previous proviso should be made available only through nongovernmental organizations: Provided further, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed $32,500, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: Provided further, That of the aggregate amount of the funds appropriated by this Act that are made available for agriculture and rural development programs, $25,000,000 should be made available for plant biotechnology research and development: Provided further, That not less than $2,300,000 should be made available for core support for the International Fertilizer Development Center: Provided further, That of the funds appropriated under this heading, not less than $18,000,000 should be made available for the American Schools and Hospitals Abroad program: Provided further, That of the funds appropriated under this heading, not less than $275,000,000 should be made available for programs and activities which directly protect tropical forests, biodiversity and endangered species, promote the sustainable use of natural resources, and promote a wide range of clean energy and energy conservation activities, including the transfer of cleaner and environmentally sustainable energy technologies, and related activities.*

*BURMA*

*Of the funds appropriated under the heading ''Economic Support Fund'', not less than $6,500,000 shall be made available to support democracy activities in Burma, democracy and humanitarian activities along the Burma-Thailand border, and for Burmese student groups and other organizations located outside Burma: Provided, That funds made available for Burma-related activities under this heading may be made available notwithstanding any other provision of law: Provided further, That the provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations: Provided further, That title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001, as enacted by section 101(a) of Public Law 106–429, is amended, under the heading ''Burma'', by inserting '', 'Child Survival and Disease Programs Fund','' after ''Fund''.*

*INTERNATIONAL DISASTER ASSISTANCE*

*For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $235,500,000, to remain available until expended.*

*TRANSITION INITIATIVES*

*For necessary expenses for international disaster rehabilitation and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, $50,000,000, to remain available until expended, to support transition to democracy and to long-term development of countries in crisis: Provided, That such support may include assistance to develop, strengthen, or preserve democratic institutions and processes, revitalize basic infrastructure, and foster the peaceful resolution of conflict: Provided further, That the United States Agency for International Development shall submit a report to the Committees on Appropriations at least 5 days prior to beginning a new program of assistance.*

*DEVELOPMENT CREDIT AUTHORITY*

*(INCLUDING TRANSFER OF FUNDS)*

*For the cost of direct loans and loan guarantees, up to $18,500,000, as authorized by sections 108 and 635 of the Foreign Assistance Act of 1961: Provided, That such funds shall be derived by transfer from funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961, and under the heading ''Assistance for Eastern Europe and the Baltic States'': Provided further, That such funds shall be made available only for micro and small enterprise programs, urban programs, and other programs which further the purposes of part I of the Act: Provided further, That during fiscal year 2002, commitments to guarantee loans shall not exceed $267,500,000: Provided further, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That the provisions of section 107A(d) (relating to general provisions applicable to the Development Credit Authority) of the Foreign Assistance Act of 1961, as contained in section*

*306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this heading. In addition, for administrative expenses to carry out credit programs administered by the United States Agency for International Development, $7,500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the United States Agency for International Development: Provided further, That funds appropriated under this heading shall remain available until September 30, 2007.*

*PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND*

*For payment to the ''Foreign Service Retirement and Disability Fund'', as authorized by the Foreign Service Act of 1980, $44,880,000.*

*OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT*

*For necessary expenses to carry out the provisions of section 667, $549,000,000: Provided, That none of the funds appropriated under this heading may be made available to finance the construction (including architect and engineering services), purchase, or long term lease of offices for use by the United States Agency for International Development, unless the Administrator has identified such proposed construction (including architect and engineering services), purchase, or long term lease of offices in a report submitted to the Committees on Appropriations at least 15 days prior to the obligation of these funds for such purposes: Provided further, That the previous proviso shall not apply where the total cost of construction (including architect and engineering services), purchase, or long term lease of offices does not exceed $1,000,000: Provided further, That of the funds appropriated under this heading, up to $10,000,000 may remain available until expended for security-related costs.*

*OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL*

*For necessary expenses to carry out the provisions of section 667, $31,500,000, to remain available until September 30, 2003, which sum shall be available for the Office of the Inspector General of the United States Agency for International Development.*

*OTHER BILATERAL ECONOMIC ASSISTANCE*

*ECONOMIC SUPPORT FUND*

*For necessary expenses to carry out the provisions of chapter 4 of part II, $2,199,000,000, to remain available until September 30, 2003: Provided, That of the funds appropriated under this heading, not less than $720,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of the enactment of this Act or by October 31, 2001, whichever is later: Provided further, That not less than $655,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than $200,000,000 shall be provided as Commodity Import Program assistance: Provided further, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to such country and that Israel enters into a side letter agreement in an amount proportional to the fiscal year 1999 agreement: Provided further, That of the funds appropriated under this heading, $150,000,000 should be made available for assistance for Jordan: Provided further, That of the funds appropriated under this heading, $50,000,000 should be made available for assistance for Indonesia: Provided further, That not less than $15,000,000 of the funds appropriated under this heading shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus: Provided further, That not less than $35,000,000 of the funds appropriated under this heading shall be made available for assistance for Lebanon to be used, among other programs, for scholarships and direct support of the American educational institutions in Lebanon: Provided further, That notwithstanding section 534(a) of this Act, funds appropriated under this heading that are made available for assistance for the Central Government of Lebanon shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That the Government of Lebanon should enforce the custody and international pickup orders, issued during calendar year 2001, of Lebanon's civil courts regarding abducted American children in Lebanon: Provided further, That of the funds appropriated under this heading, not less than $25,000,000 shall be made available for assistance for East Timor of which up to $1,000,000 may be transferred to and merged with the appropriation for Operating Expenses of the United States Agency for International Development: Provided further, That funds appropriated under this heading may be used, notwithstanding any other provision of law, to provide assistance to the National Democratic Alliance of Sudan to strengthen its ability to protect civilians from attacks, slave raids, and aerial bombardment by the Sudanese Government forces and its militia allies, and the provision of such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That in the previous proviso, the term ''assistance'' includes non-lethal, non-food aid such as blankets, medicine, fuel, mobile clinics, water drilling equipment, communications equipment to notify civilians of aerial bombardment, non-military vehicles, tents, and shoes: Provided further, That with respect to funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, the responsibility for policy decisions and justifications for the use of such funds, including whether there will be a program for a country that uses those funds and the amount of each such program, shall be the responsibility of the Secretary of State and the Deputy Secretary of State and this responsibility shall not be delegated.*

*INTERNATIONAL FUND FOR IRELAND*

*For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $25,000,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415): Provided, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That funds made available under this heading shall remain available until September 30, 2003.*

*ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES*

*(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $621,000,000, to remain available until September 30, 2003, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States: Provided, That not to exceed $21,500,000 of the funds appropriated under this heading in this Act and in prior Acts making appropriations for foreign operations, export financing, and related programs, together with not to exceed $21,500,000 of the funds appropriated under the heading ''Economic Support Fund'' in this Act and such prior Acts, may be made available for the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and guarantees for the Federal Republic of Yugoslavia: Provided further, That funds made available for assistance for Kosovo from funds appropriated under this heading and under the headings ''Economic Support Fund'' and ''International Narcotics Control and Law Enforcement'' should not exceed 15 percent of the total resources pledged by all donors for calendar year 2002 for assistance for Kosovo as of March 31, 2002: Provided further, That none of the funds made available under this Act for assistance for Kosovo shall be made available for large scale physical infrastructure reconstruction.*

*(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.*

*(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.*

*(d) With regard to funds appropriated under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program) the Administrator of the United States Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee.*

*(e) The provisions of section 529 of this Act shall apply to funds made available under subsection (d) and to funds appropriated under this heading: Provided, That notwithstanding any provision of this or any other Act, including provisions in this subsection regarding the application of section 529 of this Act, local currencies generated by, or converted from, funds appropriated by this Act and by previous appropriations Acts and made available for the economic revitalization program in Bosnia may be used in Eastern Europe and the Baltic States to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989.*

*(f) The President is authorized to withhold funds appropriated under this heading made available for economic revitalization programs in Bosnia and Herzegovina, if he determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has not complied with article III of annex 1–A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between Iranian officials and Bosnian officials has not been terminated.*

*ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION*

*(a) For necessary expenses to carry out the provisions of chapters 11 and 12 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the Independent States of the former Soviet Union and for related programs, $784,000,000, to remain available until September 30, 2003: Provided, That the provisions of such chapters shall apply to funds appropriated by this paragraph: Provided further, That of the funds made available for the Southern Caucasus region, notwithstanding any other provision of law, funds may be used for confidence-building measures and other activities in furtherance of the peaceful resolution of the regional conflicts, especially those in the vicinity of Abkhazia and Nagorno-Karabagh: Provided further, That of the funds appropriated under this heading, not less than $1,500,000 should be available only to meet the health and other assistance needs of victims of trafficking in persons: Provided further, That of the funds appropriated under this heading not less than $17,500,000 shall be made available solely for the Russian Far East: Provided further, That, notwithstanding any other provision of law funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, or related programs, that are made available pursuant to the provisions of section 807 of the FREEDOM Support Act (Public Law 102–511) shall be subject to the ceiling on administrative expenses contained in section 807(a)(5) of the FREEDOM Support Act. (b) Of the funds appropriated under this heading, not less than $154,000,000 should be made available for assistance for Ukraine: Provided, That of this amount, not less than $30,000,000 should be made available for nuclear reactor safety initiatives: Provided further, That not later than 60 days after the date of enactment of this Act, and 120 days thereafter, the Department of State shall submit to the Committees on Appropriations a report on progress by the Government of Ukraine in investigating and bringing to justice individuals responsible for the murders of Ukrainian journalists.*

*(c) Of the funds appropriated under this heading, not less than $90,000,000 shall be made available for assistance for Armenia.*

*(d) Of the funds appropriated under this heading, $90,000,000 should be made available for assistance for Georgia.*

*(e)(1) Of the funds appropriated under this heading that are allocated for assistance for the Government of the Russian Federation, 60 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation:*

*(A) has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability; and*

*(B) is providing full access to international non-government organizations providing humanitarian relief to refugees and internally displaced persons in Chechnya.*

*(2) Paragraph (1) shall not apply to—*

*(A) assistance to combat infectious diseases, child survival activities, or assistance for victims of trafficking in persons; and*

*(B) activities authorized under title V (Nonproliferation and Disarmament Programs and Activities) of the FREEDOM Support Act.*

*(f) Of the funds appropriated under this heading, not less than $49,000,000 should be made available, in addition to funds otherwise available for such purposes, for assistance for child survival, environmental and reproductive health/family planning, and to combat HIV/AIDS, tuberculosis, and other infectious diseases, and for related activities.*

*(g)(1) Section 907 of the FREEDOM Support Act shall not apply to—*

*(A) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104–201 or non-proliferation assistance;*

*(B) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);*

*(C) any activity carried out by a member of the United States and Foreign Commercial Service while acting within his or her official capacity;*

*(D) any insurance, reinsurance, guarantee or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);*

*(E) any financing provided under the Export-Import Bank Act of 1945; or*

*(F) humanitarian assistance.*

*(2) The President may waive section 907 of the FREEDOM Support Act if he determines and certifies to the Committees on Appropriations that to do so—*

*(A) is necessary to support United States efforts to counter international terrorism; or*

*(B) is necessary to support the operational readiness of United States Armed Forces or coalition partners to counter international terrorism; or*

*(C) is important to Azerbaijan's border security; and*

*(D) will not undermine or hamper ongoing efforts to negotiate a peaceful settlement between Armenia and Azerbaijan or be used for offensive purposes against Armenia.*

*(3) The authority of paragraph (2) may only be exercised through December 31, 2002.*

*(4) The President may extend the waiver authority provided in paragraph (2) on an annual basis on or after December 31, 2002 if he determines and certifies to the Committees on Appropriations in accordance with the provisions of paragraph (2).*

*(5) The Committees on Appropriations shall be consulted prior to the provision of any assistance made available pursuant to paragraph (2).*

*(6) Within 60 days of any exercise of the authority under paragraph (2) the President shall send a report to the appropriate congressional committees specifying in detail the following—*

*(A) the nature and quantity of all training and assistance provided to the Government of Azerbaijan pursuant to paragraph (2);*

*(B) the status of the military balance between Azerbaijan and Armenia and the impact of United States assistance on that balance; and*

*(C) the status of negotiations for a peaceful settlement between Armenia and Azerbaijan and the impact of United States assistance on those negotiations.*

*INDEPENDENT AGENCIES*

*INTER-AMERICAN FOUNDATION*

*For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104(b)(3), $13,106,950.*

*AFRICAN DEVELOPMENT FOUNDATION*

*For expenses necessary to carry out title V of the International Security and Development Cooperation Act of 1980, Public Law 96–533, and to make commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104(b)(3), $16,542,000: Provided, That funds made available to grantees may be invested pending expenditure for project purposes when authorized by the President of the Foundation: Provided further, That interest earned shall be used only for the purposes for which the grant was made: Provided further, That this authority applies to interest earned both prior to and following enactment of this provision: Provided further, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the $250,000 limitation contained in that section with respect to a project: Provided further, That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.*

*PEACE CORPS*

*For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat. 612), $275,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 2003.*

*DEPARTMENT OF STATE*

*INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT*

*For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, $217,000,000, to remain available until expended: Provided, That any funds made available under this heading for anti-crime programs and activities shall be made available subject to the regular notification procedures of the Committees on Appropriations: Provided further, That during fiscal year 2002, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading, $10,000,000 should be made available for anti-trafficking in persons programs, including trafficking prevention, protection and assistance for victims, and prosecution of traffickers: Provided further, That of the funds appropriated under this heading, not more than $21,738,000 may be available for administrative expenses.*

*ANDEAN COUNTERDRUG INITIATIVE*

*For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961 solely to support counterdrug activities in the Andean region of South America, $625,000,000, to remain available until expended: Provided, That in addition to the funds appropriated under this heading and subject to the regular notification procedures of the Committees on Appropriations, the President may make available up to an additional $35,000,000 for the Andean Counterdrug Initiative, which may be derived from funds appropriated under the heading ''International Narcotics Control and Law Enforcement'' in this Act and in prior Acts making appropriations for foreign operations, export financing, and related programs: Provided further, That of the amount appropriated under this heading, not less than $215,000,000 shall be apportioned directly to the United States Agency for International Development, to be used for economic and social programs: Provided further, That funds appropriated by this Act that are used for the procurement of chemicals for aerial coca fumigation programs may be made available for such programs only if the Secretary of State, after consultation with the Administrator of the Environmental Protection Agency, the Secretary of the Department of Agriculture, and, if appropriate, the Director of the Centers for Disease Control and Prevention, determines and reports to the Committees on Appropriations that (1) aerial coca fumigation is being carried out in accordance with regulatory controls required by the Environmental Protection Agency as labeled for use in the United States, and after consultation with the Colombian Government to ensure that the fumigation is in accordance with Colombian laws; (2) the chemicals used in the aerial fumigation of coca, in the manner in which they are being applied, do not pose unreasonable risks or adverse effects to humans or the*

*environment; and (3) procedures are available to evaluate claims of local citizens that their health was harmed or their licit agricultural crops were damaged by such aerial coca fumigation, and to provide fair compensation for meritorious claims; and such funds may not be made available for such purposes after six months from the date of enactment of this Act unless alternative development programs have been developed, in consultation with communities and local authorities in the departments in which such aerial coca fumigation is planned, and in the departments in which such aerial coca fumigation has been conducted such programs are being implemented: Provided further, That none of the funds appropriated by this Act may be made available to support a Peruvian air interdiction program until the Secretary of State and Director of Central Intelligence certify to the Congress, 30 days before any resumption of United States involvement in a Peruvian air interdiction program, that an air interdiction program that permits the ability of the Peruvian Air Force to shoot down aircraft will include enhanced safeguards and procedures to prevent the occurrence of any incident similar to the April 20, 2001 incident: Provided further, That section 482(b) of the Foreign Assistance Act of 1961 shall not apply to funds appropriated under this heading: Provided further, That assistance provided with funds appropriated under this heading that is made available notwithstanding section 482(b) of the Foreign Assistance Act of 1961, as amended, shall be made available subject to the regular notification procedures of the Committees on Appropriations: Provided further, That section 3204(b)(1)(A) of Public Law 106–246 is amended by striking ''500'' and inserting in lieu thereof ''400'', and section 3204(b)(1)(B) of Public Law 106–246 is amended by striking ''300'' and inserting in lieu thereof ''400'': Provided further, That the President shall ensure that if any helicopter procured with funds under this heading is used to aid or abet the operations of any illegal self-defense group or illegal security cooperative, such helicopter shall be immediately returned to the United States: Provided further, That funds made available under this heading shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading, not more than $14,240,000 may be available for administrative expenses of the Department of State, and not more than $4,500,000 may be available for administrative expenses of the United States Agency for International Development.*

*MIGRATION AND REFUGEE ASSISTANCE*

*For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $705,000,000, which shall remain available until expended: Provided, That not more than $16,000,000 may be available for administrative expenses: Provided further, That funds appropriated under this heading may be made available for a headquarters contribution to the International Committee of the Red Cross only if the Secretary of State determines (and so reports to the appropriate committees of the Congress) that the Magen David Adom Society of Israel is not being denied participation in the activities of the International Red Cross and Red Crescent Movement: Provided further, That not less than $60,000,000 of the funds made available under this heading shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.*

*UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND*

*For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $15,000,000, to remain available until expended: Provided, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Act which would limit the amount of funds which could be appropriated for this purpose.*

*NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS*

*For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, $313,500,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, chapter 9 of part II of the Foreign Assistance Act of 1961, section 504 of the FREEDOM Support Act, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, the clearance of unexploded ordnance, the destruction of small arms, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: Provided, That the Secretary of State shall inform the Committees on Appropriations at least 15 days prior to the obligation of funds for the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: Provided further, That of this amount not to exceed $14,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: Provided further, That such funds may also be used for such countries other than the Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so following consultation with the appropriate committees of Congress: Provided further, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: Provided further, That of the funds made available for demining and related activities, not to exceed $500,000, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program.*

*DEPARTMENT OF THE TREASURY*

*INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE*

*For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961 (relating to international affairs technical assistance activities), $6,500,000, to remain available until expended, which shall be available notwithstanding any other provision of law.*

*DEBT RESTRUCTURING*

*For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign Assistance Act of 1961, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended, and concessional loans, guarantees and credit agreements, as authorized under section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100–461), and of canceling amounts owed, as a result of loans or guarantees made pursuant to the Export-Import Bank Act of 1945, by countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106–113, $229,000,000, to remain available until expended: Provided, That not less than $5,000,000 of the funds appropriated under this heading shall be made available to carry out the provisions of part V of the Foreign Assistance Act of 1961, and up to $20,000,000 of unobligated balances of funds available under this heading from prior year appropriations acts should be made available to carry out such provisions: Provided further, That funds appropriated or otherwise made available under this heading in this Act may be used by the Secretary of the Treasury to pay to the Heavily Indebted Poor Countries (HIPC) Trust Fund administered by the International Bank for Reconstruction and Development amounts for the benefit of countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106–113: Provided further, That amounts paid to the HIPC Trust Fund may be used only to fund debt reduction under the enhanced HIPC initiative by—*

*(1) the Inter-American Development Bank;*

*(2) the African Development Fund;*

*(3) the African Development Bank; and*

*(4) the Central American Bank for Economic Integration:*

*Provided further, That funds may not be paid to the HIPC Trust Fund for the benefit of any country if the Secretary of State has credible evidence that the government of such country is engaged in a consistent pattern of gross violations of internationally recognized human rights or in military or civil conflict that undermines its ability to develop and implement measures to alleviate poverty and to devote adequate human and financial resources to that end: Provided further, That on the basis of final appropriations, the Secretary of the Treasury shall consult with the Committees on Appropriations concerning which countries and international financial institutions are expected to benefit from a United States contribution to the HIPC Trust Fund during the fiscal year: Provided further, That the Secretary of the Treasury shall inform the Committees on Appropriations not less than 15 days in advance of the signature of an agreement by the United States to make payments to the HIPC Trust Fund of amounts for such countries and institutions: Provided further, That the Secretary of the Treasury may disburse funds designated for debt reduction through the HIPC Trust Fund only for the benefit of countries that—*

*(a) have committed, for a period of 24 months, not to accept new market-rate loans from the international financial institution receiving debt repayment as a result of such disbursement, other than loans made by such institution to export-oriented commercial projects that generate foreign exchange which are generally referred to as ''enclave'' loans; and*

*(b) have documented and demonstrated their commitment to redirect their budgetary resources from international debt repayments to programs to alleviate poverty and promote economic growth that are additional to or expand*

*upon those previously available for such purposes:*

*Provided further, That any limitation of subsection (e) of section 411 of the Agricultural Trade Development and Assistance Act of 1954 shall not apply to funds appropriated under this heading: Provided further, That none of the funds made available under this heading in this or any other appropriations Acts shall be made available for Sudan or Burma unless the Secretary of Treasury determines and notifies the Committees on Appropriations that a democratically elected government has taken office.*

*TITLE III—MILITARY ASSISTANCE*

*FUNDS APPROPRIATED TO THE PRESIDENT*

*INTERNATIONAL MILITARY EDUCATION AND TRAINING*

*For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $70,000,000, of which up to $3,000,000 may remain available until expended: Provided, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: Provided further, That funds appropriated under this heading for military education and training for Indonesia and Guatemala may only be available for expanded international military education and training and funds made available for Algeria, Indonesia and Guatemala may only be provided through the regular notification procedures of the Committees on Appropriations.*

*FOREIGN MILITARY FINANCING PROGRAM*

*For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,650,000,000: Provided, That of the funds appropriated under this heading, not less than $2,040,000,000 shall be available for grants only for Israel, and not less than $1,300,000,000 shall be made available for grants only for Egypt: Provided further, That the funds appropriated by this paragraph for Israel shall be disbursed within 30 days of the enactment of this Act or by October 31, 2001, whichever is later: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than $535,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That of the funds appropriated by this paragraph, not less than $75,000,000 shall be made available for assistance for Jordan: Provided further, That of the funds appropriated by this paragraph, not less than $3,500,000 should be made available for assistance for Tunisia: Provided further, That during fiscal year 2002, the President is authorized to, and shall, direct the drawdowns of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training of an aggregate value of not less than $5,000,000 under the authority of this proviso for Tunisia for the purposes of part II of the Foreign Assistance Act of 1961: Provided further, That of the funds appropriated by this paragraph and under the heading ''International Narcotics Control and Law Enforcement'', not less than $2,300,000 shall be made available for assistance for Thailand, of which not less than $1,000,000 shall be made available from funds appropriated under the heading ''International Narcotics Control and Law Enforcement'' and which shall be in addition to other funds available for such purposes: Provided further, That of the funds appropriated by this paragraph, not less than $4,000,000 shall be made available for assistance for Armenia: Provided further, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).*

*None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: Provided further, That none of the funds appropriated under this heading shall be available for assistance for Sudan and Liberia: Provided further, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: Provided further, That none of the funds appropriated under this heading shall be available for assistance for Guatemala: Provided further, That only those countries for which assistance was justified for the ''Foreign Military Sales Financing Program'' in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That not more than $35,000,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: Provided further, That not more than $348,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2002 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: Provided further, That foreign military financing program funds estimated to be outlayed for Egypt during fiscal year 2002 shall be transferred to an interest bearing account for Egypt in the Federal Reserve Bank of New York within 30 days of enactment of this Act or by October 31, 2001, whichever is later: Provided further, That the ninth proviso under the heading ''Foreign Military Financing Program'' in title III of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001, as enacted by Public Law 106–429, is amended by inserting ''or 2002'' after ''2001''.*

*PEACEKEEPING OPERATIONS*

*For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $135,000,000: Provided, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.*

*TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE*

*FUNDS APPROPRIATED TO THE PRESIDENT*

*INTERNATIONAL FINANCIAL INSTITUTIONS*

*GLOBAL ENVIRONMENT FACILITY*

*For the United States contribution for the Global Environment Facility, $100,500,000, to the International Bank for Reconstruction and Development as trustee for the Global Environment Facility, by the Secretary of the Treasury, to remain available until expended.*

*CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION*

*For payment to the International Development Association by the Secretary of the Treasury, $792,400,000, to remain available until expended: Provided, That in negotiating United States participation in the next replenishment of the International Development Association, the Secretary of the Treasury shall accord high priority to providing the International Development Association with the policy flexibility to provide new grant assistance to countries eligible for debt reduction under the enhanced HIPC Initiative: Provided further, That the Secretary of the Treasury should instruct the United States executive director to the International Bank for Reconstruction and Development to vote against any water or sewage project in India that does not prohibit the use of scavenger labor.*

*CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY*

*For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, $5,000,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.*

*LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS*

*The United States Governor of the Multilateral Investment Guarantee Agency may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed $25,000,000.*

*CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION*

*For payment to the Inter-American Investment Corporation, by the Secretary of the Treasury, $18,000,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.*

*CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND*

*For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended, $98,017,050, to remain available until expended.*

*CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK*

*For payment to the African Development Bank by the Secretary of the Treasury, $5,100,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.*

*LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS*

*The United States Governor of the African Development Bank may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed $79,991,500.*

*CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND*

*For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, $100,000,000, to remain available until expended.*

*CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT*

*For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, $35,778,717, for the United*

*States share of the paid-in portion of the increase in capital stock, to remain available until expended.*

*LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS*

*The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $123,237,803.*

*CONTRIBUTION TO THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT*

*For the United States contribution by the Secretary of the Treasury to increase the resources of the International Fund for Agricultural Development, $20,000,000, to remain available until expended.*

*INTERNATIONAL ORGANIZATIONS AND PROGRAMS*

*For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $208,500,000: Provided, That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO) or the International Atomic Energy Agency (IAEA): Provided further, That not less than $6,000,000 should be made available to the World Food Program.*

## *TITLE V—GENERAL PROVISIONS*

*OBLIGATIONS DURING LAST MONTH OF AVAILABILITY*

*SEC. 501. Except for the appropriations entitled ''International Disaster Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund'', not more than 15 percent of any appropriation item made available by this Act shall be obligated during the last month of availability.*

*PRIVATE AND VOLUNTARY ORGANIZATIONS*

*SEC. 502. (a) None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government: Provided, That the Administrator of the United States Agency for International Development, after informing the Committees on Appropriations, may, on a case-by-case basis, waive the restriction contained in this subsection, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency.*

*(b) Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is at least equivalent to the level provided in fiscal year 1995.*

*LIMITATION ON RESIDENCE EXPENSES*

*SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the United States Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.*

*LIMITATION ON EXPENSES*

*SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the United States Agency for International Development during the current fiscal year.*

*LIMITATION ON REPRESENTATIONAL ALLOWANCES*

*SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the United States Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Provided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading ''Foreign Military Financing Program'', not to exceed $2,000 shall be available for entertainment expenses and not to exceed $125,000 shall be available for representation allowances: Provided further, That of the funds made available by this Act under the heading ''International Military Education and Training'', not to exceed $50,000 shall be available for entertainment allowances: Provided further, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: Provided further, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: Provided further, That of the funds made available by this Act under the heading ''Trade and Development Agency'', not to exceed $2,000 shall be available for representation and entertainment allowances.*

*PROHIBITION ON FINANCING NUCLEAR GOODS*

*SEC. 506. None of the funds appropriated or made available (other than funds for ''Nonproliferation, Anti-terrorism, Demining and Related Programs'') pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.*

*PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES*

*SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: Provided, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.*

*MILITARY COUPS*

*SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by decree or military coup: Provided, That assistance may be resumed to such government if the President determines and certifies to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office: Provided further, That the provisions of this section shall not apply to assistance to promote democratic elections or public participation in democratic processes: Provided further, That funds made available pursuant to the previous provisos shall be subject to the regular notification procedures of the Committees on Appropriations.*

*TRANSFERS BETWEEN ACCOUNTS*

*SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.*

*DEOBLIGATION/REOBLIGATION AUTHORITY*

*SEC. 510. Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this subsection may not be used in fiscal year 2002.*

*AVAILABILITY OF FUNDS*

*SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapters 1, 8, 11, and 12 of part I, section 667, chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, section 23 of the Arms Export Control Act, and funds provided under the heading ''Assistance for Eastern Europe and the Baltic States'', shall remain available for an additional four years from the date on which the availability of such funds would otherwise have expired, if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended.*

*LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT*

*SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to the government of such country by the United States pursuant to a program for which funds are appropriated under this Act unless the President determines, following consultations with the Committees on Appropriations, that assistance to such country is in the national interest of the United States.*

*COMMERCE AND TRADE*

*SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: Provided, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.*

*(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: Provided, That this subsection shall not prohibit—*

*(1) activities designed to increase food security in developing countries where such activities*

*will not have a significant impact in the export of agricultural commodities of the United States; or*

*(2) research activities intended primarily to benefit American producers.*

SURPLUS COMMODITIES

*SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.*

NOTIFICATION REQUIREMENTS

*SEC. 515. For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for ''Child Survival and Health Programs Fund'', ''Development Assistance'', ''International Organizations and Programs'', ''Trade and Development Agency'', ''International Narcotics Control and Law Enforcement'', ''Andean Counterdrug Initiative'', ''Assistance for Eastern Europe and the Baltic States'', ''Assistance for the Independent States of the Former Soviet Union'', ''Economic Support Fund'', ''Peacekeeping Operations'', ''Operating Expenses of the United States Agency for International Development'', ''Operating Expenses of the United States Agency for International Development Office of Inspector General'', ''Nonproliferation, Anti-terrorism, Demining and Related Programs'', ''Foreign Military Financing Program'', ''International Military Education and Training'', ''Peace Corps'', and ''Migration and Refugee Assistance'', shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified 15 days in advance: Provided, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.*

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

*SEC. 516. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2003.*

INDEPENDENT STATES OF THE FORMER SOVIET UNION

*SEC. 517. (a) None of the funds appropriated under the heading ''Assistance for the Independent States of the Former Soviet Union'' shall be made available for assistance for a government of an Independent State of the former Soviet Union—*

*(1) unless that government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and*

*(2) if that government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.*

*Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.*

*(b) None of the funds appropriated under the heading ''Assistance for the Independent States of the Former Soviet Union'' shall be made available for assistance for a government of an Independent State of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other Independent State of the former Soviet Union, such as those violations included in the Helsinki Final Act: Provided, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States.*

*(c) None of the funds appropriated under the heading ''Assistance for the Independent States of the Former Soviet Union'' shall be made available for any state to enhance its military capability: Provided, That this restriction does not apply to demilitarization, demining or nonproliferation programs.*

*(d) Funds appropriated under the heading ''Assistance for the Independent States of the Former Soviet Union'' for the Russian Federation, Armenia, Georgia, and Ukraine shall be subject to the regular notification procedures of the Committees on Appropriations.*

*(e) Funds made available in this Act for assistance for the Independent States of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.*

*(f) Funds appropriated in this or prior appropriations Acts that are or have been made available for an Enterprise Fund in the Independent States of the Former Soviet Union may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.*

*(g) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the heading ''Assistance for the Independent States of the Former Soviet Union'' and under comparable headings in prior appropriations Acts, for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.*

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

*SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations.*

EXPORT FINANCING TRANSFER AUTHORITIES

*SEC. 519. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 2002, for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs, and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.*

SPECIAL NOTIFICATION REQUIREMENTS

*SEC. 520. None of the funds appropriated by this Act shall be obligated or expended for Colombia, Haiti, Liberia, Serbia, Sudan, Zimbabwe, Pakistan, or the Democratic Republic of the Congo except as provided through the regular notification procedures of the Committees on Appropriations.*

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

*SEC. 521. For the purpose of this Act, ''program, project, and activity'' shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, ''program, project, and activity'' shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the United States Agency for International Development ''program, project, and activity'' shall also be considered to include central program level funding, either as: (1) justified to the Congress; or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of the enactment of this*

*Act, as required by section 653(a) of the Foreign Assistance Act of 1961.*

CHILD SURVIVAL AND HEALTH ACTIVITIES

*SEC. 522. Up to $15,500,000 of the funds made available by this Act for assistance under the heading ''Child Survival and Health Programs Fund'', may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the United States Agency for International Development for the purpose of carrying out activities under that heading: Provided, That up to $3,000,000 of the funds made available by this Act for assistance under the heading ''Development Assistance'' may be used to reimburse such agencies, institutions, and organizations for such costs of such individuals carrying out other development assistance activities: Provided further, That funds appropriated by this Act that are made available for child survival activities or disease programs including activities relating to research on, and the prevention, treatment and control of, HIV/AIDS may be made available notwithstanding any other provision of law: Provided further, That funds appropriated under title II of this Act may be made available pursuant to section 301 of the Foreign Assistance Act of 1961 if a primary purpose of the assistance is for child survival and related programs: Provided further, That of the funds appropriated under title II of this Act, $446,500,000 shall be made available for family planning/reproductive health.*

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

*SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or Sudan, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.*

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

*SEC. 524. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (f) of that section: Provided, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees if such defense articles are significant military equipment (as defined in section 47(9) of the Arms Export Control Act) or are valued (in terms of original acquisition cost) at $7,000,000 or more, or if notification is required elsewhere in this Act for the use of appropriated funds for specific countries that would receive such excess defense articles: Provided further, That such Committees shall also be informed of the original acquisition cost of such defense articles.*

AUTHORIZATION REQUIREMENT

*SEC. 525. Funds appropriated by this Act, except funds appropriated under the headings ''Peace Corps'' and ''Trade and Development Agency'', may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956.*

DEMOCRACY PROGRAMS

*SEC. 526. (a) Funds appropriated by this Act that are provided to the National Endowment for Democracy may be made available notwithstanding any other provision of law or regulation: Provided, That notwithstanding any other provision of law, of the funds appropriated by this Act to carry out provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $10,000,000 shall be made available for assistance for activities to support democracy, human rights, and the rule of law in the People's Republic of China, of which not less than $5,000,000 should be made available for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights and Labor, Department of State, for such activities, and of which not to exceed $3,000,000 may be made available to nongovernmental organizations located outside the People's Republic of China to support activities which preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in Tibet: Provided further, That funds made available pursuant to the authority of this section for programs, projects, and activities in the People's Republic of China shall be subject to the regular notification procedures of the Committees on Appropriations.*

*(b) In addition to the funds made available in subsection (a), of the funds appropriated by this Act under the heading ''Economic Support Fund'', not less than $10,000,000 should be made available for programs and activities to foster democracy, human rights, press freedoms, women's development, and the rule of law in countries with a significant Muslim population, and where such programs and activities would be important to United States efforts to respond to, deter, or prevent acts of international terrorism: Provided, That funds made available pursuant to the authority of this subsection should support new initiatives or bolster ongoing programs and activities in those countries: Provided further, That not less than $6,000,000 of such funds should be made available for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights and Labor, Department of State, and not less than $4,000,000 of such funds should be made available to a private, non-profit organization authorized by Congress to strengthen democratic institutions worldwide through nongovernmental efforts: Provided further, That funds made available pursuant to the authority of this subsection shall be subject to the regular notification procedures of the Committees on Appropriations.*

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

*SEC. 527. (a) Funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to the enactment of this Act, shall not be made available to any country which the President determines—*

*(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism; or*

*(2) otherwise supports international terrorism.*

*(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.*

DEBT-FOR-DEVELOPMENT

*SEC. 528. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the United States Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.*

SEPARATE ACCOUNTS

*SEC. 529. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the United States Agency for International Development shall—*

*(A) require that local currencies be deposited in a separate account established by that government;*

*(B) enter into an agreement with that government which sets forth—*

*(i) the amount of the local currencies to be generated; and*

*(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and*

*(C) establish by agreement with that government the responsibilities of the United States Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.*

*(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—*

*(A) to carry out chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—*

*(i) project and sector assistance activities; or*

*(ii) debt and deficit financing; or*

*(B) for the administrative requirements of the United States Government.*

*(3) PROGRAMMING ACCOUNTABILITY.—The United States Agency for International Development shall take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).*

*(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.*

*(5) REPORTING REQUIREMENT.—The Administrator of the United States Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.*

*(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapter 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.*

*(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (House Report No. 98–1159).*

*(3) NOTIFICATION.—At least 15 days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).*

*(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.*

*COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS*

*SEC. 530. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.*

*(b) For purposes of this section, ''international financial institutions'' are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.*

*COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ*

*SEC. 531. None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—*

*(1) such assistance is in the national interest of the United States;*

*(2) such assistance will directly benefit the needy people in that country; or*

*(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.*

*AUTHORITIES FOR THE PEACE CORPS, INTER-AMERICAN FOUNDATION AND AFRICAN DEVELOPMENT FOUNDATION*

*SEC. 532. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.*

*IMPACT ON JOBS IN THE UNITED STATES*

*SEC. 533. None of the funds appropriated by this Act may be obligated or expended to provide—*

*(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States; or*

*(b) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: Provided, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.*

*SPECIAL AUTHORITIES*

*SEC. 534. (a) AFGHANISTAN, LEBANON, MONTENEGRO, VICTIMS OF WAR, DISPLACED CHILDREN, AND DISPLACED BURMESE.—Funds appropriated in titles I and II of this Act that are made available for Afghanistan, Lebanon, Montenegro, and for victims of war, displaced children, and displaced Burmese, may be made available notwithstanding any other provision of law: Provided, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985.*

*(b) TROPICAL FORESTRY AND BIODIVERSITY CONSERVATION ACTIVITIES.—Funds appropriated by this Act to carry out the provisions of sections 103 through 106, and chapter 4 of part II, of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and energy programs aimed at reducing greenhouse gas emissions: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.*

*(c) PERSONAL SERVICES CONTRACTORS.—Funds appropriated by this Act to carry out chapter 1 of part I, chapter 4 of part II, and section 667 of the Foreign Assistance Act of 1961, and title II of the Agricultural Trade Development and Assistance Act of 1954, may be used by the United States Agency for International Development to employ up to 25 personal services contractors in the United States, notwithstanding any other provision of law, for the purpose of providing direct, interim support for new or expanded overseas programs and activities and managed by the agency until permanent direct hire personnel are hired and trained: Provided, That not more than 10 of such contractors shall be assigned to any bureau or office: Provided further, That such funds appropriated to carry out the Foreign Assistance Act of 1961 may be made available for personal services contractors assigned only to the Office of Health and Nutrition; the Office of Procurement; the Bureau for Africa; the Bureau for Latin America and the Caribbean; and the Bureau for Asia and the Near East: Provided further, That such funds appropriated to carry out title II of the Agricultural Trade Development and Assistance Act of 1954, may be made available only for personal services contractors assigned to the Office of Food for Peace.*

*(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100–204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that it is important to the national security interests of the United States.*

*(2) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to paragraph (1) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.*

*(e) During fiscal year 2002, the President may use up to $45,000,000 under the authority of section 451 of the Foreign Assistance Act, notwithstanding the funding ceiling in section 451(a).*

*(f) SMALL BUSINESS.—In entering into multiple award indefinite-quantity contracts with funds appropriated by this Act, the United States Agency for International Development may provide an exception to the fair opportunity process for placing task orders under such contracts when the order is placed with any category of small or small disadvantaged business.*

*POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL AND NORMALIZING RELATIONS WITH ISRAEL*

*SEC. 535. It is the sense of the Congress that—*

*(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel and should normalize their relations with Israel;*

*(2) the decision by the Arab League in 1997 to reinstate the boycott against Israel was deeply troubling and disappointing;*

*(3) the fact that only three Arab countries maintain full diplomatic relations with Israel is also of deep concern;*

*(4) the Arab League should immediately rescind its decision on the boycott and its members should develop normal relations with their neighbor Israel; and*

*(5) the President should—*

*(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel and to normalize their relations with Israel;*

*(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;*

*(C) report to Congress annually on the specific steps being taken by the United States and the progress achieved to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel and to expand the process of normalizing ties between Arab League countries and Israel; and*

*(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.*

*ADMINISTRATION OF JUSTICE ACTIVITIES*

*SEC. 536. Of the funds appropriated or otherwise made available by this Act for ''Economic Support Fund'', assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act. Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961.*

*ELIGIBILITY FOR ASSISTANCE*

*SEC. 537. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, 11, and 12 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading ''Assistance for Eastern Europe and the Baltic States'': Provided, That the*

*President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: Provided further, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.*

*(b) PUBLIC LAW 480.—During fiscal year 2002, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: Provided, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.*

*(c) EXCEPTION.—This section shall not apply—*

*(1) with respect to section 620A of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that support international terrorism; or*

*(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to the government of a country that violates internationally recognized human rights.*

*EARMARKS*

*SEC. 538. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act: Provided, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.*

*(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the United States Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: Provided, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.*

*CEILINGS AND EARMARKS*

*SEC. 539. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements contained in any other Act shall not be applicable to funds appropriated by this Act.*

*PROHIBITION ON PUBLICITY OR PROPAGANDA*

*SEC. 540. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of the enactment of this Act by the Congress: Provided, That not to exceed $750,000 may be made available to carry out the provisions of section 316 of Public Law 96–533.*

*PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS*

*SEC. 541. To the maximum extent practicable, assistance provided under this Act should make full use of American resources, including commodities, products, and services.*

*PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS*

*SEC. 542. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations or, from funds appropriated by this Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, the costs for participation of another country's delegation at international conferences held under the auspices of multilateral or international organizations.*

*NONGOVERNMENTAL ORGANIZATIONS—DOCUMENTATION*

*SEC. 543. None of the funds appropriated or made available pursuant to this Act shall be available to a nongovernmental organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the United States Agency for International Development.*

*PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM*

*SEC. 544. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 6(j) of the Export Administration Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.*

*(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.*

*(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.*

*WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES*

*SEC. 545. (a) IN GENERAL.—Of the funds appropriated under this Act that are made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia and New York City, New York by such country as of the date of the enactment of this Act that were incurred after the first day of the fiscal year preceding the current fiscal year shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the governments of the District of Columbia and New York City, New York.*

*(b) DEFINITION.—For purposes of this section, the term ''appropriate congressional committees'' means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.*

*LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA*

*SEC. 546. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: Provided, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.*

*WAR CRIMES TRIBUNALS DRAWDOWN*

*SEC. 547. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to $30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish or authorize to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: Provided, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): Provided further, That funds made available for tribunals other than Yugoslavia or Rwanda shall be made available subject to the regular notification procedures of the Committees on Appropriations.*

*LANDMINES*

*SEC. 548. Notwithstanding any other provision of law, demining equipment available to the United States Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe: Provided, That section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 22 U.S.C., 2778 note) is amended by striking ''During the 11-year period beginning on October 23, 1992'' and inserting ''During the 16-year period beginning on October 23, 1992''.*

*RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY*

*SEC. 549. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: Provided, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: Provided further, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including*

*those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.*

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

*SEC. 550. None of the funds appropriated or otherwise made available by this Act under the heading ''International Military Education and Training'' or ''Foreign Military Financing Program'' for Informational Program activities or under the headings ''Child Survival and Health Programs Fund'', ''Development Assistance'', and ''Economic Support Fund'' may be obligated or expended to pay for—*

*(1) alcoholic beverages; or*

*(2) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.*

SPECIAL DEBT RELIEF FOR THE POOREST

*SEC. 551. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—*

*(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;*

*(2) credits extended or guarantees issued under the Arms Export Control Act; or*

*(3) any obligation or portion of such obligation, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89–808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95–501).*

*(b) LIMITATIONS.—*

*(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as ''Paris Club Agreed Minutes''.*

*(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.*

*(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as ''IDA-only'' countries.*

*(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—*

*(1) does not have an excessive level of military expenditures;*

*(2) has not repeatedly provided support for acts of international terrorism;*

*(3) is not failing to cooperate on international narcotics control matters;*

*(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and*

*(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.*

*(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading ''Debt Restructuring''.*

*(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.*

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

*SEC. 552. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—*

*(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—*

*(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or*

*(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.*

*(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.*

*(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.*

*(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.*

*(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.*

*(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.*

*(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.*

*(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading ''Debt Restructuring''.*

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

*SEC. 553. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.*

*(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations is not engaged in any effort to implement or impose any taxation on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.*

*(c) DEFINITIONS.—As used in this section the term ''United States person'' refers to—*

*(1) a natural person who is a citizen or national of the United States; or*

*(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.*

HAITI COAST GUARD

*SEC. 554. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the Coast Guard: Provided, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.*

LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

*SEC. 555. (a) PROHIBITION OF FUNDS.—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.*

*(b) WAIVER.—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States.*

*(c) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to subsection (b) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.*

LIMITATION ON ASSISTANCE TO SECURITY FORCES

*SEC. 556. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: Provided, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: Provided further, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.*

DISCRIMINATION AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION

*SEC. 557. None of the funds appropriated under this Act may be made available for the Government of the Russian Federation, after 180 days from the date of the enactment of this Act, unless the President determines and certifies in writing to the Committees on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has implemented no statute, executive order, regulation or similar government action that would discriminate, or would have as its principal effect discrimination, against religious groups or religious communities in the Russian*

*Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.*

*ASSISTANCE FOR THE MIDDLE EAST*

*SEC. 558. Of the funds appropriated in titles II and III of this Act under the headings ''Economic Support Fund'', ''Foreign Military Financing Program'', ''International Military Education and Training'', ''Peacekeeping Operations'', for refugees resettling in Israel under the heading ''Migration and Refugee Assistance'', and for assistance for Israel to carry out provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 under the heading ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', not more than a total of $5,141,150,000 may be made available for Israel, Egypt, Jordan, Lebanon, the West Bank and Gaza, the Israel-Lebanon Monitoring Group, the Multinational Force and Observers, the Middle East Regional Democracy Fund, Middle East Regional Cooperation, and Middle East Multilateral Working Groups: Provided, That any funds that were appropriated under such headings in prior fiscal years and that were at the time of the enactment of this Act obligated or allocated for other recipients may not during fiscal year 2002 be made available for activities that, if funded under this Act, would be required to count against this ceiling: Provided further, That funds may be made available notwithstanding the requirements of this section if the President determines and certifies to the Committees on Appropriations that it is important to the national security interest of the United States to do so and any such additional funds shall only be provided through the regular notification procedures of the Committees on Appropriations.*

*ENERGY CONSERVATION AND CLEAN ENERGY PROGRAMS*

*SEC. 559. (a) FUNDING.—Of the funds appropriated by this Act, not less than $155,000,000 should be made available to support policies and actions in developing countries and countries in transition that promote energy conservation and efficient energy production and use; that measure, monitor, and reduce greenhouse gas emissions; increase carbon sequestration activities; and enhance climate change mitigation programs.*

*(b) GREENHOUSE GAS EMISSIONS REPORT.—Not later than 30 days after the date on which the President's fiscal year 2003 budget request is submitted to Congress, the President shall submit a report to the Committees on Appropriations describing in detail the following—*

*(1) all Federal agency obligations and expenditures, domestic and international, for climate change programs and activities in fiscal year 2002, including an accounting of expenditures by agency with each agency identifying climate change activities and associated costs by line item as presented in the President's Budget Appendix; and*

*(2) all fiscal year 2001 obligations and estimated expenditures, fiscal year 2002 estimated expenditures and estimated obligations, and fiscal year 2003 requested funds by the United States Agency for International Development, by country and central program, for each of the following: (1) to promote the transfer and deployment of United States clean energy technologies; (2) to assist in the measurement, monitoring, reporting, verification, and reduction of greenhouse gas emissions; (3) to promote carbon capture and sequestration measures; (4) to help meet such countries' responsibilities under the Framework Convention on Climate Change; and (5) to develop assessments of the vulnerability to impacts of climate change and response strategies.*

*ZIMBABWE*

*SEC. 560. The Secretary of the Treasury shall instruct the United States executive director to each international financial institution to vote against any extension by the respective institution of any loans, to the Government of Zimbabwe, except to meet basic human needs or to promote democracy, unless the Secretary of State determines and certifies to the Committees on Appropriations that the rule of law has been restored in Zimbabwe, including respect for ownership and title to property, freedom of speech and association.*

*CENTRAL AMERICA RELIEF AND RECONSTRUCTION*

*SEC. 561. Funds made available to the Comptroller General pursuant to title I, chapter 4 of Public Law 106–31, to monitor the provision of assistance to address the effects of hurricanes in Central America and the Caribbean and the earthquake in Colombia, shall also be available to the Comptroller General to monitor earthquake relief and reconstruction efforts in El Salvador.*

*ENTERPRISE FUND RESTRICTIONS*

*SEC. 562. Prior to the distribution of any assets resulting from any liquidation, dissolution, or winding up of an Enterprise Fund, in whole or in part, the President shall submit to the Committees on Appropriations, in accordance with the regular notification procedures of the Committees on Appropriations, a plan for the distribution of the assets of the Enterprise Fund.*

*CAMBODIA*

*SEC. 563. (a) The Secretary of the Treasury should instruct the United States executive directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Central Government of Cambodia, except loans to meet basic human needs.*

*(b)(1) None of the funds appropriated by this Act may be made available for assistance for the Central Government of Cambodia unless the Secretary of State determines and reports to the Committees on Appropriations that the Central Government of Cambodia—*

*(A) is making significant progress in resolving outstanding human rights cases, including the 1994 grenade attack against the Buddhist Liberal Democratic Party, and the 1997 grenade attack against the Khmer Nation Party;*

*(B) has held local elections that are deemed free and fair by international and local election monitors; and*

*(C) is making significant progress in the protection, management, and conservation of the environment and natural resources, including in the promulgation and enforcement of laws and policies to protect forest resources.*

*(2) In the event the Secretary of State makes the determination under paragraph (1), assistance may be made available to the Central Government of Cambodia only through the regular notification procedures of the Committees on Appropriations.*

*(c) Notwithstanding subsection (b) of this section or any other provision of law, funds appropriated by this Act may be made available for assistance for basic education and for assistance to the Government of Cambodia's Ministry of Women and Veteran's Affairs to combat human trafficking, subject to the regular notification procedures of the Committees on Appropriations.*

*(d) None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to any tribunal established by the Government of Cambodia pursuant to a memorandum of understanding with the United Nations unless the President determines and certifies to Congress that the tribunal is capable of delivering justice for crimes against humanity and genocide in an impartial and credible manner.*

*FOREIGN MILITARY TRAINING REPORT*

*SEC. 564. (a) The Secretary of Defense and the Secretary of State shall jointly provide to the Congress by March 1, 2002, a report on all military training provided to foreign military personnel (excluding sales, and excluding training provided to the military personnel of countries belonging to the North Atlantic Treaty Organization) under programs administered by the Department of Defense and the Department of State during fiscal years 2001 and 2002, including those proposed for fiscal year 2002. This report shall include, for each such military training activity, the foreign policy justification and purpose for the training activity, the cost of the training activity, the number of foreign students trained and their units of operation, and the location of the training. In addition, this report shall also include, with respect to United States personnel, the operational benefits to United States forces derived from each such training activity and the United States military units involved in each such training activity. This report may include a classified annex if deemed necessary and appropriate.*

*(b) For purposes of this section a report to Congress shall be deemed to mean a report to the Appropriations and Foreign Relations Committees of the Senate and the Appropriations and International Relations Committees of the House of Representatives.*

*KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION*

*SEC. 565. (a) Of the funds made available under the heading ''Nonproliferation, Anti-terrorism, Demining and Related Programs'', not to exceed $95,000,000 may be made available for the Korean Peninsula Energy Development Organization (hereafter referred to in this section as ''KEDO''), notwithstanding any other provision of law, only for the administrative expenses and heavy fuel oil costs associated with the Agreed Framework.*

*(b) Such funds may be made available for KEDO only if, 15 days prior to such obligation of funds, the President certifies and so reports to Congress that—*

*(1) the parties to the Agreed Framework have taken and continue to take demonstrable steps to implement the Joint Declaration on Denuclearization of the Korean Peninsula;*

*(2) North Korea is complying with all provisions of the Agreed Framework; and*

*(3) the United States is continuing to make significant progress on eliminating the North Korean ballistic missile threat, including further missile tests and its ballistic missile exports.*

*(c) The President may waive the certification requirements of subsection (b) if the President determines that it is vital to the national security interests of the United States and provides written policy justifications to the appropriate congressional committees. No funds may be obligated for KEDO until 15 days after submission to Congress of such waiver.*

*(d) The Secretary of State shall, at the time of the annual presentation for appropriations, submit a report providing a full and detailed accounting of the fiscal year 2003 request for the United States contribution to KEDO, the expected operating budget of KEDO, proposed annual costs associated with heavy fuel oil purchases, including unpaid debt, and the amount of funds pledged by other donor nations and organizations to support KEDO activities on a per country basis, and other related activities.*

*(e) The final proviso under the heading ''International Organizations and Programs'' in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Public Law 104–107) is repealed.*

*PLO COMPLIANCE REPORT*

*SEC. 566. (a) REPORTING REQUIREMENT.—The President should, at the time specified in subsection (b), submit a report to the Congress assessing the steps that the Palestine Liberation Organization (PLO), or the Palestinian Authority, as appropriate, has taken to comply with its 1993 commitments to renounce the use of terrorism and all other acts of violence and to assume responsibility over all PLO or Palestinian Authority elements and personnel in order to assure their compliance, prevent violations, and*

*discipline violators, including the arrest and prosecution of individuals involved in acts of terror and violence. The President should determine, based on such assessment, whether the PLO or the Palestinian Authority, as appropriate, has substantially complied with such commitments. If the President determines based on the assessment that such compliance has not occurred, then the President should, for a period of time of not less than six months, impose one or more of the following sanctions:*

*(1) Withdraw or terminate any waiver by the President of the requirements of section 1003 of the Foreign Relations Authorization Act of 1988 and 1989 (22 U.S.C. 5202) (prohibiting the establishment or maintenance of a Palestinian information office in the United States), such section to apply so as to prohibit the operation of a PLO or Palestinian Authority office in the United States from carrying out any function other than those functions carried out by the Palestinian information office in existence prior to the Oslo Accords.*

*(2) Designate the PLO, or one or more of its constituent groups (including Fatah and Tanzim) or groups operating as arms of the Palestinian Authority (including Force 17) as a foreign terrorist organization, in accordance with section 219(a) of the Immigration and Nationality Act.*

*(3) Terminate United States assistance (except humanitarian and development assistance) for the West Bank and Gaza Program.*

*(b) SUBMISSION OF REPORT.—The report required under subsection (a) should be transmitted not later than 60 days after the date of enactment of this Act and shall cover the period commencing June 13, 2001.*

*(c) UPDATE OF REPORT.—The President should update the report submitted pursuant to subsection (a) as part of the next report required under the PLO Commitments Compliance Act of 1989 (title VIII of Public Law 101–246).*

*(d) WAIVER AUTHORITY.—The President may waive any or all of the sanctions imposed under subsection (a) if the President determines and reports to the appropriate committees of the Congress that such a waiver is in the national security interests of the United States.*

*COLOMBIA*

*SEC. 567. (a) DETERMINATION AND CERTIFICATION REQUIRED.—Notwithstanding any other provision of law, funds appropriated by this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, may be made available for assistance for the Colombian Armed Forces as follows:*

*(1) not more than sixty percent of such funds may be obligated after a determination by the Secretary of State and a certification to the appropriate congressional committees that:*

*(A) the Commander General of the Colombian Armed Forces is suspending from the Armed Forces those members, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary groups;*

*(B) the Colombian Armed Forces are cooperating with civilian prosecutors and judicial authorities (including providing requested information, such as the identity of persons suspended from the Armed Forces and the nature and cause of the suspension, and access to witnesses and relevant military documents and other information), in prosecuting and punishing in civilian courts those members of the Colombian Armed Forces, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary groups;*

*(C) the Colombian Armed Forces are taking effective measures to sever links (including by denying access to military intelligence, vehicles, and other equipment or supplies, and ceasing other forms of active or tacit cooperation), at the command, battalion, and brigade levels, with paramilitary groups, and to execute outstanding orders for capture for members of such groups; and*

*(2) the balance of such funds may be obligated after June 1, 2002, if the Secretary of State determines and certifies to the appropriate congressional committees that the Colombian Armed Forces are continuing to meet the criteria contained in paragraphs (1)(A), (B) and (C).*

*(b) CONSULTATIVE PROCESS.—At least ten days prior to making the determination and certification required by this section, and every 120 days thereafter during fiscal year 2002, the Secretary of State shall consult with internationally recognized human rights organizations regarding progress in meeting the conditions contained in subsection (a).*

*(c) REPORT.—One hundred and twenty days after the enactment of this Act, and every 120 days thereafter during fiscal year 2002, the Secretary of State shall submit a report to the Committees on Appropriations describing actions taken by the Colombian Armed Forces to meet the requirements set forth in subsections (a)(1)(A) through (a)(1)(C); and*

*(d) DEFINITIONS.—In this section:*

*(1) AIDED OR ABETTED.—The term ''aided or abetted'' means to provide any support to paramilitary groups, including taking actions which allow, facilitate, or otherwise foster the activities of such groups.*

*(2) PARAMILITARY GROUPS.—The term ''paramilitary groups'' means illegal self-defense groups and illegal security cooperatives.*

*ILLEGAL ARMED GROUPS*

*SEC. 568. (a) DENIAL OF VISAS TO SUPPORTERS OF COLOMBIAN ILLEGAL ARMED GROUPS.—Subject to subsection (b), the Secretary of State shall not issue a visa to any alien who the Secretary determines, based on credible evidence—*

*(1) has willfully provided any support to the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), or the United Self-Defense Forces of Colombia (AUC), including taking actions or failing to take actions which allow, facilitate, or otherwise foster the activities of such groups; or*

*(2) has committed, ordered, incited, assisted, or otherwise participated in the commission of gross violations of human rights, including extra-judicial killings, in Colombia.*

*(b) WAIVER.—Subsection (a) shall not apply if the Secretary of State determines and certifies to the appropriate congressional committees, on a case-by-case basis, that the issuance of a visa to the alien is necessary to support the peace process in Colombia or for urgent humanitarian reasons.*

*PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION*

*SEC. 569. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.*

*IRAQ*

*SEC. 570. Notwithstanding any other provision of law, funds appropriated under the heading ''Economic Support Fund'' may be made available for programs benefitting the Iraqi people and to support efforts to bring about a political transition in Iraq: Provided, That not more than 15 percent of the funds (except for costs related to broadcasting activities) may be used for administrative and representational expenses, including expenditures for salaries, office rent and equipment: Provided further, That not later than 60 days after the date of enactment of this Act, the Secretary of State shall consult with the Committees on Appropriations regarding plans for the expenditure of funds under this section: Provided further, That funds made available under this heading are made available subject to the regular notification procedures of the Committees on Appropriations.*

*WEST BANK AND GAZA PROGRAM*

*SEC. 571. For fiscal year 2002, 30 days prior to the initial obligation of funds for the bilateral West Bank and Gaza Program, the Secretary of State shall certify to the appropriate committees of Congress that procedures have been established to assure the Comptroller General of the United States will have access to appropriate United States financial information in order to review the uses of United States assistance for the Program funded under the heading ''Economic Support Fund'' for the West Bank and Gaza.*

*INDONESIA*

*SEC. 572. (a) Funds appropriated by this Act under the headings ''International Military Education and Training'' and ''Foreign Military Financing Program'' may be made available for assistance for Indonesian military personnel only if the President determines and submits a report to the appropriate congressional committees that the Government of Indonesia and the Indonesian Armed Forces are—*

*(1) taking effective measures to bring to justice members of the armed forces and militia groups against whom there is credible evidence of human rights violations in East Timor and Indonesia;*

*(2) taking effective measures to bring to justice members of the armed forces against whom there is credible evidence of aiding or abetting illegal militia groups in East Timor and Indonesia;*

*(3) allowing displaced persons and refugees to return home to East Timor, including providing safe passage for refugees returning from West Timor and demonstrating a commitment to preventing incursions into East Timor by members of militia groups in West Timor;*

*(4) demonstrating a commitment to accountability by cooperating with investigations and prosecutions of members of the armed forces and militia groups responsible for human rights violations in East Timor and Indonesia;*

*(5) demonstrating a commitment to civilian control of the armed forces by reporting to civilian authorities audits of receipts and expenditures of the armed forces;*

*(6) allowing United Nations and other international humanitarian organizations and representatives of recognized human rights organizations access to West Timor, Aceh, West Papua, and Maluka; and*

*(7) releasing political detainees.*

*BRIEFINGS ON POTENTIAL PURCHASES OF DEFENSE ARTICLES OR DEFENSE SERVICES BY TAIWAN*

*SEC. 573. (a) BRIEFINGS.—Not later than 90 days after the date of enactment of this Act, and not later than every 120 days thereafter during fiscal year 2002, the Department of State, in consultation with the Department of Defense, shall provide detailed briefings to the appropriate congressional committees (including the Committees on Appropriations) on any discussions conducted between any executive branch agency and the government of Taiwan during the preceding 120 days (or, in the case of the initial briefing, since the date of enactment of this Act) on any potential purchase of defense articles or defense services by the government of Taiwan.*

*(b) EXECUTIVE AGENCY DEFINED.—In this section, the term ''executive branch agency'' has the meaning given the term ''agency'' in section 551(1) of title 5, United States Code.*

*RESTRICTIONS ON ASSISTANCE TO GOVERNMENTS DESTABILIZING SIERRA LEONE*

*SEC. 574. (a) None of the funds appropriated by this Act may be made available for assistance for the government of any country for which the Secretary of State determines there is credible evidence that such government has knowingly facilitated the safe passage of weapons or other equipment, or has provided lethal or non-lethal military support or equipment, directly or through intermediaries, within the previous six months to the Sierra Leone Revolutionary United Front (RUF), Liberian Security Forces,*

*or any other group intent on destabilizing the democratically elected government of the Republic of Sierra Leone.*

*(b) None of the funds appropriated by this Act may be made available for assistance for the government of any country for which the Secretary of State determines there is credible evidence that such government has aided or abetted, within the previous six months, in the illicit distribution, transportation, or sale of diamonds mined in Sierra Leone.*

*(c) Whenever the prohibition on assistance required under subsection (a) or (b) is exercised, the Secretary of State shall notify the Committees on Appropriations in a timely manner.*

*VOLUNTARY SEPARATION INCENTIVES*

*SEC. 575. Section 579(c)(2)(D) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000, as enacted by section 1000(a)(2) of the Consolidated Appropriations Act, 2000 (Public Law 106–113), as amended, is amended by striking ''December 31, 2001'' and inserting in lieu thereof ''December 31, 2002''.*

*UNITED NATIONS POPULATION FUND*

*SEC. 576. (a) LIMITATIONS ON AMOUNT OF CONTRIBUTION.—Of the amounts made available under ''International Organizations and Programs'', not more than $34,000,000 for fiscal year 2002 shall be made available for the United Nations Population Fund (hereafter in this section referred to as the ''UNFPA'').*

*(b) PROHIBITION ON USE OF FUNDS IN CHINA.—None of the funds made available under ''International Organizations and Programs'' may be made available for the UNFPA for a country program in the People's Republic of China.*

*(c) CONDITIONS ON AVAILABILITY OF FUNDS.—Amounts made available under ''International Organizations and Programs'' for fiscal year 2002 for the UNFPA may not be made available to UNFPA unless—*

*(1) the UNFPA maintains amounts made available to the UNFPA under this section in an account separate from other accounts of the UNFPA;*

*(2) the UNFPA does not commingle amounts made available to the UNFPA under this section with other sums; and*

*(3) the UNFPA does not fund abortions.*

*AMERICAN CHURCHWOMEN AND OTHER CITIZENS IN EL SALVADOR AND GUATEMALA*

*SEC. 577. (a) To the fullest extent possible information relevant to the December 2, 1980, murders of four American churchwomen in El Salvador, and the May 5, 2001, murder of Sister Barbara Ann Ford and the murders of six other American citizens in Guatemala since December 1999, should be investigated and made public.*

*(b) The Department of State is urged to pursue all reasonable avenues in assuring the collection and public release of information pertaining to the murders of the six American citizens in Guatemala.*

*(c) The President shall order all Federal agencies and departments, including the Federal Bureau of Investigation, that possess relevant information, to expeditiously declassify and release to the victims' families such information, consistent with existing standards and procedures on classification.*

*(d) In making determinations concerning declassification and release of relevant information, all Federal agencies and departments should use the discretion contained within such existing standards and procedures on classification in support of releasing, rather than withholding, such information.*

*(e) All reasonable efforts should be taken by the American Embassy in Guatemala to work with relevant agencies of the Guatemalan Government to protect the safety of American citizens in Guatemala, and to assist in the investigations of violations of human rights.*

*PROCUREMENT AND FINANCIAL MANAGEMENT REFORM*

*SEC. 578. (a) FUNDING CONDITIONS.—Of the funds made available under the heading ''International Financial Institutions'' in this Act, 10 percent of the United States portion or payment to such International Financial Institution shall be withheld by the Secretary of the Treasury, until the Secretary certifies to the Committees on Appropriations that, to the extent pertinent to its lending programs, the institution is—*

*(1) implementing procedures for conducting annual audits by qualified independent auditors for all new investment lending;*

*(2) implementing procedures for annual independent external audits of central bank financial statements for countries making use of International Monetary Fund resources under new arrangements or agreements with the Fund;*

*(3) taking steps to establish an independent fraud and corruption investigative organization or office;*

*(4) implementing a process to assess a recipient country's procurement and financial management capabilities including an analysis of the risks of corruption prior to initiating new investment lending; and*

*(5) taking steps to fund and implement programs and policies to improve transparency and anti-corruption programs and procurement and financial management controls in recipient countries.*

*(b) DEFINITIONS.—The term ''International Financial Institutions'' means the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Inter-American Investment Corporation, the Enterprise for the Americas Multilateral Investment Fund, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the European Bank for Reconstruction and Development, and the International Monetary Fund.*

*BASIC EDUCATION ASSISTANCE FOR INDONESIA AND PAKISTAN*

*SEC. 579. (a) Of the funds made available under the heading ''Development Assistance'' for basic education, $8,000,000 shall be made available to Indonesia and Pakistan.*

*(b) Of the funds made available under the heading ''Economic Support Fund'' for Pakistan, not less than $2,500,000 shall be transferred to ''Operating Expenses of the United States Agency for International Development'' for the purpose of monitoring and implementing United States economic support, including that provided under the provisions of Public Law 107–38 and this general provision, of basic education, health, and democracy and governance activities in Pakistan.*

*(c) Not more than 60 days after the enactment of this Act, the Administrator of the United States Agency for International Development shall report to the House Committees on Appropriations and International Relations and the Senate Committees on Appropriations and Foreign Relations on the Agency's proposed allocation of basic education funding for Indonesia and Pakistan, including in-country monitoring of budget support for basic education provided under Public Law 107–38.*

*COMMERCIAL LEASING OF DEFENSE ARTICLES*

*SEC. 580. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.*

*WAR CRIMINALS*

*SEC. 581. (a)(1) None of the funds appropriated or otherwise made available pursuant to this Act may be made available for assistance, and the Secretary of the Treasury shall instruct the United States executive directors to the international financial institutions to vote against any new project involving the extension by such institutions of any financial or technical assistance, to any country, entity, or municipality whose competent authorities have failed, as determined by the Secretary of State, to take necessary and significant steps to implement its international legal obligations to apprehend and transfer to the International Criminal Tribunal for the former Yugoslavia (the ''Tribunal'') all persons in their territory who have been publicly indicted by the Tribunal and to otherwise cooperate with the Tribunal.*

*(2) The provisions of this subsection shall not apply to humanitarian assistance or assistance for democratization.*

*(b) The provisions of subsection (a) shall apply unless the Secretary of State determines and reports to the appropriate congressional committees that the competent authorities of such country, entity, or municipality are—*

*(1) cooperating with the Tribunal, including access for investigators, the provision of documents, and the surrender and transfer of publicly indicted persons or assistance in their apprehension; and*

*(2) are acting consistently with the Dayton Accords.*

*(c) Not less than 10 days before any vote in an international financial institution regarding the extension of any new project involving financial or technical assistance or grants to any country or entity described in subsection (a), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committees on Appropriations a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries.*

*(d) In carrying out this section, the Secretary of State, the Administrator of the United States Agency for International Development, and the Secretary of the Treasury shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent publicly indicted war criminals from benefiting from any financial or technical assistance or grants provided to any country or entity described in subsection (a).*

*(e) The Secretary of State may waive the application of subsection (a) with respect to projects within a country, entity, or municipality upon a written determination to the Committees on Appropriations that such assistance directly supports the implementation of the Dayton Accords.*

*(f) DEFINITIONS.—As used in this section—*

*(1) COUNTRY.—The term ''country'' means Bosnia and Herzegovina, Croatia and Serbia.*

*(2) ENTITY.—The term ''entity'' refers to the Federation of Bosnia and Herzegovina, Kosovo, Montenegro and the Republika Srpska.*

*(3) MUNICIPALITY.—The term ''municipality'' means a city, town or other subdivision within a country or entity as defined herein.*

*(4) DAYTON ACCORDS.—The term ''Dayton Accords'' means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.*

*USER FEES*

*SEC. 582. The Secretary of the Treasury shall instruct the United States Executive Director at each international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) and the International Monetary Fund to oppose any loan of these institutions that would require user fees or*

*service charges on poor people for primary education or primary healthcare, including prevention and treatment efforts for HIV/AIDS, malaria, tuberculosis, and infant, child, and maternal well-being, in connection with the institutions' lending programs.*

*HEAVILY INDEBTED POOR COUNTRIES TRUST FUND AUTHORIZATION*

*SEC. 583. Section 801(b)(1) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001 (Public Law 106–429) is amended by striking ''$435,000,000'' and inserting ''$600,000,000''.*

*FUNDING FOR SERBIA*

*SEC. 584. (a) Funds appropriated by this Act may be made available for assistance for Serbia after March 31, 2002, if the President has made the determination and certification contained in subsection (c).*

*(b) After March 31, 2002, the Secretary of the Treasury should instruct the United States executive directors to the international financial institutions to support loans and assistance to the Government of the Federal Republic of Yugoslavia subject to the conditions in subsection (c): Provided, That section 576 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as amended, shall not apply to the provision of loans and assistance to the Federal Republic of Yugoslavia through international financial institutions.*

*(c) The determination and certification referred to in subsection (a) is a determination by the President and a certification to the Committees on Appropriations that the Government of the Federal Republic of Yugoslavia is—*

*(1) cooperating with the International Criminal Tribunal for the former Yugoslavia including access for investigators, the provision of documents, and the surrender and transfer of indictees or assistance in their apprehension;*

*(2) taking steps that are consistent with the Dayton Accords to end Serbian financial, political, security and other support which has served to maintain separate Republika Srpska institutions; and*

*(3) taking steps to implement policies which reflect a respect for minority rights and the rule of law, including the release of political prisoners from Serbian jails and prisons.*

*(d) Subsections (b) and (c) shall not apply to Montenegro, Kosovo, humanitarian assistance or assistance to promote democracy in municipalities.*

*EL SALVADOR RECONSTRUCTION AND CENTRAL AMERICA DISASTER RELIEF*

*SEC. 585. (a) During fiscal year 2002, not less than $100,000,000 shall be made available for rehabilitation and reconstruction assistance for El Salvador: Provided, That such funds shall be derived as follows: (1) from funds appropriated by this Act, not less than $65,000,000, of which not less than $25,000,000 shall be from funds appropriated under the heading ''Economic Support Fund'', $25,000,000 should be from funds appropriated under the heading ''International Disaster Assistance'', and not less than $15,000,000 shall be from funds appropriated under the headings ''Child Survival and Health Programs Fund'' and ''Development Assistance''; and (2) from funds appropriated under such headings in Acts making appropriations for foreign operations, export financing, and related programs for fiscal year 1999 and prior years, not to exceed $35,000,000: Provided further, That none of the funds made available under this section may be obligated for nonproject assistance: Provided further, That prior to any obligation of funds made available under this section, the Administrator of the United States Agency for International Development (USAID) shall provide the Committees on Appropriations with a detailed report containing the amount of the proposed obligation and a description of the programs and projects, on a sector-by-sector basis, to be funded with such amount: Provided further, That of the funds made available under this section, up to $2,500,000 may be used for administrative expenses, including auditing costs, of USAID.*

*(b) During fiscal year 2002, not less than $35,000,000 of the funds managed by the United States Agency for International Development should be made available for mitigation of the drought and rural food shortages elsewhere in Central America.*

*REPORTS ON CONDITIONS IN HONG KONG*

*SEC. 586. (a) Section 301 of the United States-Hong Kong Policy Act (22 U.S.C. 5731) is amended by striking ''and March 31, 2000,'' and inserting: ''March 31, 2000, March 31, 2001, March 31, 2002, March 31, 2003, March 31, 2004, March 31, 2005, and March 31, 2006''.*

*(b) The requirement in section 301 of the United States-Hong Kong Policy Act, as amended by subsection (a), that a report under that section shall be transmitted not later than March 31, 2001, shall be considered satisfied by the transmittal of such report by August 7, 2001.*

*COMMUNITY-BASED POLICE ASSISTANCE*

*SEC. 587. (a) AUTHORITY.—Of the funds made available to carry out the provisions of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, up to $1,500,000 may be used, notwithstanding section 660 of that Act, to enhance the effectiveness and accountability of civilian police authority in Jamaica through training and technical assistance in internationally recognized human rights, the rule of law, strategic planning, and through the promotion of civilian police roles that support democratic governance including programs to prevent conflict and foster improved police relations with the communities they serve.*

*(b) REPORT.—Twelve months after the initial obligation of funds for Jamaica for activities authorized under subsection (a), the Administrator of the United States Agency for International Development shall submit a report to the appropriate congressional committees describing the progress the program is making toward improving police relations with the communities they serve and institutionalizing an effective community-based police program.*

*(c) NOTIFICATION.—Assistance provided under subsection (a) shall be subject to the regular notification procedures of the Committees on Appropriations.*

*AUTHORIZATIONS*

*SEC. 588. The Secretary of the Treasury may, to fulfill commitments of the United States, contribute on behalf of the United States to the fifth replenishment of the resources of the International Fund for Agricultural Development. The following amount is authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: $30,000,000 for the International Fund for Agricultural Development: Provided, That notwithstanding the dates specified in section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) and section 1(c) of Public Law 103–428, the Export-Import Bank of the United States shall continue to exercise its functions in connection with and in furtherance of its objects and purposes through March 31, 2002.*

*EXCESS DEFENSE ARTICLES FOR CENTRAL AND SOUTHERN EUROPEAN COUNTRIES AND CERTAIN OTHER COUNTRIES*

*SEC. 589. Notwithstanding section 516(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)), during each of the fiscal years 2002 and 2003, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to Albania, Bulgaria, Croatia, Estonia, Former Yugoslavia Republic of Macedonia, Georgia, India, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Mongolia, Pakistan, Romania, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan: Provided, That section 105 of Public Law 104–164 is amended by striking ''2000 and 2001'' and inserting ''2002 and 2003''.*

*OVERSEAS PRIVATE INVESTMENT CORPORATION AND EXPORT-IMPORT BANK RESTRICTIONS*

*SEC. 590. (a) LIMITATION ON USE OF FUNDS BY OPIC.—None of the funds made available in this Act may be used by the Overseas Private Investment Corporation to insure, reinsure, guarantee, or finance any investment in connection with a project involving the mining, polishing or other processing, or sale of diamonds in a country that fails to meet the requirements of subsection (c).*

*(b) LIMITATION ON USE OF FUNDS BY THE EXPORT-IMPORT BANK.—None of the funds made available in this Act may be used by the Export-Import Bank of the United States to guarantee, insure, extend credit, or participate in an extension of credit in connection with the export of any goods to a country for use in an enterprise involving the mining, polishing or other processing, or sale of diamonds in a country that fails to meet the requirements of subsection (c).*

*(c) REQUIREMENTS.—The requirements referred to in subsection (a) and (b) are that the country concerned is implementing a system of controls, or taking other appropriate measures, that the Secretary of State determines to contribute effectively to preventing and eliminating the trade in conflict diamonds.*

*MODIFICATION TO THE ANNUAL DRUG CERTIFICATION PROCEDURES*

*SEC. 591. During fiscal year 2002 funds in this Act that would otherwise be withheld from obligation or expenditure under section 490 of the Foreign Assistance Act of 1961 may be obligated or expended provided that:*

*(1) REPORT.—Not later than 45 days after enactment the President has submitted to the appropriate congressional committees a report identifying each country determined by the President to be a major drug-transit country or major illicit drug producing country.*

*(2) DESIGNATION AND JUSTIFICATION.—In each report under paragraph (1), the President shall also—*

*(A) designate each country, if any, identified in such report that has failed demonstrably, during the previous 12 months, to make substantial efforts—*

*(i) to adhere to its obligations under international counternarcotics agreements; and*

*(ii) to take the counternarcotics measures set forth in section 489(a)(1) of the Foreign Assistance Act of 1961; and*

*(B) include a justification for each country so designated.*

*(3) LIMITATION ON ASSISTANCE FOR DESIGNATED COUNTRIES.—In the case of a country identified in a report for fiscal year 2002 under paragraph (1) that is also designated under paragraph (2) in the report, United States assistance may be provided under this Act to such country in fiscal year 2002 only if the President determines and reports to the appropriate congressional committees that—*

*(A) provision of such assistance to the country in such fiscal year is vital to the national interests of the United States; or*

*(B) commencing at any time 45 days after enactment, the country has made substantial efforts—*

*(i) to adhere to its obligations under international counternarcotics agreements; and*

*(ii) to take the counternarcotics measures set forth in section 489(a)(1) of the Foreign Assistance Act of 1961.*

*(4) INTERNATIONAL COUNTERNARCOTICS AGREEMENT DEFINED.—In this section, the term ''international counternarcotics agreement'' means—*

*(A) the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances; or*

*(B) any bilateral or multilateral agreement in force between the United States and another country or countries that addresses issues relating to the control of illicit drugs, such as—*

*(i) the production, distribution, and interdiction of illicit drugs,*

*(ii) demand reduction,*

*(iii) the activities of criminal organizations,*

*(iv) international legal cooperation among courts, prosecutors, and law enforcement agencies (including the exchange of information and evidence),*

*(v) the extradition of nationals and individuals involved in drug-related criminal activity,*

*(vi) the temporary transfer for prosecution of nationals and individuals involved in drug-related criminal activity,*

*(vii) border security,*

*(viii) money laundering,*

*(ix) illicit firearms trafficking,*

*(x) corruption,*

*(xi) control of precursor chemicals,*

*(xii) asset forfeiture, and*

*(xiii) related training and technical assistance;*

*and includes, where appropriate, timetables and objective and measurable standards to assess the progress made by participating countries with respect to such issues.*

*(5) APPLICATION.—Section 490 (a)–(g) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) shall not apply during fiscal year 2002 with respect to any country identified in paragraph (1) of this section.*

*(6) STATUTORY CONSTRUCTION.—Nothing in this section supersedes or modifies the requirement in section 489(a) of the Foreign Assistance Act of 1961 (with respect to the International Control Strategy Report) for the transmittal of a report not later than March 1, 2002 under that section.*

*KENNETH M. LUDDEN*

*SEC. 592. This Act may be cited as the Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, Fiscal Year 2002.*

*This Act may be cited as the ''Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002''.*

And the Senate agree to the same.

JIM KOLBE,
SONNY CALLAHAN,
JOE KNOLLENBERG,
JACK KINGSTON,
JERRY LEWIS,
ROGER F. WICKER,
HENRY BONILLA,
JOHN E. SUNUNU,
BILL YOUNG,
NITA LOWEY,
NANCY PELOSI,
JESSE L. JACKSON, Jr.,
CAROLYN C. KILPATRICK,
STEVEN R. ROTHMAN,
DAVE OBEY,
*Managers on the Part of the House.*

PATRICK J. LEAHY,
DANIEL K. INOUYE,
TOM HARKIN,
TIM JOHNSON,
JACK REED,
ROBERT C. BYRD,
MITCH MCCONNELL,
JUDD GREGG,
RICHARD C. SHELBY,
ROBERT F. BENNETT,
BEN NIGHTHORSE CAMPBELL,
CHRISTOPHER BOND,
TED STEVENS,
*Managers on the Part of the Senate.*

## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2506) ''making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002'', submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

## TITLE I—EXPORT AND INVESTMENT ASSISTANCE

### EXPORT-IMPORT BANK OF THE UNITED STATES

#### SUBSIDY APPROPRIATION

The conference agreement appropriates $727,323,000 for the subsidy appropriation of the Export-Import Bank as proposed by the Senate, instead of $738,323,000 as proposed by the House. The managers have been informed that the level of subsidy provided will support a projected level of authorizations of $10,600,000,000 in 2002, approximately $1,400,000,000 higher than the level of authorizations in fiscal year 2001.

#### ADMINISTRATIVE EXPENSES

The conference agreement appropriates $63,000,000 for administrative expenses of the Export-Import Bank instead of $60,000,000 as proposed by the House and $64,000,000 as proposed by the Senate.

### OVERSEAS PRIVATE INVESTMENT CORPORATION

The managers are concerned about an announcement by OPIC that it intends to begin making bridge loans to non-governmental organizations (NGOs) and private voluntary organizations (PVOs). While OPIC has provided financing to several PVOs since 1999, the managers are concerned that OPIC has not adequately consulted and informed Congress on these projects. Therefore, the managers direct the President of OPIC to consult with the Committees on Appropriations in the House and the Senate before any future financing for NGOs or PVOs is approved.

The managers are also concerned that significant changes to the insurance market in the wake of the September 11, 2001 attacks against the United States may jeopardize coverage of American investments overseas. The managers note that the inability to obtain sufficient insurance coverage could have significant adverse impact on large infrastructure project support by U.S. corporations, U.S. commercial banks, the Export-Import Bank, and the Overseas Private Investment Corporation.

## TITLE II—BILATERAL ECONOMIC ASSISTANCE

### COMPLIANCE WITH REPORT LANGUAGE

The managers note that at times in the past, the Department of State and USAID have failed to respond to recommendations in the House and Senate Appropriations Committee reports, choosing instead to recognize only language in the statement of the managers accompanying the Conference Report. The managers expect the Department of State and USAID to follow the recommendations in the House and Senate reports, unless those recommendations are modified in the statement of the managers. In the event that the House and Senate Appropriations Committee reports contain conflicting recommendations on the same subject, the managers expect the Department of State and USAID to consult with the House and Senate Appropriations Committees regarding those recommendations.

### UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

#### CHILD SURVIVAL AND HEALTH PROGRAMS FUND

The conference agreement appropriates $1,433,500,000 for the Child Survival and Health Programs Fund instead of $1,425,000,000 as proposed by the House and $1,510,500,000 as proposed by the Senate. The conference agreement also continues limitations on the use of the Fund for non-project assistance.

The conference agreement includes language allocating $1,430,500,000 among six program categories in the Child Survival and Health Programs Fund: $315,000,000 for child survival and maternal health, including vaccine-preventable diseases such as polio; $25,000,000 for vulnerable children; $435,000,000 for HIV/AIDS; $165,000,000 for other infectious diseases; $368,500,000 for reproductive health/family planning; and $120,000,000 for UNICEF. The managers expect that any change proposed subsequent to the allocation as directed in bill language will be subject to the requirements of section 515 of the Act. A definition of program categories and their components can be found on pages 9 through 11 of House Report 107–142 and under the heading ''Family Planning/Reproductive Health'' on page 12 of Senate Report 107–58.

Within the child survival and maternal health program, authority is provided to transfer up to $53,000,000 instead of $60,000,000 as proposed by the House and $50,500,000 as proposed by the Senate to The Vaccine Fund established for child immunization by the Global Alliance for Vaccines and Immunization (GAVI). The managers continue to be supportive of GAVI and again direct that the Committees be informed in writing 20 days prior to the obligation of any funds for GAVI on the proposed use of any U.S. contribution, particularly with regard to the amount to be donated for procurement of vaccines for children. Any in-kind contributions through USAID should be in addition to the $53,000,000 contribution to The Vaccine Fund.

The managers note that the vulnerable children program is not intended to be used to assist AIDS orphans, who will be major beneficiaries of the HIV/AIDS program. Although the conference agreement does not include bill language regarding funding for blind children, the managers recommend not less than $1,300,000 for assistance for blind children. The managers support efforts to eliminate iodine deficiency disorder, the leading cause of mental retardation, and expect that at least $2,500,000 from the Child Survival and Health Programs Fund and $2,225,000 from the Europe and Eurasia regional accounts be provided for the Kiwanis International/UNICEF–IDD partnership program. USAID is also encouraged to increase support for non-governmental organizations, such as Special Olympics, that work with older children, including those with cognitive disabilities and mild mental retardation, to teach life and job skills. The managers encourage USAID to explore expanding support for NGO programs for vulnerable children and adults in Southeast Asian countries where government policies impede the establishment of a regular USAID mission or limit government-to-government economic cooperation. The managers also direct that $27,500,000 be provided to combat polio.

The conference agreement includes $475,000,000 for HIV/AIDS, of which $435,000,000 is allocated within this account and not less than $40,000,000 in other accounts and programs. The conference agreement includes bill language on the development of microbicides. The managers expect that these funds will be managed by the director of the HIV/AIDS division at USAID. In addition, the conference agreement includes up to $10,000,000 for a United States contribution to the International AIDS Vaccine Initiative.

The managers note that the Global AIDS and Tuberculosis Relief Act of 2000 (P.L. 106–264) authorized that 65 percent of the HIV/AIDS funding be provided through non-governmental organizations (NGOs). The managers concur that NGOs, including faith-based organizations, provide invaluable services in the fight against HIV/AIDS. In anticipation of an increasing involvement of the public sector, particularly in the areas of treatment and the provision of interventions

to reduce mother-to-child transmission, the managers agree that assistance provided through NGOs in cooperation with a foreign government or using government facilities may be counted against the 65 percent target in USAID's strategy to implement the Act.

The managers recognize the value of innovative projects to combat the ever-growing HIV/AIDS pandemic. The managers are aware of two innovative faith-based alliances and recommend that USAID provide not less than $2,000,000 to fund proposals by each NGO. The first is between a United States NGO and the southern African Anglican Church to provide information and communications technologies and platforms to strengthen community efforts to combat HIV/AIDS in southern Africa. The second is between Hope worldwide and a number of communities in southern Africa. The NGO seeks to replicate and extend its well-known Soweto Community Childcare program for orphans and other children affected by AIDS to other sites in Africa. The managers encourage USAID to seek out and support similar innovative programs, especially in Africa, South and Central Asia, and the Caribbean region.

Within the overall Child Survival and Health Programs Fund, authority is provided to transfer $50,000,000 to a proposed global fund to fight AIDS, tuberculosis and malaria. Of this amount, $10,000,000 would be transferred from the allocation for other infectious diseases, which include tuberculosis and malaria. In addition, the President may use up to $50,000,000 from other accounts in title II of this and prior Acts for the fund, for a total of $100,000,000 under the authorities provided in this Act.

The managers note that up to an additional $200,000,000 is available for the proposed global fund from two other appropriations Acts a total of $100,000,000 in the Child Survival and Disease Programs Fund under a provision of Public Law 107–20, and another $100,000,000 from H.R. 3061, the Departments of Labor, Health and Human Services, and Education Appropriations Act, 2002. The managers further note that the President's request for the fund is $200,000,000.

The managers expect the Secretary of State and the Secretary of Health and Human Services to report to the Committees no later than April 30, 2002 on progress toward establishment of a global fund to combat AIDS, tuberculosis and malaria. If substantial progress has not been made by August 1, 2002, in establishing a global fund on terms mutually acceptable to the Secretaries and the Committees, the managers expect that the funds intended to be contributed to the proposed global fund will be made available for obligation, as needed, for ongoing bilateral programs to fight HIV/AIDS, tuberculosis, and malaria.

The managers urge that expanded resources be made available to mother-to-child transmission (MTCT) programs. As effective implementation of MTCT programs will take time, during which health care workers will be trained, laboratory and testing facilities established, and community based care services for HIV positive mothers developed, USAID not be able to meet the Global AIDS Act's 8.3 percent MTCT funding target in fiscal year 2002. The managers expect that USAID will achieve the MTCT target by the end of fiscal year 2003.

The conference agreement allocates $165,000,000 for other infectious diseases including $65,000,000 to address the global health threat from tuberculosis. The managers expect that a total of at least $75,000,000 will be provided for tuberculosis from all accounts.

The other infectious diseases program also includes $65,000,000 for efforts to reduce the incidence of malaria and $35,000,000 for antimicrobial resistance and infectious diseases surveillance. Proper antibiotic use and increasing global resistance have assumed a higher priority since the recent bioterrorism incidents, and the managers urge USAID to reserve part of its increase in funding to invest in public/private partnerships and alliances that promote more prudent uses of antibiotics in developing countries.

The managers are aware that the HIV/AIDS, tuberculosis and malaria crises require extraordinary efforts on the part of the U.S. Government. USAID is encouraged to use, as appropriate, its existing waiver authorities regarding financing and procurement of goods and services, and grant making, in order to expedite the provision of assistance to combat infectious diseases and enhance the efficiency of that assistance.

The conference agreement allocates $368,500,000 for family planning/reproductive health within the Child Survival and Health Programs Fund. The Senate amendment proposed that not less than $395,000,000 be made available from the Child Survival and Health Programs Fund to carry out section 104(b) of the Foreign Assistance Act, regarding international population planning assistance. The House bill allocated $358,000,000 from this account for bilateral reproductive health/family planning assistance. The conference agreement provides overall funding of $446,500,000 for bilateral family planning/reproductive health from this account, the Economic Support Fund, and the regional accounts for Eastern Europe and the former Soviet Union in section 522.

As the managers are concerned about logging, poaching and other development harmful to the environment in regions where population pressures threaten biodiversity and endangered species, such as Indonesia, Central Africa, and parts of Latin America, the conference agreement includes Senate language that urges USAID to undertake and implement reproductive health/family planning programs in these regions.

The managers also direct USAID to continue to provide the Committees with a detailed annual report not later than February 28, 2002, on the programs, projects, and activities undertaken by the Child Survival and Disease Programs Fund during fiscal year 2001.

Funds appropriated for the Child Survival and Health Programs Fund are appropriated for programs, projects and activities. Funds for administrative expenses to manage Fund activities are provided in a separate account, with two exceptions included in the conference agreement: authority for USAID's central and regional bureaus to use up to $125,000 from program funds for Operating Expense-funded personnel to better monitor and provide oversight of the Fund; and, in section 522, authority to use up to $15,500,000 to reimburse other government agencies and private institutions for professional services. Any proposed transfer of appropriations from the Fund for administrative expenses of USAID under any other authority shall be subject to section 515 of this Act.

None of the funds appropriated under this heading or the heading ''Child Survival and Disease Programs Fund'' in prior Acts making appropriations for foreign operations, export financing, and related programs may be allocated or reserved in USAID's operating year budget for a Global Development Alliance. Any proposed obligations for Global Development Alliance programs, projects or activities shall be subject to the regular notification procedures of the Committees on Appropriations.

DEVELOPMENT ASSISTANCE

The conference agreement appropriates $1,178,000,000 for ''Development Assistance'' instead of $1,098,000,000 as proposed by the House and $1,245,000,000 as proposed by the Senate.

The managers have increased funds for Development Assistance above the amount requested by the President in order to make additional funds available for urgent basic education, environment and energy conservation, and economic growth programs. Within the economic growth, agriculture and trade sector, environment and clean energy, trade promotion, and rule of law activities are of special interest.

The managers have agreed to provide $150,000,000 for basic education under the development assistance account, instead of $135,000,000 as proposed by the House bill and the Senate amendment. In addition, $15,000,000 should be derived from other accounts.

The managers also direct USAID to conduct an immediate review of basic education programs in countries whose assistance is primarily provided from the Economic Support Fund (ESF). Widespread anti-American sentiment in predominately Muslim countries has exposed a deficiency in basic education within countries that have received large amounts of U.S. assistance through ESF-funded programs. The managers urge that cooperative efforts be initiated with ESF-recipient countries to develop and implement creative basic education programs that strengthen the capacity and accessibility of public education systems. The conferees expect that expenditures from the ESF account for education will increase as a result of these efforts.

The managers continue to be concerned about worldwide trafficking of women and children and urge the Department of State and USAID to provide $20,000,000 from title II of this Act, including not less than $1,500,000 under the heading ''Independent States'' and not less than $10,000,000 under the heading ''International Narcotics Control and Law Enforcement'', to continue and expand anti-trafficking programs.

The conference agreement provides that, of the funds for agriculture and rural development programs, $25,000,000 should be provided for biotechnology research and development.

The managers strongly support the fertilizer-related research and development being conducted by the International Fertilizer Development Center (IFDC) and urge the Administrator of USAID to make at least $4,000,000 available to IFDC, including not less than $2,300,000 for its core grant, as provided under the Senate amendment and the House Report.

The managers expect USAID to increase funding for the Collaborative Research Support Programs (CRSPs) above the fiscal year 2001 level. The managers recommend that USAID should focus on increasing the overall funds available for CRSPs, and consult with the Committees on directives included in the House and Senate reports regarding funding for the CRSPs. The managers note the ongoing bipartisan and bicameral support for the Peanut CRSP.

The conference agreement does not contain language proposed in the Senate amendment providing up to $100,000 for an assessment of the causes of flooding along the Volta River in Accra, Ghana, and recommendations for solving the problem. The House did not address this matter. The managers support this endeavor, and expect $100,000 to be provided for the assessment.

The managers direct that not less than $500,000 be made available for the United States Telecommunications Training Institute, a long-standing and successful program that provides communications and broadcasting training to professionals around the

world. The Senate amendment included bill language mandating that such funds be made available for this purpose. The House bill did not address this matter.

The conference agreement provides that $18,000,000 should be made available for the American Schools and Hospitals Abroad (ASHA) program. The Senate amendment included bill language mandating that $19,000,000 be made available for this purpose. The House bill did not address this matter. The managers direct ASHA to give full consideration to grant proposals from all qualified institutions. These may include grant proposals for curriculum, staff support, and related expenses and for expansion overseas facilities owned and operated by U.S. based, non-profit educational institutions. No regulation, statute, or congressional directive precludes ASHA funds from being utilized for these purposes.

The managers strongly support programs to protect the environment, including biodiversity and endangered species. They also support sustainable use of natural resources and sustainable agriculture and programs that conserve energy and promote efficient energy production and use in developing countries. The conference agreement includes language similar to the Senate bill, which provides that $275,000,000 should be made available for these activities. Of this amount, $100,000,000 should be made available for programs to protect biodiversity.

The conference agreement includes language similar to the Senate amendment, which provides that $2,000,000 should be made available from ''Development Assistance'' and the ''Child Survival and Health Programs Fund'' for activities in Laos. These funds are to be made available only through nongovernmental organizations to address basic human needs. The managers are extremely troubled by the repressive policies of the Government of Laos. In addition to condemning the wholesale denial of human rights to the people of Laos, particularly the Hmong, the managers are concerned about a recent event in which several European nationals were arrested, detained in inhumane conditions, and eventually expelled from Laos for demonstrating for democracy and the release of political prisoners. The House bill did not address this matter.

As a result of the situation since September 11, 2001, the managers support and urge USAID to include in its initiative to prevent conflict $2,500,000 to support environmental threat assessments and preventive solutions. The Foundation for Security and Sustainability is prepared to mobilize its interdisciplinary experts to address urgent challenges such as highly infectious diseases and environmental indicators to provide credible warnings as they pertain to the security of key regions.

The conferees continue to strongly support dairy development and urge the USAID to provide $8,000,000 to fund new projects in fiscal year 2002, the same level provided for the past two years. The program has helped the U.S. dairy industry become more competitive through promoting American technology, equipment, inputs and industry-based technical assistance in developing and market transition countries.

The managers support the language in House Report 107–142 regarding education and technology in Africa, especially with regard to the Education of Development and Democracy Initiative (EDDI) and the AFTECH initiative. As such, the managers strongly recommend that $17,000,000 be made available for EDDI in fiscal year 2002, instead of the multiyear funding recommendation in the House Report. The managers also support the Republic of Congo's (Brazzaville) efforts to achieve economic self sufficiency and democratic reform following its civil war. The conferees strongly encourage USAID to support the Congo Republic's multi-year effort to boost local production of agricultural foodstuffs. This project complements the Agency's ongoing effort to engage the private sector in developing methods to achieve food security in Africa.

The managers endorse House and Senate report language supporting assistance for victims of torture and recommend $10,000,000 for these activities, including treatment centers. The managers are also aware of the Hacia La Seguridad program in Quito, Ecuador and the United States-Honduras Program of Investments Alliance and encourage USAID to consider proposals for supporting both projects. The managers also endorse the Senate report language recommending support for the Navsarjan Trust in India.

The managers recognize the important contributions made by American volunteers through the Citizens Democracy Corps and the International Executive Service Corps (IESC), and support additional funding by USAID over and above existing grants and cooperative agreements for both PVOs. In particular, the managers support proposals by the IESC to renew its technical assistance activities in small and medium-sized enterprises in Latin America, Africa, and Asia.

The managers expect USAID to comply with the House Report directives, as modified below, as it develops more fully its Global Development Alliance concept. Until those recommendations have been implemented, as determined by the Committees, any proposed obligations from Development Assistance appropriations for Global Development Alliance programs, projects or activities shall be subject to the regular notification procedures of the Committees on Appropriations on a case-by-case basis. Overall, any allocation or reservation of funds for a Global Development Alliance in USAID's operating year budget shall be limited to $20,000,000 during fiscal year 2002.

BURMA

The conference agreement contains language that provides that of the funds appropriated for the Economic Support Fund, not less than $6,500,000 shall be made available to support democracy activities in Burma and for related activities outside of Burma. These funds are available notwithstanding any other provision of law, but shall be made available subject to the regular notification procedures of the Committees on Appropriations. The conference agreement also amends a similar provision for the fiscal year 2001 appropriations act to provide for the use of funds appropriated under ''Child Survival and Disease Programs Fund'' for activities in Burma. The conference agreement does not contain Senate language that conditioned the use of funds on the direct involvement of the National League for Democracy.

The managers expect that programs and activities conducted inside Burma will be carried out in consultation with the leadership of the National League for Democracy (NLD). The managers do not support the provision of any assistance to the State Peace and Development Council (SPDC), and encourage a just and peaceful settlement to the political stalemate.

The managers are deeply concerned with the detention of Burma's legitimately elected leader Daw Aung San Suu Kyi, and the imprisonment and torture of Burmese democracy activists. The managers recognize the humanitarian crises that exist in Burma today, including an explosive HIV/AIDS infection rate, and condemn the repressive policies of the SPDC that directly contribute to human suffering in that country. The managers denounce the SPDC's efforts to obtain a nuclear reactor and its recent decision to purchase ten MIG–29 fighter aircraft. These funds could be better used for basic health care for the Burmese people.

The managers note that talks have taken place between the NLD and the SPDC, and a few political prisoners have been released. However, at the current rate it will take a decade before all 1,800 political prisoners are set free. The managers urge the immediate and unconditional release of all prisoners of conscience in Burma. The SPDC is also urged to allow NLD offices to reopen throughout Burma and to operate without restriction.

The managers request that within 90 days of enactment of the Act, the Administrator of USAID, in consultation with the Under Secretary of State for Global Affairs, provide a report to the Committees on Appropriations on the extent of the HIV/AIDS epidemic in Burma, including recommendations for action that the United States Government could take to limit the spread of HIV/AIDS in Burma. The recommendations may not include direct support to the SPDC.

INTERNATIONAL DISASTER ASSISTANCE

The conference agreement appropriates $235,500,000 for ''International Disaster Assistance'', instead of $245,000,000 as proposed by the Senate and $201,000,000 as proposed by the House bill. The managers have agreed to a 17.5 percent increase above the request in anticipation that additional resources will be needed for humanitarian assistance, especially in Central America and sub-Saharan Africa. The director of the Office of Foreign Disaster Assistance is to consult with the Committees not less than every three months, on the current status of commitments, obligations, and expenditures by the Office and on any proposals to augment ''International Disaster Assistance'' by transfers from other accounts.

The conferees urge USAID to at least double its disaster preparedness programs and activities in South Asia by initiating offers of technical assistance in this area with the Governments of India and other regional states. Not less than $5,000,000 should be committed by the Office of Foreign Disaster Assistance to develop national and regional emergency response capabilities to prevent unnecessary loss of life and property during frequent natural disasters such as cyclones, earthquakes and floods. This program should be designed to promote regional cooperation and stability.

TRANSITION INITIATIVES

The conference agreement appropriates $50,000,000 for ''Transition Initiatives'' to support USAID's Office of Transition Initiatives (OTI). The House bill proposed $40,000,000 and the Senate amendment $52,500,000 for this account. The conference agreement requires that USAID submit a report to the Appropriations Committees not less than five days prior to beginning a new program of assistance. The House bill contained a similar provision.

The managers recognize the importance of identifying and supporting women leaders in post-conflict societies, and urge USAID and the Department of State to make women's leadership training a central part of U.S. transition assistance to the people of Afghanistan and the surrounding region. The Vital Voices Leadership Institute is among the groups with the expertise to move quickly to implement such a program. The conferees urge USAID and the State Department to quickly identify opportunities for such initiatives within Afghanistan.

DEVELOPMENT CREDIT AUTHORITY

(INCLUDING TRANSFER OF FUNDS)

The conference agreement appropriates up to $18,500,000 by transfer from funds made

available under the heading ''Development Assistance'' for the cost of loans and loan guarantees for USAID's Development Credit Authority, instead of $25,000,000 as proposed by the Senate and $12,500,000 as proposed by the House. In addition, the conference agreement includes urban programs among the potential beneficiaries and extends the availability of the credit subsidy authority until September 30, 2007, instead of until expended as proposed by the Senate.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

The conference agreement includes language providing that up to $10,000,000 may be made available until expended for security-related costs.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

OFFICE OF INSPECTOR GENERAL

The conference agreement appropriates $31,500,000 for Operating Expenses of the United States Agency for International Development, Office of Inspector General, instead of $32,000,000 as proposed by the Senate and $30,000,000 as proposed by the House. The managers encourage the Inspector General to continue the policy of constructive and ongoing reviews of USAID's attempts to resolve its serious financial and human resource management and procurement challenges. The managers also request the Inspector General to inform the Committee promptly of any emerging deficiencies.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

The conference agreement appropriates $2,199,000,000 for the Economic Support Fund as proposed by the House instead of $2,239,500,000 as proposed by the Senate.

The conference agreement includes language that provides not less than $200,000,000 for the Commodity Import Program in Egypt. The Senate amendment had proposed not less than $160,000,000 for this program, while the House bill did not address this matter.

The conference agreement also includes language that provides that not less than $150,000,000 should be made available for assistance for Jordan. The Senate language would have mandated this level of support. The House bill did not address this matter.

The conference agreement also includes language that provides that not less than $25,000,000 shall be made available for East Timor, including up to $1,000,000 which may be transferred to and merged with Operating Expenses of the United States Agency for International Development. The House bill did not address this matter.

The conference agreement includes Senate language that provides that not less $15,000,000 shall be available for assistance for Cyprus. The House bill had similar language, but it provided that $15,000,000 should be made available rather than making this level mandatory.

In addition, the conference report provides not less than $35,000,000 for assistance for Lebanon. The managers are concerned with the failure of the Government of Lebanon, despite repeated requests at the highest levels, to enforce the orders of Lebanese courts requiring the return of abducted American children in Lebanon. The conference agreement provides that the Government of Lebanon should enforce the custody and international pickup orders, issued during calendar year 2001, of Lebanon's civil courts regarding abducted American children in Lebanon. The House bill had language that provided this level of assistance for Lebanon, but did not include Senate language regarding child custody and international pickup orders.

The managers are deeply concerned by reports that the Government of Lebanon will not cooperate with the President's request, made pursuant to Executive Order 13224, to freeze the assets of Hezbollah, a group included on the State Department's list of terrorist organizations. The managers will closely monitor the Government of Lebanon's future cooperation with this and other aspects of the campaign against terrorism. The managers note that any funding provided in this account to the Central Government of Lebanon is subject to Congressional notification.

The conference agreement includes language that provides that $50,000,000 of the funds appropriated under this heading should be provided for Indonesia. The Senate amendment contained language that provided that $135,000,000 should be provided for Indonesia from ''Economic Support Fund'', as well as from ''Development Assistance'' and ''Child Survival and Health Programs Fund''. The House bill did not address this matter.

The conference agreement does not include Senate language providing that not less than $10,000,000 from various accounts should be made available for humanitarian, economic rehabilitation and reconstruction, political reconciliation and related activities in Aceh, Papua, West Timor and Malukus. However, the managers direct USAID to urgently pursue opportunities to provide such assistance to address urgent needs in these impoverished and politically volatile regions. Funds made available for these purposes may be made available to and managed by the Office of Transition Initiatives.

The managers remain concerned with the political situation in Indonesia, and encourage the Government to continue to implement needed political, legal, economic, and military reforms. While the managers appreciate the complex situation within Indonesia, they find criticism by President Megawati Sukarnoputri of American-led efforts to counter international terrorism to be dismaying.

The managers did not include Senate language relating to funding for the Documentation Center of Cambodia, but recognize the vital research the Center provides to the people of Cambodia on atrocities committed by the Khmer Rouge. The managers expect the Department of State and USAID to provide sufficient levels of funding to the Center, and endorse the Senate report language on this matter. The managers request the Secretary of State to report to the Committees on Appropriations not later than 60 days after the enactment of this Act on a multi-year funding strategy for the Documentation Center of Cambodia.

The conference agreement does not include Senate language that stated that not less than $12,000,000 should be made available for Mongolia. However, the managers support this level of funding for assistance for Mongolia, which is consistent with the budget request.

The managers direct that $53,000,000 of the funds appropriated in this account be provided for reproductive health/family planning, as assumed in the budget request.

The conferees reiterate their support for conflict prevention analysis in light of the events of September 11th, and urge the Administration to provide funding for groups previously cited, such as the International Crisis Group, whose work identifies and addresses the causes of conflict and the failed states which breed terrorism. The managers also reiterate support for important conflict resolution programs as described in the House and Senate reports, including funding of up to $1,000,000 for Seeds of Peace and up to $1,000,000 for the School for International Training's Conflict Transformation Across Cultures Program (CONTACT).

The managers endorse the House report language regarding support for the International Arid Lands Consortium. In addition, the managers express support for the House report language regarding the Blaustein Institute for Desert Research.

The conference agreement also includes House language that provides that funds from this account may be used, notwithstanding any other provision of law and subject to the regular notification procedures of the Committees on Appropriations, to provide certain specified assistance to the National Democratic Alliance of Sudan. The Senate amendment contained similar language, but included a ceiling of $10,000,000 on funds for this purpose.

Significant developments in Sudan have opened the door for historical changes for the suffering people there. A special humanitarian relief flight sponsored by the United States and cleared by the Sudan People's Liberation Movement (SPLM) and the government of Sudan has delivered over eight metric tons of wheat to the remote Nuba Mountain area that had been cut off from international assistance. The United States is negotiating expanded delivery of food aid through air drops to the Nuba Mountains to be implemented by the World Food Program. In order to set up and maintain these proposed initiatives, the managers support additional funding for new programs including expanded access for humanitarian assistance, education, agriculture, peace building, and reconciliation in war-affected areas of Sudan and to refugees in neighboring countries.

The conference agreement includes language that provides, with respect to funds appropriated under the heading ''Economic Support Fund'' in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, the responsibility for policy decisions and justifications for the use of such funds, including whether there will be a program for a country that uses those funds and the amount of each such program, shall be the responsibility of the Secretary of State and the Deputy Secretary of State and this responsibility shall not be delegated. The managers are concerned that the programs and activities funded through this account accurately reflect both the priorities of the Secretary of State and the budget justification material provided to the Committees on Appropriations, as modified by the conference agreement. The managers reiterate the importance of Congressional intent in the programming of funds appropriated to the Economic Support Fund, and anticipate a cooperative approach during fiscal year 2002 on funding allocations and programming decisions. To improve accountability for the delivery of assistance, the managers urge the Department of State and the Office of Management and Budget to streamline the current process of apportioning Economic Support Funds so that the bureau or agency designated by the Secretary or Deputy Secretary to obligate and manage the funds is able to do so in a more efficient and timely manner.

The managers endorse the Senate report language concerning the jurisdiction of and accelerated U.S. financial support for the war crimes tribunal for Sierra Leone.

The managers encourage the State Department to support programs designed to connect the information technology networks of Central Asian and Central and Eastern European members of the Partnership for Peace, to help strengthen integration and cooperation between these nations.

INTERNATIONAL FUND FOR IRELAND

The conference agreement appropriates $25,000,000 as proposed by the House. The Senate amendment contained no provision on this matter.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

The conference agreement appropriates $621,000,000, instead of $615,000,000 as proposed by the Senate and $600,000,000 as proposed by the House. The conference agreement also provides authority to provide up to $43,000,000 for debt relief and restructuring for the Federal Republic of Yugoslavia (FRY), of which not to exceed $21,500,000 would be derived from funds appropriated in this and prior Acts under this account, and not to exceed $21,500,000 would be derived from funds appropriated in this and prior Acts for the Economic Support Fund. The managers note that a modification of direct loans and guarantees for the FRY using funds appropriated under this Act or under prior year foreign operations, export financing or related programs appropriations Acts shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

The conference report also contains Senate language making a reference in paragraph (e) to paragraph (d); this is a technical amendment.

The managers recommend that $3,000,000 be provided to the United Nations Children's Fund (UNICEF) for a program in Bosnia for the protection of unaccompanied children and children at risk of being institutionalized. The program would focus on reforming residential institutions, strengthening social welfare centers for children, and helping to prevent abuse of, and violence against, children in Bosnia.

The managers direct that $10,000,000 of the funds appropriated in this account be provided for reproductive health/family planning.

The managers recommend that funding should be provided for the Russian, Eurasian, and East European Research and Training Program (Title VIII) at a level of at least $5,000,000. The managers strongly recommend that the existing administrative mechanism within the Department of State for the Title VIII program be preserved.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

The conference agreement appropriates $784,000,000, instead of $768,000,000 as proposed by the House and $795,500,000 as proposed by the Senate.

The conference agreement includes not less than $49,000,000 only for child survival, environmental and other health activities, and programs to reduce the incidence of HIV/AIDS, tuberculosis, and other infectious diseases, including $15,000,000 for reproductive health/family planning.

The managers strongly support regional cooperation efforts among the countries of Armenia, Azerbaijan, and Georgia. To further regional cooperation, the conference agreement continues the current six exemptions from the statutory restrictions on assistance to the Government of Azerbaijan. The managers include a provision that funds available for the Southern Caucasus may be used for confidence-building measures and other activities related to the resolution of regional conflicts, notwithstanding any other provision of law, as proposed by the Senate.

The conference agreement includes not less than $90,000,000 for assistance for Armenia under the heading ''Assistance for the Independent States of the Former Soviet Union'' and $4,000,000 under the heading ''Foreign Military Financing Program''. In addition, the managers direct that not less than $300,000 be provided for Armenia under the heading ''International Military Education and Training''. The managers endorse the provision of $5,000,000 for an education initiative, proposed by the Senate amendment, to provide computer equipment, Internet access, and related assistance to primary and secondary schools in Armenia, and support the provision of assistance under title II of this Act for programs and activities to counter weapons of mass destruction, improve regional stability, increase inter-operational capabilities with the United States, and clear land mines.

The conference agreement includes Senate language that provides a conditional waiver of section 907 of the FREEDOM Support Act for the purposes of providing assistance to Azerbaijan to counter international terrorism. The language makes clear the intent of Congress that the provision of such assistance shall not hamper or deter ongoing efforts to negotiate a peaceful settlement of the Nagorno-Karabagh conflict, or be used for offensive purposes against any Armenian community in the Caucasus region. The waiver is conditional upon cooperation with the United States in the international fight against terrorism, and the managers intend to review and reserve the right to amend the waiver language in the fiscal year 2003 appropriations process. In undertaking its review, the managers expect to consider the progress of the investigation by the Government of Azerbaijan into the murder of John Alvis, a democracy worker with the International Republican Institute.

The conference agreement provides that $90,000,000 of the funds in this account should be provided for Georgia. The managers urge the Coordinator and USAID to allocate $3,000,000 for a small business project to promote private sector technology start-ups in Georgia and award grants directly to the ongoing Atlanta-Tbilisi Partnership's Sustained Healthcare Initiative, instead of through the American International Health Alliance as discussed in House Report 107–142.

The conference agreement includes language providing that $154,000,000 should be made available for Ukraine, instead of an earmark of $180,000,000 as proposed by the Senate and a ceiling of $125,000,000 as proposed by the House. Of the amount for Ukraine, not less than $30,000,000 should be provided for nuclear reactor safety programs. The managers also support the initiation of simulator projects at the Rivne and the Khmelnitsky reactors, and the provision of related safety simulator equipment at other reactors. The managers have also included a Senate provision requiring the Department of State to report on the progress in resolving the murders of Ukrainian journalists. The managers endorse House report language on child survival and health activities in Ukraine.

The managers have concluded that assistance for Ukraine can succeed only if the Government of Ukraine is committed to economic, legal, and democratic reforms. The managers note that assistance to Ukraine takes on heightened significance as Ukraine prepares for parliamentary elections in March 2002, the outcome of which may determine the country's future direction.

The conference agreement includes conditions on assistance to the Government of the Russian Federation, with exceptions for specified humanitarian and security programs, with respect to its adherence in the Northern Caucasus to certain conventional arms and human rights conventions and agreements, as proposed by both the House and the Senate. The managers reiterate language in the Statement of the Managers from prior years with regard to other limitations on assistance, ''that assistance to combat infectious diseases, . . . support for regional and municipal governments, and partnerships between United States hospitals, universities, judicial training institutions and environmental organizations and counterparts in Russia should not be affected by this section.''

The conference agreement includes language providing not less than $17,500,000 for the Russian Far East. The Senate amendment had included not less than $20,000,000 for this purpose. This matter was not addressed in the House bill.

The conference agreement does not include Senate bill language providing that not to exceed 8 percent of the funds provided for any single nuclear safety project may be used to pay for management costs incurred by a United States agency or national lab in administering said project. The House did not address this matter. The managers endorse this cap on management costs.

The conference agreement again directs the Coordinator of Assistance to the Independent States to obligate not less than $1,500,000, primarily through locally-based and indigenous private voluntary organizations, to reduce trafficking in women and children. The managers urge the Coordinator to augment anti-trafficking projects by continuing and strengthening law enforcement and other activities to reduce all forms of violence against women.

United States national security interests in Central Asia intensified as a result of the September 11th attack on the United States. The managers recognize that countries in the region are playing a supportive role in the international coalition allied against terrorism and are on the front line of U.S. efforts to isolate and destroy the Al Queda network.

The managers believe that the United States should develop a targeted foreign aid response for Central Asia to counter the destabilizing effects of the war against terrorism. As part of this response, the United States should actively consider micro-lending institutions. Such organizations can serve as a vehicle for increasing the economic participation and security of the working poor and thus constitute a strategy to limit further marginalization and foster economic stability and democracy in the region.

While only a fraction of the population of the Central Asia region has access to financial services, certain countries have strong or emerging micro-finance sectors. Kyrgyzstan has positioned itself as the regional leader in micro-enterprise development. In Pakistan, the government has recently taken steps to promote the development of a micro-finance industry.

The managers believe that micro-enterprise development is a potentially powerful tool in striking at the root causes of instability that arise from the economic disenfranchisement of peoples in the Central Asia region. The managers request that USAID provide, in coordination with the National Security Council, the Department of the Treasury, and the Office of Management & Budget, an addendum to the micro-enterprise report to Congress required by March, 2002 under the provisions of P.L. 106–309.

The managers recommend $2,000,000 to support expansion of the Primary Healthcare Initiative to become self-sustaining.

The managers remain concerned that the initial budget request for the U.S. Russia Investment Fund (TUSRIF) is inadequate. The managers therefore urge that the Fund receive no less than an additional $50,000,000 in fiscal year 2002. As with the enterprise fund

in Poland the managers expect that more rapid capitalization of TUSRIF will lead over time to a similar repatriation of foreign aid funds to the U.S. Treasury. In return for a more rapid rate of investment the conferees also expect that TUSRIF will develop more opportunities for United States companies and investors throughout Russia.

The managers endorse House Report language under the heading ''Expanded Threat Reduction'' regarding collaborative research grants for American and Russian scholars.

INDEPENDENT AGENCIES

INTER-AMERICAN FOUNDATION

The conference agreement appropriates $13,106,950 as proposed by the Senate instead of $12,000,000 as proposed by the House.

AFRICAN DEVELOPMENT FOUNDATION

The conference agreement appropriates $16,542,000 as proposed by the Senate instead of $16,042,000 as proposed by the House.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The conference agreement provides that $10,000,000 should be made available for anti-trafficking in persons programs, as proposed by the Senate. The House addressed this matter in a general provision.

The conference agreement makes available $21,738,000 for administrative expenses instead of $16,600,000 as proposed by the House and the Senate.

The managers endorse House report language regarding $10,000,000 in anti-crime programs for Africa.

ANDEAN COUNTERDRUG INITIATIVE

The conference agreement appropriates $625,000,000, instead of $675,000,000 as proposed by the House and $547,000,000 as proposed by the Senate.

Additionally, the conference agreement allows for the authority to provide up to $35,000,000 through a permissive transfer from the International Narcotics Control and Law Enforcement funds. The managers intend that this discretionary authority shall apply only to funds within the International Narcotics Control and Law Enforcement account in this Act and in prior Acts making appropriations for foreign operations, export financing, and related programs. Such a transfer is subject to the regular notification procedures of the House and Senate Committees on Appropriations. In the event of such a transfer, the managers intend for the funds to support interdiction, alternative development, or other economic assistance to the Andean countries. The managers emphasize that there are other funds for Andean nations in this Act that may be made available for the Andean Regional Initiative (ARI).

The conference agreement includes no earmarks for Bolivia, Ecuador, or Venezuela as proposed by the Senate. The House did not address this matter. The managers strongly support the provision of $86,000,000 for assistance for Bolivia, and $33,000,000 for assistance for Ecuador. The managers note the success these countries have had in combating narcotics cultivation and trafficking, and expect the Department of State to ensure that successful programs and activities continue under the ARI.

The conference agreement does not include Senate bill language making available $2,000,000 for democracy-building activities in Venezuela. The managers strongly support efforts to promote democracy, the rule of law, and civil society in Venezuela and note with concern that the country remains a significant transit route for illegal drugs destined for the United States.

The conference report does not include language proposed by the Administration that would have exempted funds appropriated in fiscal year 2002 and subsequent fiscal years from the limitation imposed in section 3204(a) of the Emergency Supplemental Act, 2000 (P.L. 106–246). It is the conferees' understanding that funds appropriated in this Act that are made available in support of Plan Colombia satisfy the conditions set forth in section 3204(a) of the Emergency Supplemental Act, 2000 (P.L. 106–246).

The managers are concerned that funds included in P.L. 106–246 for assistance for the Colombian Fiscalia Human Rights Office, have been allocated without consultation with the Appropriations Committees for purposes that do not address this unit's priority needs of security, mobility and communications equipment for prosecutors, in particular for those prosecutors based in secondary cities and outlying regions. The managers direct the Department of State and Department of Justice to consult with the committees prior to the obligation or expenditure of funds appropriated in this Act or in P.L. 106–246 for administration of justice programs in Colombia regarding the use of such funds.

The Colombian National Police (CNP) anti-drug unit has the lead law enforcement role in the overall fight against illicit drugs and a commendable human rights record. The CNP has already been provided at least 8 Black Hawks and nearly 30 Huey II helicopters by the United States to carry out this important drug fighting function including providing protection of the eradication planes. The managers believe it is vital that the CNP now be provided adequate spare parts and maintenance monies to keep this equipment flying at the high rates of operation that has been seen to date. The managers expect the Department of State to maximize the U.S. investment in these expensive helicopters and other equipment provided the CNP by providing adequate parts.

The conference agreement includes language, similar to the Senate amendment, requiring consultations, a determination and report by the Secretary of State to ensure that chemicals used in the aerial fumigation of coca do not pose unreasonable health or safety risks to humans or the environment, and that the fumigation is conducted in accordance with regulatory controls in the U.S. as described in the January 23, 2001 State Department health and safety report on aerial spraying. Additionally, the managers have required the Secretary of State to consult with the Colombian government to ensure that the spraying is in accordance with Colombian laws.

The managers are concerned with the lack of effective procedures for evaluating claims of local citizens that their health was harmed or their licit agricultural crops were damaged by such fumigation. The managers are informed that, in order to correct these problems, new procedures for handling claims have been put in place. The conference agreement requires the Secretary to determine and report that procedures are available to evaluate such claims, and the managers direct the Secretary to report to the Committees on Appropriations not later than 90 days after enactment on the effectiveness of these new procedures.

The managers are concerned that coca eradication in some areas has proceeded before effective alternative development programs have been in place, and that some farmers in those areas have already replanted coca. In order to ensure that farmers whose coca is eradicated have alternative sources of income, access to markets and social services, the Conference Agreement includes Senate language requiring that within 6 months of the date of enactment alternative development programs have been developed in consultation with communities and local authorities in each department in which aerial fumigation is planned, and that such programs are being implemented in each department in which aerial coca fumigation has been conducted.

The conference agreement includes the Senate provision requiring the return of any helicopter found to aid or abet paramilitary groups. The House did not address this matter.

While the managers fully appreciate the linkages between narco-traffickers and Colombian guerrilla movements and paramilitary organizations, they remain concerned with the prospects of involvement by the United States in Colombia's civil war. The managers strongly express reservations and objections to any mission creep in Colombia beyond ongoing counterdrug efforts.

The conference agreement includes a provision prohibiting funds for the resumption of flights in support of a Peruvian air interdiction program until a system of enhanced safeguards are in place. The conference agreement differs from the conditions on funding for Peru as proposed by the House. The first condition, the submission of a report by the Secretary of State, has been provided to the Congress. The second condition requires that the resumption of flights in Peru must include enhanced safeguards, and to date the State Department has not decided to resume flights in Peru. The Senate did not address this matter.

The conference agreement makes available $14,240,000 for administrative expenses of the Department of State and $4,500,000 for the U.S. Agency for International Development.

MIGRATION AND REFUGEE ASSISTANCE

The conference agreement appropriates $705,000,000, instead of $715,000,000 as proposed by the House and $735,000,000 as proposed by the Senate. The primary reason for this level of funding is that $100,000,000 in supplemental funding for Migration and Refugee Assistance has already been provided to deal with the refugee crisis in Central Asia, which will help to relieve pressure on the fiscal year 2002 budget for this account. The managers expect that this level of funding will not be misinterpreted as a lack of support for Migration and Refugee Assistance by the Administration when submitting future budget requests. The conference agreement makes available $16,000,000, for administrative expenses as proposed by the Senate instead of $15,000,000 as proposed in the House.

Although refugee crises are often temporary, the managers are aware that in many instances it is necessary to provide relief services over an extended period of time. The managers encourage USAID and the State Department to invest in basic health, education services, and food production industries in developing countries where there are longer-term refugee crises.

The conference agreement prohibits funds for headquarters costs of the International Committee of the Red Cross (ICRC) until the Secretary of State certifies that the Magen David Adom Society of Israel is not being denied participation in ICRC activities, as proposed by the House. The Senate amendment did not address this matter.

The managers are concerned with the increasing dangers facing humanitarian relief workers in conflict zones, and endorse Senate report language directing the Secretary of State to submit a report by April 1, 2002, on efforts to improve the safety of relief workers.

The conference agreement also includes Senate language that provides not less than $60,000,000 for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel. The House bill did not address this matter.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

The conference agreement appropriates $313,500,000 instead of $311,000,000 as proposed by the House and $318,500,000 as proposed by the Senate.

The managers intend that funds in this account be allocated as follows:

[In thousands of dollars]

| | |
|---|---|
| Nonproliferation and Disarmament Fund | $14,000 |
| Export control assistance | 17,000 |
| International Atomic Energy Agency | 50,000 |
| CTBT Preparatory Commission | 20,000 |
| Korean Peninsula Economic Development Organization (KEDO) | 90,500 |
| Anti-terrorism assistance | 38,000 |
| Terrorist Interdiction Program | 4,000 |
| Demining | 40,000 |
| Small arms destruction | 3,000 |
| Science Centers | 37,000 |
| Total | 313,500 |

The conference agreement includes language that requires that the Secretary of State inform the Committees on Appropriations at least 15 days prior to the obligation of funds for the Comprehensive Nuclear Test Ban Treaty (CTBT) Preparatory Commission. The House bill would have required a 20 day informational period, while the Senate amendment would have required a 10 day informational period.

The conference agreement includes Senate language authorizing not to exceed $500,000 for administrative expenses associated with the demining program. The House bill did not address this matter. The conference agreement does not contain Senate language stating that $40,000,000 should be used for demining, clearance of unexploded ordnance and related activities; however, the managers support the budget request of $40,000,000 for these purposes.

The conference agreement does not contain Senate language providing that $3,500,000 should be available to support the Small Arms Destruction Initiative. The managers strongly support a level of $3,000,000 for this program and endorse the Senate report language on this matter.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

The conference agreement provides $6,500,000 for the International Affairs Technical Assistance program of the Department of the Treasury, instead of $6,000,000 as proposed by the House, the Senate, and the President's request. The managers direct that the additional $500,000 be used to assist HIPC countries in Africa and will be in addition to the $3,000,000 already dedicated to existing Treasury International Affairs Technical Assistance programs and activities in Africa.

DEBT RESTRUCTURING

The conference agreement appropriates $229,000,000 for debt restructuring instead of $224,000,000 as proposed by the House and $235,000,000 as proposed by the Senate. The managers make available $5,000,000 in fiscal year 2002 funds and up to $20,000,000 from unobligated balances for implementation of the Tropical Forest Conservation Act. The remainder of the amount provided for debt restructuring may be used at the Administration's discretion, subject to certain reporting and notification requirements, either for bilateral debt restructuring or for United States contributions to the Heavily Indebted Poor Country (HIPC) Trust Fund administered by the World Bank.

TITLE III—MILITARY ASSISTANCE

INTERNATIONAL MILITARY EDUCATION AND TRAINING

The conference agreement appropriates $70,000,000, instead of $65,000,000 as proposed by the House and $75,000,000 as proposed by the Senate. The conference agreement also contains language providing that up to $3,000,000 may be available until expended, instead of $1,000,000 as proposed by the House and $5,000,000 as proposed by the Senate.

The conference agreement does not include Senate language that would have required notification for assistance for Zimbabwe, the Democratic Republic of Congo, Cote D'Ivoire and the Gambia. The managers note that assistance for Zimbabwe and the Democratic Republic of Congo is subject to the notification provisions of section 520 of this Act. Prior to any decision to obligate funds for Cote D'Ivoire, the managers expect that the Departments of State and Defense will consult with the Committees on Appropriations.

The conference agreement provides that funding for Algeria shall be subject to the regular notification procedures of the Committees on Appropriations as proposed by the Senate. The House bill did not address this matter.

The conference agreement does not contain language that would have provided not less than $600,000 for Armenia. However, the managers support funding for a program for Armenia at a level of not less than $300,000.

The managers urge that a program for Colombia to define structures and processes for responding to armed conflict and maintaining civilian control of the military be considered at the Naval Postgraduate School.

FOREIGN MILITARY FINANCING PROGRAM

The conference agreement appropriates $3,650,000,000 instead of $3,627,000,000 as proposed by the House and $3,674,000,000 as proposed by the Senate.

The conference agreement includes Senate language that provides not less than $75,000,000 for assistance for Jordan. The House bill did not address this matter.

The conference agreement includes language that provides that not less than $3,500,000 in grant assistance should be made available for Tunisia, as well as language mandating not less than $5,000,000 in drawdowns of defense articles, services, and education and training for Tunisia. The Senate amendment directed the allocation of $5,000,000 and $5,000,000, respectively, for these activities. The House bill did not address this matter.

The conference agreement contains language that provides not less than $2,300,000 for assistance for Thailand, of which not less than $1,000,000 shall be derived from funds appropriated under the heading ''International Narcotics Control and Law Enforcement'' in addition to funds otherwise available for such purposes. The Senate amendment proposed similar language, but did not address a transfer from ''International Narcotics Control and Law Enforcement''. The House bill did not address this matter. The managers are agreed that this grant assistance shall be made available for one-time costs associated with border security.

The conference agreement contains Senate language that provides not less than $4,000,000 for assistance for Armenia. The House bill did not address this matter.

The conference agreement also contains Senate language that amends the ninth proviso under this heading in Public Law 106–429 to allow for a mandated drawdown of defense articles, services, and education and training for Georgia for 2001 or 2002. The House bill did not contain a provision on this matter.

PEACEKEEPING OPERATIONS

The conference agreement appropriates $135,000,000 as proposed by the House instead of $140,000,000 as proposed by the Senate.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL FINANCIAL INSTITUTIONS

GLOBAL ENVIRONMENT FACILITY

The conference agreement appropriates $100,500,000 for the Global Environment Facility instead of $82,500,000 as proposed by the House and $109,500,000 as proposed by the Senate.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The conference agreement appropriates $792,400,000 instead of $803,400,000 as proposed by the House and $775,000,000 as proposed by the Senate. The managers have included modified language as proposed by the Senate, regarding instructions to the U.S. executive director to the International Bank for Reconstruction and Development (IBRD) to vote against water or sewage projects in India that do not prohibit the use of scavenger labor. The House did not address this matter. Manual scavenging is a particular occupation in India only for Dalits or ''untouchables'' that entails waste collection and disposal through primitive and squalid means. Over 500,000 Dalits in India are employed as manual scavengers, and Dalits who seek to avoid this demeaning and unhealthy labor are often denied other jobs. India is one of the largest borrowers from the World Bank with over $11 billion in IBRD loans in 2001, some of which fund government sanitation programs. Given that the Indian government has banned manual scavenging, once these laws are implemented there would be other employment opportunities for Dalits. The managers urge the IBRD to work with the Indian government to improve the economic and social status of Dalits.

CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

The conference agreement appropriates $5,000,000 for paid-in capital for the Multilateral Investment Guarantee Agency. Approval for a subscription to the appropriate amount of callable capital is also included in the conference agreement. The House and Senate included authority for callable capital only.

CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION

The conference agreement appropriates $18,000,000 for a United States contribution to the Inter-American Investment Corporation, instead of $10,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

The conference agreement appropriates $98,017,050 for the Asian Development Fund, instead of $93,017,050 as proposed by the House and $103,017,050 as proposed by the Senate.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

The conference agreement provides $208,500,000 instead of $196,000,000 as proposed by the House and $218,000,000 as proposed by Senate.

The conference agreement provides that $6,000,000 should be made available for the World Food Program, as proposed by the Senate. The House did not include this language.

The managers support $5,000,000 from this account for a United States contribution to the United Nations Voluntary Fund for Victims of Torture Program, as recommended in the House and Senate Reports, and $97,100,000 for the United Nations Development Program, as recommended in the House and Senate Reports.

The conferees urge that $60,000 be provided to cover the expenses relating to the development of a Guide to Best Practice by the

Permanent Bureau of the Hague Convention on Private International Law to cover the application of the Hague Convention on Civil Aspects of International Child Abduction.

The managers intend that funds in this account be allocated as follows:

[In thousands of dollars]

| | |
|---|---|
| UN Fund for Tech. Cooperation in Human Rights | $1,500 |
| UN Voluntary Fund for Victims of Torture | 5,000 |
| OAS Fund for Strengthening Democracy | 2,500 |
| World Food Program | 6,000 |
| UNDP | 97,100 |
| UNIFEM | 1,000 |
| OAS Development Assistance | 5,500 |
| WTO | 1,000 |
| ICAO Aviation Programs | 300 |
| UNEP | 10,750 |
| Montreal Protocol | 25,000 |
| International Conservation Programs (CITES/ITTO/IUCN/Ramsar/CCD) | 7,700 |
| IPCC/UNFCCC | 7,400 |
| International Contributions for Scientific Educational & Cultural Activities | 1,750 |
| World Meteorological Organization | 2,000 |
| UNFPA | 37,500 |
| Total | 208,500 |

TITLE V—GENERAL PROVISIONS

(Note: If House and Senate language is identical except for a different section number or minor technical differences, the section is not discussed in the Statement of Managers.)

*Sec. 505. Limitation on Representational Allowances*

The conference agreement sets a limitation of $125,000 on representation allowances from funds appropriated under ''Foreign Military Financing Program,'' instead of $150,000 as proposed by the House and $100,000 as proposed by the Senate.

*Sec. 507. Prohibition Against Direct Funding for Certain Countries*

The conference agreement does not include Senate language that adds a prohibition of direct assistance to the government of any nation that the President determines is harboring, has financed, or is financing terrorists involved in the attacks of September 11, 2001. The House did not include such a provision. The managers note that the President has the authority to undertake this action and are confident he will exercise this authority should the need arise.

*Sec. 508. Military Coups*

The conference agreement includes revised language that specifies that funds shall be prohibited for the government of any country whose duly elected head of government is deposed by decree or military coup, but it does not include broader conditions for the resumption of assistance, as proposed by the House. The House bill and the Senate amendment did not include the words ''government of''. Prior year language has been further modified to permit the provision of assistance to promote democratic elections or public participation in democratic processes.

*Sec. 515. Notification Requirements*

The conference agreement reflects a technical change proposed by the Senate to include ''Andean Counterdrug Initiative'' in the list of accounts that are subject to notification pursuant to this section. The House did not address this matter. The conference agreement does not include Senate language, not in the House bill, that imposed notification requirements on drawdowns pursuant to section 506(a)(2) of the Foreign Assistance Act. The managers note that section 506(b)(1) of such Act already requires notifications for drawdowns made for the purposes and under the authorities of several provisions of law, including chapter 8 of part I of the Foreign Assistance Act relating to international narcotics control assistance.

*Section 518. Prohibition on Funding for Abortions and Involuntary Sterilization*

The conference agreement does not include prior year language prohibiting the use of funds to lobby for or against abortion, as proposed by the House bill. The conference agreement moves the ban on use of funds for lobbying to language under the heading ''Child Survival and Health Programs Fund'', as proposed by the Senate amendment.

*Sec. 520. Special Notification Requirements*

The conference agreement adds ''Serbia'' as proposed in the Senate amendment to the list of countries subject to the special notification procedures of this section, but does not include ''Burma'', ''Ethiopia'' and ''Eritrea'' as recommended by the Senate.

*Sec. 522. Child Survival and Health Activities*

The conference agreement authorizes USAID to use up to $15,500,000 from the ''Child Survival and Health Programs Fund'' and up to $3,000,000 from ''Development Assistance'' for technical experts from other government agencies, universities, and other institutions. The managers have increased this authority in order to accelerate implementation and oversight of USAID's expanded infectious disease and basic education activities. The managers direct USAID to provide the Committees with a detailed multi-year workforce planning strategy not later than March 15, 2002, that includes target dates and anticipated costs or savings to replace or reclassify the majority of the additional temporary personnel authorized by this section and by section 534(c) with direct hire USAID Operating Expenses-funded personnel.

A new subsection provides that $446,500,000 shall be made available for reproductive health/family planning activities from funds appropriated by this Act, including $368,500,000 from the Child Survival and Health Programs Fund, $53,000,000 from the Economic Support Fund, $15,000,000 from Assistance to the Independent States of the Former Soviet Union, and $10,000,000 from Assistance to Eastern Europe and the Baltic States. The managers have provided these funds in recognition of the continuing unmet need for basic reproductive health/family planning services in developing countries, where 95 percent of new births will occur. The managers have designated funds for the two regions of Eastern Europe and the former Soviet Union where the high frequency of abortion adversely affects women's reproductive health.

*Section 523. Prohibition Against Indirect Funding to Certain Countries*

The conference agreement does not include Senate language that adds a prohibition of indirect assistance to the government of any nation that the President determines is harboring, has financed, or is financing, terrorists involved in the attacks of September 11, 2001. The House did not include such a provision. The managers note that the President has the authority to undertake this action and are confident he will exercise this authority should the need arise.

*Sec. 525. Authorization Requirement*

The conference agreement includes language that provides that funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956, as provided in the House bill and the Senate amendment. It includes Senate language exempting the accounts ''International Military Education and Training'' and ''Foreign Military Financing Program'' from these waivers.

*Sec. 526. Democracy Programs*

The conference agreement contains language in subsection (a) that authorizes funding for certain democracy programs. It includes language similar to the Senate amendment that provides that not less than $10,000,000 shall be made available for activities to support democracy, human rights, and the rule of law in the People's Republic of China. Of these funds, the managers support the programming of not less than $5,000,000 through the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights and Labor, Department of State. In addition, subsection (a) authorizes funding of not to exceed $3,000,000 for nongovernmental organizations located outside the People's Republic of China to support activities that preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in Tibet, as authorized in the House bill. The House bill did not address democracy activities in China. The managers are aware of the valuable assistance the Bridge Fund has provided to promote Tibetan-owned and operated businesses and educational, cultural, and natural resource conservation projects and urge that substantial funds be made available to the Bridge Fund and its subgrantees.

The conference agreement does not include Senate language that would have authorized funding of activities of the United States-Asia Environmental Partnership within China. The House bill did not address this matter.

The managers intend that within the amount identified above, funds be made available to continue support for democracy programs for Tibet and China as described in the House report.

The conference agreement also includes language in subsection (b) that recommends that not less than $10,000,000 from funds appropriated to the Economic Support Fund should be made available for programs and activities to foster democracy, human rights, press freedoms, women's development, and the rule of law in countries with a significant Muslim population, and where such programs and activities would be important to United States efforts to respond to, deter, or prevent acts of international terrorism. The language further specifies that such funds should support new initiatives or bolster ongoing programs and activities in those countries, and that not less than $6,000,000 should be made available for the State Department's Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights, and Labor, and not less than $4,000,000 should be made available for the National Endowment for Democracy (NED). The funds for NED should be made available using the authority of section 632(b) of the Foreign Assistance Act. The conference agreement is similar to language contained in section 592 of the Senate amendment. The House bill did not address these matters.

The conference agreement does not contain language allocating not less than $2,000,000 for programs and activities that train emerging Afghan women leaders in civil society development and democracy building. However, the managers strongly support such programs and urge the Department of State to provide up to $2,000,000 for such activities.

In addition to the funding authorized in this section and ongoing funding to support the maintenance of the Reagan/Fascell Fellowship Program, the managers support the

budget request for the Human Rights and Democracy Fund of the Department of State.

*Sec. 532. Authorities for the Peace Corps, Inter-American Foundation, and African Development Foundation*

The conference agreement does not include language, as proposed by the Senate, to include a waiver of prohibitions against certain activities for the International Fund for Agricultural Development (IFAD) from International Organizations and Programs funds. IFAD is no longer funded from the International Organizations and Programs account.

*Sec. 534. Special Authorities*

The conference agreement deletes language proposed by the House that provided that section 576 of the Foreign Operations, Export Financing, and Related Programs Act, 1997, as amended, shall not apply to the provision of assistance to the Federal Republic of Yugoslavia. The Senate amendment contained identical language in a general provision, and this matter is addressed in section 584 of the conference agreement.

The conference agreement does not contain language from the House bill that was not in the Senate amendment that would have subjected energy programs aimed at reducing greenhouse gas emissions to the regular notification requirements of the Committees on Appropriations. In addition, it does not contain a reference in the Senate amendment that was not in the House bill that adds the Global Development Alliance initiative to the provisions of this section.

The conference agreement authorizes the President to use up to $45,000,000 under the authority of section 451 of the Foreign Assistance Act, rather than $50,000,000 as proposed by the House and $35,000,000 as proposed by the Senate.

The conference agreement includes language from the Senate amendment that was not in the House bill that states that in entering into multiple award indefinite-quantity contracts, USAID may provide an exception to the fair opportunity process for placing task orders under such contracts when the order is placed with any category of small or small disadvantaged business.

The managers request that USAID place a high priority on generating meaningful opportunities for small businesses to compete for procurement of the agency. Specifically, of the multiple award indefinite quantity contract that will replace the current Support for Economic Growth and Institutional Reform/Legal and Institutional Reform contract, the managers support USAID's decision to define ''fair opportunity'' for task orders in excess of $750,000 as requiring the submission of resumes of proposed personnel or technical proposals from businesses eligible to compete for such task orders.

By one year after enactment of this act, the managers look forward to a report on the effect of this change in promoting small business competition and participation in the contract, USAID's views as to whether such an approach should be extended to other multiple award indefinite quantity contracts, and an identification of annual benchmarks by which USAID will look to evaluate itself for advancing the ability of small businesses to participate and effectively compete in the procurement process.

USAID is strongly encouraged to take such other steps that would improve the participation of small businesses, as either prime or subcontractors, in future indefinite quantity contracts and to report to the Committees on Appropriations any legal or regulatory impediments to achieving this objective.

*Sec. 539. Ceilings and Earmarks*

The conference agreement includes Senate language that restores prior year language regarding earmarks and minimum funding levels. The House bill did not address this matter.

*Sec. 545. Withholding of Assistance for Parking Fines Owed by Foreign Countries*

The conference agreement allows 110 percent of the total amount of unpaid fully adjudicated parking fines and penalties owed by foreign countries to New York City, New York, to be withheld from obligation for assistance to such country, as proposed by the Senate. The managers have modified similar prior year language relating to parking fines and penalties owed by foreign governments to the District of Columbia.

*Sec. 547. War Crimes Tribunals Drawdown*

The conference agreement includes House language authorizing up to $30,000,000 in drawdowns of commodities or services for war crimes tribunals instead of $35,000,000 as proposed by the Senate. It includes Senate language that authorizes such drawdowns for tribunals authorized or established by the United Nations Security Council. The conference agreement deletes House language that specifies that any drawdown made under this section shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court. The managers note that section 705 of H.R. 3427, as enacted into law as part of H.R. 3194 (Public Law 106–113) prohibits the obligation of any funds for use by, or for support of, the International Criminal Court.

*Sec. 548. Landmines*

The conference agreement contains Senate language, not addressed in the House bill, that amends Public Law 102–484 to extend the ban on the export of landmines until October 23, 2008.

*Sec. 553. Restrictions on Voluntary Contributions to United Nations Agencies*

The conference agreement is the same as current law, as proposed by the House. The Senate did not address this matter.

*Sec. 557. Discrimination Against Minority Religious Faiths in the Russian Federation*

The conference agreement retains prior year language as proposed by the House bill. The Senate amendment proposed technical modifications.

*Sec. 558. Assistance for the Middle East*

The conference agreement contains House language that imposes a spending ceiling of $5,141,150,000 on specified assistance for the Middle East. The Senate amendment did not address this matter.

*Sec. 559. Energy Conservation and Clean Energy Programs*

The conference agreement requires the Executive Office of the President to submit an updated and revised annual government-wide report on federal activities and costs relating to climate change and greenhouse gas emissions. The report is due not later than 30 days following the date the President's budget is submitted to Congress, instead of on the same day that the budget is submitted as proposed by the Senate.

The managers have included a new provision, similar to the Senate proposal, that not less than $155,000,000 should be made available to support policies and actions in certain countries that promote energy conservation and efficient energy production and use; that measure, monitor, and reduce greenhouse gas emissions; increase carbon sequestration activities; and enhance climate change mitigation programs. The House bill did not address this matter.

*Sec. 560. Zimbabwe*

The conference agreement includes the provision as included in the Senate amendment to direct the Secretary of the Treasury to instruct the United States executive directors to the international financial institutions to vote against loans to the Government of Zimbabwe, except humanitarian assistance and the promotion of democracy. The House did not address this matter.

*Sec. 561. Central America Relief and Reconstruction*

The conference agreement extends current law by providing authority to allow funds appropriated in Public Law 106–31 to be used by the Comptroller General to monitor earthquake relief and reconstruction activities in El Salvador. The House did not address this matter.

*Sec. 563. Cambodia*

The conference agreement prohibits assistance to the central Government of Cambodia, unless the Secretary of State certifies to Congress that certain conditions have been met. The conditions governing the restoration of assistance are similar to those contained in the Senate amendment. However, exceptions to the ban on assistance are provided for basic education as proposed by the House and activities conducted by the Ministry of Women and Veteran's Affairs to combat human trafficking as proposed by the Senate. The conference agreement contains House language on the provision of assistance through international financial institutions.

The managers remain concerned with Cambodia's political, legal, and economic development, and the lack of independence of its judiciary. The managers strongly condemn acts of intimidation and violence against the democratic opposition in the run up to commune council elections next year, and note with concern human rights violations that are committed by government, police, and military officials with impunity. The conference agreement also contains the provisions of section 591 of the Senate amendment that conditions assistance to any Khmer Rouge tribunal established by the Government of Cambodia on a determination and certification to Congress that the tribunal is capable of delivering justice for crimes against humanity in an impartial and credible manner.

*Section 566. PLO Compliance Report*

The conference agreement contains language that states that the President should undertake certain assessments regarding actions of the Palestinian Liberation Organization or the Palestinian Authority, and should impose certain sanctions based on those assessments. The House bill would have mandated such assessments and certain sanctions. The Senate amendment did not address this matter.

*Section 567. Colombia*

The conference agreement includes a modified version of the Senate provision on Colombia. The House did not address this matter. The managers are concerned with the alarming number of human rights violations and massacres of civilians in Colombia by paramilitary forces, kidnapping and other abuses by guerrilla forces, as well as persistent reports of aiding and abetting of paramilitaries by some units of the Colombian Armed Forces. The conference agreement includes language that provides for the obligation of 60 percent of funds appropriated for the Colombian Armed Forces if certain conditions relating to human rights are met, and for the obligation of the balance of funds after June 1, 2002 if such are conditions are met.

The conditions on assistance to the Colombian Armed Forces require suspending individuals, of whatever rank, who have been credibly alleged to have committed gross

violations of human rights or to have aided or abetted paramilitary groups. By ''suspending'' the managers refer to removal from active duty and assignment to administrative duties only without combat responsibilities or command of troops in the field, pending investigation and prosecution, when civilian prosecutors determine there is credible evidence to support such allegations.

The conditions on assistance to the Colombian Armed Forces also require their cooperation with civilian prosecutors and judicial authorities, in prosecuting and punishing in civilian courts members of the Armed Forces who have been credibly alleged to have committed gross violations of human rights or aided or abetted paramilitary groups, including members who have been suspended for allegedly committing such crimes.

*Section 568. Illegal Armed Groups*

The conference agreement includes the provision in the Senate amendment prohibiting the Secretary of State from issuing visas to individuals with ties to illegal armed groups in Colombia. The House did not address this matter.

*Sec. 570. Iraq*

The conference agreement includes language similar to that in the Senate amendment, which provides that funds from the Economic Support Fund may be made available for programs benefiting the Iraqi people and to support efforts to bring about political transition in Iraq. The conference agreement also includes language that establishes a ceiling of 15 percent on administrative and representational expenses, except for costs related to broadcasting activities. It also includes language that directs the Administration to consult with the Committees on Appropriations within 60 days of enactment regarding its plans for the use of these funds.

The managers are troubled by the recent audit conducted by the State Department Inspector General on the use of prior year funds appropriated for this program. The managers also note that this section does not impose restrictions on which groups may receive these funds or on the use of funds for activities inside Iraq. As part of the consultation process regarding the use of these funds, the managers expect the Department to identify options for the transfer of funding for this program to a more appropriate source.

*Sec. 572. Indonesia*

The conference agreement provision regarding military assistance to Indonesia is similar to current law, except that it allows for civilian officials to participate in Expanded IMET activities. The House bill and the Senate amendment both included 4 prior year provisions under which a Presidential report and determination could result in a resumption of military assistance to Indonesia that is funded in this bill. The revised language includes new subsections relating to civilian control of the armed forces and the release of political detainees and it expands the geographical scope of the retained subsections beyond Timor island to other parts of Indonesia.

While the conference agreement does not include a specific reference to the murders of American citizen Carlos Caceres and two other United Nations humanitarian workers in West Timor on September 6, 2000, the managers insist that any determination that effective measures are being taken to investigate and bring to justice militia groups involved in human rights violations would accord special consideration to the just punishment for the killers of the United Nations humanitarian workers in West Timor.

*Sec. 573. Briefings on Potential Purchases of Defense Articles or Defense Services by Taiwan*

The conference agreement includes language similar to the House bill, which requires the State Department, in consultation with the Department of Defense, to provide briefings to the appropriate congressional committees (including the Committees on Appropriations) on any discussions conducted between the Administration and the Government of Taiwan concerning the potential purchase of defense articles or defense services by the Government of Taiwan. The briefings are to occur 90 days after enactment and every 120 days thereafter, during fiscal year 2002.

*Sec. 574. Restrictions on Assistance to Governments Destabilizing Sierra Leone*

The conference agreement prohibits assistance to any government for which the Secretary of State has credible evidence that such government has, within the previous six months, provided military support for, facilitated safe passage of weapons or other equipment to, or which has assisted illicit diamond trading which benefits the Revolutionary United Front in Sierra Leone, Liberian security forces, or any other group intent on destabilizing Sierra Leone. This section is similar to the Senate amendment. The House provision was identical to current law.

*Sec. 576. United Nations Population Fund*

The conference agreement provides that not more than $34,000,000 from the ''International Organizations and Programs'' account shall be made available for the United Nations Fund for Population Activities, including UNFPA programs to combat HIV/AIDS, instead of not less than $40,000,000 as proposed by the Senate and not more than $25,000,000 as proposed by the House. The United States contribution to the UNFPA is subject to a number of conditions regarding UNFPA activities, including a provision relating to UNFPA activities in the People's Republic of China as proposed by the House.

The conference agreement provides that not more than $34,000,000 shall be made available for a United States contribution to the United Nations Fund for Population Activities (UNFPA). The managers recognize and support the family planning/reproductive health activities, and HIV/AIDS activities, conducted by UNFPA, and understand that a portion of the United States contribution to UNFPA will be used for HIV/AIDS activities. None of the United States contribution to UNFPA may be made available for activities in the People's Republic of China. The Senate amendment addressed this matter under the heading ''International Organizations and Programs'' in title IV.

*Sec. 577. American Churchwomen and Other Citizens in El Salvador and Guatemala*

The conference agreement contains language similar to that in the Senate amendment that provides that information on certain murders in El Salvador and Guatemala is being released to the victims' families. The House bill only addressed certain murders in El Salvador.

*Sec. 578. Procurement and Financial Management Reform*

The conference agreement includes language similar to a House provision withholding 10 percent of the funds made available for international financial institutions until the Secretary of the Treasury certifies that a number of procurement and financial management reforms are being implemented. The Senate did not address this matter. The modified provision deletes a reporting requirement.

*Sec. 579. Basic Education Assistance for Indonesia and Pakistan*

The conference agreement includes language that provides not less than $8,000,000 from Development Assistance for basic education activities in Indonesia and Pakistan. The managers expect that $3,000,000 will be provided for Indonesia and $5,000,000 for Pakistan. House and Senate language did not refer to Indonesia.

The managers have also included language providing that $2,500,000 from the Economic Support fund shall be transferred to Operating Expenses of the United States Agency for International Development for the purpose of monitoring and implementing United States economic and development assistance for Pakistan, including the $500,000,000 that was provided in economic assistance under the provisions of P.L. 107–38, the Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, FY 2001 and the funds made available under this general provision for Pakistan. The funds would be derived from the amount for Pakistan in the fiscal year 2002 budget request for the Economic Support Fund.

The managers request the Administrator of USAID, after consultation with the Secretary of State, to report to the relevant committees not later than 60 days after enactment of the Act on the Agency's proposals for implementing basic education activities in Indonesia and expanding ongoing education assistance for Pakistan. The report should include USAID's plans to use its operating expenses to provide in-country monitoring of agreements between the United States and Pakistan to provide cash grants in support of Pakistan's education and other social sectors, utilizing funds made available under the provisions of Public Law 107–38.

*Sec. 581. War Criminals*

The conference agreement contains language similar to that in both the House bill and Senate amendment regarding war criminals in the Balkans.

*Sec. 582. User Fees*

The conference agreement extends current law by requiring the Secretary of the Treasury to instruct the United States executive directors of the international financial institutions (IFIs) to oppose loans that would impose user fees on poor people for primary education and healthcare. While the managers did not include Senate language adding structural adjustment schemes, debt relief, and Poverty Reduction Strategy Papers (PRSPs) to the prohibition, the managers do not intend this exclusion to be interpreted as an endorsement for user fees on the poor in such actions. It is the managers' understanding that the Treasury Department opposes user fees on the poor and that this is now Treasury's policy with regard to all IFI actions. The managers support this policy and expect it to continue and to be applied in Treasury's careful review process for PRSPs, which are subject to IFI review but not a vote. The managers direct the Secretary of the Treasury to examine the use of user fees by the World Bank, their impact on the poor, and whether such user fees exemption schemes for the poor are successful. The managers direct the Secretary to report back these findings to the House and Senate Committees on Appropriations before April 15, 2002.

*Sec. 584. Funding for Serbia*

The conference agreement authorizes funding for Serbia as proposed by the House but does not include a maximum funding level as proposed by the Senate. The conference agreement includes language similar to the

House bill that conditions assistance for Serbia that may be made available after March 31, 2002, on continued cooperation with the International Criminal Tribunal for the former Yugoslavia, the termination of financial and other support to Republika Srpska institutions, and respect for the rule of law including the release of political prisoners. The provision regarding the release of political prisoners was included in the Senate amendment but not in the House bill.

The managers recognize the efforts of Serbian democrats and reformers to implement much needed reforms necessitated by years of corruption and political violence, and expect that up to $115,000,000 will be provided for assistance for Serbia, in addition to regional funds that may become available, as appropriate. The managers have also provided authority for debt forgiveness for the Federal Republic of Yugoslavia in title II of this Act.

*Sec. 585. El Salvador Reconstruction and Central America Disaster Relief*

The conference agreement includes a modified version of the House and Senate provisions making $100,000,000 available for reconstruction assistance for El Salvador and $35,000,000 in USAID-managed assistance for drought victims elsewhere in Central America.

*Sec. 586. Reports on Conditions in Hong Kong*

The conference agreement contains Senate language that amends section 301 of the United States-Hong Kong Policy Act to allow for annual reports on conditions in Hong Kong until March 31, 2006. The House bill did not address this matter.

*Sec. 587. Community-Based Police Assistance*

The conference agreement includes language similar to the Senate language authorizing use of certain USAID-administered funds in title II of this Act for support for civilian police in Jamaica, notwithstanding section 660 of the Foreign Assistance Act. The House did not address this matter. The conference agreement includes a ceiling on funds for this purpose at a level of $1,500,000.

*Sec. 588. Authorizations*

The conference report includes the authorization for the International Fund for Agricultural Development, but not the Asian Development Fund. The Senate amendment included authorizations for both organizations. The House did not address this matter. The managers have also included an extension of the Export-Import Bank's charter until March 31, 2002.

*Sec. 589. Excess Defense Articles for Central and Southern European Countries and Certain Other Countries*

The conference agreement contains Senate language not in the House bill that authorizes the provision of excess defense articles for central and southern European countries and certain other countries. The House bill did not address this matter.

*Sec. 591. Modification to the Annual Drug Certification Procedures*

The conference agreement waives the annual drug certification process for one year on a global basis. The Senate amendment provided a waiver for the Western Hemisphere only. The House did not address this matter.

*Sec. 592. Kenneth M. Ludden*

The conference agreement includes language similar to that proposed by the Senate regarding a short title for the Act.

PROVISIONS NOT ADOPTED BY THE CONFEREES:

The conference agreement does not include section 567 of the House bill regarding ''Man and the Biosphere''. The Senate amendment did not address this matter.

The conference report does not include section 578 of the Senate amendment regarding ''Funding for Private Organizations''. The Senate amendment did not address this matter.

The conference report does not include section 580 of the House bill regarding ''Improving Global Health Through Safe Injections''. The Senate amendment did not address this matter. The managers concur with the language on safe injections under the heading ''Child Survival and Health Programs'' contained in Senate Report 107–58.

The conference report does not include section 580 of the Senate amendment regarding Cuba. The House did not address this matter. The managers are concerned about U.S. counternarcotics policy with respect to Cuba and the lack of authoritative information from the Government of Cuba with regard to drug trafficking through Cuba. The managers realize that Cuba's unique geography presents an appealing environment to air and maritime smugglers and recognize the national security threat posed by illicit drug production, distribution, and consumption, and crimes related thereto, particularly those in the Western Hemisphere. The managers are aware that there are reports of Cuba's willingness to cooperate with the U.S. in aiding U.S. interdiction of illicit drug distribution, as well as other reports that Cuba facilitates drug smuggling. Therefore the managers expect that not later than 6 months after the date of the enactment of this Act, the Secretary of State shall report to the Congress regarding the following: (1) the extent, if any, of the direct involvement of the Government of Cuba in illegal drug trafficking; (2) the likelihood that U.S. international narcotics assistance to the Government of Cuba would decrease the flow of drugs transiting through Cuba, and (3) the degree to which the Government of Cuba is exchanging with U.S. agencies drug-related law enforcement information. Additionally, the managers encourage the Administration, not later than 9 months after the date of the enactment of this Act, to transmit to Congress any legislation necessary to decrease the flow of drugs to or from Cuba.

The conference agreement does not include section 582 of the House bill prohibiting the use of funds in this Act for a contribution to the UN International Narcotics Control Board. Funds for such this purpose are not within the jurisdiction of this Act. The Senate did not address this matter.

The conference agreement does not include section 582 of the Senate amendment requiring that housing constructed with development assistance funds in this Act be wheelchair accessible. The House bill did not address this matter. However, the managers expect USAID to ensure that doors in houses or other facilities constructed with funds administered by USAID are of a sufficient width to accommodate wheelchairs.

The conference agreement does not include section 583 of the House bill regarding the ''Buy America Act''. The Senate amendment did not address this matter.

The conference agreement does not include section 584 of the House bill regarding the ''Funding for Trafficking Victims Protection Act of 2000''. The Senate amendment did not address this matter. However, the managers concur that trafficking in persons is a matter of urgency, and address related funding issues in report language under the heading ''Development Assistance'', and in bill and report language under the headings ''Assistance for the Independent States of the Former Soviet Union'' and ''International Narcotics Control and Law Enforcement''.

The conference agreement does not contain section 584 of the Senate amendment regarding democracy and human rights programs. This matter is addressed under section 526 of the conference report.

The conference agreement does not include section 585 of the Senate amendment regarding a report on the use of defense articles, defense services, and financial assistance to Uzbekistan. The House bill did not address this matter. The managers recognize and appreciate that Uzbekistan is providing logistical support and facilities for United States military and humanitarian operations in Afghanistan. However, the managers are aware of reports by the Department of State of serious human rights violations by members of Uzbek security forces. Therefore, the managers direct the Secretary of State to submit two reports to the appropriate congressional committees not later than four months after the date of enactment and ten months thereafter, describing in detail (1) the defense articles, defense services, and financial assistance provided by the United States to Uzbekistan during the six-month period ending 30 days prior to the submission of such report; and (2) the use during such period of defense articles, defense services, and financial assistance provided by the United States by units of the Uzbek Ministry of National Security or Ministry of Internal Affairs.

The conference agreement does not include section 586 of the Senate amendment expressing the Sense of the Senate on humanitarian assistance for Afghanistan. The House bill did not address this matter. The managers are concerned with the plight of Afghan refugees, and the status of women within Afghanistan who are emerging from years of repression under the Taliban. The managers support substantial United States contributions of humanitarian assistance for the people of Afghanistan, particularly through overland truck convoys, and efforts to ensure that Afghan women are included in planning the future reconstruction of Afghanistan and equal opportunities for women throughout Afghan society.

The conference agreement does not include section 589 of the Senate amendment expressing the Sense of the Senate regarding the role of women in the reconstruction of Afghanistan. The House bill did not address this matter. The managers address this matter under the heading ''Development Assistance''.

The conference agreement does not include section 591 of the Senate amendment regarding restrictions on funding for the Cambodian Genocide Tribunal. The substance of Senate section 591 is contained in section 563 of the conference report.

The conference agreement does not include section 593 of the Senate amendment regarding an increased Peace Corps presence in Muslim countries. The House bill did not address this matter. While the managers support the concept of the Senate language, a key concern of the managers is the safety of Peace Corps volunteers around the world. The managers direct the Director of the Peace Corps to undertake a study to determine the feasibility of an increase in volunteers in predominantly Muslim countries and to submit a report to the appropriate congressional committees not later than 6 months after the date of enactment. The study should make the determinations required by the Senate language but also should include a detailed description of measures the agency plans to implement in fiscal year 2002 to increase volunteers' safety.

The conference agreement does not include section 594 of the Senate amendment regarding machine readable passports. The House bill did not address this matter. The managers note that this matter has been addressed in Public Law 107–56.

The conference agreement does not include section 595 of the Senate amendment regarding Sudan. The House bill did not address this matter.

The conference agreement does not include section 598 of the Senate amendment regarding projects honoring the victims of terrorist attacks. The House bill did not address this matter.

The conference report does not include section 599 of the Senate bill regarding a conditional waiver of section 907 of the FREEDOM Support Act. This language is included in title II of the conference report. The House bill did not address this matter.

The conference report does not include section 599A of the Senate amendment regarding the Federal Investigation Enhancement Act of 2001. The House bill did not address this matter.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2002 recommended by the Committee of Conference, with comparisons to the fiscal year 2001 amount, the 2002 budget estimates, and the House and Senate bills for 2002 follow:

[In thousands of dollars]

| | |
|---|---|
| New budget (obligational) authority, fiscal year 2001 | $15,021,168 |
| Budget estimates of new (obligational) authority, fiscal year 2002 | 15,212,631 |
| House bill, fiscal year 2002 | 15,212,173 |
| Senate bill, fiscal year 2002 | 15,568,880 |
| Conference agreement, fiscal year 2002 | 15,390,780 |
| Conference agreement compared with: | |
| New budget (obligational) authority, fiscal year 2001 | +369,612 |
| Budget estimates of new (obligational) authority, fiscal year 2002 | +178,149 |
| House bill, fiscal year 2002 | +178,607 |
| Senate bill, fiscal year 2002 | −178,100 |

JIM KOLBE,
SONNY CALLAHAN,
JOE KNOLLENBERG,
JACK KINGSTON,
JERRY LEWIS,
ROGER F. WICKER,
HENRY BONILLA,
JOHN E. SUNUNU,
BILL YOUNG,
NITA LOWEY,
NANCY PELOSI,
JESSE L. JACKSON, Jr.,
CAROLYN C. KILPATRICK,
STEVEN R. ROTHMAN,
DAVE OBEY,
*Managers on the Part of the House.*

PATRICK J. LEAHY,
DANIEL K. INOUYE,
TOM HARKIN,
TIM JOHNSON,
JACK REED,
ROBERT C. BYRD,
MITCH MCCONNELL,
JUDD GREGG,
RICHARD C. SHELBY,
ROBERT F. BENNETT,
BEN NIGHTHORSE CAMPBELL,
CHRISTOPHER BOND,
TED STEVENS,
*Managers on the Part of the Senate.*

***NOTICE***

***Incomplete record of House proceedings. Except for concluding business which follows, today's House proceedings will be continued in the next issue of the Record.***

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4929. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Sodium thiosulfate; Exemption from the Requirement of a Tolerance [OPP–301196; FRL–6811–6] (RIN: 2070–AB78) received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4930. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Imazapic; Pesticide Tolerance [OPP–301198; FRL–6816–2] (RIN: 2070–AB78) received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4931. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Fluthiacet-methyl; Pesticide Tolerance [OPP–301184; FRL–6806–7] (RIN: 2070–AB78) received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4932. A letter from the Director, Office of Management and Budget, transmitting a report on the Cost Estimate For Pay-As-You-Go Calculations; to the Committee on the Budget.

4933. A letter from the Director, Office of Management and Budget, transmitting appropriations reports, as required by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; to the Committee on the Budget.

4934. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Control of Emissions From Hospital/Medical/Infectious Waste Incinerators; State of Kansas [KS 0145–1145a; FRL–7120–2] received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4935. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Tennessee: Final Authorization of State Hazardous Waste Management Program Revision [FRL–7121–1] received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4936. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Kentucky: Final Authorization of State Hazardous Waste Management Program Revision [FRL–7120–8] received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4937. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; State of Louisiana; Redesignation of Lafourche Parish Ozone Nonattainment Area to Attainment for Ozone [LA–55–1–7485a; FRL–7121–4] received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4938. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(I) Authority for Hazardous Air Pollutants; District of Columbia; Department of Health [DC001–1000; FRL–7121–7] received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4939. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Amendment to the List of Proscribed Destinations—received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

4940. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the redesignation as ''foreign terrorist organizations'' pursuant to Section 219 of the Immigration and Nationality Act, as added by the Antiterrorism and Effective Death Penalty Act of 1996, and amended by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; to the Committee on International Relations.

4941. A letter from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Listing the Tumbling Creek Cavesnail as Endangered (RIN: 1018–AI19) received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4942. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Pennsylvania Regulatory Program [PA–122–FOR] received December 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4943. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—West Virginia Regulatory Program [WV–093–FOR] received December 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4944. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Iowa Regulatory Program [IA–012–FOR] received December 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4945. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zone Regulations: Savannah, GA [COTP SAVANNAH–01–022] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4946. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Windsor Beach State Park, Lake Havasu, Colorado River, AZ [COTP San Diego, CA; 01–001] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4947. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Mile Marker 94.0 to 96.0, Lower Mississippi River, Above Head of Passes [COTP New Orleans, LA 01–07] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4948. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30280; Amdt. No. 2079] received December 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4949. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30276; Amdt. No. 2076] received December 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4950. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30277; Amdt. No. 2077] received December 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4951. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30279; Amdt. No. 2078] received December 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4952. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace, Logan, UT [Airspace Docket No. 01–ANM–14] received December 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4953. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E5 Airspace; Reform, AL [Airspace Docket No. 01–ASO–3] received December 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4954. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 0070 and 0100 Series Airplanes [Docket No. 98–NM–122–AD; Amendment 39–12475; AD 2001–21–04] (RIN: 2120–AA64) received December 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4955. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Series Airplanes [Docket No. 2001–NM–208–AD; Amendment 39–12487; AD 2001–22–08] (RIN: 2120–AA64) received December 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4956. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Mile Marker 94 to 96, Lower Mississippi River, Above Head of Passes [COTP New Orleans, LA 01–006] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4957. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 0100 Series Airplanes [Docket No. 2001–NM–21–AD; Amendment 39–12453; AD 2001–20–05] (RIN: 2120–AA64) received December 14, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4958. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Mile Marker 95 to 96, Lower Mississippi River, Above Head of Passes [COTP New Orleans, LA 01–005](RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4959. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zone Regulations: Mile 95.5, Erato Street Wharf, extending 300 feet around the USS AUSTIN (LDP–4), Lower Mississippi River, Above Head of Passes [COTP New Orleans, LA 01–004] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4960. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL–600–2B19 Series Airplanes [Docket No. 2000–NM–68–AD; Amendment 39–12488; AD 2001–22–09] (RIN: 2120–AA64) received December 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4961. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting The Department's final rule—Safety Zone Regulations: Mile Marker 95 to 98, Lower Mississippi River, Above Head of Passes [COTP New Orleans, LA 01–002] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4962. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting The Department's final rule—Security Zone Regulations: Port of Gulfport, Mississippi; Gulfport Harbor, North Basin, East Terminal Berth 2 and 3, extending a radius of 150 foot surrounding the USS ASHLAND (LSD–48) (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4963. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zone Regulations: Mobile River, Alabama State Docks, extending for a radius of 150 feet around the USS GUNSTON (LSD 44), USS CORMORANT (MHC 57), and USS SHRIKE (MHC 62) [COTP Mobile, AL 01–003] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4964. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation [COTP Memphis, TN Regulation 01–004] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4965. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation [COTP Memphis, TN Regulation 01–002] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4966. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation [COTP Memphis, TN Regulation 01–003] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4967. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Demolition of the Hennepin Bridge, Hennepin, Illinois [CGD09–01–007] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4968. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zones, Security Zones, and Special Local Regulations [USCG–2001–9668] (RIN: 2115–AA97) received December 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

## REPORTS OF COMIMTTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of New Jersey: Committee on Veterans' Affairs. H.R. 3423. A bill to amend title 38, United States Code, to enact into law eligibility of certain veterans and their dependents for burial in Arlington National Cemetery; with amendments (Rept. 107–346). Referred to the Committee of the Whole House on the State of the Union.

Mr. SAXTON: Report of the Joint Economic Committee on the 2001 Economic Report of the President (Rept. 107–347). Referred to the Committee of the Whole House on the State of the Union.

Mr. REYNOLDS: Committee on Rules. House Resolution 320. Resolution providing for consideration of the bill (H.R. 3529) to provide tax incentives for economic recovery and assistance to displaced workers (Rept. 107–348). Referred to the House Calendar.

Mrs. MYRICK: Committee on Rules. House Resolution 321. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 107–349). Referred to the House Calendar.

Mr. LEWIS of California: Committee of Conference. Conference report on H.R. 3338. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes (Rept. 107–350). Ordered to be printed.

United States of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, FIRST SESSION

*Vol. 147* WASHINGTON, WEDNESDAY, DECEMBER 19, 2001 *No. 177*

# *Senate*

*(Legislative day of Tuesday, December 18, 2001)*

The Senate met at 11:30 a.m. on the expiration of the recess and was called to order by the Honorable JOHN EDWARDS, a Senator from the State of North Carolina.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear God, bless the Senators with the assurance that You are closer than their hands and feet and as available for inspiration as breathing. May this day be lived in companionship with You, so that they will enjoy the confidence of the promise You gave through Isaiah: ''It shall come to pass that before they call, I will answer; and while they are still speaking, I will hear.''—Isaiah 65:24.

Unite the parties in unity. When Your best for America is accomplished by creative compromise and cooperation, everybody wins, especially the American people. When this day closes, our deepest joy will be that we have worked together to achieve Your goals. You are our Lord and Saviour. Amen.

## PLEDGE OF ALLEGIANCE

The Honorable JOHN EDWARDS led the Pledge of Allegiance, as follows:

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

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, December 19, 2001.*

*To the Senate:*

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN EDWARDS, a Senator from the State of North Carolina, to perform the duties of the Chair.

ROBERT C. BYRD,
*President pro tempore.*

Mr. EDWARDS thereupon assumed the chair as Acting President pro tempore.

## RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

## AGRICULTURE, CONSERVATION AND RURAL ENHANCEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Wellstone amendment No. 2602 (to amendment No. 2471), to insert in the environmental quality incentives program provisions relating to confined livestock feeding operations and to a payment limitation.

Harkin modified amendment No. 2604 (to amendment No. 2471), to apply the Packers and Stockyards Act, 1921, to livestock production contracts and to provide parties to the contract the right to discuss the contract with certain individuals.

Burns amendment No. 2607 (to amendment No. 2471), to establish a per-farm limitation on land enrolled in the conservation reserve program.

Burns amendment No. 2608 (to amendment No. 2471), to direct the Secretary of Agriculture to establish certain per-acre values for payments for different categories of land enrolled in the conservation reserve program.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Mr. President, for all Members of the Senate, we are very close to working out an arrangement this morning that should be good for everyone. I spoke to a number of farm State Senators last night and they thought it was very important that Senator HUTCHINSON of Arkansas be allowed to offer an amendment. We have worked throughout the night and the morning with Senator HUTCHINSON and worked out a time agreement on that,

**NOTICE**

Effective January 1, 2002, the subscription price of the Congressional Record will be $422 per year or $211 for six months. Individual issues may be purchased for $5.00 per copy. The cost for the microfiche edition will remain $141 per year with single copies remaining $1.50 per issue. This price increase is necessary based upon the cost of printing and distribution.

Michael F. DiMario, *Public Printer*

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



Printed on recycled paper.

so as soon as Senator LUGAR arrives we will be ready to offer this unanimous consent agreement.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, it is our intention to go to the Hutchinson amendment. As I think our colleagues are aware, the Hutchinson amendment is largely the Agriculture farm bill passed by the House. It may not be exactly the same bill, but that is the intent. Certainly Senator HUTCHINSON can speak for himself, and will.

It is my intent after that, then, to go to the cloture motion.

So I ask unanimous consent the pending amendments also be laid aside; that Senator HUTCHINSON be recognized to offer his amendment, No. 2678; that there be 1 hour 15 minutes for debate with Senator HUTCHINSON in control of 60 minutes, Senator HARKIN or his designee in control of 15 minutes prior to a vote in relation to the amendment, with no second-degree amendments in order prior to the vote; further, that the vote in relation to the amendment occur at 12:50.

Immediately following disposition of the Hutchinson amendment, the Senate will proceed to the previously ordered cloture vote on the substitute amendment.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. NICKLES. Reserving the right to object.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. NICKLES. I want to cooperate in every way with the majority leader and the managers of the bill, but I wonder if the majority leader, trying to make a request to have the Hutchinson amendment—I have no objection to that portion. I do know that Senator GRASSLEY, Senator DORGAN, myself, and others have a lot of interest in the payment limitation. I am not positive whether or not it is germane postcloture.

I guess part of your request is that we go immediately to the cloture vote. I wonder if you are willing to delete that second paragraph or if you are willing to make sure that the Grassley amendment would be in order, regardless of which way the result of the cloture vote would occur.

Mr. DASCHLE. I would want to consult with the Parliamentarian and Senator HARKIN and others. We have attempted, as the Senator knows, to accommodate a number of Senators who have asked to be exempted from cloture limitations following the time when cloture is invoked. I am not enthusiastic about expanding.

Again, it would be my understanding that these amendments would be available to us postcloture, with clarification of the Parliamentarian, and we will offer this at another time.

Mr. NICKLES. Mr. President, if I might inquire, at a previous time I asked the majority leader if this amendment would be in order, or part of the unanimous consent that this amendment would be in order postcloture, and we agreed to that. Does that agreement still carry? There were four or five amendments, if I remember correctly, or one or two, and a couple of others. If they were agreed to, there were two additional ones. If that still applies, that is fine with this Senator.

Mr. DASCHLE. Mr. President, I intended this as a new unanimous consent request. Therefore, the other ones—because of the old unanimous consent request—have already expired. Technically, it would not carry.

I think the best thing to do would be to consult with the Parliamentarian in terms of germaneness and make a decision at a later time.

I wonder if we might proceed. The cloture vote, by rules of the Senate, takes place within 1 hour after we come in. We do not need the second portion of the unanimous consent request in order to proceed with cloture. But I would like to accommodate Senator HUTCHINSON. I would make that request.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. NICKLES. Reserving the right to object, I want to make sure what we are doing. First, the leader said we would like to inquire whether or not Senator GRASSLEY and others want to offer their amendments. I want to protect their rights to offer their amendments.

There is an amendment dealing with payment limitation. Some of us are kind of concerned about the underlying Harkin bill that has payment limitations of 250. That can be expanded to 500 per family. The Grassley amendment that Senator DORGAN and others have supported would reduce that. I want to make sure that amendment is going to be debated before we conclude the agriculture bill. I don't want that amendment to be ruled nongermane postcloture. That is what I am trying to find out before we make an agreement.

Parliamentary inquiry: Is the Grassley amendment germane postcloture?

Mr. REID. Mr. President, will the Senator from Oklahoma yield for a question?

Mr. NICKLES. I would be happy to yield.

Mr. REID. Is that the same as the original Dorgan amendment?

Mr. NICKLES. That is correct.

The ACTING PRESIDENT pro tempore. The amendment has not yet been reviewed for germaneness.

Mr. NICKLES. I didn't catch that.

The ACTING PRESIDENT pro tempore. The amendment has not been reviewed for germaneness.

Mr. NICKLES. That wasn't my understanding. Regardless, I will vigorously oppose cloture if that is what the majority leader's intention is. I urge him to ask consent to postpone the cloture vote until we determine what the outcome of some of these amendments is. Some of us are going to continue to oppose cloture until we have a chance to have our amendments heard, debated, and voted on in the Senate.

If you insist—and I am sure the majority leader is correct most of the time—cloture will expire after so many hours. But I will just tell him that some of us are going to be opposing cloture vigorously until the Senator from Iowa and others have a chance to have their amendments heard and voted on.

Mr. DASCHLE. Mr. President, I am very sympathetic to the Senator from Oklahoma. We have been on this bill for an awfully long time. I think we are almost at a point where we have broken the record now for the length of time we have been on a farm bill. Senators had many opportunities to offer amendments at night and during the day. I am not really sympathetic to those who suggest that somehow we have not accorded enough time to some of these amendments.

I also say we have come to the conclusion that we are going to have to make a decision about the farm bill. If we are unable to invoke cloture, it is my intention to put it back on the calendar, regrettably, and then move to other issues. We have conference reports that have to be done before we leave. There are other pieces of business that are required of us. This will be the third cloture vote. There will be no more cloture votes in this session of Congress on the farm bill.

Senators are going to have to make up their minds: Do they want to indefinitely postpone and thereby kill our chances for completing work on the farm bill this year or not? If they want to kill it, they will vote against cloture. If they want to support completing our work, they will vote for cloture this afternoon and we will complete our work. That still requires 30 hours of debate on the bill prior to the time we complete our work. That means that relevant amendments will be entertained, will be accepted, or voted upon and considered as germane amendments. That is the prerogative of every Senator even after cloture. Perhaps amendments can be designed to be germane. I certainly think a payment limit amendment is germane to the bill.

We ought to find the language that accommodates the Senator from Oklahoma, if that is his intent.

But I will say we have been on this bill for a record amount of time. It will be virtually a record if we complete our 30 hours. We do have other very important matters pending.

I want to make sure all Senators are put on notice. Three times, and we are out in terms of cloture. And three times, it seems to me, ought to be adequate time for everybody to have had

their amendments considered. As we have noted, a number of other colleagues have asked for special consideration for their amendments. We are attempting to do that. We have to move on.

Mr. REID. Mr. President, will the majority leader yield?

Mr. DASCHLE. Yes.

Mr. REID. I say to the distinguished majority leader that I have received two notes from the cloakroom that they want to put out a list if in fact there is a postcloture list of amendments.

I also say that last night I had a conversation with a number of farm State Senators who have been voting against cloture. They said if we would allow Hutchinson a vote, they would be willing to vote for cloture.

We worked last night and all morning trying to work out an arrangement where there could be a vote on Hutchinson. We have given the Hutchinson forces 1 hour. We have taken 15 minutes to show that we are serious about moving this bill forward. It appears that no matter what we do, it isn't quite enough.

I hope my counterpart, the distinguished assistant minority leader, will allow us to go forward. This is an opportunity, in my opinion, to pass a farm bill. We will live by whatever the rules are.

I was informed, obviously incorrectly, yesterday that the Parliamentarian thought Dorgan would be in order postcloture. I hope it is. I think it is something we should debate.

But the fact of the matter is we have gone a long way this morning in working this out. I applaud the Senator from Arkansas. He wanted more time than the hour—an hour and 15 minutes. He believed, I guess, that was fair.

I think we should go forward and then have a fair third and final vote on cloture.

Mr. DASCHLE. Mr. President, as the Senator from Nevada noted, our colleague for good reason wanted to be able to offer the so-called Cochran-Roberts alternative. We have done that. We have had very good debates on a number of other questions over the last couple of weeks. In order to accommodate the Senator from Arkansas and others who believe we ought to at least have a chance to vote on the House-passed bill, we are now going to do that.

I honestly think we have been as fair and responsible as we can be to the request made by our colleagues. I hope now that we can get this agreement.

I renew my request.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. NICKLES. Mr. President, reserving the right to object, parliamentary inquiry: Is the Grassley amendment germane postcloture?

The ACTING PRESIDENT pro tempore. The amendment is being reviewed at this time.

Mr. NICKLES. I ask the majority leader to modify his unanimous consent request so that the Grassley amendment be considered germane postcloture in the event cloture is invoked.

Mr. GRASSLEY. Reserving the right to object, I think I have something better than being part of the unanimous consent agreement, or something better than even a veto to do this. I had the word of the Senate majority whip that I was going to be able to bring my amendment up right after the Durbin amendment this morning after 11:30. It seems to me, if I have the word of a fellow Senator that I have a chance to bring my amendment up, I don't even have to be included in a unanimous consent. If you want to nail it down that way, nail it down; it is OK with me. But it seems to me I was told by the majority leader that I was going to be able to bring my amendment up, and that word is better than anything else that can go on in this body.

Mr. REID. Mr. President, will my friend from Oklahoma yield?

Mr. NICKLES. I am happy to yield.

Mr. REID. There is nobody for whom I have more respect than the Senator from Iowa. We serve together on select committees. He is absolutely right. We thought when we came here this morning we were going to go to the Durbin amendment and then a Republican amendment. He had been standing around waiting for a while, and we did say that. But the fact is, there have been intervening things. I am not going back on my word. We thought we were going to do a totally different thing. And I am sorry there has been some misunderstanding. But I would never intentionally mislead the Senator from Iowa.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. DASCHLE. Mr. President, if I can regain my right to the floor, let me simply say that we moved the cloture vote to 1:30 to accommodate some of our colleagues on the other side of the aisle. That has been locked in at 1:30. We also attempted to accommodate the Senator from Arkansas with this unanimous consent.

The ACTING PRESIDENT pro tempore. The time is 1:15, not 1:30.

Mr. DASCHLE. The UC was 1:15?

The ACTING PRESIDENT pro tempore. Yes.

Mr. DASCHLE. OK. We hoped we could accommodate the Senator from Arkansas with a vote on his amendment so that it could be taken before the cloture vote. That is all this unanimous consent request is designed to do. So if we cannot get it, we will just proceed, the Senator from Arkansas can offer his amendment, and we can do it without a UC. So if I cannot get that agreement, I will simply withdraw the request and perhaps we can proceed with the amendment.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. NICKLES. Reserving the right to object.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. NICKLES. I want my friend from Iowa, because I want to protect his interests on this amendment——

Mr. GRASSLEY. I know you are.

Mr. NICKLES. The majority leader is basically saying we have an hour and 15 minutes to debate the Hutchinson amendment, and then we will vote on cloture. And then we are going to find out that the Grassley amendment is nongermane postcloture if cloture is invoked. So it would not be in order to take up the Grassley-Dorgan amendment.

I have been here for 3 or 4 days trying to make sure we get a vote. No one has been filibustering this bill—no one. I know Senator GRASSLEY was here late last night trying to offer this amendment. I know yesterday, three or four times, I came up and said: I am ready to do a payment limitation amendment. Every amendment we have had has been germane to the bill.

We did not offer the energy package. We did not even offer the stimulus package; I thought about it. I might still do that if it is still the pending bill. I want to get the stimulus done before we get out of here. The amendments have been germane on agriculture.

To have an amendment such as payment limitation, when the underlying bill allows a few farmers to make hundreds and hundreds of thousands of dollars, to be squeezed out because of cloture I think is wrong.

So I guess the essence is that I will not object to a time limit on Senator HUTCHINSON's amendment. If the majority leader proceeds with the cloture vote, I will urge my colleagues, in the strongest terms, to please vote no on cloture so amendments that are germane—that are really germane that might fall on the strict interpretation of postcloture—that they will have a right to offer those amendments.

I urge my colleagues, Democrats and Republicans, who respect individual Senators having the right to amend a bill that is enormously complicated but important—that they have a right to offer those amendments.

So I will not object to the majority leader's request to have a time limit on the Hutchinson amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DASCHLE. I thank my colleagues.

The ACTING PRESIDENT pro tempore. The Senator from Arkansas.

AMENDMENT NO. 2678 TO AMENDMENT NO. 2471

(Purpose: To provide a complete substitute)

Mr. HUTCHINSON. Mr. President, I have an amendment at the desk, and I ask for its consideration.

The ACTING PRESIDENT pro tempore. Under the previous order, the pending amendments are laid aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. HUTCHINSON] proposes an amendment numbered 2678 to amendment No. 2471.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted and Proposed.'')

Mr. HUTCHINSON. Mr. President, I ask unanimous consent to add, as cosponsors to the amendment, Senators LOTT, HELMS, SESSIONS, and KAY BAILEY HUTCHISON.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUTCHINSON. Mr. President, I thank the majority leader, the majority whip, and Senator HARKIN for their cooperation and their willingness to allow us to have this debate on, essentially, the House-passed bill.

This is the bill that was introduced earlier this year in an effort to break the logjam on a farm bill. It is a bipartisan bill, as it was introduced with four Democrats and three Republicans. To me, there is no doubt, as we come to this impasse, that the only way—absolutely the only way—we will get a farm bill signed into law this year is for us to take up an easily conferenceable bill with the House.

I have talked with the chairman of the House Agriculture Committee. If we would pass this bill—this amendment, and then the amended bill—we would be able to conference it within an hour, and we would be able to send it to the President. That is the only prospect we have of getting a much needed farm bill to the President this year. That is why I rise to urge my colleagues to move forward and support this amendment.

Since the beginning of this debate, I have been urged by the farmers of my State to try to get a farm bill completed this year. Time and time again, I have told them that I would do everything I could to get a farm bill completed this year. I have expressed support for the House farm bill. I have worked with my colleagues to craft and introduce this bipartisan proposal. It was originally, when introduced, sponsored by a number of Members on both sides. I supported, in the committee, the Cochran-Roberts plan. I supported the chairman's commodity title. In fact, I believe I was the only Republican in committee to support the chairman's commodity title. I supported the passage of the chairman's farm bill out of the Agriculture Committee. And I have supported cloture on the chairman's substitute two times.

I want a farm bill. I voted in support of moving forward at every point during this debate.

If this substitute is not going to move forward and go to conference, perhaps it is time for a new approach. It is clear, after two cloture votes, that the Harkin-Daschle substitute does not have adequate support to move to passage. And, may I say, if we were somehow able to move the Harkin-Daschle substitute through, get cloture, and get it passed this week, we would have an enormous gap between this bill and the House bill, and, as Senator HARKIN admitted last night, it would be weeks before we could reach a consensus on those two bills. This is why I am offering the bill that I offered with Senators LINCOLN, HELMS, MILLER, SESSIONS, LANDRIEU, and BREAUX earlier this year.

We can debate the merits of the bills. There is no doubt that as this day and this debate goes on, we will engage in some substantial policy issues. However, at the end of the day, we must have a bill that can get the votes necessary to pass the Senate, be conferenced, and signed by the President this year. So far, the bill that has been offered has not been able to garner the support necessary to get out of the Senate and provide the support and certainty that our farmers are asking for and desperately need.

The fact that these votes appear to be breaking down on party lines should be troubling because agriculture is not a partisan issue. Agriculture spans across all of our States and should not be allowed to degenerate into a partisan finger pointing contest. That is what I have been hearing: accusations that one party or the other is blocking the move on a farm bill this year.

That is why I am offering this amendment. It is my sincere hope that this bipartisan proposal can help break this logjam which is keeping us away from our home States and, more importantly, is denying our Nation's farmers the necessary fixes to what amounts to a broken farm policy.

Is this the absolute best policy that can come out of this Senate? Maybe not. Will it have the type of funding numbers in it that everyone can go back to their home State and expect resounding praise for? Probably not. That is probably unlikely as well.

However, we must also consider whether this proposal is, in fact, better than the policy with which our farmers are currently dealing. What I hear from the farmers in Arkansas—and I think this is true across this Nation—is that they need certainty and predictability. If they are going to have certainty and predictability, they need to have a farm bill. As they go to seek financing arrangements for this next year, bankers are looking for some predictability, some certainty in farm policy. That can only happen if we pass a bill.

So the question is, is this amendment that I am offering today—one that was originally offered as a bipartisan proposal in this Chamber, and that was a bipartisan vote in the House. In fact, in the House, there were 151 Republicans, 139 Democrats, and one Independent who voted for this bill. This is the only true bipartisan approach. If it is, in fact, better than current farm policy, and is the only prospect of getting a bill to the President this year, should we not, then, on a bipartisan basis, unite behind it?

I think it is clear that the farm policy in this amendment is much better than the current policy. We must also consider whether our farmers are better off with no farm bill at all, which appears to be where we are headed right now. I think my farmers have been quite clear with me on this issue, as I am sure farmers in other States have made it clear to their Senators.

This amendment, as I have said, is very similar to the House-passed farm bill which ended up passing on a bipartisan basis. I realize there were many hotly contested amendments throughout this process, but in the end this bill in the House enjoyed resounding bipartisan support and should garner that kind of support in this Chamber as well.

I am keenly aware that a number of my colleagues from the other side of the aisle believe they have garnered concessions from Senator HARKIN and Senator DASCHLE and that their concerns have been addressed in the Harkin-Daschle substitute. I am aware of that. I appreciate the willingness of Senators DASCHLE and HARKIN to make those concessions and to address concerns that various Senators had. But if those concessions come at the price of refusing to support a bipartisan approach and the end result is that we have no bill that goes forward out of this Chamber this year, we have no bill that is passed and goes to the President for his signature, then I suggest that all those concessions and all those improvements in the Harkin-Daschle substitute bill are in fact meaningless because they are not passed into law.

On Monday of this week, the American Farm Bureau sent a letter, a public letter, in which they wrote:

> The American Farm Bureau Federation encourages the Senate leadership to expedite debate and for the Senate to complete a new farm bill by noon next Wednesday, December 19.

That is the moment we have just passed. The Farm Bureau continued:

> It is vitally important that this legislation be enacted this year to provide an important economic stimulus to rural America before Congress adjourns.

I wholeheartedly agree with the sentiments of the American Farm Bureau in this letter. This is why I am offering this amendment. If this amendment is adopted, I am confident we will be able to move to invoke cloture and we will pass a farm bill this year. I promised the farmers of my State I would do everything I could do to get a farm bill completed this year. I am sure many of you have made the same promise. This is our opportunity to make good on that promise and on that commitment.

To say to the farmers of America, I am going to march in lockstep with my party leadership in spite of the fact that the end result of that approach will be no bill, no cloture, no Presidential signature, and no farm bill by December 31, is blind partisanship that

hurts the farmers of this country. This is our opportunity to pass a farm bill this year.

The policies included in this amendment have been supported by both Republicans and Democrats in the House. The policies included in this amendment have been supported by both Republicans and Democrats in this Senate. I urge my colleagues to join me in support of the amendment offered today.

I urge my colleagues to support the completion of a farm bill this year. It is not sufficient to say: I voted for cloture to end debate and get a farm bill this year, if you know in your heart that because of that stand, because of voting in lockstep and an unwillingness to take a bipartisan approach, an approach that we know can be conferenced with the House this year, that is a self-defeating approach that will not be a sufficient answer to the farmers in this country.

This is our opportunity to get it done. Let's not waste it.

I ask my colleagues for their support for the amendment. Will it have everything in it? It most assuredly will not. It will in some areas. Will the funding be as high? Will the commodity title not be as high as it is in the Harkin bill? The answer to that is, that is true. In some areas, it won't. It won't be a bill that will satisfy everybody. But it is the only vehicle before the Senate. It is the only possible answer to the conundrum in which we find ourselves. It is the only possible way we can get a bill signed into law by the President of the United States.

I repeat, the chairman of the Agriculture Committee in the House has said this amendment, if adopted, would be easily and quickly conferenceable with the House-passed bill, meaning that before we leave this place for Christmas, we will be able to reward the farmers of this country with an end-of-the-year commitment that their farm policy is taken seriously by Congress, that we have risen above blind partisanship, that we are willing to put the farmers of this country above party loyalty, and that we have done absolutely our level best to get a bill signed into law by the President.

I ask unanimous consent to have printed in the RECORD the House Agriculture Committee's Web page statement today, December 19, 2001.

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

SENATE PRESENTED WITH PATH TO SPEEDY FARM BILL CONCLUSION

ARKANSAS SENATOR TIM HUTCHINSON MOVES FOR VOTE ON HOUSE-BASED BILL

December 19, 2001.—House Agriculture Committee Chairman Larry Combest commended Arkansas Senator Tim Hutchinson for giving farmers a real prospect of getting a finalized farm bill this year by urging the Senate to pass the House-based farm bill. The Hutchinson provision already has the bipartisan support of Senators who cosponsored the measure when it was introduced in the Senate November 9. Ag Chairman Combest noted the Hutchinson provision is more than 95 percent identical to the October 5th House-passed ''Farm Security Act of 2001,'' and Senate passage of the Hutchinson provision is the only chance to finalize a farm bill this year.

''Senator Tim Hutchinson has worked for producers in a positive, practical manner each step of the way to move the Senate to completion of a farm bill, and today is holding forth a light for Senators on the path to a speedy conclusion of the farm bill,'' said Combest. ''Farmers and their lenders need the certainty of a new farm bill as they prepare now for the coming crop year. Senators can do a lot to ease farmers' worries now and help our rural communities by passing the Hutchinson provision today.''

Like the House-passed Farm Security Act, the bill introduced by Senators Hutchinson, Blanche Lincoln, Jesse Helms, Zell Miller, Mary Landrieu, and John Breaux not only provides for a strong safety net, but it maintains planting flexibility and avoids harmful market distortions. Also, like the House-passed bill, the option offered for Senate vote today complies with WTO commitments and with the Budget Resolution passed by Congress while increasing investment in conservation programs to the highest levels ever.

Mr. HUTCHINSON. I will quote a portion of this for my colleagues. This was placed on their Web page today, December 19, 2001, from House Agriculture Committee Chairman LARRY COMBEST. He commends this amendment ''for giving farmers a real prospect of getting a finalized farm bill this year.'' He urges the Senate to pass this amendment. Chairman COMBEST noted: ''The Hutchinson provision is more than 95 percent identical to the October 5 House-passed Farm Security Act of 2001'' and ''Senate passage of the Hutchinson provision is the only chance to finalize a farm bill this year.''

To my colleagues who think there should be agreement on that point at this place in our deliberations, I commend Chairman HARKIN for a tremendous good faith effort to move forward the Senate Agriculture Committee-passed farm bill. He has given it a wholehearted effort in the Senate Chamber. He has provided opportunities for amendments to be offered. I commend him for that, though there are still a number of serious amendments outstanding. We have twice voted for cloture. We have not seen any change in the breakdown. It is clear that as dedicated and as resolved as Chairman HARKIN has been, the current Harkin-Daschle substitute cannot garner the support of the Senate and cannot be conferenced in time to get a bill for our farmers this year. Chairman COMBEST is absolutely right: This is our last and best hope of doing it.

I suggest many of my colleagues have told their farmers face to face in their States that they will come here and do their best to get a bill passed this year. I suggest we will not have done our best without the passage of this substitute, this amendment I have offered today.

I reserve the remainder of my time.

Mr. ROBERTS. Will the distinguished Senator yield for a series of questions?

Mr. HUTCHINSON. I am glad to yield.

Mr. ROBERTS. This is a most interesting approach, it seems to me. I credit the Senator for trying to find a road to break the logjam, to try to get out of the box canyon we seem to be in with regard to concluding the farm bill.

I must say at the outset that it is my understanding, basically, that your amendment is in the form of a substitute; is it not?

Mr. HUTCHINSON. It is a substitute.

Mr. ROBERTS. Basically what you are trying to do is take the House farm bill as passed. I just asked staff what it passed by over there. It was 291 to 120. That is a rather strong bipartisan declaration. Basically, what you are doing is taking the House farm bill under the banner that most people have been talking about—the farm groups, the commodity groups, all the farm organizations, and many of us on this side of the aisle and that side of the aisle have said for some time two key things: One, move the bill, make sure we move it, make sure we expedite it.

I would like to respond to the distinguished leader on the other side of the aisle. Senator DASCHLE indicated we have spent probably more time on this bill than at any time in the history of farm bills. The shortest amount of time we have ever spent in the Senate—and I can refer to the House as well—is 5 days and the longest is 31. All this time hasn't been spent on the farm bill. I am not advocating more time; don't misunderstand me. Chairman HARKIN has worked very diligently to move this process along. I credit him for that. But if, in fact, we are going to get this done—and that was the key premise of the many farm groups and commodity organizations and many of us who said we need to expedite this in an odd-numbered year, don't put it off until a political year. And the other premise was, if I understand the Senator and from most of the rhetoric in this regard, to save the investment, the money, the $73 billion. The administration has indicated basically that they don't have any quarrel with the money. Oh, I am sure they would like to come down somewhat, but I don't think that is the issue. It is the policy that is the issue.

What the Senator is trying to do is say, OK, if we want to accomplish that and save the investment and expedite the progress, this is the way to do it, and that all this talk about stalling and putting things off could be answered by his amendment. Is that how he sees it?

Mr. HUTCHINSON. Well, the Senator has articulated it very well. If we are serious about getting a farm bill done this year—and people have said they want a bill this year—this is it; this is the last alternative. If we want a bill that is conferenceable, that can go to the President, this is it.

I think those who have said, ''let's expedite the farm bill, get a bill passed

this year,'' this is the litmus test. We are going to find out whether this is rhetoric or whether it is politics as usual, whether we want just an issue or a farm bill this year.

Mr. ROBERTS. If the Senator will yield further, I am not particularly enamored with the House bill. If you want to go a little bit further, I am really not enamored with the Senate bill. But we have been through that. We have had the Roberts-Cochran debate and that was fair. I credit the chairman and everybody else for giving us the time. I think we are headed down the wrong track with the Senate bill. I am not particularly enamored with the House bill.

Let me ask the Senator a couple of questions, if I might, to see if it is more preferable in my mind to the Senate bill because that is what this debate is all about.

Now, the Senate bill frontloads the $73 billion to the tune of about $45 billion in the first 5 years. Then there is $28 billion on down the road. So I think we are taking away from the future baseline—that is a fancy word for money—for future farmers. It is my understanding that the House bill doesn't do that; is that correct?

Mr. HUTCHINSON. The Senator is absolutely correct. That is one of the strong reasons why this approach is preferable. I call it the 5 fat years and the 5 lean years, the 5 years of plenty and the 5 years of famine. That is the danger in frontloading.

Mr. ROBERTS. If I may ask another question, I know one of the sticking points we have here with many western Members is the amendment of the Senator from Nevada regarding water. If there is one thing that causes a lot of concern out West, where we don't have much of it, it is the situation where people worry about the federalization of State water rights.

I am not going to get into that argument one way or the other, but I know that Senator CRAPO and others have a lot of concern. Some of the farm organizations have some concern also. That is in the Senate bill. To my knowledge, that is not in the House bill; is that correct?

Mr. HUTCHINSON. The Senator is correct.

Mr. ROBERTS. Let me ask another question, if I might, if the Senator will continue to yield. One of the reasons that in the Senate bill they were able to move the loan rate up to $3—and I am not going to rehash the old discussion on loan rates, as to whether they are market-clearing, or income protection, or it should be $4, or $5, or $3, or whatever. But we get into a lot of problems in terms of market distortion and not really enough support, and the money they use to increase the loan rates comes from crop insurance reform additions on down the road as we get into future years of the farm bill. To my knowledge, the House bill did not—I am using strong words—rob, steal did not take away or find the offset from the crop insurance reforms that we did just last year. Is that not correct?

Mr. HUTCHINSON. The Senator is correct.

Mr. ROBERTS. In addition, I hesitate to bring this up, but we got into a discussion of what is amber and what isn't in the progression of the World Trade Organization talks. I quoted a statement from an outfit out of Missouri that tries to take a look at their crystal ball to evaluate the effects of farm bills. I think they said we had a 30-percent chance under the Senate bill that we would be in violation of the WTO cap, and that that would be an amber light; that in 2 years it was bound to happen. I don't know what the chances are in terms of the House farm bill, but it seems to me they could be less. I am not an academic, in terms of fabric, to determine that. I don't have that crystal ball. Would the Senator say that would be the case?

Mr. HUTCHINSON. I say to the Senator from Kansas that it is my understanding that because some of the decoupled payments in the Harkin-Daschle substitute are phased out, the likelihood in the course of the farm bill of it becoming out of compliance is greater than that of the House-passed bill.

Mr. ROBERTS. Then the key question is this, if the Senator will continue to yield. As he knows, in agriculture, we are going through some tough times. We are not in very good shape for the shape we are in. One of the real things I believe we have to do is get Presidential trade authority and get our exports tracking. I am not going to go into a long-winded speech on that, but no farm bill, whether it is the bill being proposed by the Senator from Arkansas, or Cochran-Roberts, or the Senate bill, the Daschle-Harkin bill, can be successful unless we sell the product.

We have not been involved in the 133 trade negotiations—except for two—ever since we lost the Presidential trade authority. We exported $61 billion of farm products about 3, 4 years ago. Now we are down to 50, maybe 51, 52. Subtract that difference in terms of what we are selling and whether that is what you add up to with emergency spending. I don't understand why we don't expedite consideration of the Presidential trade authority. That is on the back burner with the leadership. That should not be the case. In lieu of that, we are going to have to have protection for farmers. In your State there are rice, cotton, and soybean producers, and in my State of Kansas there are corn, soybean, wheat, and cotton producers—40,000 acres.

So the question is this: In terms of the support that would be going to farmers, under the Senate bill that targets price, that countercyclical payment doesn't come into effect until 2004. A lot of farmers don't understand that, I don't think, or they would not be endorsing this bill. Under the House bill, however, that target price comes in right away. I might not agree with target prices—I don't like that system—but at least there is a countercyclical payment immediately in regard to the bill. Is that not correct?

Mr. HUTCHINSON. The Senator is correct.

Mr. DORGAN. I wonder if the Senator will yield for a question.

Mr. ROBERTS. I have one other question.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. DORGAN. I am asking the Senator from Arkansas would he yield.

Mr. HUTCHINSON. Let me finish the colloquy with Senator Roberts.

Mr. WARNER. At an appropriate time, I would like the Senator to yield for a minute, also. I will follow the Senator from North Dakota.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Arkansas should be advised that he has 19 minutes left under the previous order.

Mr. ROBERTS. I will be very quick in terms of this question. The Senator heard me state many times, having been involved in six farm bills, that Kiki de la Garza, chairman emeritus of the House Agriculture Committee, from Texas, who served longer than any other man as chairman, used to talk about the best possible bill and the best bill possible. This could be the best bill possible if you believe you want to move this process along, and conference it with the House, and get a bill and save the investment of $73 billion. That has been the mantra over and over and over again.

This is probably the best bill possible. Again, I don't particularly care for it. It seems to me that it would fit the description. Where are the bravehearts of the farm organizations and the commodity groups? Are they still on the sidelines? What are they doing in this regard? That is all I have heard for the past 2 weeks. Are the bravehearts getting off the sidelines or at least indicating some interest?

I talked with the House this morning. They indicated that might be the case, and I am talking about staff in terms of Mr. COMBEST and Mr. ROSS. Are the bravehearts getting off the sidelines or what?

Mr. HUTCHINSON. I would expect that. But this was, as the Senator knows, filed last night and laid down this morning, so there has been little time for the farm groups to weigh in one way or the other.

But I think the strongest point in the question posed—while there is a lot of debate about policy, we have spent the last 2 weeks at various times debating the policy of these various bills. The strongest point that you made is the one that I have tried to base this entire amendment upon, and that is, it is the only chance we have of getting improved farm policy, a bill actually signed into law this year.

That has been the hue and cry. That has been the demand of farm organizations and farmers across this country,

that we finish a bill this year. This is the only way we can do it.

Chairman COMBEST has said that. I think it is patently clear that, even were the Harkin-Daschle substitute to be agreed to at this point, the differences between the House bill and the Harkin-Daschle substitute are so great that, in fact, it would take at least 3 weeks, as Senator HARKIN said last night, for that conference to be completed. We would not have a bill in time to help our farmers or to meet that demand for it to be finished this year.

Mr. ROBERTS. I thank the Senator for yielding. I have taken up too much time. There are very crucial questions, it seems to me, about what is in the Senate bill and House bill and how fast we can move.

I thank the Senator for his leadership.

Mr. DORGAN. Will the Senator yield for a question?

Mr. HUTCHINSON. I have been told my time has been reduced. We started this debate late and the vote is still scheduled for 12:50, I believe.

The PRESIDING OFFICER. The Senator is correct.

Mr. HUTCHINSON. I will yield if the time will come from that side of the aisle.

Mr. DORGAN. Mr. President, how much time were the proponents offered on this unanimous consent request, and how much time are we offered?

The PRESIDING OFFICER. Under the previous order, the vote is called for 12:50. After the reduction of the time, the Senator from Arkansas had 45 minutes and the Senator from Iowa had 10 minutes.

Mr. DORGAN. It is 45 minutes and 10 minutes. I am asking the Senator if he will yield for a brief question.

Mr. HUTCHINSON. Not on my time.

Mr. HARKIN. I will yield 2 minutes.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. DORGAN. Let me ask if the Senator will yield and I will use a moment of time from the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. WARNER. Will the Senator yield for a quick question?

I thank the Senator for his work on peanuts. This is an industry which is threatened. In my State, we are talking about small farmers, not the billions going to the grain belt. I don't criticize that, but it is the small farmer out there.

We are dealing with people who are farming 40 acres, maybe 100 or so acres, sometimes 200. If I am correct, you are raising the target price to $5.50?

Mr. HUTCHINSON. The Senator is correct.

Mr. WARNER. I thank you for that. Then 10 cents a pound quota buyout for 5 years, that is there. And allowing the producer to assign their base the first year and then reassign it the second year, that is very important. I thank the Senator and for that reason I give my strongest support for his legislation.

Mr. HUTCHINSON. I thank the distinguished Senator from Virginia, and I am grateful for that commitment of support.

I inquire of the Senator, my colleague from North Dakota, how much time does he request?

Mr. DORGAN. Let me ask the Senator to yield. I will use 2 minutes of time that is allocated to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. HUTCHINSON. I yield without losing my right to the floor.

Mr. DORGAN. Well, parliamentary inquiry: We are using the time of the Senator from Iowa but he doesn't yield the floor?

The PRESIDING OFFICER. Yes.

Mr. DORGAN. I so appreciate the generosity here. Let me ask the Senator from Arkansas a question.

He says this is the last opportunity for a farm bill, this amendment he is offering. Is it not the case we will have a cloture vote following that and the last opportunity for a farm bill will be for us to break the filibuster that has occurred now day after day after day on the underlying amendment? Is that not the last opportunity for the Senate to move a farm bill?

Mr. HUTCHINSON. As I said, I have voted for cloture and I will again vote for cloture. But even if cloture were invoked and the Harkin-Daschle substitute were adopted, it is not possible to conference it and get a farm bill to the President this year.

Mr. DORGAN. That is a judgment I don't share. The Senator has, in fact, voted for cloture. Almost all of his colleagues on that side of the aisle have not. We have decided today to allow the Senator from Arkansas to offer his amendment, which is essentially a farm bill. We say, yes, you offer yours; let's have a vote on that.

Why are the majority of the Members on your side not willing to do the same for our farm bill?

Mr. HUTCHINSON. I am sorry. I am not sure——

Mr. DORGAN. We have had a filibuster day after day after day. We have had two unsuccessful votes to try to break it. Almost everyone on your side of the aisle has voted to continue the filibuster. You are now offering your amendment. We say go ahead and get a vote on your substitute farm amendment; go ahead. We will agree to a vote on yours. Why do most of the members of the Republican caucus not agree to the same thing with respect to the Harkin bill, or the Daschle bill that is the underlying bill on the floor of the Senate?

Mr. HUTCHINSON. I can't judge their motives and I do not seek to. I have urged them to vote for cloture. I think it is very important we have a farm bill this year. But time is running out and I urge they support cloture.

Mr. DORGAN. I would say the discourse between——

Mr. HUTCHINSON. Regular order, Mr. President.

Mr. DORGAN. The regular order is 2 minutes on our time. How much of that is consumed?

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

The Senator from Arkansas.

Mr. HUTCHINSON. I thank the Chair. I thank my colleagues for the opportunity to visit.

I inquire as to exactly how much time we have.

The PRESIDING OFFICER. The Senator has 13 minutes 42 seconds remaining.

Mr. HUTCHINSON. Mr. President, I note many of the questions that arise in a farm bill debate—some of those posed by both Senator WARNER and Senator ROBERTS—deal with the commodity title. Obviously, those are great concerns because all of us have our own constituencies.

The Harkin substitute that we are seeking to amend includes many elements that farmers of Arkansas would support. It includes a yield update as well as a base acre update; it includes a 100-percent base acreage coverage versus the 85-percent base coverage included in the House bill and my amendment.

These are, frankly, changes that would benefit many farmers in Arkansas, Louisiana, Alabama, and Mississippi. That is one of the reasons that I have supported the chairman's mark.

However, this is what we must remember. If these changes mean we will not be able to get a farm bill this year, it is time for us to seek a different approach. While some of the funding levels for the various commodities may not be as high as we have in this substitute, the average gross receipts are rather attractive to many farmers in my State and other States as well.

I yield to the Senator from Oklahoma.

Mr. NICKLES. Will the Senator yield for a question?

Mr. HUTCHINSON. Yes.

Mr. NICKLES. I want to maybe take issue with the comments that were made that Republicans have been conducting a filibuster on this bill. Will the Senator correct me, but haven't we had germane amendments every day we have been on this farm bill?

Mr. HUTCHINSON. The Senator is correct.

Mr. NICKLES. Then on the issue of cloture, some people are assuming if you vote no on cloture you are filibustering the bill. I disagree.

Isn't it correct, if cloture were invoked, the amendment you are now offering would be nongermane?

Mr. HUTCHINSON. That is absolutely correct.

Mr. NICKLES. Isn't it correct we have asked the Parliamentarian to give us a ruling on Senator GRASSLEY's amendment? Senator DORGAN was a cosponsor. I hope he still is. I am afraid that would be nongermane.

Isn't it correct that a lot of people who have very legitimate interests in

agricultural policy want to offer amendments that, if cloture is invoked, they are denied that opportunity to do so?

Mr. HUTCHINSON. The Senator is, of course, correct. I respect that. The fact is, the farm bill came very late in this session because we have been very involved with a lot of important legislation dealing with 9–11.

My support for cloture, and the reason I urge my colleague to support it, is because we are running out of time. While there are legitimate amendments and there are important amendments, I think we had too much finger pointing, too much of Democrats saying Republicans are filibustering. Frankly, some of us question the motives on the other side. We are running out of time.

Mr. NICKLES. If the Senator will yield, that is the reason why I came to the floor. I heard this ''filibuster'' and I thought, wait a minute, this is a very complicated bill. We have been on it for a couple of days. But every single amendment—I believe we have had just as many amendments offered by Democrats as Republicans or very close and they have all been germane.

I know there are several other amendments that are very germane but might fall postcloture. I just wanted to understand from my colleague and maybe make an assertion that there is not a filibuster. There is a desire to improve a bill that some of us believe is fatally flawed.

I will also ask my colleague, the bill we have pending, the so-called Harkin-Daschle bill that was reported out of the partisan Agriculture Committee, isn't that unusual? The facts are that the markup of agricultural policy for decades has been bipartisan. Unfortunately, it was not in this case in the markup of the Agriculture Committee.

Mr. HUTCHINSON. I say to my colleague from Oklahoma that my history on the Agriculture Committee is pretty thin. This is my first time on an agriculture bill markup, so I can't really answer this question. But I will say this. While the bill that came out of committee has been described as being a bipartisan bill, I was the only Republican to support that bill. So that cannot be considered nearly as bipartisan as the amendment I am now offering which originally, when offered as a freestanding bill in the Senate, had four Democrats sponsoring it and three Republicans.

So I would suggest if we are going to talk about a bipartisan approach, this is far more bipartisan than the bill that came out of committee, unfortunately.

Mr. NICKLES. I thank my colleague.

Mr. HUTCHINSON. I inquire of my colleague from Arkansas as to how much time she would request.

Mrs. LINCOLN. About 5 minutes.

Mr. HUTCHINSON. I yield Senator LINCOLN 5 minutes.

The PRESIDING OFFICER. The Senator from Arkansas.

Mrs. LINCOLN. I thank the Chair.

Mr. President, today is December 19. Twenty days ago, on November 30, our leaders made a motion to move to debate on the farm bill. That was just after Thanksgiving. Many farmers in Arkansas probably thought, finally, the Senate is going to start voting on the merits of the farm bill. Members on the other side of the aisle objected; they were not ready to move to the farm bill. They said we did not need a farm bill this year and we did not have to deal with that issue right now; we could put it off for another year, just as we have been putting farmers off for the last 4 or 5 years. They forced us to have a procedural vote.

The White House continued issuing statements against considering a farm bill this year, and our farmers waited. Our farmers all across this Nation waited.

On December 5, 5 days later, we had a vote that is hard to explain to folks outside the beltway. We voted on the motion to invoke cloture on the motion to proceed to the farm bill. It passed 73 to 26. In other words, 73 Senators thought we should begin debating the farm bill. But rather than allowing the Democratic leadership to move forward with the bill, Republicans forced us to wait several days and then vote on the motion to invoke cloture on the motion to proceed to the farm bill. Now, with that vote behind us, many farmers in Arkansas probably thought, finally, finally, the Senate is going to start voting on the merits of a farm bill now.

Then, on December 5, December 6, 7, 10, 11, and 12, we discussed the farm bill. Hanukkah came and went.

As my colleague from Oklahoma mentioned, this is a difficult bill. Farm bills always are. That is why we spent the last year and a half discussing the issues of this bill.

In years past, we have tested the issues of a 5-year farm bill. And in the last farm bill we found that the policy we enacted in 1996 was completely inadequate. We have been discussing that for a year and a half. We have been talking about it in committee. We have been talking about it among ourselves and with our colleagues on the other side of the Capitol.

The Senate is supposed to be the deliberative body, and we have proven that again with the weeks of debate on a farm bill that took up 3 days of business in the other body. For 3 days the other body deliberated this issue, and we have spent how much time here over the course of the last 3 weeks?

On December 12, the distinguished former chairman of the Agriculture Committee, the Senator from Indiana, Mr. LUGAR, offered his alternative to the commodity title of this bill. We debated its merits, and then it failed by a vote of 70 to 30.

Many farmers in Arkansas probably thought, finally, the Senate is going to finish up the farm bill. The leading Republican on the Agriculture Committee had offered up his best, and the Senate had voted no. Now maybe we could pass the farm bill. And then we continued to deliberate. We deliberated on December 13, 14, on December 17 and 18.

Christmas grows near. Yesterday we had another procedural vote in an attempt to move the farm bill. The Senate voted on cloture. But we fell 6 votes short of the 60 needed to move forward. Most Republicans voted no. They wanted more time to deliberate.

It is beyond me who it may be out there in our farmland of America, from whom they are hearing, who thinks we are not in an urgent situation of providing good agricultural policy. And I do not know, but maybe the Senator from Arkansas and I are the only ones who hear from farmers who are extremely anxious about whether or not they are going to get their financing to put seed in the ground next year or whether or not they are going to be able to continue a family farm that has been in their family for generations, whether they are going to have to continue to farm out the equity of that farm in order to be able to continue farming.

Then the distinguished former chairman of the Agriculture Appropriations Subcommittee and the former chairman of the House Agriculture Committee offered their alternative. Before yesterday, there had not been any written copy of the Cochran-Roberts bill. We could not review the bill on its merits. So it became known on this side of the aisle as ''what will it take to get your vote?''

A version of that bill had failed during committee consideration. But yesterday, it got its day in the Sun. And it was fully debated on the Senate floor. And it failed by a vote of 55 to 40.

With that vote behind us, many farmers in Arkansas probably thought, Finally, the Senate is going to pass the farm bill.

And that brings us to this day on the brink of another vote to bring the Agriculture Committee's farm bill to an up-or-down vote in the Senate.

Now my good friend from Arkansas is prepared to offer a bill that he and I introduced prior to the Senate Agriculture Committee considering the farm bill.

We introduced that bill when we were concerned that the Senate Agriculture Committee wouldn't pass a farm bill.

But the distinguished chairman of the Agriculture Committee, Senator HARKIN, worked closely with us to craft a bill that fits the needs of all producers.

I am proud of the bill that came out of committee. And I want to commend Chairman HARKIN for his hard work.

I am prepared to vote in favor of final passage of the Harkin farm bill right now. It is a good bill. A strong bill that has weathered 20 days of debate.

But my friend from Arkansas wants a vote on the bill we introduced earlier this fall.

I will vote in favor of the Hutchinson amendment because it reflects a bill that I wrote.

But I warn my colleagues on the other side of the aisle: Regardless of the outcome of this vote, if you vote against cloture at 1:15, you will reveal your true intentions regarding U.S. farm policy for all America to judge.

There will be no denying that you have no interest in moving a farm bill this year.

It will be obvious to every farmer who is watching this debate.

America's farmers will know, without qualification, that you preferred to turn your back on them. You will have abandoned them in this time when they are desperate for a farm policy based on the realities of American farming in the 21th century.

That is a fine ''Merry Christmas'' wish for rural America.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. LINCOLN. May I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. The time is controlled by the other Senator from Arkansas.

Mrs. LINCOLN. I ask for 1 additional minute.

Mr. HUTCHINSON. I ask the Chair how much time is remaining on my side?

The PRESIDING OFFICER. Four minutes.

Mr. HUTCHINSON. Judging from the fact this is not a wholehearted endorsement of my amendment, perhaps the——

Mrs. LINCOLN. I was just describing the debate so far.

Mr. HUTCHINSON. Perhaps the request can be granted from the other side.

Mr. ROBERTS. I object.

The PRESIDING OFFICER. Who yields time?

Mrs. LINCOLN. I ask unanimous consent for 1 additional minute.

Mr. ROBERTS. I object.

The PRESIDING OFFICER. Objection is heard.

Who yields time?

The Senator from Iowa.

Mr. HARKIN. How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. HUTCHINSON. May I inquire of the Chair, do I still control the floor?

The PRESIDING OFFICER. The Chair was inquiring who yields time, and the Senator from Iowa made an inquiry and was recognized. The Senator from Iowa has the floor.

Mr. HUTCHINSON. I simply was going to reserve the remainder of my time for closing.

The PRESIDING OFFICER. The Senator's time is reserved.

The Senator from Arkansas has 4 minutes. The Senator from Iowa has 7½ minutes.

Mr. HARKIN. Mr. President, I will yield myself 5 minutes, and I would appreciate the Chair announcing when my 5 minutes is up.

Mr. President, first of all, this is not the House bill. This is not even the bill that my friend from Arkansas introduced last night. In order to comply with the budget, they made changes, and what were the changes made? It is very interesting. Let's just take a look at two areas.

The Hutchinson amendment really does gut conservation. In the Senate bill we put $21.5 billion. The House has $15.8 billion. The Hutchinson amendment lowers that to an even $14 billion. But here is where most of the money came from. I say to my friend from Arkansas, Senator LINCOLN and others, we are interested in the small towns and communities. We want rural development.

In the Senate bill we had $1.7 billion—listen to this—over 5 years for rural development. The House bill has $1.17 billion over 5 years for rural development. So we are pretty close. The Hutchinson amendment has—listen carefully—$200 million over 10 years for rural development. Gutted.

So if you want to have a balanced farm bill and one that helps our small towns and communities, forget about that amendment. He guts rural development and puts it all into commodities. But even putting it into commodities, they backload it in 10 years.

What we have done is said there is a crisis out there right now and we need to help farmers right now. For the life of me, I do not understand, Mr. President, why the Senator from Arkansas would want to hurt his own rice producers.

Next year, under the committee bill, the payment per acre for rice is $148.13 under our bill. Under the amendment of the Senator from Arkansas, the payment will be $96.18 per acre for his own rice farmers. Why he would want to offer an amendment to penalize his own rice farmers, I have no idea, because they go back to the old bases and yields. We update the yields. Look at next year. Our payment next year is $148 per acre on rice; the Hutchinson amendment is $96 per acre on rice.

With corn, we pay $36.67 per acre; the Hutchinson, $26 per acre. Wheat is $18.90 under our bill, $15.54 under Mr. Hutchinson's amendment.

This amendment is not well thought out. It is not even the House bill. It is not the House bill at all.

One more time for the record, I say to my friend from Oklahoma, nine titles were approved in our committee unanimously—unanimously. Bipartisan, not one dissenting vote. Senator LUGAR and I worked it out. We worked it out with Senator HUTCHINSON and all the Republicans and Democrats on the committee. The only title that did not come out unanimously was the commodity title. Even the Senator from Arkansas voted for that, so at least it has some bipartisan support.

When the Senator says this is some kind of hugely partisan bill, that is nonsense on its face. All you have to do is please check the record. This bill had strong bipartisan support in the committee.

Again I respond to my friend from Kansas who said we robbed the crop insurance program to increase loan rates. Let the record show, all we did was include a provision that extends the very same provision that Senator ROBERTS put in his crop insurance bill last year. It was OK when he put it in last year. All we are doing is extending it. Now somehow he says it is not OK. We did not gut the crop insurance. If it was good enough for Senator ROBERTS last year, it is good enough for us to put it in now and extend it into the future. That is all we did. We did not in any way touch or gut the crop insurance program.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HUTCHINSON. It is my hope to close for the amendment. Is it the intent of the opponents of the amendment to use the remainder of their time?

Mr. HARKIN. How much time remains?

The PRESIDING OFFICER. There are 2½ minutes for the Senator from Iowa.

Mr. CONRAD. I would like 1 minute if I may.

Mr. HARKIN. I yield 1 minute to my friend from North Dakota.

The PRESIDING OFFICER. The Senator from Iowa yields 1 minute.

Mr. CONRAD. I have said many times that the House-passed farm bill represents a good starting point. But it is a starting point that can be improved. For example, the House bill falls well short of the bill out of the Agriculture Committee in its treatment of commodities such as sugar, soybeans, sunflowers, canola, barley, and the pulse crops of dry beans, lentils, and chickpeas. In dairy, the Senate bill is substantially better than the House bill.

The House bill skimps on commodity support in its first year, providing less than half the support provided by the Senate bill in its first year. If the House bill prevails, we may very well find ourselves back here late next year considering supplemental support for agriculture again. I believe our goal should be to improve the House bill. We cannot do it if we simply accept it today.

The chairman has made clear what is before the Senate is not even the House bill.

Mr. HUTCHINSON. I have 4 minutes remaining.

The PRESIDING OFFICER. The Senator has 3½ minutes.

Mr. HUTCHINSON. I yield 1 minute to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. I thank the distinguished Presiding Officer and my colleague.

It seems to me we have a paradox of enormous irony. The majority has, for weeks, talked about and urged passage of a farm bill to protect the investment in agriculture, the $73 billion provided

for in the budget, and to expedite consideration with the House of Representatives, and we could pass the bill this year.

Today, let the record show, whether it might be minor differences between the bill offered by the distinguished Senator from Arkansas and the House bill, the majority is now going to vote against the House position before they go to conference. I think that is a paradox. I think that is unique. I think that is unprecedented.

I thank the Senator for the time.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Let me say very quickly in wrapping up, I appreciate working with the chairman, and I think he made a good faith effort.

As far as the conservation is concerned, I will respond by saying I offered increases: The average annual funding level from $200 million to $1.3 billion a year for the EQIP program. Livestock and crop producers each receive 50 percent of the funding. On the issue of the rice, the average gross receipts over the 5 years is $11.90 per hundredweight under the House bill and the amendment I offered.

Yes, yours is higher, but they are not being penalized. It is a bill and a position that the Rice Federation and rice producers endorsed because they knew it was good for rice when the bill was introduced.

However, we could argue day and night about this funding and which bill is better for the various crops. The reality is, if Members want a farm bill this year, if Members want a bill this year, this is it. You can bump it up another few billion and maybe everybody in the world will be happy, but if you cannot pass the bill, it doesn't help the farmers.

The latest figures show that the Harkin substitute would cost $45.2 billion over baseline in the first 5 years, leaving only $28.3 billion for the second 5 years. Basically, if we do this, we will eliminate the funding available in the years 2007 - 2011. That is why I say these will be the years of plenty and those will be the years of famine.

This amendment is balanced, and it is reasonable, and it has broad support in the Agriculture Committee and the agricultural community. It is bipartisan. It was introduced as a bipartisan bill.

The basic, underlying, fundamental point is this: It is the only bill that is conferenceable with the House. It is the only bill that has any chance at all of being signed into law this year. If you have told your farmers that you are going to do everything within your power to get a farm bill passed this year, then you need to vote for this amendment.

This will be the highest of ironies, I say to my friend from Kansas, that those who have said they don't want to delay a farm bill are going to vote against the one vehicle by which they can get a farm bill this year; that those who have said there are obstructionists trying to get a farm bill passed will be in a position of voting against the one that could be signed into law by the end of this year.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I yield 30 seconds to the Senator from North Dakota.

Mr. DORGAN. This does not wash—to stall for 2 months, to filibuster for 2 weeks, then walk around here pretending you are out of breath from running so far. Every step of the way, we had people on that side of the aisle trying to prevent us from writing a farm bill, and now they are coming to the floor saying: We are trying to move it along.

This is a sure way to try to move it along—filibustering through two cloture votes. We will see at 1:15 if they give us help to move it along.

The PRESIDING OFFICER. The Senator has 47 seconds remaining.

Mr. HARKIN. The time for games is over. The fact is, the White House itself has said we should not have a farm bill this year. The ranking member of the Agriculture Committee, Senator LUGAR, has said that. The Secretary of Agriculture has said that. The entire Republican hierarchy downtown and here have said time and time again we should not have a farm bill this year. Since this amendment is different from that of the House, it would still require a conference.

Again I say, Mr. President, now is the time to pass a good bill. If we get cloture today and we can close this bill down, we can conference our bill in the next 2 days and we can go into conference with a good bill, not with an amendment that is less than what the House has.

I urge defeat of the Hutchinson amendment.

I move to table the Hutchinson amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The hour of 12:50 having arrived, under the previous order, the question is on agreeing to the motion to table. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) is necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) and the Senator from Alaska (Mr. MURKOWSKI) are necessarily absent.

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote ''no.''

The result was announced—yeas 59, nays 38, as follows:

[Rollcall Vote No. 376 Leg.]

YEAS—59

| | | |
|---|---|---|
| Baucus | Durbin | Mikulski |
| Bayh | Feingold | Miller |
| Biden | Feinstein | Murray |
| Bingaman | Graham | Nelson (FL) |
| Boxer | Gregg | Nelson (NE) |
| Breaux | Hagel | Reed |
| Byrd | Harkin | Reid |
| Cantwell | Hollings | Rockefeller |
| Carnahan | Inouye | Sarbanes |
| Carper | Jeffords | Schumer |
| Chafee | Johnson | Smith (NH) |
| Cleland | Kennedy | Smith (OR) |
| Clinton | Kerry | Snowe |
| Collins | Kohl | Specter |
| Conrad | Landrieu | Stabenow |
| Corzine | Leahy | Torricelli |
| Daschle | Levin | Voinovich |
| Dayton | Lieberman | Wellstone |
| Dodd | Lugar | Wyden |
| Dorgan | McCain | |

NAYS—38

| | | |
|---|---|---|
| Allard | Edwards | Lott |
| Allen | Ensign | McConnell |
| Bennett | Enzi | Nickles |
| Bond | Fitzgerald | Roberts |
| Brownback | Frist | Santorum |
| Bunning | Gramm | Sessions |
| Burns | Grassley | Shelby |
| Campbell | Hatch | Stevens |
| Cochran | Hutchinson | Thomas |
| Craig | Hutchison | Thompson |
| Crapo | Inhofe | Thurmond |
| DeWine | Kyl | Warner |
| Domenici | Lincoln | |

NOT VOTING—3

| | | |
|---|---|---|
| Akaka | Helms | Murkowski |

The motion was agreed to.

Mr. HARKIN. I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Iowa.

Mr. HARKIN. Mr. President, parliamentary inquiry: What is the order of business now before the Senate?

The PRESIDING OFFICER. The cloture vote is the next order of business.

Mr. HARKIN. Mr. President, I understand there is no time remaining. I ask unanimous consent that I be given 1 minute and that the other side be given 1 minute prior to the cloture vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Iowa.

Mr. HARKIN. Mr. President, we will now go to a cloture vote. It will be the third cloture vote. The majority leader has said that will be it, because this is Wednesday. To finish the 30 hours after cloture, if we got cloture, would require the rest of the week. We all want to get out of here by Friday or Saturday—I hope. So this really would be the last opportunity to have closure on the farm bill.

We have had good votes. We voted on the Lugar substitute. We voted on Cochran-Roberts. We voted on Hutchinson. There may be other amendments. They should be germane. Somebody said about cloture, it cuts off amendments. It does not cut off any germane amendments to this agriculture bill.

So let's have the cloture vote. We get our 30 hours. At least then we can finish the bill. Then the staff can work on

it in January, and when we come back on January 23, we can meet in a short conference and get the bill to the President before the end of the month.

If cloture is defeated, I can assure you, all of my fellow Senators, the President will not get this bill until sometime in March or April, if even then. So this is the last train out of the station. I hope we can get it done.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Indiana.

Mr. LUGAR. Mr. President, we worked with the distinguished chairman carefully. There are a large number of issues that must be discussed before this bill is perfected.

In good faith, I ask the Senate to give us opportunities to perfect this bill. It must be perfected, in my judgment, if the President is to sign it, if we are to have a successful conference, and in fact if we are to have successful agricultural policy.

In fairness, there are a number of amendments that must be heard that, in due course, will have to be heard somewhere in the land. This is the proper forum and the proper time. I ask my colleagues to vote against cloture to keep the process alive because I am confident we will improve the bill if we have that opportunity.

I thank the Chair.

CHANGES TO H. CON. RES. 83 PURSUANT TO SECTION 213

Mr. CONRAD. Mr. President, section 213 of H. Con. Res. 83, the FY 2002 Budget Resolution, permits the chairman of the Senate Budget Committee to make adjustments to the allocation of budget authority and outlays to the Senate Committee on Agriculture, provided certain conditions are met.

Pursuant to section 213, I hereby submit the following revisions to H. Con. Res. 83.

The revisions follow:

| | ($ millions) |
|---|---|
| Current Allocation to the Senate Committee: | |
| FY 2002 Budget Authority | 21,175 |
| FY 2002 Outlays | 17,856 |
| FY 2002–06 Budget Authority | 69,640 |
| FY 2002–06 Outlays | 52,349 |
| FY 2002–11 Budget Authority | 114,692 |
| FY 2002–11 Outlays | 80,210 |
| Adjustments: | |
| FY 2002 Budget Authority | 0 |
| FY 2002 Outlays | 0 |
| FY 2002–06 Budget Authority | 37,751 |
| FY 2002–06 Outlays | 34,465 |
| FY 2002–11 Budget Authority | 66,150 |
| FY 2002–11 Outlays | 66,150 |
| Revised Allocation to the Senate Agriculture Committee: | |
| FY 2002 Budget Authority | 21,175 |
| FY 2002 Outlays | 17,856 |
| FY 2002–06 Budget Authority | 107,391 |
| FY 2002–06 Outlays | 86,814 |
| FY 2002–11 Budget Authority | 180,842 |
| FY 2002–11 Outlays | 146,360 |

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DASCHLE. Mr. President, we have been on this bill for almost a record length of time now. I am told that tomorrow we will break the record for the length of time a farm bill has been debated. If we get cloture, of course, we will still entertain 30 hours of debate for germane amendments. As I have done on several occasions, we will also entertain unanimous consent requests to consider amendments that are not germane.

But time has run out. This is the third cloture vote. We have a lot of other legislation that must be addressed before the end of the week. We have three conference reports on appropriations that must be completed. We have other legislation of import to both sides of the aisle that must be addressed and, hopefully, completed.

I announced earlier today that if we fail to get cloture on this vote, we will have no other choice but to go on to other issues. That will terminate the debate and end any possibility that we could complete our work on the farm bill this year.

I put all my colleagues on notice, after three cloture votes we need to move on. It is up to both of us, Republicans and Democrats, to make that decision. We can finish this bill. We can accommodate all the other items that need to be addressed, but we have to move on. Germane amendments for 30 hours ought to be enough for everybody who has debated this bill now for over 2 weeks. I ask my colleagues to vote for cloture. Let's get this work done.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Republican leader.

Mr. LOTT. Mr. President, I yield myself leader time so I may respond. I know Senator DASCHLE might want to close the debate.

Let me just emphasize on this issue, first of all, I don't believe this is a record. I think if you go back and search the record, we have spent as long as 30 days on an agriculture bill. We could go back and forth over what the length of time was. The important thing, though, is to get the right thing done.

This legislation does not expire until next year. We are not going to get a conference agreement on this legislation whether we complete action now or next week or sometime before the end of the year. The conference will go well into the next year. I suspect this will be a pretty difficult and long conference. There is no need to continue to have this vote.

Unfortunately, this is the most partisan farm bill I recall seeing in my 29 years in the Congress. Farm bills are almost always, if not always, very bipartisan in the way they are brought out of committee and the way they are considered on the floor. Unfortunately, that has not been the case here.

Farm legislation is very important. We should make sure, when we come back next year, this is the first issue pending and complete action. In the meantime though, we should keep our focus on the three appropriations conference reports, seeing if we can get a bill through that will help the families and the unemployed on the stimulus package, and see if we can get an agreement on the terrorism reinsurance and bioterrorism. Those are the issues we really can do, should do, and I hope we will do.

I urge my colleagues, do not rush to judgment. Let's not be forced to invoke cloture when there are important amendments that would be cut off, such as the one Senator GRASSLEY has on limitations.

There is no need to be panicked here. We can do this. We can do it right. We cannot cut off our colleagues who have good amendments. We can complete action in due time and get a good farm bill well before the law expires.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Let me respond briefly. First of all to the Grassley amendment, we are told now that it is germane, and certainly it would be eligible for consideration. That goes to the point I made just a moment ago. A lot of amendments that are still pending will certainly be entitled to consideration, entitled to a vote, and that is as it should be.

I also note the Republican leader's comment that this has been a partisan process. I am told by the chair of the committee that we have never had as many unanimous votes in a markup as we had with consideration of this farm bill. Of the titles that were passed out of the committee relating to this bill, nine of them passed unanimously. Only one failed unanimity. That doesn't sound partisan to me.

The commodity title was the only title that generated votes on both sides. Every other vote, in all nine titles, was passed unanimously.

Again, as to the assertion that we can wait, I must say I urge you all to refer to the Budget Committee and their projections that, by waiting, we chance losing $25, $30, $40 billion in budgetary authority. This in essence is a vote to cut agriculture by a substantial amount of money, if we fail cloture now, if we don't take full advantage of the budget window we have available to us.

We can't wait. I know the administration has urged that we wait, the Secretary of Agriculture has urged that we wait. I must say, 32 or more farm organizations have urged us to act now. Why? Because they are worried about the budgetary implications. Why? Because they want farmers and ranchers to have the opportunity to make the transition. Why? Because the Department of Agriculture normally needs 6 months to make the transition. There are plenty of reasons it is important for us to bring this debate to a close. Let's do it. Let's move on to the other issues we have to confront. Then let's going home for Christmas.

Mr. NICKLES. Will the majority leader yield?

Mr. DASCHLE. I am happy to yield to the Senator from Oklahoma.

Mr. NICKLES. The majority leader referred to the fact that a lot of farm

organizations support this bill. Was the majority leader aware that the American Farm Bureau Federation wrote a letter today, December 19, which reads in part:

The American Farm Bureau Federation Board of Directors in a special meeting on Tuesday, December 18, 2001 voted to oppose senate passage of the farm bill if it contains the water language that your amendment is intended to strike.

I ask unanimous consent to have this letter printed in the RECORD.

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

AMERICAN FARM BUREAU FEDERATION,
*Washington, DC, December 19, 2001.*

Hon. MICHAEL CRAPO,
*U.S. Senate, Russell Senate Office Building, Washington, DC.*

DEAR SENATOR CRAPO: I am writing to convey the strongest support possible of the American Farm Bureau Federation for your amendment to strike the Reid water rights language from the conservation title of S. 1731. This language poses an extraordinary new threat to agriculture and the ability of farmers and ranchers to remain economically viable.

The water provisions in the bill set a dangerous precedent that would erode historic state water law. Additionally, it will expand the scope of the Endangered Species Act to cover a new category of species that are not in fact threatened or endangered. These changes are unacceptable to agriculture and will affect agricultural producers well beyond those who participate in the Conservation Reserve Program.

The American Farm Bureau Federation board of directors in a special meeting on Tuesday, December 18, 2001 voted to oppose Senate passage of the farm bill if it contains the water language that your amendment is intended to strike.

Sincerely,

BOB STALLMAN,
*President.*

Mr. NICKLES. It is just one farm organization, but it happens to be the largest farm organization in the country.

Mr. DASCHLE. Mr. President, I haven't seen the letter, but I will tell you, the Farm Bureau has probably been the leader of all farm organizations in urging the Senate not to delay. It is one thing to vote for or against a particular piece of legislation relating to amendments that may or may not be offered. But it is another thing altogether to complete our work. The Farm Bureau, the Farmers Union, virtually every farm organization known to this country has urged the Senate to complete its work, and to do it this week—not next week, not in February, not March, but now.

The Farm Bureau, the Farmers Union, all the other farm groups have said that. I think those positions ought to be made clear as well.

I yield to the Senator from Iowa.

Mr. HARKIN. Mr. President, I want to respond to my friend from Oklahoma. I spoke with Mr. Bob Stallman this morning on the phone. He is the president of the American Farm Bureau Federation. He referred to this letter. He referred to the conference call they had yesterday. That is true, they are opposed. He said to me—and I asked, May I relate this? He said yes—they are absolutely in favor of cloture, of bringing this to an end. But then again he said they would be opposed to the bill if it had that water right in it. But he told me on the phone this morning they were absolutely in favor of cloture and bringing it to a close.

Mr. DASCHLE. Mr. President, the time has come for us to move to the other important pieces of legislation that have to be addressed. Let us complete our work on this bill. We have been on it long enough. We have debated every conceivable amendment. I think the time has come for us now to complete our work.

I yield the floor.

Mr. SESSIONS. Will the majority leader yield for a question?

The PRESIDING OFFICER. Will the Senator yield?

Mr. DASCHLE. I will yield. I know there is a Senator on the floor who needs to catch an airplane. This will be the last time I yield.

Mr. SESSIONS. My request would be that there be one last attempt to make a bipartisan compromise here. We have people such as Senator LUGAR, Senator COCHRAN, Senator GRASSLEY, Senator Roberts, with deep histories in farm legislation, who are troubled by this bill. I believe we can work it out, as we have in several other last-minute circumstances. But to just shelve it with no willingness to give on the majority leader's side is not healthy.

Will the majority leader try that?

Mr. DASCHLE. Mr. President, let me say, we will have 30 hours, 30 hours of debate, to try every conceivable new avenue to reach some compromise. I am more than willing to sit down with our two managers, with other Senators who have an interest in completing our work.

The real question is whether or not we want to finish the farm bill this year. I hope people can say on both sides of the aisle in the affirmative, yes, we will finish our bill this year. We will complete our work as all farm organizations and as our responsibility dictate.

I yield the floor and ask for the vote.

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Daschle for Harkin substitute amendment No. 2471 to Calendar No. 237, S. 1731, the farm bill:

Paul Wellstone, Tim Johnson, Bill Nelson, Harry Reid, Blanche L. Lincoln, Zell Miller, Barbara Boxer, Byron L. Dorgan, Max Baucus, Thomas Carper, Ben Nelson, Kent Conrad, Tom Harkin, Patrick J. Leahy, Fritz Hollings and Jean Carnahan.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call under the rule has been waived.

The question is, Is it the sense of the Senate that debate on the substitute amendment No. 2471 to S. 1731, the farm bill, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) is necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) and the Senator from Alaska (Mr. MURKOWSKI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 54, nays 43, as follows:

[Rollcall Vote No. 377 Leg.]

YEAS—54

| | | |
|---|---|---|
| Baucus | Dorgan | Lieberman |
| Bayh | Durbin | Lincoln |
| Biden | Edwards | Mikulski |
| Bingaman | Feingold | Miller |
| Boxer | Feinstein | Murray |
| Breaux | Graham | Nelson (FL) |
| Byrd | Harkin | Nelson (NE) |
| Cantwell | Hollings | Reed |
| Carnahan | Hutchinson | Reid |
| Carper | Inouye | Rockefeller |
| Chafee | Jeffords | Sarbanes |
| Cleland | Johnson | Schumer |
| Clinton | Kennedy | Snowe |
| Collins | Kerry | Specter |
| Conrad | Kohl | Stabenow |
| Corzine | Landrieu | Torricelli |
| Dayton | Leahy | Wellstone |
| Dodd | Levin | Wyden |

NAYS—43

| | | |
|---|---|---|
| Allard | Enzi | Nickles |
| Allen | Fitzgerald | Roberts |
| Bennett | Frist | Santorum |
| Bond | Gramm | Sessions |
| Brownback | Grassley | Shelby |
| Bunning | Gregg | Smith (NH) |
| Burns | Hagel | Smith (OR) |
| Campbell | Hatch | Stevens |
| Cochran | Hutchison | Thomas |
| Craig | Inhofe | Thompson |
| Crapo | Kyl | Thurmond |
| Daschle | Lott | Voinovich |
| DeWine | Lugar | Warner |
| Domenici | McCain | |
| Ensign | McConnell | |

NOT VOTING—3

| | | |
|---|---|---|
| Akaka | Helms | Murkowski |

The PRESIDING OFFICER. On this vote, the yeas are 54, and nays are 43. Three fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader.

Mr. DASCHLE. I enter the motion to reconsider the cloture vote.

Mr. JOHNSON. Mr. President, I rise to express my grave disappointment at the failure of the Senate to achieve cloture on S. 1731, the Senate farm bill. Today, as on two other occasions in the last 13 days we have debated the farm bill in the Senate, a majority of our body has voted for cloture, a parliamentary tool applied to end excessive debate and to ensure we could finish the farm bill by the end of the year. Unfortunately, even though a majority of the Senate wants to pass a farm bill

this year, the Senate Republican leader has blocked an up-or-down vote on the farm bill, forcing the Senate to revisit this issue next year. It requires 60 votes to terminate a filibuster and to allow the Senate to proceed with its work.

Today, farmers and ranchers across South Dakota and the entire country are busy doing their jobs. They are maintaining their operations, feeding livestock, deciding what to plant for the 2002 crop year, discussing prices, expenses and economic matters with their lenders, all in anticipation that Congress will do their jobs and complete a farm bill this year. The only problem is that Congress, namely a certain number in the Senate, has failed family farmers and ranchers by rejecting action on the farm bill this year. Despite the fact that every major farm and ranch organization in the country wanted to complete action on the farm bill this year, a certain number in the Senate ignored these 32 groups. In fact, Mr. Bob Stallman, the President of the American Farm Bureau Federation has been quoted as saying that a vote against cloture is a slap in the face to farmers. Unfortunately, Farm Bureau, Farmers Union, and all the other farm groups were ignored today and on two prior cloture votes. On three separate occasions the U.S. Senate was given an opportunity to demonstrate how important family farmers, ranchers, and rural communities are to the overall well-being of the country, because the Senate had cloture votes on three separate days. On three occasions the Senate was given a chance to say we'll write a new farm bill this year, we'll go to conference with the House, and we'll send a bill to the President. On three occasions the Senate was given an opportunity to send a message to farmers and ranchers all across the country that we care about them, that we want a better farm bill for rural America, and that it was important to us to deliver a new farm bill to them. Yet, on Thursday, December 13, the Senate obstructed action on the farm bill by a 53–45 vote. Then on Tuesday, December 18 and today, Wednesday December 19, the Senate rejected cloture on a 54–43 vote each day. Rejecting cloture simply means a rejection of the farm bill this year. That is very unfortunate.

I have repeatedly said it is crucial for Congress to complete action on the farm bill, conference with the House, and send a bill to the President for his signature this year, if not very early next year, in order to ensure two very important things.

First, that we capitalize upon the $73.5 billion in additional spending authority provided by this year's budget resolution, because given the shrinking budget surplus and unprecedented demands on the Federal budget now, there are no assurances this money will be available in 2002, when a new budget resolution will be carved out of a very limited amount of resources. Second, that we mend the farm income safety net now because the experience of the 1996 farm bill has painfully taught us that it does not provide family farmers and ranchers a meaningful income safety net when crop prices collapse. Thus the need for a new farm bill is clear.

Some will allege the Senate did not have time to fully debate the merits of S. 1731, the Senate farm bill. However, that is clearly not the case. Rather, in the last 13 days we have debated the farm bill, approximately 20 amendments were proposed to the underlying bill. Three of these amendments were comprehensive alternatives to the farm bill passed out of the Senate Agriculture Committee. Of these three substantial alternatives, one was a proposal by Senator LUGAR to overhaul the farm bill's commodity title with a severe reduction in support to South Dakota's crop producers, essentially by eliminating the marketing loan program. On December 12, the Senate voted against the Lugar amendment on a 70–30 vote. Then, yesterday, the Senate debated at great length an alternative to the farm bill offered by Senators COCHRAN and ROBERTS. Their alternative would have revamped many titles of the farm bill, including major changes to the commodity and conservation titles. Yesterday, the Senate rejected the Cochran-Roberts alternative by a 40–55 vote. Finally, today, Senator TIM HUTCHINSON offered a near identical version of the House-passed farm bill (HR 2646) for consideration and debate in the Senate. Today, the Senate soundly rejected the House proposal by a 38–59 vote. In the final analysis, a clear majority in the Senate has gone on the record in opposition to three major farm bill alternatives. I am confident that if we were allowed a straight up-and-down vote on the Senate farm bill, we would pass it. However, certain Senators have resorted to stall out the farm bill, essentially killing it for the year.

Finally, I will do all I can to make sure the farm bill is the very first order of business that we take up in 2002. We may still have time to pass a farm bill in the Senate, conference with the House, and send a bill to the President. In the meantime, I will continue to fight for South Dakota's priorities in the farm bill. Some of these priorities include; my provision to forbid meatpacker ownership of livestock, which will restore fair competition in the marketplace; my provision to provide for country-of-origin labeling of beef, lamb, pork, fruits, vegetables, peanuts, and farm-raised fish; my provision to prohibit USDA quality grade stamps on imported meat; an energy title that promotes value-added ethanol, biodiesel and wind production in South Dakota; a conservation title increasing the Conservation Reserve Program to 41 million acres; and; a commodity title containing higher loan rates than the House farm bill and a provision that rewards farmers with an allowance for an update on a farmer's yields and planted acreage for the purpose of making price support payments. None of these provisions are contained in the House farm bill.

We have more work to do. In addition to completing action on the farm bill, we should address common-sense payment limitations in the farm bill so family farmers and ranchers truly benefit from it. I look forward to next year and our endeavor to provide America's family farmers and ranchers with a new farm bill.

Mr. NELSON of Nebraska. Mr. President, I rise in support of the Daschle substitute to the committee-passed bill.

Let me begin my statement by pointing out that every farmer I talk with in Nebraska wants Congress to pass a new farm bill this year. This legislation is awfully important to tens of thousands of farm families in Nebraska and they are asking me to get it done.

For my State, with its 55,000 farm families where we have more cows than people there may be no greater economic stimulus package than the farm bill.

Many of my colleagues have thanked Chairman HARKIN, ranking member LUGAR, and their staffs for their hard work in getting this bill together. Let me add my thanks. It was not an easy job.

But then, neither is farming in an environment where commodity prices for crops remain at historic lows for the fourth straight year.

Or where livestock producers—the largest sector of agriculture in my state—are facing costly new environmental regulations with frightfully few federal resources to help share the burden.

So I rise in support of this legislation and ask my colleagues to join me in its consideration.

This bill breathes new life into our commodity programs, provides nutrition programs for hungry children and adults, supports our international food donation and trade efforts, and protects millions of acres of environmentally sensitive land, among many other important priorities.

It makes a real commitment—both in programs and funding—to rural development. I have worked with many Nebraskans involved in rural development in their communities, and these are the provisions they asked for: Access to venture capital. Adequate funding for water and sewer projects. Greater access to broadband service. More funding for value-added product development.

A modest investment in these programs will have tremendous return in rural communities all across America. I hope my colleagues have heard from their constituents about the importance of these provisions and that they are as enthusiastic as Nebraskans are.

This bill also includes, for the first time, a title devoted to agriculture-based energy. It's a terrific idea and

one whose time has come. I only wish the Agriculture Committee had the jurisdiction to go further!

Nevertheless, the provisions in the energy title that provide grants, loans and technical assistance to farmers and ranchers to develop and incorporate renewable energy use will be, I predict, widely oversubscribed.

In five years we will be back here trying to expand these programs, like we have our conservation programs, because demand has far surpassed the funding available.

Speaking of conservation, let me briefly comment on the conservation title. The Chairman and Ranking Member of our committee deserve special recognition for their vision in moving farm programs toward a more conservation-oriented policy.

Environmental and sportsmens' groups—the hook and bullet coalition, I heard them called recently have been working toward the expansion of these programs for years, and their efforts pay off in this bill.

CRP, WRP, WHIP, FPP . . . the acronyms all run together, but each program has a distinct and invaluable purpose.

Of particular interest to Nebraskans are the significant new resources for the EQIP program, which will allow it to ramp up to $1.25 billion a year by 2006 from just $200 million now.

It will provide assistance to thousands of livestock producers, in particular, to comply with new regulations. Just as importantly, it will assist row crop producers in protecting water supplies, soil quality and wildlife habitat. The House also made a significant commitment to EQIP and I commend them for that.

A critical title of this legislation reauthorizes and expands nutrition programs. Included is a provision of particular importance to Nebraska and other states with military installations.

The privatization of housing on military bases has had the unintended consequence of jeopardizing eligibility for the free and reduced cost school lunch program for qualifiying children. Because of the reporting requirements in the privatization legislation, service members' housing allowances are now being counted as income making children who previously qualified for the free and reduced cost school lunch program ineligible.

So, unfortunately, as a result of a policy that I support—privatized housing on our military bases—we are improving quality of life with one hand and taking it away with the other.

This bill creates a stop-gap solution to this problem, until child nutrition programs can be reauthorized.

Finally, the commodity title is of course the engine driving this train. I cannot overstate how important it is to Nebraska.

Farmers, as we all know, are deriving an ever-increasing share of their income from farm program payments under Freedom to Farm.

The law that was supposed to rid them of the shackles of Federal farm programs has instead made them more dependent on the government than ever before. It has cost taxpayers tens of billions of dollars in emergency assistance.

Farmers in Nebraska have said resoundingly, ''Enough!'' and they are right. It is time for a new program that offers some stability and a reasonable chance at profitability. And it's time for a program that no longer offers its benefits based on what you may have planted 20 years ago.

This legislation provides a modest increase in loan rates, and I do mean modest. Corn goes from $1.89 to $2.08; wheat from $2.56 to $3.00.

Farmers in Nebraska have been calling for an increase in loan rates for years, but this is hardly what they had in mind.

And still, there are those who call it excessive. Who say that these loan rates—still well below what it costs farmers to raise a crop—will ''stimulate production.''

I ask them: where? Freedom to Farm sent farmers checks when prices were at record highs and they did what any business would do—they invested in greater productivity. And they were successful.

As we know too well, it took only two years of Freedom to Farm for prices to collapse. And they have not recovered. And still the government signals, ''Plant more.'' ''Buy more land.'' ''Expand your operation.''

The current program, I say to my colleagues, stimulates production. So I do not see where all this new production is going to come from.

What I do see is a loan rate that offers producers a fighting chance at making a cash flow work with their banker this spring. A safety net that leaves them less dependent on the continued largesse of Congress. And I like that, and so do they.

The commodity title reauthorizes programs for sugarbeet growers, which is also important to my state. To the 550 families growing sugarbeets in western Nebraska, this bill is critical.

And it meets other needs of other regions and senators that make it truly a national program—including peanuts and fruits and vegetables.

So I thank Chairman HARKIN for putting this bill together and I urge the Senate to invoke cloture and move to its immediate consideration.

Mr. CRAIG. Mr. President, last week we voted on an amendment by Senator JOHNSON that would prohibit meat packers from feeding, owning, or controlling livestock. I voted for this amendment because of concerns from my livestock producers that the packers have too much control of the market.

Since that time, I have received more information on how this provision would be implemented. It has come to my attention that the language as written would prohibit forward contracting, future contracts, and other pricing mechanisms.

This is significant information. Indeed, had I known it at the time of the vote, I would have voted differently.

For that reason, I took the only action available to me to correct the situation. I filed two alternative amendments to the farm bill: one that would prohibit the Johnson language from going into effect, and another that would substitute a study to determine the economic impact of such a proposal. The proposed ban on packer ownership, as offered by Senator JOHNSON, could cause widespread economic harm in the livestock and packing industries, but no one has explored what the true implications would be. My amendment would require the US Department of Agriculture to complete this study within nine months.

I have always been a free market conservative; however, I regularly hear from ranchers expressing concerns about concentration in the meat packing industry. In Idaho we have two packers, and the only thing worse than just two packers, is to have only one. I am concerned that the language as passe4d could result in further consolidation within the packing industry.

While I agree with my producers that we have a problem, we must be sure that our solution does not create an even bigger long-term problem.

MEAT PACKERS

Mr. GRASSLEY. Mr. President, last week the Senator from South Dakota and I offered an amendment which would prohibit meat packers from owning, feeding or controlling livestock prior to slaughter. Together, we had introduced legislation in the Senate to accomplish the very goal of our amendment. A majority of our colleagues in the Senate voted in favor of our amendment. However, since that time, concerns have been raised by the Secretary of Agriculture and some in the livestock industry that the language of the amendment, specifically the word ''control'' would affect forward contracts or marketing agreements. I do recall that the Senator from Montana inquired as to whether this amendment affected such contracts and that the Senator from South Dakota responded that the amendment did not affect them. However, I would ask the Senator from South Dakota for further clarification on that issue.

Mr. JOHNSON. I thank the Senator from Iowa for his leadership on this issue. Additionally, I thank him for his concern for livestock producers and for the opportunity to clarify any misunderstandings. The amendment is not intended to affect forward contracts or marketing agreements. Such arrangements have caused or can cause problems in the market, but they are outside the scope of this amendment.

The intent of the word ''control'' must be read in the context of ownership. In other words, control means substantial operational control of livestock production, rather than the mere

contract right to receive future delivery of livestock produced by a farmer, rancher or feedlot operator. ''Control'' according to legal dictionaries means to direct, manage or supervise. In this case, the direction, management and supervision is directed towards the production of livestock or the operations producing livestock, not the simple right to receive delivery of livestock raised by someone else.

The word control is intended to close any loophole which may allow clever attorneys to circumvent congressional intent. Such loopholes could include situations where a packer that owns livestock engages in a transaction where a farmer takes nominal title to livestock or livestock feeding operations, but a packer has substantial operational control over the livestock production which is similar to ownership. Another situation is where a packer could exercise such operational control through a related entity. However, where a farmer or rancher holds true operational control, this amendment would not affect him.

Mr. GRASSLEY. Mr. President, I understand that the Senator from South Dakota does not intended the word ''control'' to include forward contracts and marketing agreements. However, how are such contracts different from operational control?

Mr. JOHNSON. There are two reasons that forward contracts and marketing agreements are not within the definition of control. First, these contracts do not allow a packer to exercise any control over livestock production operation. Rather, the contracts merely provide the packer with the right to receive delivery of livestock in the future and most include a certain amount of quality specifications. There is no management, direction or supervision over the farm operation in these contracts. The farmer or rancher makes the decision to commit the delivery of livestock to a packer through the contract without ceding operational control. In fact, the farmer or rancher still could make a management decision to delivery the livestock to another packer other than the one covered in the contract, albeit subject to damages for breach of contract. Even where such contracts include detailed quality specifications, control of the operation remains with the farmer. The quality specifications simply related to the amount of premiums or discounts in the final payment by the packer for the livestock delivered under the contract.

Second, several states prohibit packer ownership of livestock, such as Iowa, Minnesota, and Nebraska. The Iowa law, for example, prevents packers from owning, operating or controlling a livestock feeding operation in that state. But packers and producers may still enter into forward contracts or marketing agreements without violating that law because operational control, in the context of ownership, is the issue. The term control is intended to be similarly interpreted and applies in this amendment.

Mr. GRASSLEY. I concur and understand the distinction between control of livestock production in the operational sense and a mere contract in which a packer has the right to receive delivery of livestock in the future. I also understand that farmer owned cooperatives, including federated agricultural cooperatives, are exempt if they own a packing plant. But there is yet another situation in which some packers enter into joint ventures with farmer-owned cooperatives that has members which would supply the jointly owned packing plant.

It has never been our intent to prevent cooperatives from engaging in relationships with packers, and the amendment does not do that. For example, in Iowa, Excel, which is owned by Cargill, is in negotiations with a beef cooperative to build a packing plant to be owned by a joint venture. If that deal is completed, the actual packer would be the joint venture entity formed by Cargill/Excel and the beef cooperative. Co-op members who chose to participate in that endeavor can freely commit all or a portion of their cattle for slaughter without violating this amendment. The reason is that the packer in the exercises no operational control over livestock production. Rather, the package again has a mere contractual right to receive delivery of cattle that meet its specifically on graduate and quality. That contract may be a standards forward contract or marketing agreement, or the contract may take the form of a membership agreement between each farmer member and the beef cooperative. In either even, this amendment does not affect this joint venture arrangement.

Mr. JOHNSON. That is absolutely correct Senator GRASSLEY, and we have advocated this position all along. Thank you from clarifying that issue with me. While forward contracts and marketing agreements can pose problems for the marketplace, they are outside the purview of our amendment.

Mr. GRASSLEY. Thank Senator JOHNSON for clarifying the scope of the amendment.

## MORNING BUSINESS

Mr. DASCHLE. I ask unanimous consent there now be a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## FAILURE TO PASS A FARM BILL

Mr. HARKIN. What was the final vote, I inquire?

The PRESIDING OFFICER. The yeas are 54; the nays are 43.

Mr. HARKIN. We would have had 55. Senator AKAKA was missing, of course.

This is a sad day and not a very bright Christmas next week for farmers and ranchers and people who live in rural America. What we have said to them is: You don't count; you will come on the tail end of everything else. We will do this, we will do that around here, but when it comes to our farmers and ranchers, you are at the tail end. That is what my Republican colleagues have said. Go take a hike, they said to rural America. We will deal with you later. We will deal with you later.

I come from a town of 150 people. I was born and raised there. I bet I am the only Senator in this Chamber who lives in the house in which he was born. I wasn't born in the hospital; I was born in the house. I still live in that house in a town of 150 people. I have a strong feeling about people who live in small towns and communities that need rural development, that need sewer and water, need better communications, telecommunication centers in our country, who need job opportunities. Our farmers surround these small communities and this is what they need for them and their families and their livelihood.

We tried everything humanly possible to get this bill passed, in good faith, working in a bipartisan manner. Facts are devilish little things because facts give lie to rhetoric. We hear all this rhetoric from the other side that this is a partisan bill. If it wasn't so partisan, we could get it through.

But the facts are devilish things. And the facts are that every single title of this bill we worked on, I worked closely with my ranking member, a good friend, an honorable person, someone who cares deeply about agriculture. We worked on these. We worked them out in committee. Every single title got a unanimous vote, all Republicans, all Democrats, but one title, commodities.

Senator HUTCHINSON from Arkansas voted with us, so it was bipartisan. Basically, the same thing happened in 1995. We had to deal with the commodity title in the Chamber. I understood that. But then we had all the amendments that gutted nutrition, gutted conservation, that went after rural development. And we had all decided in the committee, unanimously, on what we reported out.

The facts give lie to rhetoric. They have the rhetoric. They have been hit with the rhetoric, but the facts are on our side. This is one of the most bipartisan farm bills ever to come out of the Senate Agriculture Committee. The facts are there and cannot be denied. Again, they talked about reaching more of a bipartisan consensus. Again, the facts are devilish little things.

We had three big amendments offered on the Republican side that were sort of in the nature of substitutes for a committee bill. One was the amendment offered by my friend from Indiana, the ranking member, Senator LUGAR. Then we had the amendment offered by Senators COCHRAN and ROBERTS. And then this morning we had the amendment offered by Senator HUTCHINSON. If you listened this morning, you heard Senator HUTCHINSON and others saying this would be the only bill; if only we would pass the Hutchinson bill, it could be the only bill that

could get through conference and get to the President.

The facts are devilish things. The Lugar amendment got 30 votes. The Cochran-Roberts amendment got 40 votes. The Hutchinson amendment this morning got 38 votes.

What are they talking about? I assume what they mean when they want a bipartisan bill is they want the 30 or the 40 people to decide. That is not bipartisan. We had the votes. What it showed was the majority of the Senate wants the committee bill, but for some reason they will not vote for cloture to give the 60 votes.

I ask, what is partisan about somewhat higher or lower rates? What is partisan about that? What is partisan about fixed payments, which we have in our bill? What is partisan about countercyclical payments, so that if the price goes down we come in and help farmers out? What is partisan about a strong conservation program, that even the Secretary of Agriculture, in the book they published earlier, touted widely?

This is a balanced package. It was right down the middle. It was not radical. It was not partisan. When you get a bill that can get unanimous votes on our committee on every title except one, I say that is a pretty doggone good bipartisan bill. It may not be what every single person wants. Not everything in that bill is something I would want. But I recognize you have to balance interests—not only between parties, but you have to balance them geographically and between crops.

That is what we did.

Now, let me talk about the cloture vote. Cloture is a funny sounding word. I assume when farmers and the people in my small towns in Iowa and places where I live are watching this on C–SPAN, or they pick up the newspapers, or watch it on television, or hear it on the radio, they wonder what cloture means. All it means is that we bring the bill, finally, to an end at some point. There is some point at which we end. Even after the cloture vote, 30 more hours are added onto the almost 3 weeks we have already been on it—30 hours with germane amendments allowed. Obviously, nongermane amendments would not be allowed.

Is the other side saying they want a farm bill on which they can add everything that is not germane? Go out and tell that to the farmers. Tell them they stopped this bill because they wanted to add a stimulus package—some tax giveaway program or some other extraneous matters.

I say to the farmers and ranchers and people in my small towns, all cloture means is we were going to reach the point of a final vote. It did not say how you vote. But there would be 30 more hours with amendments that were all germane to the farm bill.

Even my friend from Iowa, my colleague, had an amendment on payment limits. He was upset this morning. There was a little to-do last night and this morning about it. We worked it out so his amendment would be germane. Yet he still voted against cloture.

What more can you do? What more can you possibly do? This is not a good day for farmers, for agribusiness, for our bankers and lenders all over rural America. I have been here 27 years. Not as long as my colleague from Indiana, but I have been here 27 years. I have been on the Agriculture Committee 27 years—in the House and then here in the Senate. I have been through over a half dozen farm bills; about four of those in the Senate. Some of them have been pretty tough debates. We have had tough debates here. Farm bills engender tough debates. Sometimes I kind of like it. They are good debates.

But in all of those years, I have never seen a more partisan attack on a committee-reported bill than I have seen in the last couple of weeks on the floor of the Senate. The administration, time after time after time, and the President's chief advisers, have said they do not want a farm bill this year. They want to put it off until next year sometime. The Secretary of Agriculture has also repeated those words.

I would say with all due deference to my friend from Indiana, I assume he has said repeatedly we should not have a farm bill this year; we should do it next year.

All right. That is OK, if that is their point of view. But let's vote on it. Let's let the majority of the Senate work its will.

Yet we did not. So I would say, look to the administration. Obviously, they have their troops in order here because, I have to tell you, it is not in the best interests of a lot of people who voted against cloture to vote against cloture. They know it. Their farmers know it. Their farm organizations know it.

Yet because the administration lowered the boom and said no, no farm bill this year, we don't get cloture. We do not bring it to a close.

Again, hope springs eternal. I said I would do everything humanly possible to try to bring this to a close this week. I believe that I have met that commitment. I am not a dictator. I cannot force anyone on the other side of the aisle to vote one way or the other. I can only use reason, logic, and the facts, that is all—and have votes and let them debate and then have the amendments.

We have done that. I am fearful next year when we come back, we are going to have new budget estimates. We are going to lose a lot of money out of this. There will be a hue and cry out of the administration that we cannot afford this. We are going to put our farmers and our ranchers in a terrible situation next year, all because of the vote that was held 15 minutes ago.

How do we plan? How do farmers plan? There is huge uncertainty out there. So I hope as Senators who voted against cloture—have a Merry Christmas. I wish them all a Merry Christmas and a Happy New Year. Think about those farm families out there who are going to be worrying about what kind of farm program they are going to have next year.

The PRESIDING OFFICER (Mr. REED). The time of the Senator has expired. The Senator from Indiana.

Mr. LUGAR. I thank the distinguished chairman for wishing us Merry Christmas. I reciprocate. In the same serious vein, however, we both reciprocate with farmers across our land and all citizens who watch this debate and who are deeply interested, as we are, in this bill.

Let me recognize, first of all, the leadership of our chairman, Senator HARKIN, who came into the chairmanship in June, and organized a staff in a very difficult year. The farm bill cycle, one that comes with this Congress, requires a great deal of organization. He has brought together a skilled group of staff members who have worked well, the staff members I was privileged to serve with when I was chairman of the committee.

Nevertheless, it was a difficult time to begin the farm bill consideration, the drafting, pulling together, at least, of the materials as well as the consensus that was required. I pay tribute to the chairman for doing that very skillfully.

But as has been pointed out throughout the debates, many times members complained during the markup that they were not aware of the text of the bills until a few hours before consideration. These are complex titles. Even then, we proceeded and cooperated with the chairman, for reasonable debate and votes.

The chairman is correct. In the case of the titles other than the commodities title, we often came to unanimity. I think I would make only the slight correction that I offered amendments in committee to do considerably more in nutrition and food stamps and feeding of the poor than was the will of the committee at that time. Likewise, more on agricultural research. Essentially, a majority of the members of our committee were deeply concerned throughout all the other titles about the amount of money that would be left for the commodities. They wanted to follow the money. It was all right to take a look at research and nutrition and the rest of it, but these were perceived as preliminaries to the main goal.

As a result, we do not all get what we want in these priorities. Nevertheless, I had a chance to express it. We had votes, I think fairly narrow losses on both of those, and came back to the floor to try again—unsuccessfully, as it turned out. I accept that fact. This may be a year in which the majority of the committee and a majority of the Senators were eager to literally appropriate more taxpayer money for the traditional crops and bits and pieces of other situations to satisfy Senators necessary to build a coalition.

I also observe the driving force for all of this was a statement that the Budget Committee had reserved $172 billion over a 10-year period of time for agriculture. If this was not seized, the moment was not seized, the money was not seized, it would be gone. Therefore, even if there might be inadequate consideration of titles and texts and procedure, or even if, in this debate on the floor, amendments could not be heard, again and again we returned to the thought that if this did not occur in calendar 2001, the $172 billion might be lost.

The majority leader in his comments thought maybe $30 billion or $40 billion might be left. Therefore, those voting against cloture were voting for a cut in the Agriculture bill.

Admittedly, we considered a 5-year bill, the House bill with the $172 billion 10-year situation, but we even came back to that in a vote today. This preoccupation with that money is an important fact. But I tried to reason during some of our debate in this Chamber that we are all aware as Senators, quite apart from the technicalities of the Budget Committee, that our country is at least in a mild recession. We are, hopefully, going to take up stimulus spending to get it out and move people along—farmers included. There is not $172 billion and there has not been for a long time. We have continued to operate in a fashion in which we spent every last dime, pushing each commodity situation to the nth degree.

I and others argued that that is a mistake for agriculture in America; it is not in the best interests of a large majority of farmers. This bill was crafted to benefit a fairly small number of farmers in America. Those of us who have talked about it have detailed in our own States precisely who gets the money. In Indiana, 66 percent of the money goes to 10 percent of the farmers. The bill we have been considering would concentrate it even more. What about the other 90 percent? Are they of no consequence in this debate?

When we talk about farm families in my State, 90 percent might say: Is no one looking out for us?

And I say: I am.

Let's get that straight. The bills we were taking a look at narrowly focus a lot of money to a very few people.

They would say: We deserve it. We are the most efficient. We are the biggest. We are getting bigger. We have the best research, the best marketing.

We applaud that, but that does not justify the American taxpayers transferring money to them.

We applaud their efficiency because they make money doing what they are doing.

I have no idea how the final product might have looked if we had invoked cloture today. But we have a pretty good idea. How interesting it is that so many farm groups said: We are looking at two bad bills—the House bill and the Senate bill. But vote for a bill anyway to get on with the process because the $172 billion might disappear, and somehow a miracle might occur in conference between two bad bills. That is highly unlikely.

What we have done today is given ourselves a second chance to let the American people in on the secrets, the facts, and then to deliberate a little more carefully as to how in fact we should not encourage overproduction and overconcentration of the money. The problems will surely come in the trade situation of this country when we take steps such as this that are clearly not tied to all of the opening up elsewhere in the world that we espouse.

We have a lot of work to do. I look forward to working with the distinguished chairman of the committee. I am grateful we have a second chance to do much better for American farmers.

As I have said throughout the debate, as one who is among that group, I take farming seriously and personally—in my family as well as in my State. I think I have a pretty good idea, as a matter of fact, of what may be beneficial to Indiana agriculture.

The bill that was before us without amendments and without substantial changes would have been harmful to my State. That is counterintuitive. Indiana is one of the big winners as you look down the number of farmers receiving subsidies and the amounts of money.

The fact is we have been running the markets off the tracks by the Government interfering and stimulating overproduction year after year. You depress prices year after year. There is no way prices could get up, given the bill we are taking a look at. You depress it by the very nature of the bill and then complain that prices are at all-time lows. Of course, they are. If we passed this bill, prices would be low for 10 years. That would guarantee a crisis.

I predict that unless we cure this, we will be back in July and August despite the protestations, and we will say somehow this just didn't work; it wasn't the right formula; we need more money, and we will vote for more money, as we have annually year after year, because the politics of competition between the parties would really not permit anyone to opt out at such a moment.

I am more optimistic than my colleague from Iowa. I think we are going to progress and do the right thing, as we always attempt to do in this body. I think we are going to have more constructive deliberation outside of the Chamber and then hopefully have a more focused debate inside the Chamber and come to the right conclusions.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, how much time is there?

The PRESIDING OFFICER. There are 10 minutes allowed each Senator to speak in morning business.

Mr. WELLSTONE. I thank the Chair.

Let me thank both my colleagues for different reasons.

First of all, I thank Senator HARKIN, who I think has done a yeoman job of reporting not a perfect bill but a good bill out of the Agriculture Committee and bringing together a lot of different people representing a lot of different viewpoints with a unanimous vote on all of the provisions of the bill except the commodity provision.

I thank Senator LUGAR for his typical graciousness and civility. Let me add that the differences I have with him are not ever personal but more a matter of policy.

These are the facts as I see them. When Senator LUGAR talked about too much AMTA payments being inverse in relationship to need, I quite agree with him. But I see a good part of that as being the outgrowth of the failed ''freedom to fail'' bill and the AMTA payments that have gone out to people. I can't think of a more failed farm policy, I say for all of my colleagues who supported that bill.

There are many who filibustered this bill and supported what was called the Freedom to Farm bill—what we call the ''freedom to fail'' bill.

Essentially what has happened, because it was such a miserable failure, is we now have farmers and agriculture in a large part of rural Minnesota and rural America dependent on these Government payments. Quite frankly, these AMTA payments especially are inverse in relationship to need. There is no question about it.

Farmers in our State—livestock producers, corn growers, wheat growers, and dairy farmers—hate being dependent on the Government checks.

I think what is going on here is as follows: This administration's definition of a good farm bill is low loan rates and low prices for family farmers. It is that simple. As a matter of fact, in the substitute Senator HUTCHINSON presented today, the House bill actually would enable the Secretary of Agriculture to lower the loan rates from where they are right now.

There is a lot of arcane language that goes with agricultural policy. But basically what we are talking about is a way in which farmers have some negotiating power vis-a-vis grain companies, or other exporters, with the loan rates so they can get a better price. When they get the better price, they do not have to take out any loans. The Government doesn't pay them any money.

If I had my way, if Senator DAYTON had his way, and if other farmers had their way, we would have had a Grassley-Dorgan amendment which would have made this more targeted. We would raise the loan rate.

Let us be clear about this. What is at issue is that this administration's definition of a good farm bill is low prices for family farmers. They want the loan rate down. For the large conglomerates—be they the grain traders or other exporters—low prices are great. They pay the independent producers low prices, they export, and they make a big profit. That is what this is about.

I was the last to join the Agriculture Committee. I was so hopeful that we would write a new farm bill. It is not just strategy here in the Senate, or strategy here in Washington DC; it is a lot of people who are being spat out of the economy—broken lives, broken dreams, broken families. All family farmers say: That is what I care about.

Frankly, my passion isn't for all of the food industry. I am not worried about Tyson Foods or IDP. I am not worried about the big grain companies. They do fine. The part of agriculture or the food industry for which I have the passion is the family farmers—the people who not only live the land but work the land, and who are basically saying: We want to have a living wage. We want to have a price whereby we can make a little bit of profit based on our hard work so that we can support our families and live in the part of Minnesota and America that we love—rural America and rural Minnesota.

I am not a farmer. But in an odd way, when we moved to Northfield, MN, in 1969, I started organizing with farmers. I have been organizing with farmers now for almost 30 years. If there is one thing I advocate for, it is for trying to make sure farmers have some leverage to get a decent price.

We had rural economic development provisions in this bill. We had energy provisions in this bill. We had good conservation measures in this bill. We had food nutrition in this bill, which wasn't as strong as Senator LUGAR would like or that I would like, but much better than the House bill. A number of us had amendments ready that we thought would have strengthened it.

In addition, it was not perfect, but the effective target price, loan rate, with some additional assistance, would have provided some real help to family farmers—not as in you are directly now dependent upon all Government payments, but as in you are going to have a chance to get a better price in the marketplace.

Mr. DAYTON. Will the Senator yield for a question?

Mr. WELLSTONE. I am pleased to yield.

Mr. DAYTON. My distinguished colleague, the senior Senator from Minnesota, has been in this body for 10 years. This is my first year in this body. I know, from my own experience in Minnesota, that it is unusual for the Minnesota Farm Bureau and the Minnesota Farmers Union to be in complete agreement. In this case, I believe we were both hearing from those organizations and many other farm organizations in Minnesota that represent the farmers in our State, that they wanted this bill. They wanted this bill to pass the Senate.

My question is, not having been in this body as long as my senior colleague, in the 10 years my colleague has been in this body, is the Senator aware of a time when both national farm organizations—the American Farm Bureau Federation and the National Farmers Union—were standing at a press conference, the two of them, with Senators such as ourselves, and saying the same thing about this bill?

Mr. WELLSTONE. I say to my colleague from Minnesota, no. I think the reason for it is, if this bill had passed, it would have been an increase of net farm income of $3 billion a year over the next 10 years.

We need that in farm country. I have never seen the Farm Bureau and the Farmers Union so united. I cannot believe that Senators actually voted to block this bill, obstruct this bill from passing.

Mr. DAYTON. I also ask the Senator—again, this is my first year in this body—I have just been in awe of Chairman HARKIN. And I expressed last week my deep respect for Senator LUGAR, who was the former chairman and now ranking member of the committee.

I have never before, in this process, seen anyone lead a committee as he has hold hearings for months, and have the committee markup, where all points of view were recognized, where we voted and passed it out.

Has the Senator ever seen a committee chairman give any stronger and better leadership to a committee bill than this one?

Mr. WELLSTONE. I say to my colleague from Minnesota, no. I think Senator HARKIN made such an effort to reach out that he would infuriate some of us on the committee. He really went out of his way to work with Senators on both sides of the aisle. The proof of that, again, is that every provision in the bill—except for one—was passed with a unanimous vote. It was a good markup. It was substantive. I think Senator LUGAR had a lot to do with that as well.

I think Senator HARKIN did everything he could to make this bill a bipartisan bill.

Mr. DAYTON. I would hope all the farmers in the State of Iowa, the Senator's home State, and all the farmers in America would understand and know that Chairman Harkin has done everything for countless hours and hours over the last months to bring this bill to the floor, making it a good bipartisan bill, and one that, most importantly, speaks to the critical financial circumstances in which many Minnesota and other American farmers find themselves. I think it was extraordinary and heroic. I want to give the chairman that due credit.

I thank the Senator.

Mr. WELLSTONE. I agree with my colleague.

I yield the floor.

Mr. ALLEN. Mr. President, before I get into my statement, I just want to say one thing about all of this deliberation on the farm bill. As far as family farmers are concerned, I am glad for Virginia family farmers in the peanut business that this law is not going to be changed before October of 2002. Changing those laws would have been devastating to those family farmers. And while the Cochran-Roberts and Hutchinson amendments were better, because of the fact this is not going into effect now, they can plan, with their leases for equipment, in this final year of this farm bill.

(The remarks of Mr. ALLEN and Mr. WELLSTONE pertaining to the introduction of S. 1848 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. WELLSTONE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LTV SHUTDOWN

Mr. WELLSTONE. Mr. President, there is a piece in the New York Times today, the business section, ''LTV Seems on the Verge of a Shutdown,'' subtitled ''Without Loan, Steel Giant Could End Its Labor Contract Today.''

I ask unanimous consent that this article be printed in the RECORD.

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

[From the New York Times, Dec. 19, 2001]

LTV SEEMS ON THE VERGE OF A SHUTDOWN

(By Riva D. Atlas)

After more than half a century in business, the LTV Corporation will soon shut its doors, barring a government-supplied miracle.

One of the nation's biggest steel makers, LTV put its mills earlier this month on what is called ''hot idle,'' which would allow the company to restart them quickly if a government-backed loan comes through at the last minute.

But if help does not arrive by today, the company will ask the bankruptcy judge to end its labor contract.

A shutdown would leave about 70,000 retirees and recent employees with no or reduced pensions and health care benefits, and force the government to pick up at least some of the tab for what remains. The pension costs alone would be at least $2 billion.

LTV's predicament—with creditors on one side saying life support no longer makes sense and workers on the other fighting to preserve jobs and benefits—may become all too familiar in the future. More companies are liquidating in bankruptcy under pressure from creditors.

In the steel industry alone, 12 companies have shut down since 1998, according to the United Steelworkers of America, and 17 more are now in bankruptcy. The steelworkers union is lobbying for government assistance—as are Bethlehem Steel, U.S. Steel and Wheeling-Pittsburgh, which want permission to consolidate in an effort to avoid LTV's fate.

LTV's decision to shut down, announced last month, comes a year into its second bankruptcy. In its first bout with Chapter 11, the company spent seven years in bankruptcy—one of the longest reorganizations of any American company. Now, LTV's management has concluded that its losses, $2 million a day, are simply too large.

''The company was running out of cash,'' said James Bonsall Jr., chief restructuring officer of LTV. Unless it began to liquidate, it would be unable to pay off $100 million in bank debt due at the end of the year, he said. Officials at J.P. Morgan Chase, which provided LTV with $582 million shortly after the bankruptcy filling in return for first claim on LTV's assets, declined to comment.

If LTV closes, it will mean the end of a company with roots far from the steel industry. Founded by James Ling, a high school dropout from Hugo, Okla., the predecessor company, known as Ling-Temco-Vought, had interests in electronics and aerospace. An avid conglomerator, Mr. Ling's endless stream of acquisitions landed his company in 14th place on the Fortune 500 in 1967. The following year, he entered the steel business with LTV's $425 million acquisition of Jones & Laughlin Steel. (Mr. Ling was ousted in 1970 under pressure from LTV's banks and has since emerged as an oil industry entrepreneur in Texas.)

LTV sold off the other businesses during its first bankruptcy. ''We tried to get rid of the steel business, but we couldn't,'' said Mark Tomasch, a company spokesman. The steel business was unattractive to buyers, he said, in part because of the large health care obligations.

With $5 billion in revenues last year, LTV was the third-largest integrated steel producer in the United States, operating steel mills in Cleveland and East Chicago, Ind.

LTV's employees, aware that jobs are hard to come by, are fighting to keep the company alive. Their situation has won them the support of members of Congress from the region. Analysts and investment bankers say the workers' expectations are unrealistic, and ultimately side with LTV's management. Demand for LTV's product is too meager to justify the company staying in business, these executives said.

[On Tuesday, the U.S. and 38 other nations agreed to reduce world output of steel by nearly 10 percent over the next decade in an effort to drive up demand. C8.]

''All these politicians want the steel mills to open or reopen, but they never look at the other side of the equation,'' said Charles Bradford, an independent steel industry analyst and consultant based in New York. ''They say, 'Let's make steel,' '' Mr. Bradford said, citing a rallying cry of the steelworkers. ''But they never think about who's going to buy the stuff.''

LTV's business, along with that of the other large steel makers, has steadily weakened in recent years, thanks in part to cheap foreign imports that have been flooding the United States since 1998. (Operators of so-called ''mini-mills,'' which are not always small and recycle scrap steel into new products, have generally remained profitable.)

All the integrated steel companies, including LTV, are also paying benefits to a population far larger than their employees. At LTV, there recently were at least 10 retirees for every worker. The precise number is unclear because the union counts 10,000 more retirees than the company does.

Waves of layoffs beginning in the 1980's and continuing in the last 2 years have swelled the ranks of retirees at most steel companies. A provision in many steelworkers' contracts guarantees them the right to claim retirement benefits early if they are dismissed or if their mills shut down, said Cary Burnell, a member of the research staff at the steelworkers union. As part of their push for industry consolidation, U.S. Steel and Bethlehem Steel asked Congress two weeks ago to assume some of their health care costs.

LTV's workers are laboring furiously to pull off an 11th-hour rescue, but their prospects are dim. Their union is hoping for a $250 million loan backed by the Emergency Steel Loan Guarantee Board, an arm of the Commerce Department. ''We're going to fight like hell to get this loan, and fight like hell to save this company,'' said Leo Gerard, international president of the steelworkers union.

The company's banks, National City and KeyBank, suspended their efforts to secure such a loan last month, after deciding that they could not adequately demonstrate that the loan could be repaid.

Senator Paul Wellstone, a Democrat from Minnesota, was hoping to attach an amendment to the economic stimulus bill that would loosen such loan standards, but it is unclear when the bill will come to a vote, said a member of his staff. The union also delivered a letter, signed by 91 members of Congress, to the Commerce Department on Friday urging approval of the loan.

But with the union due to report its progress to the bankruptcy judge today, time may be running out for LTV's workers. Even if the loan is approved, the company says it will not be enough to keep LTV alive. ''The company would need close to $1 billion to return to business,'' said Mr. Tomasch, the spokesman.

If the bankruptcy judge permits, LTV will soon stop paying retirement and health benefits. Some of these expenses will be assumed by the government. The Pension Benefit Guaranty Corporation will take over LTV's retirement plan, at what it estimates will be a cost of $2 billion. Retirees over 65 will qualify for Medicare.

Many of LTV's remaining employees will be out of luck. There are limits on the benefits the pension agency will cover, according to Mr. Burnell of the steelworkers. It will not cover, for example, a payment of $400 a month from the company to many steelworkers dismissed between the ages of 50 to 62, intended to tide them over until they qualify for Social Security. Someone with 20 years at LTV typically qualifies for a pension of $1,450 a month, including the $400 monthly payment, but the pension agency would exclude recent enhancements to the pension plan and probably pay about half that amount, Mr. Burnell said.

Employees younger than 65 will also be on their own for medical costs. A fund set up by LTV when it last emerged from bankruptcy to pay for employees' health care probably will be out of money in less than a year, said Mr. Tomasch, the LTV spokesman. Among the benefits that will be lost is a medical plan that covers 80 to 90 percent of the costs of prescriptions ordered by mail. Last year, the company paid $200 million in health care costs, he said.

If LTV's unions are unable to secure the loan, their best hope is to find a buyer for the mills.

''Plan A is to keep LTV operating and to do our work in Washington, D.C.,'' said Stephanie Tubbs Jones, a Democratic representative from the Cleveland area, where LTV has it's biggest mill. ''Plan B is to prepare our community to invite a new buyer for LTV, including providing incentives.''

Finding a buyer for the Cleveland mill will not be easy. ''There is excess capacity around the world, and the Cleveland mill is one of the highest-cost mills,'' said Mr. Bradford, the independent analyst.

Even if a buyer is found, that might not help LTV's current employees. The mills will be more attractive to a buyer without the workers, Mr. Bradford said, because then they would not be forced to assume the health care costs.

Mr. WELLSTONE. I will read a paragraph:

LTV's workers are laboring fiercely to pull off an 11th-hour rescue, but their prospects are dim. Their union is hoping for a $250 million loan backed by the Emergency Steel Loan Guarantee Board, an arm of the Commerce Department. ''We're going to fight like hell to get this loan, and fight like hell to save this company,'' said Leo Gerard, international president of the steelworkers union.

Mr. President, I along with other Senators who try to represent workers and working families and steelworkers, have written a letter to this Emergency Steel Loan Guarantee Board in the Commerce Department asking them to grant this loan. On the Senate floor today, I wish to associate myself with President Gerard's comments. If there is any vehicle—we are down to the wire here—if there is an economic stimulus package or economic recovery package, I will have an amendment which will give that loan board better authorizing language to make it clear that, indeed, this is their mandate to guarantee just these kinds of loans. I don't know whether or not we are going to have that package. That is being negotiated.

I have also made it clear that I think if there is any other bill that passes through in terms of providing relief for this sector of the economy or that sector, that from my point of view there also has to be an amendment which represents relief for those people who are flat on their back, out of work, without unemployment insurance any longer, without health care coverage or soon to be without coverage, or to help these steelworkers.

I wanted to cite this article because I am sure President Gerard and the steelworkers sometimes think they are shouting in the wind, that they are not being heard. Industrial work is being spit out of the economy. LTV shut down. At the taconite plant in the Iron Range of Minnesota, 1,400 workers are out of work.

I went with them the day the local president called everybody together to tell them it was over. And I got really mixed advice about whether to go because people said, if you are there, like a politician, people are just going to turn on you because they are so angry about losing their jobs. They didn't do that. People appreciate the fact you go up and you are with people, especially in these times.

But the fact is, not just for the sake of these workers who want nothing more but to work, but for financial security as well, we ought to pay attention to what has happened in the steel industry. We should pay attention to what is happening to certain vital sectors of the economy.

Again, just so President Gerard and the International Steelworkers Union don't think there aren't Senators who support them, I know others do as well. Senator ROCKEFELLER has been at this a long time. This was Senator BYRD's original idea. This Emergency Steel Loan Guarantee Board of the Commerce Department can do this. This is

their mission and mandate. They can say: We guarantee this loan. So far they have not done so. I wish we could rush through some additional language to make it clear this is their mission and mandate. We may not be able to do so. But they ought to go forward with this loan. If they don't, the consequences are going to be very harsh.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

## RECESS

Mr. REID. I ask unanimous consent the Senate stand in recess until 3:30 today.

Thereupon, the Senate, at 3:03 p.m., recessed until 3:30 p.m., and reassembled when called to order by the Presiding Officer (Mr. JOHNSON).

The PRESIDING OFFICER. The Senator from Massachusetts.

## JUDICIAL NOMINATIONS

Mr. KENNEDY. Mr. President, we have been hearing a steady drumbeat of complaints from our Republican colleagues about the pace of judicial confirmations by the Senate. For all who know the facts, there is no basis for the charge that Democrats have engaged in delay tactics on judicial nominees. In fact, the Democratic Senate has been significantly more diligent in confirming judges under the Bush administration than the Republican Senate was at any point under the Clinton administration.

In the 5 months since Democrats gained control of the Senate, the Judiciary Committee has already held 11 hearings on judicial nominees. Under Chairman LEAHY'S leadership, we held hearings during the August recess, and also just 2 days after the terrorist attacks. In addition, we held a hearing in the Capitol Building, when the Senate offices were closed by the anthrax contamination.

As a result, 27 judges have already been confirmed in the 5 months since Democrats took control of the Senate. By the time the Senate adjourns, we are likely to have confirmed more than 30 judges—more than were confirmed during the entire first year of President Clinton's first term in office when Democrats controlled the Senate, and more than double the number confirmed during the entire first year of the first Bush administration.

Our record is good by any measure. It becomes even better when we compare it to the record of the Republican majority when they controlled the Senate during the Clinton administration.

We have held 11 judicial nomination hearings in just 5 months, almost all of which have included several judges per hearing. In 1999 and 2000, the Republicans held an average of only seven hearings for the entire year.

In confirming 24 judges since the August recess, we have had a more productive post-August-recess period than any Republican-led Senate did for a comparable period in the last 6 years.

Some Republicans are now blaming Democrats for the current number of vacancies on the Federal bench. But these vacancies were largely caused by the tactics of the Republican majority over the last 6 years. We know that our colleagues worked to impede President Clinton's executive branch nominees such as Bill Lann Lee, nominated to head the civil rights division, and Dr. Satcher, the nominee for Surgeon General. Our colleagues also blocked or attempted to block President Clinton's judicial nominees by delaying or refusing to hold hearings, and refusing to allow the Senate to vote on some nominees. The average length of time a circuit court nominee waited for a hearing under the Republican Senate was about 300 days. Some nominees waited up to 4 years for a hearing. In 6 years, the Republican Senate failed to confirm nearly half of President Clinton's nominees to the circuit courts. As a result, vacancies in the Federal courts increased by 60 percent.

No one suggests that Senate Democrats should follow the example the Republicans set over the past 6 years. The Judiciary Committee should and will continue to move forward in confirming nominees to the Federal court in a prompt manner. But it is wrong for any of us in the Senate to abdicate our responsibility to thoroughly review the record of each nominee. Lifetime appointments are at stake. The need for careful review is important not just for Supreme Court nominees but for nominees to the lower Federal courts as well. These courts hold immense power. Many important legal issues in this country are decided at the Court of Appeals level, since the Supreme Court decides fewer than 100 cases per year.

I voted to confirm most of the judges nominated by President Reagan and the first President Bush. The Senate's constitutional duty of ''advice and consent'' does not mean that the Senate should be a rubber stamp. It certainly does not require the approval of Federal judges who have displayed hostility to core Federal constitutional and statutory protections, or who have an extreme ideological agenda. Judges who are highly qualified, have a balanced judiciary temperament, and who are committed to upholding the Constitution and Federal law are judges that Senators on both sides of the aisle can support. But we should not support nominees with records that suggest they will roll back the rights and protections that Americans consider vital.

All nominees should have their records examined thoroughly, and they should have hearings to answer questions about their records. Because these are lifetime appointments to courts that make decisions deeply affecting the nation, full and fair review is the least the Senate owes the American people.

The Senate has worked well together this year on a number of bipartisan efforts, including education, airline security, and bioterrorism. On the issue of judges, all of us on the Senate Judiciary Committee know that we can work well with the administration and with Senators on both sides of the aisle to confirm nominees for our Federal courts who are highly qualified, fair, and committed to upholding the Constitution and the Nation's laws. I look forward to greater efforts in the time ahead to achieve that very important goal.

I am reminded of the fact, in reviewing the Constitutional Convention, that perhaps the last major decision made at the Constitutional Convention was to change what had been initially accepted by the Founding Fathers, and that was the Senate was going to appoint Federal judges. The Senate would do it by itself. One of the last decisions made by the Founding Fathers was to have this as a shared responsibility.

It seems to me that is something that sometimes this institution loses sight of, as do the American people sometimes. They believe that once nominated, we, in effect, should be a rubber stamp to these nominees. In reading constitutional history, we will find, to the Founding Fathers this was an issue of enormous importance and consequence. They made it extremely explicit that they believed the responsibility ought to be an equally shared responsibility between the President and the Senate. It does seem to me we should meet that responsibility in ways that are fair, that reveal the qualities of the individual, and make a judgment and a decision based upon that process.

## TRIBUTE TO JOHN T. O'CONNOR

Mr. KENNEDY. Mr. President, it is a privilege to take this opportunity to remember my friend John T. O'Connor, who passed away on November 30, 2001. A lifelong fighter for social justice, John died suddenly and unexpectedly at the age of 46 while playing basketball, a sport he loved, at the YMCA near his home in Cambridge, Massachusetts.

John O'Connor's zest for life and boundless energy were apparent from the moment you first met him, and those extraordinary qualities continued to amaze even those who knew him best and longest. His undeniable charisma helped win an enormous circle of friends. But his life was always about causes larger than himself. He credited his passion for social justice to the example of his parents, Katherine and George, to the Catholic faith and training he felt so deeply, and to his many

inspiring teachers, especially at Clark University in Worcester, his alma mater.

John's public journey began when he was still in college in the late 1970s, organizing fellow students to volunteer at the Mustard Seed, a Catholic worker collective in Worcester dedicated to feeding the poor and homeless. There he perfected his trademark eggplant parmesan. After graduation, John went to work for Worcester Fair Share, knocking on the doors of the three deckers of Grafton Hill in a successful campaign to end arson-for-profit in that neighborhood, a pattern he identified through disciplined research. The fire station built in response to that campaign remains a testament to John's first venture into grassroots organizing.

The combination of community organizing and strategic research led him to understand that the environment was also an urban issue, affecting the quality of life in low income neighborhoods as surely as in the great outdoors. He began this new work by organizing citizens to resist an ill-conceived landfill proposal and to negotiate with local factory owners to reduce emissions.

Soon, John moved on to a large national campaign, setting out to rid the country of environmental threats such as the asbestos contamination he lived next to in his hometown of Stratford, CT. At a time when environmental activism was out of fashion among some in Washington, he began traveling across the nation, speaking out against polluters, and convincing more than a million Americans to sign petitions to support toxic waste cleanup. He built his organization, The National Toxics Campaign, into a grassroots campaign to mobilize people from across the country, providing timely and passionate support for the appropriation of $8 billion for the Federal Superfund law in the mid-eighties, and helping to realize the promise of that historic legislation.

First and foremost, John was a community organizer. He took on a remarkable range of issues, and he always did so with great dedication and effectiveness. He worked with scientists to document health concerns for veterans of the Gulf War. He made the case for environmental cleanup programs from Boston Harbor to the Rio Grande. He argued against the misuse of pesticides and other chemicals in agriculture. He was a strong believer in the importance of organized labor, and he fought alongside union members for strict protections for health and safety in the workplace. He co-authored a number of books on organizing and the environment, and a book on agricultural democracy was near completion. He was also interested for many years in responsible energy policy, and he led an effort in 1998 to repeal a Massachusetts electricity deregulation law, which he felt was unfair to consumers and the environment.

For John O'Connor, environmentalism was always as much about people as about our physical surroundings. It was logical that he would turn in recent years to the cause of assuring the best possible health care for every citizen. In 1999, he led efforts that obtained more than one hundred thousand citizen signatures in support of a health reform measure for the Massachusetts ballot. Momentum generated by that successful signature drive led to the passage of important but long-delayed legislation on the rights of patients in managed care. Looking ahead, he was poised to play an important and growing role in revitalizing prospects for universal coverage in Massachusetts.

John O'Connor was also an intense and tireless champion of racial justice. He was endlessly fascinated by the diversity of human experience. As an American of Irish heritage, he led the 1997 drive to create the first permanent U.S. memorial to the victims of the Irish Famine on Cambridge Common. To John O'Connor, ethnic background and culture were intended to enrich the world, not divide it. He was proud to be known as an ''ABC''—an Armenian-by-Choice—after his marriage to Carolyn Mugar, an outstanding leader and activist in the Armenian community. John enthusiastically joined her to make his own impressive contributions to that community.

His passionately-held beliefs made John an intense and frequent critic of the status quo in general, and of politics in particular. Yet he was profoundly optimistic about what this nation could achieve. He believed deeply in democracy. He looked for inspiration to the early years of our country and the nation's founders, and he read widely about them. In his campaign for the U.S. House of Representatives in 1998, he told voters he wanted an America that truly reflected the basic values enshrined in the Declaration of Independence and the Constitution—not an America that was simply the sum of its commercial enterprises or parochial concerns. Although he did not prevail in that campaign, he ran a strong race that impressed many people and made countless new friends along the way.

With John O'Connor's death, we in Massachusetts have lost one of our state's most active and effective champions of working families, consumers, and the environment. John left us much too soon. I mourn his loss, and I extend my deepest sympathies to his wife, Carolyn Mugar, his daughter, Chloe, his parents, his brothers and his sister, his nieces and nephews, and his many godchildren. In his memory, we pledge to recommit ourselves to the many great causes in which John did so much to lead the way.

Mr. DEWINE. Mr. President, I rise this afternoon to pay tribute to two members of my staff who are retiring this week. These are two people who have really made a difference.

The PRESIDING OFFICER. The Senator from Ohio.

## TRIBUTE TO JOAN DOUGLASS

Mr. DEWINE. Mr. President, Joan Douglass is a real gem, a classy, knowledgeable woman who connects with people of all ages. She has had one of the toughest and most important jobs in our office. Joan has been on the front line. Joan is the first person you see when you come into our Columbus office. She is the person whose voice you hear when you call our Columbus office, the first person to answer the phone. That is an office that actually is not just my office. It is also Senator VOINOVICH'S office. We have, in Ohio, a joint casework office, which has worked out very well. Joan is the person there who greets everyone.

Over the years, Joan has put up with just about everything: bomb threats, sit-ins, now even anthrax scares. Joan is a rock. She is as solid as they come.

Everyone who knows Joan speaks of her with such fondness. She is really a person with no enemies. Her love, her compassion for people is unmatched. She loves people. They love her back.

You know, it takes quite a lady to take a new job at the age of 72, which is what Joan did when she came to work for us—especially the job working for two Senators. What could be tougher than that? Who in the world would ever think of doing that? Who goes from being a State legislator, which Joan was, a real estate broker, and many other exciting jobs, to working for two Senators? Only Joan.

Actually, before she worked for us she worked for then-Governor VOINOVICH for 8 years. Four of those years I was the Lieutenant Governor. Every day when I would come to work, Joan would be the first person I would see—always smiling, always happy, always professional.

Joan continues to amaze me in everything she does. I am astounded by her energy and her great sense of adventure. Nothing ever seems to slow her down.

Joan really is a terrific role model for all of us. In fact, she should be the poster child for how Federal employees should treat people. No matter what, Joan has always greeted everyone who walked into our office with great respect and great compassion. It didn't matter if it was someone who loved me or hated me. It didn't matter, Joan was steady. She treated them the right way. She treated everyone in that same sweet, nurturing, nonthreatening, and friendly way.

Joan has always handled herself with such professionalism, and no matter what, no matter how busy she was, she always has had time for people, especially for the younger people, younger members of our staff in the office. She really has been a role model. She has been a mentor. Every time I see her, Joan always asks about Fran, asks about our children and now our grandchildren. I have always appreciated that.

I speak for so many in our office and many across the State of Ohio when I

say that, although we are happy for Joan upon her retirement and we wish her nothing but the best with her new post-Senate endeavors, we are saddened by her departure and we will miss her dearly.

We will miss her dedication to the people of the State of Ohio. We will miss her optimism and her cheerful nature. We certainly will miss her terrific sense of humor. Most of all, we will just miss Joan.

She is one great lady. My wife Fran and I wish her all the best in the world.

In conclusion, I thank Joan for her dedication to the people of the State of Ohio, for her friendship, and for the work she has done for our country.

## TRIBUTE TO JENNY OGLE

Mr. DeWINE. Mr. President, I rise today to pay tribute to good friend and member of my staff, Jenny Ogle, for all the great work she has done for the people of Ohio. Jenny, who runs the joint casework office we have with Senator VOINOVICH, is retiring today. We are going to miss her dearly.

When I started thinking about her retirement, my mind was flooded with fond memories and so many laughs and good stories. There is no one else like Jenny. Before coming to work for our joint casework office, she ran my Senate casework office worked for me when I was in the House of Representatives for 8 years, and also worked for Congressmen Bud Brown and DAVE HOBSON.

She is a true professional—someone who has been really a stabilizing force in our whole casework operation. The casework operation, of course, is what reaches out to people. It is where people of the State of Ohio go when they have a problem. They do not come to us, and they do not come to Jenny unless they are already frustrated with the Federal bureaucracy or the State bureaucracy or something else. When they come in, they already have plenty of problems. Jenny has been the one who worked out those problems.

It takes a good deal of patience to handle the kinds of things Jenny has seen over the years in that casework office. She has seen just about everything.

That is why I have always been amazed by her steadiness—her unbelievable ability to deal with the kinds of cases and the kinds of problems that are seen on a daily basis. What really impresses me is that she is always still smiling and laughing at the end of the day. She always has done her job with great professionalism and great compassion.

Jenny also has been a real leader in our office. For example, she pioneered the military academy nomination process, a very complex process. She essentially wrote the book on it. What she has developed is today being used around the country in congressional office after congressional office. She wrote the bible on how Congressmen should handle their academy nominations. I thank her for that.

I have known Jenny for a long time—since those days when she was working for Congressman Bud Brown, and when she came to work for me at our Springfield office. I remember how her Aunt Tilly used to come in the office and do her filing. I also fondly remember the doughnuts Jenny would bring in from her brother's doughnut shop. Those are great memories.

Jenny is also a rare person—a person with great compassion and empathy for people and their concerns.

Let me thank her from the bottom of my heart for the great job she has done to assist countless thousands and thousands and thousands of Ohioans over the last 20 years.

I am truly privileged to have had the extraordinary opportunity to work with Jenny and to call her my friend.

We wish her and her family all the best in the world.

In conclusion, let me thank Jenny for her dedication to the people of the State of Ohio—for her friendship, and for the work she has done for our country.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

## JUDICIAL NOMINATIONS

Mr. DURBIN. Mr. President, over the last few weeks, many conservatives have launched an extensive public relations campaign to assail Democrats on the Senate Judiciary Committee, and particularly Chairman PAT LEAHY. They have been critical of the pace of judicial nominations. This campaign is wholly unwarranted. Coming during a war when Democrats are committed to working with the President to shore up our Nation's defenses, it is particularly ill timed.

The Washington Times has compared Democrats to terrorists, referring to the pending nominations as a ''hostage crisis.'' Another conservative publication, Human Events, labeled my colleague, Chairman LEAHY, as ''Osama's Enabler.''

Sadly, these outrageous charges are not limited to right-wing media outlets. Many colleagues in the Senate from the other side have leveled the following accusations: One Senator said the Democrats are guilty of racial profiling. Another Senator said the Democrats on the Judiciary Committee are actively hindering the war effort. Another Republican Senator said we are drawing out a session to deny the President a chance to make recess appointments.

In truth, Senator LEAHY has done an excellent job of moving the President's nominees along—far better than the Republicans ever did over the previous 6½ years. We have already confirmed 27 judges since July of this year. When all is said and done, we may well end up confirming more than 30. That is more judicial nominees than were confirmed during the entire first year of President Clinton's term in office, when the Senate was controlled by the same party. It is double the number of nominees confirmed during the entire first year of the first Bush administration.

Chairman LEAHY has had to contend with Senate reorganization, terrorists attacks, a massive antiterrorism bill, and anthrax contamination that shut down his personal and committee offices. We all recall the news reports about the anthrax letter being sent to Chairman LEAHY. He has had ample occasions to delay hearings. Yet he has not. He easily could have used any of these obstacles as an excuse to cancel hearings, and he did not.

In little more than 5 months, Chairman PAT LEAHY has held more judicial nomination hearings than Republicans held in all of 1996, 1997, 1999, and the year 2000.

The Democrats, under his leadership, have eliminated the anonymous holds that crippled the judicial confirmation process for the last 6 years.

If you are not here in the Senate, anonymous holds may be a term you don't understand. Let me explain it. Under Republican leadership, any Senator could block a nominee for any reason, without even identifying him or herself to the rest of the Senate. A nominee would come before the Senate Judiciary Committee and sit there week after week, month after month, and in some cases year after year without any Senator standing up and saying: I am the person who is holding this judicial nominee. It was totally unfair.

On some of the nominees, I used to go around the Chamber begging Republican Senators to tell me: Do you have a problem with the nominee? I want to talk about it.

They wouldn't say. It was anonymous. That is over. Under Senator LEAHY's leadership, the anonymous holds that have crippled this process for the last 6 years has been eliminated. We have made public a Senator's support or opposition to judicial nominees from their home State. We have moved nominees approved by the committee swiftly to the floor. I presided personally over two or three of these hearings. And those nominees went straight from the committee to the floor in a matter of days. We have voted unanimously to confirm nominees vetted by the committee. The only vote against all of President Bush's nominees coming out of committee was cast by minority leader TRENT LOTT.

Quite frankly, it is a bit ironic to hear many of our Republican colleagues complain about unfair delays in judicial nominations. It is no secret that many of our colleagues systematically blocked Democratic appointments, regardless of qualifications, to the Federal courts of appeal. In 1996, for example, the Republicans failed to confirm one single appellate court nominee—not one.

In the 106th Congress, Republicans failed to act on an astonishing 56 percent of President Clinton's appellate nominees, despite the fact that his nominees received extraordinarily high ratings from the American Bar Association, and support on a bipartisan basis.

Some of President Clinton's nominees languished after a hearing or committee vote; many more never even got a hearing.

Let me tell you about one: Helaine White, a nominee for the Sixth Circuit in Michigan. She waited in vain for over 1,400 days for the Judiciary Committee to schedule a hearing. For approximately 4 years, she sat in that committee.

If my Republican colleagues got a letter marked ''Return to Sender'' after 1,400 days, they would abolish the Post Office.

They thought it was all right to let Ms. White, a nominee for this important judicial vacancy, sit there for approximately 4 years.

The situation was so bad under the Republican leadership of the Judiciary Committee that Chief Justice of the Supreme Court Rehnquist criticized the Republican leadership for creating so many vacancies in the Federal courts. In fact, one of President Bush's own judicial nominees, who was unanimously voted out of the committee last Thursday, criticized the Republicans last year for employing a double standard for a Democratic nominee to the courts.

Chairman PAT LEAHY of Vermont has already held more hearings for the Fifth Circuit than the Republicans held in over 6 years. In 6 months, PAT LEAHY has held more hearings to fill vacancies in that circuit than the Republicans held in 6 years. The Democrats have confirmed the first new judges to the Fifth and Tenth Circuits since 1995—6 years.

Details like this demonstrate there is simply no comparison between Democratic and Republican records.

Our Republican colleagues would have you believe the Democrats are dragging their feet because the ratio of President Bush's confirmations to the number of vacancies is relatively low. But what they don't tell you is this: Close to 70 percent of the current vacancies in the Federal courts have been open since President Clinton was in office, several of them since 1995. They are decrying the number of vacancies not filled, and yet during President Clinton's Presidency they would not fill them, even though he sent qualified nominees to the Senate.

The number of judicial vacancies increased by 60 percent during the 6½ years the Republicans were in charge of the Senate. Due to concerted opposition by their party, President Clinton appointed proportionately fewer appellate judges than either President Reagan or the first President Bush. Now, with a Republican President back in the White House, our Republican colleagues are suddenly very concerned about judicial vacancies.

In the wake of September 11, President Bush called on Members of the House and Senate to come together—and we have—to improve air safety, to stabilize the airline industry, to give law enforcement additional tools to fight terrorism, and to strengthen our economy. That is exactly what the Democrats have done. We put aside partisanship to meet the demands of our country at war.

Quite frankly, we would have had an easier time of it, and fewer disputes with the Republicans over judicial nominees, if the President and his Attorney General had sent up more judicial nominees like those we have already confirmed, especially for the Federal Court of Appeals. This simple fact is often lost in the din of partisan rhetoric.

The Democratic leadership has worked hard, in just a few months, to confirm men and women of real integrity and accomplishment to the Federal judiciary. We have advanced judges who enjoy widespread bipartisan support. They have records which demonstrate a commitment to mainstream American values, including the protection and advancement of civil rights and civil liberties for everyone. We have intentionally avoided a contentious and draining fight over controversial nominees.

In the weeks and months ahead, with the immediate national crisis we face, we will still have to confront many controversial nominees. But let me remind my colleagues that we are filling lifetime appointments. These are not temporary. Judges sit on the Federal bench long after many of us have delivered our last speeches and after Presidents have come and gone. We will scrutinize them fairly, but carefully.

Our Republican colleagues have said they want us to work three times as fast because when they were in control they went three times as slow. Sadly, many of the nominees we have been sent do not really hew to the mainstream of American politics. The end result—if we follow and appoint every nominee sent—would be a judiciary that would not represent the values of this country, the mainstream values which we should push for when it comes to these important judicial appointments.

The American electorate has been evenly divided over the last 10 years. This country is entitled to a judiciary that reflects that diversity, not one hijacked by any political extreme, right or left.

Chairman PAT LEAHY has done an excellent job as the Senate Judiciary chairman, and his critics on the right should read the facts.

I yield the floor.

The PRESIDING OFFICER (Ms. STABENOW). The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I also have come to the floor, along with the Senator from Massachusetts and the Senator from Illinois, to talk about this very important topic; and that is, the confirmation process for Federal judges.

The first thing I want to do is commend the chairman of the Judiciary Committee, Senator LEAHY, for the professional and diligent way in which he has handled the confirmation process this year, since taking the helm of the committee in June. His, in some way, is a thankless job, because, as we have observed, no matter how many hearings he holds or judges he moves through the committee, there are those in this body who will never be satisfied. Indeed, it seems that the only thing that will satisfy the critics is for Chairman LEAHY to shortchange the important constitutional role that the Senate and the committee play in the confirmation process. But that, I know, he will never do, and the Nation should be very grateful to him for that.

There has been some harsh criticism of Chairman LEAHY from our colleagues on the other side, and in the press. Given how President Clinton's nominees were treated during 6 years of Republican control of the Senate, I find it kind of hard to believe some of the arguments we now hear. We have here, really, a numbers game. The argument has reached a new level of absurdity when our Republican friends start talking about things such as the average number of nominees per hearing. It is pretty obvious that is a meaningless calculation. To the extent that statistics matter, the numbers that count are the number of judges for which hearings have been held and the number of judges confirmed.

When you look at those numbers, the numbers that really matter, I have to say that our chairman really does have the better of the argument. In just 5 months since taking over the committee, Senator LEAHY has already held hearings for 34 judges. That is more than the number of judges who received hearings in the entire firs year of the George H.W. Bush administration and the entire first year of the Clinton administration. And so far, we have confirmed 27 judges this year. Remember again that the Democrats have only been in control since June I understand that probably 3 more judges will be confirmed before this session concludes, meaning that 30 judges will be confirmed this year. That would be more than were confirmed during the entire first year of President Clinton's first term in office and more than double the number confirmed during the entire first year of the elder President Bush's administration. Think about that. Given all that we have had to deal with on the Judiciary Committee this year, I think Chairman LEAHY has shown more than good faith in trying to move the process along, especially since September 11.

There have been times this year when I have been concerned about hearings being held too soon on some

nominees. A hearing that is held before Senators can review the records of the nominees is really nothing more than just a formality. Particularly given the large number of circuit court nominees, I think our colleagues on the Republican side are asking us, in a way, to ignore our constitutional responsibilities when they make blanket demands such as: You should confirm all judges who were nominated before the August recess. Those kinds of arguments are particularly inappropriate when you think about the appointments we are being asked to confirm with to little scrutiny. Lifetime appointments to the circuit courts and district courts are not to be taken lightly. With the Supreme Court taking only about 100 cases each year, the decisions made in the lower courts are usually final, and have a huge impact on the development of the law. They also have a huge impact on the people's lives. In addition, there are a number of circuits in this country that are extremely unbalanced ideologically, and the nominations made by President Bush seem to be designed to exacerbate that imbalance. It is entirely reasonable—indeed, our constitutional role demands—that we examine the records of individuals chosen for the circuit courts very carefully before we approve their nominations

It is clear to me that neither side in a fight such as this is ever going to be satisfied. In the current situation, despite everything that the chairman has tried to do to move quickly on judges—including holding hearings in August, holding more hearings after September 11 when our committee was more than occupied with the so-called anti-terrorism legislation, and even holding a hearing in October when the Senate office buildings were closed and some of our staffs had had nowhere to work for the previous 2 days—despite all of this, my Republican colleagues continue to complain. At one point, they even held up appropriations bills on the floor for over a week, something that our side never did despite our frustration with the pace of confirmations under President Clinton. And now we understand that the minority leader placed a hold on every Judiciary Committee bill because of his displeasure with the pace of the nomination of a judge he has championed to the Fifth Circuit.

Let us recall that in the last 6 years of President Clinton's term, the Judiciary Committee did not hold a single hearing on a Fifth Circuit nominee. No fewer than three highly qualified nominees for positions on that court never got a hearing, much less a vote in committee or on the floor. The thing that has troubled me the most about the criticism of the pace of judicial confirmations is the complete unwillingness of those who are now criticizing Chairman LEAHY to acknowledge that they really contributed to the judge shortage that they are complaining about today, or that they did anything in the last 6 years to deserve our criticism of them at that time.

It is particularly frustrating to hear our Republican colleagues invoking the ABA review in support of President Bush and the Republican leadership in the Congress broke with over 40 years of tradition, dating back to the administration of Dwight D. Eisenhower, when they refused to submit the names of nominees to the ABA prior to the nominations being formally made. Now they complain about the delays in confirming nominees and invoke the ratings of the ABA panels as evidence that these nominees are beyond reproach. It just does not add up.

The very act of forcing the ABA to begin its assessment after a nomination has been made has delayed confirmation hearings for at least a month and often longer. Chairman LEAHY very sensibly has insisted that an ABA review on a nominee be completed before scheduling a hearing. So I suppose that if we are playing a numbers game and are going to compare apples to apples, we should subtract 30 to 45 days of consideration from each of President Bush's nominees.

My conclusion is that until I hear the critics of Chairman LEAHY say, ''Yes, it was wrong to let Judge Helene White go 4 years without even a hearing; yes, we now agree that Kathleen McCree Lewis should have at least had a hearing; yes, the delays in voting on the confirmations of Judge Berzon and Judge Paez were unconscionable; yes, it was wrong to not confirm a single circuit court nominee in 1996; yes, it was wrong to confirm only 44 percent of the circuit judges nominated by President Clinton in the last Congress of his term; yes, it was wrong to have 68 of President Clinton's nominees in the 106th Congress never come up for a vote in the Judiciary Committee; and yes, we are in large part responsible for the fact that there are now so many vacancies to fill on our federal courts,'' until I hear those statements, the statistics they cite, and the argument that they make ring a little hollow. If and when I do hear those statements accepting responsibility, I think a bipartisan solution will emerge. Because of my Republican colleagues acknowledge that they bear some responsibility for the situation we find ourselves in today, they can suggest to the President that he try to ''change the tone'' on this issue in a tangible and meaningful way. He can do that by renominating some of those highly qualified candidates who never got a hearing or a vote in the Judiciary Committee when it was chaired by my friend, the Senator from Utah. The President did that with Roger Gregory, and I applauded him for it. We can wipe the slate clean with some courageous work, and there are enough vacancies to do this in many circuits. That is the challenge. Are we gong to continue the numbers game? Are we going to continue the recriminations? Or are we going to move forward in a bipartisan way and get on with our business on this committee and in the Senate. I think the chairman of the Judiciary Committee is doing an admirable job under the circumstances. I urge him and the majority leader not to submit to pressure tactics. The ball is in the President's and the minority's court. They can decide if they want to ''change the tone in Washington.'' We simply cannot do it alone.

I yield the floor.

Mr. KOHL. Mr. President, I rise today to discuss judicial nominations and the pace being set by the Judiciary Committee. It is the Senate's responsibility to confirm judges and fill the vacancies in the Federal judiciary. Unfortunately, this constitutional responsibility has become increasingly politicized in the last few years. It seems that the people accused of slowing the process last year are the same ones that are pushing for faster confirmations today. And those who wanted more judges confirmed last Congress are now defending the pace of current confirmations. While we all expected that dynamic once the party in control of the White House and the Senate changed, it is still disappointing.

It would be a good idea to agree upon a set of rules that governed the pace of the confirmation process regardless of the party in control of the White House or the Senate. Since that is unlikely, we are now required to defend our rate of confirmations. The only way to do that is to compare the pace this year with that of past years. When we do that, we find that there is little to criticize in the performance of this year's Judiciary Committee.

By the end of this session of Congress, we will have confirmed at least 27 district court judges and 6 circuit judges. The Judiciary Committee has held 11 nominations hearings for judges since control of the chamber changed.

To put that in context, by the end of the year, the Senate will have confirmed more judges in the first year of the Bush Presidency than in either the first year of the first President Bush or President Clinton. It is also far more than the 17 judicial confirmations in 1996 and almost the exact number confirmed in 1999 and 2000 when 34 and 39 were confirmed respectively.

The record also shows that close to 70 percent of the vacancies have existed long before President Bush took office. The Senate chose not to act, in some cases for years, on President Clinton's nominees to fill the positions. The cries of judicial emergencies and demands for immediate action now ring a bit hollow when the judgeships could have been filled years ago.

Nonetheless, it is our responsibility to take action on the judicial nominees in a timely manner. We have been doing just that. As we go forward, I want to work with my colleagues on both sides of the aisle to confirm more judges. The Judiciary Committee has a noble tradition of cooperation in approving judges who are qualified, respectful of the law, and moderate in their approach. It is our responsibility

to return to that tradition and confirm judges who represent the ideological middle ground.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Madam President, I thank my friend from Kansas. I know he has some things to say. I will try to be brief. I was in the line to try to talk about this very subject. I will make it brief so we can get on and we can get an explanation of the lovely pictures he has behind his podium.

I, too, rise to say a few words about judicial nominations and in particular to defend the chairman of our Judiciary Committee, Senator LEAHY of Vermont. Our friends on the other side of the aisle have made a lot of hay about our record on judicial nominations, but the facts simply don't bear out the allegation.

Patrick LEAHY has conducted the Judiciary Committee, both when we had the hearings on Senator Ashcroft's nomination to be Attorney General, when he was chairman for 17 days, and now as chairman for 5 months, in the most gracious, fair, bipartisan way that I have seen a chairman conduct him or herself. It is sort of unfair to demonize. That seems to be a new technique used by some. They are doing it to our majority leader, Senator DASCHLE, another gracious and fair-minded man, because he doesn't agree with them. That seems to be the thing that has happened. Maybe it started a few years back with the contract on America and all the cohorts there. But it is not a nice way to do politics, to demonize an opponent.

I know there are certain newspapers and TV shows and radio shows that try to spread the word. I just want to say, first, I don't think the American people appreciate it. Second, it is not going to cower Senator DASCHLE or Chairman LEAHY. I know them both. They are very estimable people. They are very nice people. They are very strong people. To say that taking personal shots and demonizing somebody is going to make them back off is a silly policy. Put yourself in their shoes.

When we are all under the gun and personally attacked, that doesn't make us back off. It makes us maybe review what we have done, and then if we think we are right—and I know Senator DASCHLE and Chairman LEAHY have—we are all the much stronger. Let's go over the facts instead of talking about just kind of rhetoric.

First, under Chairman Leahy's leadership in the first 5 months since the Senate reorganization, despite the disruptions caused by the September 11 tragedy in my city and the anthrax in our offices, we have held 11 hearings on nominations. That is more than two per month. There was an unprecedented August recess nomination hearing that Chairman LEAHY held. I chaired a hearing 2 days after the closure of all three Senate office buildings due to anthrax. We had to meet in the Capitol, in a cramped and crowded room. I believe it was on a Friday afternoon.

In 1999 and 2000, by contrast, when the committee was controlled by the people of the other side, there were only seven hearings per year, and that was the entire year, not just the 5 months we had.

Second, my friends from the other side of the aisle complain that we are confirming too few judges. We have put 27 on the bench up to now; that is in 5 months of being in the majority. We should get up to 32 by the time we leave this week. Let me underscore 32. That is 5 more than were confirmed in the entire first year of the Clinton administration, when Democrats controlled the Judiciary Committee. They argue we are stalling, but we are putting in more judges nominated by a Republican President, George Bush, in the first year or first 5 months, than we put in when there was a President of our own party, President Clinton, who was nominating. Claims ring hollow when you look at the facts.

Again, the idea of taking a 2 by 4 and trying to hit the chairman or the members of our committee over the head without the facts is not going to bear fruit. You can give as many speeches as you want.

Third, when we point to raw numbers, our colleagues change their arguments, and then they point to the percentage of seats that remain vacant. You can't create a problem and then complain that someone else isn't solving it fast enough.

Why are there vacant seats? There are vacant seats because when people from the other side controlled the Judiciary Committee during the last 6 years of the Clinton administration, vacancies on the Federal bench increased 60 percent—a 60-percent increase during the time they were in control. Now they are complaining there are record vacancies and we have to fill them all in 1 year. Give me a break.

We are not going to play games and say what is good for the goose is good for the gander. We are not suggesting two wrongs make a right. We are not going to increase the percentage of vacancies. Instead, we are going to decrease it, and we have gotten a good start to the task. But the proof is in the pudding or, in this case, in the numbers. We are going to fill these open seats as quickly as possible, but we are going to do it right. No one is going to cower us in the time-honored, constitutional way in which we select judges, which has been always in the history of this country, at least during our better moments, when we do it with care.

That leads to my fourth point. Because so many Clinton nominees never got a hearing and never were voted on by the Senate when it was controlled by the folks from the other side, the courts now more than ever hang in the balance. Some of the nominees have records that suggest extreme viewpoints. We need to examine their records closely before we act.

Again, one of the most awesome powers we as Senators hold is the power to approve judges. We can't just blindly confirm judges who threaten to roll back rights and protections won through the courts over the last 50 years: Reproductive freedom, civil rights, the right to privacy, environmental protection, worker and consumer safety.

In my State of New York, the administration has so far worked with us in good faith to select nominees who have met what I told them are my three criteria for nominating people to the bench: Excellence, moderation, and diversity.

Nominees who meet those three criteria will win my swift support. But for those nominees whose records raise a red flag, whose records suggest a commitment to extreme ideological agendas, we have to look more closely.

These days, the Supreme Court is taking fewer than a hundred cases a year. That means these trial and, particularly, appellate court nominees will have, for most Americans, the last word on cases that are oftentimes the most important matters in their lives.

We need to be sure the people to whom we give such power—for life—are fairminded, moderate, and worthy of such a deep, powerful, and awesome privilege.

We have worked well together with our Republican colleagues on several matters since September 11. By and large, we have done well to keep things bipartisan. On judicial nominees, both sides must work together to correct the imbalance on the courts and keep the judiciary within the mainstream—not too far left and not too far right.

We need nominees who are fair and openminded, not candidates who stick to a narrow ideological agenda.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

## INDIAN GAMING

Mr. BROWNBACK. Madam President, I have an issue I want to explain to my colleagues before the Labor-HHS conference report comes before the body. In that conference report, there was an item that was going to address a wrong that had been placed in an earlier appropriations bill and that was not the Interior appropriations bill. This body passed a particular piece of legislation, a very small paragraph, that dealt with a situation in Kansas that was then taken out of the conference report. That is why I am objecting to the Labor-HHS conference report until I get some assurances that we are going to have this issue dealt with next year. It has to do with a cemetery in Kansas.

The pictures I have here are of a beautiful site in Kansas City, KS, that is called the Huron Indian Cemetery. The area overlooks the Kansas River. It is up on a bluff. It is in downtown

Kansas City, KS. It is where a number of Native Americans are buried who lived in this area—the Wyandotte Tribe who lived in this area, before a number of them moved to Oklahoma, before the tribe moved to Oklahoma.

You can see the pictures we have of a peaceful site in Kansas City, KS. It is virtually a park for a lot of people, a very solemn cemetery that is maintained quite nicely in this area.

We have Indian gaming in Kansas, and four tribes are recognized in Kansas. Each has a casino in the State. There is a tribe in Oklahoma, the Wyandotte Tribe, that wants to build a casino in Kansas, even though they are now located in Oklahoma. Initially, they wanted to build it on top of the cemetery. Local people protested, saying: Why are you ruining this sacred site to put in a casino?

They said: OK, we will put stilts on it and you will still have the cemetery, but this will sit on top of it.

Next they said: We want to build it right next to it. We are going to buy property next to the cemetery and we want to put in a casino, even though we are not a Kansas tribe and we are from out of State; some of our ancestors from the Wyandotte Indians were buried here 200 years ago, so we want to be able to claim this as an Indian reservation in Kansas, even though we are an Oklahoma tribe; we want to be able to claim it in Kansas so we can build a casino in Kansas.

That is what they desired to do.

The four recognized tribes in Kansas opposed it and said: Look, you left the State, and we stayed here; we have the appropriate authorization to build casinos; we don't want another one in the State; we don't want you coming here. The unofficial Wyandottes who stayed in Kansas said: We don't want you to have a casino next to our graveyard. It is a sacrilege to put a casino on it, on top of it, or next to it. We oppose that.

The Governor of Kansas opposed them doing that, saying this isn't fair to our tribes in the State. It isn't fair to the Wyandotte Indians and their ancestors who stayed in the area for an Oklahoma tribe to come in. They fought them on doing that. This matter was litigated first in Federal court, lower court, and in the Tenth Circuit Court. In each case, Kansas, and the tribes in Kansas, the local people who stayed in Kansas, won against the Oklahoma tribe. They won at all levels—lower court, district court, and Tenth Circuit Court. So they could not declare this land adjacent to the cemetery as part of the Oklahoma Wyandotte Reservation in Kansas. That is what they were trying to do. The court said they disagreed with that.

Let me take you to the Department of the Interior Appropriations bill. In that appropriations bill, nothing was passed regarding this issue on either side, the House side or Senate side. In the conference committee that met, there was a handwritten sentence that was written in by a staff member that overruled the court ruling and allowed for the creation of a casino next to this cemetery. That was done in the Interior Appropriations bill.

Both Senator ROBERTS and I are opposed to doing this. This was not brought to the Senate floor, not handled here. This was a handwritten sentence that was inserted. They declared: We are going to overrule the court case, overrule what the Kansas Senators want to do. They are going to allow them to build a casino next to the cemetery, regardless of what the local tribes and the Governor and what the people in the State of Kansas or what the two Senators say.

It is an egregious abuse of the appropriations process to do this—and in my State where people don't want this to take place—just for the financial advantage of an Oklahoma tribe. If they want to do this in Oklahoma, build casinos there. That is up to them. Fine. But in Kansas this is not appropriate. Yet they slipped in that handwritten note to the Interior conference report.

This body, the Senate, corrected that in the Labor-HHS appropriations bill. We said this is not appropriate to take place in Kansas. That was the amendment that was on the floor and was accepted. That was the position of this body.

In the conference meeting that took place last night, the House would not agree with the Senate position, so the Senate position was taken out and now we are left with the Oklahoma Wyandottes being allowed to build a casino right next to this cemetery in Kansas City, KS, and overrule a court ruling of the Tenth Circuit Court of Appeals.

Mr. REID. Will the Senator yield?

Mr. BROWNBACK. Yes.

Mr. REID. I have been in touch with Senator BYRD. Senator BYRD agrees with me that, on the Interior bill next year, it would be possible for you to do it in subcommittee, or committee, or any member of the subcommittee has an absolute right to offer that amendment. We know how strongly you feel about it. I personally feel it should not have been in the Interior bill in the first place. I indicated that to the Senator. We will work with you on the minority and majority sides to make sure this issue is raised in the subcommittee and at the full committee level next year.

Mr. BROWNBACK. I appreciate that being raised by my colleague from Nevada—his assurance that we get this dealt with next year. We have talked off the floor about that. He agrees this is not the right way for this to come in. I point out that this is something we are going to have to deal with next year because this matter will still be under construction, or starting to be constructed at that point in time. It needs to be changed back in the Department of the Interior appropriations bill. I am very pleased that the Senator from Nevada recognizes that as well.

I point this out because I think this is such an abuse of the process. It is just wrong for this to take place.

I ask unanimous consent to have printed in the RECORD a letter from the Governor of the State of Kansas regarding this matter and also one from the four Indian nations in Kansas, the four recognized tribes, all opposed to the expansion of the Oklahoma Indian tribe into Kansas to build a casino.

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

STATE OF KANSAS,
OFFICE OF THE GOVERNOR,
*Topeka, KS, October 10, 2001.*

Hon. PAT ROBERTS,
*U.S. Senator, Hart Senate Office Building, Washington, DC.*

DEAR SENATOR PAT ROBERTS: On behalf of the State of Kansas, I am writing to express my strong opposition to language proposed for inclusion in H.R. 2217, the Department of the Interior and Related Agencies Appropriation Act of 2002. Language that proposes to clarify the authority of the Secretary of the Interior should not be included in the final text of the bill.

The language proposed as a technical amendment states, ''the authority to determine whether a specific area of land is a 'reservation' for purposes of sections 2701–2721 of title 25, United States Code, was delegated to the Secretary of the Interior on October 17, 1988.''

As you are aware the State of Kansas has been actively involved in litigation concerning the authority of the Secretary of the Interior. The Tenth Circuit Court of Appeals in Sac and Fox Nation of Missouri v. Norton, recently upheld the position of the State of Kansas that ''. . . the Secretary lacked authority to interpret the term 'reservation' as used in IGRA.'' The decision of the Tenth Circuit Court of Appeal has been appealed and the Wyandotte Nation has requested a writ of certiori to the Supreme Court of the United States. If the proposed language were to be included in the final version of H.R. 2217 it has the potential to negatively impact ongoing litigation. This is simply another effort to avoid IGRA and expand gaming by non-residential tribes.

I request your support in opposing the inclusion of this proposed language in the final version of H.S. 2217.

Sincerely,

BILL GRAVES,
*Governor.*

---

INDIAN NATIONS IN KANSAS,
*June 19, 2001.*

Hon. BILL GRAVES, Governor of Kansas,
*Topeka, Kansas.*

Re: Four Tribes' Joint Resolutions Opposing Gaming Within the State of Kansas by Out-of-State Indian Nations.

GOVERNOR GRAVES: The four (4) Indian Nations in Kansas (''INIK'') have unanimously supported the governor of the State of Kansas in opposition to out-of-state Tribes attempting to gain land holdings in the state of Kansas for purposes of establishing gaming enterprises. At this juncture, the Four Nations have passed joint resolutions similar to the Kansas Legislative Resolution (SCR 1611) opposing such efforts. Enclosed herein are INIK's originals of both of their resolutions. Resolution I opposes the Wyandotte Tribe of Oklahoma's efforts, and Resolution II opposes all out-of-state Tribes.

The Kansas Tribes join with the State of Kansas in this effort, and want you to have this information to see their formal position. if you have any questions, please feel free to contact any of the Tribal Chairpersons.

Respectfully Submitted,

NANCY BEAR,
*Chairperson, Kickapoo Tribe in Kansas.*

Mr. BROWNBACK. I want to read from the Governor's letter:

> I continue to support the rights of the four existing residential Native American tribes to conduct gaming in Kansas in accordance with approved compacts. Efforts to side-step IGRA negatively impact the rights of our residential tribes as well as the rights of the State of Kansas.

This is a quote from the Indian Nations of Kansas, the four tribes—the Kickapoo, Sac and Fox, Prairie Band, and Iowa Tribe:

> The four Indian Nations in Kansas have unanimously supported the governor of the State of Kansas in opposition to out-of-state Tribes attempting to gain land holdings in the state of Kansas for purposes of establishing gaming enterprises.

They are all united and opposed to what was stealthily slipped in the dark of night by staff in a handwritten note, and it is wrong for this to take place.

I put my colleagues on notice, I put the House on notice, and I put the Wyandotte Tribe in Oklahoma on notice: This is going to be back next year. You have bought the land, and you may have won this round, but we will be back at this next year.

The way this happened is not fair. I think it is a sacrilege for them to desecrate this sacred site for their own gaming purposes, their own income purposes, their own purposes of making money that they would take this upon this sacred site. In all traditions, burial grounds are treated as a sacred site. This is wrong. It should not happen, and it was slipped in the wrong way.

Madam President, I thank you for your understanding of this situation. I hope we can correct this next year. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TRAVEL AND TOURISM INDUSTRY

Mr. REID. Madam President, as we approach the end of this first session of the 107th Congress, there are many significant legislative achievements of which we should be proud. In the wake of the terrorist attacks of September 11, Democrats and Republicans, Senators and Representatives, came together in a bipartisan, bicameral fashion to pass a resolution authorizing the President to use military force in the war against terrorism.

Then we immediately appropriated, on a bipartisan basis, $40 billion in emergency funds to help fight the war against terror and aid in our ongoing recovery, cleanup, and rebuilding efforts in New York, Washington, and Pennsylvania.

We came together to pass antiterrorism legislation, the USA Patriot Act, that will provide law enforcement in this country with the necessary tools to fight terrorism at home and abroad.

In an effort to improve our homeland security, we also passed important legislation that will dramatically improve the security of our Nation's airports.

We passed these initiatives and other legislation because we made a commitment to set aside bipartisan bickering and devote the collective efforts of this Congress toward working on behalf of the best interests of the American people.

I was asked recently by a member of the press how far bipartisanship should go during wartime and whether it should apply only to military matters.

I responded that bipartisanship should apply at all times, in peace and, of course, in war. Unfortunately, it seems our commitment to bipartisanship has been unable to produce an economic stimulus package that our economy and so many American working families desperately need.

As I am speaking, I see the chairman of the Finance Committee, Mr. BAUCUS, the senior Senator from Montana. He has made a valiant effort. There is still a glimmer of hope maybe something can be done, but he has made a valiant effort. He has worked for weeks to come up with an economic recovery package. It is too bad his efforts have not been rewarded with some bipartisan legislation in keeping with some of the things I have outlined that we have been able to accomplish.

We need to pass an economic stimulus package before the end of this session that would extend unemployment and health benefits for the hundreds of thousands and even millions of Americans who have lost their jobs since the recession started in March. We need to pass an economic stimulus package that will provide much needed relief for the American businesses that have been hit hard by the downturn in the economy.

An economic stimulus package is also important because we need to address one sector of the American economy that has suffered more than any other as a direct result of the terrorist attacks of September 11: the travel and tourism industry. It would be wrong for this Congress to adjourn for the year without doing something to address what has happened to the American travel and tourism industry since that fateful day in September.

Prior to September 11, the travel and tourism industry employed more than 18 million people with an annual payroll of almost $160 billion. In 30 States, tourism is the No. 1, No. 2, or No. 3 industry. It is estimated that travel and tourism generated $93 billion in tax revenues during the year 2000 for State, Federal, and local governments. When our Governors and other State officials find themselves strapped for cash to pay for basic services such as education, $93 billion in tax revenue becomes even more significant. Moreover, during the past decade, travel and tourism has emerged as the Nation's second largest services export, generating an annual trade surplus of about $14 billion. This, of course, is no surprise to the people and workers of Nevada where travel and tourism is by far the largest industry.

In the year 2000, 36 million people visited Las Vegas, contributing approximately $32 billion to local economies and sustaining approximately 200,000 hospitality and tourism-related jobs. Since September 11, these impressive numbers have declined. According to the Hotel and Restaurant Employees International Union, 41 percent of hotel and restaurant employees in the Washington, DC, metropolitan area have been laid off. In Washington, DC, 41 percent of hotel and restaurant employees have been laid off.

In Las Vegas, the fastest growing metropolitan community in the United States, 30 percent of the hotel and restaurant employees have lost their jobs. Similar cuts have been seen in other cities throughout the country, including New York, San Francisco, Boston, Los Angeles, Honolulu, and Miami.

Jonathan Tisch, one of the premier businessmen in the world, has told me on many occasions—he is based in New York—how drastic September 11 has been to his business. I spoke yesterday to Barry Sternly, another fine, outstanding businessman in American today. The tourism industry, the hotel business in which he is involved, has suffered tremendously. Around the country, 450,000 jobs directly related to travel and tourism will be lost this year. Think of those jobs that will be indirectly affected as a result of what has happened since September 11.

The forecast for the industry from this point on is not much better. The Travel Industry of America estimates travel by Americans will decrease by 8.4 percent this winter compared to the 3 months of December, January, and February a year ago.

These months are always down months, but they are drastically down now. Many hotels use these months to do renovations and things they can afford to do with the money they would normally have earned in the other months, but they did not make money as they anticipated they would in the months of October and November, which are normally very good months for them. So with the decline of 3.5 percent for the entire year 2001 when compared to the year 2000, the Travel Industry of America estimates it will result in nearly $43 billion in lost travel expenditures in 1 year.

Even more chilling, the International Labor Organization projects up to 3.8 million jobs related to the American travel and tourism industry could be lost in the next few years—$43 billion and almost 4 million jobs. How can we possibly consider leaving without doing something to address this critical sector of the economy?

Certainly there should be bipartisan support for tourism since it is so important in so many States, whether it is the State of Montana, the State of Michigan, the State of Nevada, or the State of Iowa. Tourism is important in all of these States, and I mention them because I see their Senators in the Chamber today. How can we possibly consider adjourning without doing something to help the hundreds of thousands of people who have already lost their jobs and do something so that millions more will not lose their jobs? How can we possibly discuss an economic recovery package without addressing the needs of travel and tourism? I say if we do nothing except something related to tourism, we will be doing a good job. It has such an important impact on our economies.

Since September 11, I, with a number of other Senators, have come to the Senate floor on various occasions to urge action on a travel and tourism package in conjunction with the so-called economic stimulus plan. We have urged our colleagues in the Senate, the House, and the administration to include legislation that will encourage people to start traveling again in order to stimulate the economy and get workers back on the job. We have taken some important first steps.

A few days after September 11, Congress acted quickly and responsibly to enact crucial legislation to help stabilize our Nation's airline industry with $15 billion in grants and loans. Since September 11, the airline industry has cut 20 percent of its flights and laid off more than 100,000 workers. The financial package for the airline industry was the right thing to do, but it was just the first step toward making sure travelers truly feel safe to fly.

We then passed a comprehensive airline security bill to dramatically increase the number of sky marshals, strengthen cockpit doors, and federalize the screening of passengers and luggage at our Nation's airports.

While we were right to enact these measures, it is important for us to remember travel and tourism in this country entails so much more than just the airline industry. Travel and tourism has many different faces: Hotels, car rental agencies, cruise ships, theme parks, resorts, credit card companies, family-run restaurants, big city convention centers, tour operators and travel agencies. These are just some of the many diverse elements of an industry that in some way reaches every State, virtually every community in America.

More importantly, it is from these nonairline sectors of the travel and tourism industry that the vast majority of the jobs have been lost. That is why I proposed a comprehensive travel and tourism package as part of any economic stimulus plan we would consider.

There are many Senators who have been interested in travel and tourism, but I would specifically mention Senators CONRAD, DORGAN, INOUYE, KYL, BILL NELSON, BOXER, MILLER, AKAKA, SCHUMER, CLINTON, ENSIGN, ALLEN, STEVENS, and there are many others.

My plan calls upon Congress to enact tax credits for leisure travel to encourage Americans to get back on the airlines, to rent a car, to stay a few nights at their favorite hotel or enjoy a few meals at their favorite restaurants. The tax cuts would be temporary and would provide immediate results. Travel tax credits would encourage people to take advantage of all the many wonderful things the travel and tourism industry in this country has to offer while at the same time spending much needed dollars to stimulate the economy.

My plan also calls for a temporary increase in the deduction for business meals and entertainment expenses.

This proposal will encourage businesses to increase their entertainment expenses. And, because the average expensed business meal is less than $20, this proposal will assist small businesses. This proposal by itself will have an enormous and positive impact on our Nation's restaurants and the millions of Americans they employ.

We need to address the needs of our nonairline travel business such as rental car companies, hotels, travel agencies, airport concessionaires, to name only a few. These businesses need our help. My plan will provide a financial package of loan guarantees similar to that for the airline industry. Finally, we need to do a better job of promoting tourism at home and abroad by establishing a Presidential advisory council on travel and tourism to assist in the development of a coherent and comprehensive national tourism policy designed to help strengthen the travel and tourism industry. My plan provides for the necessary funds to help carry out this mission. We need to make sure that this country advertises the great tourism attractions in Florida, New York, Michigan, California, and Nevada. Most other countries spend significant amounts of money advertising tourism. We see advertisements on television and radio all the time. Australia, New Zealand, and other countries advertise and promote tourism to their countries. We need to do the same for America.

The travel and tourism industry is too important to our Nation's economy, too important to my State and other States and communities throughout the country to be ignored. I hope everyone understands the importance of travel and tourism and how important it is to our country.

I have a letter from the former majority leader of the Senate, GEORGE MITCHELL. The letter says:

I know how hectic these days are for you and so I will be very brief.

Some of the people who were most adversely affected by the events of September 11 are the working poor. Welfare reform in the 1990s forced them into the job market, and fortunately, many found work in the travel and tourism industry. Many have lost their job or face unemployment unless we can get the industry moving again.

By embracing the travel credit, [we] can keep the focus of the economic stimulus bill on individuals and on doing everything we can to help the working poor stay in the job market.

I also have a letter addressed to me from the chair and chief executive officer of the Carlson Group, one of our nation's largest travel agencies. I ask unanimous consent it be printed in the RECORD.

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

DECEMBER 18, 2001.

Hon. HARRY REID,
*Assistant Majority Leader of the Senate,*
*The Capitol, Washington, DC.*

DEAR SENATOR REID: I cannot tell you how dismayed I was to read the article in the Washington Post, today, concerning the impact of September 11th on the travel and tourism industry.

As I am sure your constituents have told you, domestic air travel has remained down 31% for the past seven weeks. All elements of the travel and hospitality industry dependent on air travelers have watched their revenue drop by at least this amount.

Since personal travel is down 37–40%, tourist destinations, resorts, cruise ships, and many other segments of the American travel and hospitality industry have suffered declines as much as 60% over the same period and it continues.

We believe that a personal travel credit and elimination of the 50% penalty on business meals and entertainment expenses are desperately needed to keep Americans employed.

Obviously, being employed is far superior to receiving unemployment compensation and far more beneficial to our wonderful people and their families and the states, which bear the burden of such unemployment costs.

To the extent some in the industry seem to suggest that such assistance is too expensive or impracticable, they are not speaking for our people, our franchisees, our company and many others who have been the casualties of the fallout from 9/11.

We know that you understand this. We deeply appreciate your efforts and those of your colleagues, in particular Senators JON KYL and BILL NELSON, to help our employees and our businesses regain their economic footing through an amendment to the stimulus bill.

Best Regards,

MARILYN CARLSON NELSON,
*Chair and Chief Executive Officer.*

The PRESIDING OFFICER. The Senator from Montana.

## UM GRIZZLIES GOING TO NATIONAL CHAMPIONSHIPS

Mr. BAUCUS. Madam President, I rise today to express a little hometown and a little home State pride. Last Saturday, the University of Montana Grizzlies defeated the Northern Iowa Panthers, I say to my very good friend from Iowa who attended Northern State, and is the strongest northern State booster I have ever run across. I will not embarrass my good friend by giving the score of that game, but I will say to my good friend from Iowa and to the world that we are proud that the University of Montana Grizzlies

prevailed. It was a hard fought football game, and I give utmost credit to the Panthers, who were terrific.

This win gave the Grizzlies the privilege of going to the 1–AA championship game in Chattanooga, TN. They will play the Furman University Paladins Friday at 5:30 eastern time. Everyone tune in.

In Montana, folks travel from every corner of our big State. We call ourselves the big sky State. We are a pretty large State, at close to 149,000 square miles. People around Montana come from all corners of our State to see the University of Montana Grizzlies, the Montana State University Bobcats. There is a fierce rivalry between the Cat fans and the grizzly fans.

From Eureka to Ekalaka, from Havre to Virginia City, in buses, vans, cars, and trucks, Montanans travel great distances to cheer on their sons and daughters, their friends and neighbors. When our team, the Grizzlies, made it to the national championship, understandably we were a little bit excited. We are very proud of our team. I wish you could feel the energy and excitement going on in Montana right now. We are very excited.

This is not new for the Grizzlies. They have been to the I–AA playoffs 8 out of the last 9 years. Friday's championship game will be the fourth the Grizzlies have been to since 1995 when they won the championship. I will never forget. I was there. Man, did we have fun.

It is also important to note that most of the UM players are from Montana. We are proud of that. They are great athletes, but they are also good students first. The team averages a 2.9 GPA, virtually a 3.0 team average. They are from small towns, rural communities. Some of them came up playing 6- and 8-man ball—football in small towns known as ''iron man'' ball.

They are excellent student athletes, like big sky defense man of the year and Academic All-American Vince Huntsberger from Libby, MT. I was talking to Vince the other day after a game, and Vince remembers when I walked throughout the State of Montana running for office. He even told me he carried a sign in a parade I was in when he was a little kid.

We have Brandon Neil from Great Falls, T.J. Olkers from my hometown of Helena. Our star quarterback, John Edwards, is from Billings. Then there is Spencer Frederick from a little town called Scobey in the northeastern part of our State. These young people and all the others make us very proud.

If you ask anyone who follows I–AA football, they will tell you that the Washington Grizzly stadium is the premier place to play in the country. I commend the UM president, George Dennison, for his leadership at the university and for investing in the program. Also, congratulations to UM athletic director, Wayne Hogan, and his staff. He came about 7 or 8 years ago and is doing a great job. He is from Florida. And Grizzly coach Joe Glenn, with his vision, his leadership, that has earned him the big sky coach of the year for the second straight year.

I think all of these individuals have done so well. I thank them for the pride we have.

Finally, I have a wager with my very good friend from South Carolina, Senator HOLLINGS. If the Paladins win—he went to the University of Furman—I will come to the floor and recite the words of the Furman fight song. If the Grizzlies win, Senator HOLLINGS has agreed to come to the floor and recite the UM fight song. Fair wager, for fun. I will send his office the words to our song so he can get started and get the rehearsal going so he can boom forth with the University of Montana fight song at the next opportunity in the Senate.

## SOFTWOOD LUMBER—A CALL TO ACTION

Mr. BAUCUS. I rise today to focus attention on the ongoing softwood lumber dispute between the United States and Canada. I believe we have an excellent opportunity to permanently remove this blemish on our strong bilateral trade relationship.

In the past 3 months, the U.S. Department of Commerce found that the Canadian Government unfairly subsidizes this lumber industry and then dumps those products in the U.S. market, both of which are prohibited by U.S. law. These activities have caused unprecedented upsets in the U.S. market, resulting in record low prices, disruption in supply, mill closures, layoffs, people out of work.

Good jobs in my State of Montana and across the Nation have been put at risk by Canada's foul play. Now is the time to bring this matter to resolution once and for all. The U.S. negotiators have a meeting with their Canadian counterparts to work out what is a desirable solution.

As I have stated many times before, this solution must completely offset the subsidies and dumping. It must bring true competition to the marketplace and must take into consideration the cross-border and environmental issues with the objective of a truly level playing field.

With that said, the offers of our neighbors to the north have been, to date, short of the mark. If we are serious about resolving the issue, the Canadians need to put something on the table, something that reflects a true, open, competitive market for softwood lumber. Some in Canada would prefer to let international tribunals decide this matter. I think they misjudge both the legal strength of their position and the underlying merits of their case. At no other time in history have the facts been so squarely in favor of the U.S. industry—no other time in the many years this dispute has been ongoing. At no other time have we been so close to a detente. Let's not forget, many of the reforms are beneficial and cost effective to the Canadian softwood industry as well as to Canadian taxpayers.

That said, the clock is ticking. Unfair Canadian lumber imports are hurting our American producers. In a regrettable setback on December 15, the preliminary countervailing duties expired temporarily. It is my understanding that due to a customs reporting loophole, Canada was able to avoid paying payment earlier than the duties' temporary expiration. This is wrong. It emphasizes the need to close the gap from now until final determination.

The statute does not require that this case drag on until next spring. There is simply no reason for further foot dragging. The U.S. lumber industry cannot afford to suffer further injury. Neither can our remanufacturers, who are at the mercy of Canadian blackmail threats to cut off supply if we do not support Canada's position.

Simply put, if a decision cannot be reached in the next few weeks, the Commerce Department should accelerate their final determination.

That said, I would like to begin 2002 with this matter resolved. After two decades of fighting, it is time for a durable solution to the softwood dispute. I hope our administration and my Canadian friends will rise to the occasion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

## FOOTBALL

Mr. GRASSLEY. Mr. President, I compliment the University of Montana. They did, in fact, play well—too well—against the University of Northern Iowa.

Before I had bragged to Senator DASCHLE 2 weeks ago about how we were going to show the University of Montana how to play football, I wish I had researched how they have done so well in the last few years. I probably would not have been so boastful. But we had just come away from a tremendous victory, the UNI Panthers over the University of Maine Black Bears, just the week before. I thought if the Panthers could beat the Black Bears, they could surely beat the Grizzlies. But it did not turn out that way.

You played tremendous football, and I thank you very much for being so temperate in your remarks about the Panthers of the University of Northern Iowa.

Mr. BIDEN. Mr. President, before the Senator begins a more serious discussion, and I will wait my turn, may I intervene to discuss this issue for just a moment, coming from a State that has won Division II championships more than any of you, and one that this year for the first time in a long while did not make it in the playoffs.

I want my friend from Montana to know I warned my seatmate from

South Carolina about you all. We understand about the Grizzlies in Delaware. They have been a very powerful Division I–AA team actually the last—almost the last decade, the last 8 years or so. I just want you to know that, even though the Presiding Officer is from a State that has a team called the Spartans—and they only get 100,000 folks or so to show up to their games; they don't understand, as the Presiding Officer prior to this, from the University of Michigan and Michigan State, where they get 110,000 people—they don't understand real football that the three of us understand.

At some point we should have a more far-reaching discussion about football as it is really still played, where there are student athletes who take seriously that undertaking, as they do their football.

I want to say that people who do not follow and understand that—and many do not because of the media—who do not follow Division II football, should understand there are some very serious ballplayers. It is very good football, high-caliber football. And, in any given year, such as this year, a team such as the Grizzlies is able to compete with Division I teams. They couldn't do it day in and day out. They could not do it 10 games a year. But it is very serious football.

I have been through these bets myself over the last 29 years here because my alma mater has been engaged in this national championship more than once. Delaware this year had a lousy season, relatively speaking—a winning season but a lousy season. But we have a coach who this year made it to the ranks of only 6 coaches in the history of college football to win over 300 football games.

I just want to rise and salute Division II football, where it is not a 40-hour-a-week job to attend school, but it is serious, serious football. I would argue the pressure on some of the fine athletes at Northern Iowa and the University of Montana, the University of Delaware, to play this caliber football and what is also expected of them off the field, is a real strain, a real burden on some of them because they do not get the same opportunities, same scholarships, same treatment, on occasion, that some of the major Division I school athletes do.

I salute the Grizzlies. They are one tough team. When I told my friend from South Carolina about your record, because I was very familiar with it, he blanched and said, as only he could say because he is one of the most humorous guys here: My Lord, if that's the case and they lose, and I have to recite that, they should change that fight song.

Having said that, I yield the floor and wait my turn to speak on a more serious subject.

Mr. BAUCUS. If I may ask the indulgence of my good friend, one of the teams in the home State of the Presiding Officer, of course, is the Badgers. For the previous occupant of the chair, it was the Wolverines, and the Grizzlies of Montana.

The PRESIDING OFFICER (Mr. WELLSTONE). The Chair would observe the team in Minnesota is the Gophers. The Badgers are Wisconsin.

Mr. BAUCUS. So we have the Gophers, Wolverines, Panthers, Grizzlies, and Maine has the Black Bears. I am going to ask my good friend from Delaware, whom do we have in Delaware?

Mr. BIDEN. Mr. President, Delaware has proudly named after the strongest group of revolutionary fighters in the Revolution from the State of Delaware. Back in those days, cock fights were very much in vogue. The toughest of those competitors were the Blue Hens of Delaware. I want the record to show the Blue Hens have taken Panthers, Badgers, and Bears in their stride, including the Black Bears of Maine. We are little, but we are very strong.

I often wish the mascot in the Revolutionary War for the Delaware regiment had been a panther or a lion, but it happened to be a blue hen. So we are the Delaware Blue Hens, and proud to be such.

Mr. BAUCUS. Mr. President, I will bet they are the strongest, toughest Blue Hens that have ever existed on this Earth.

Mr. BIDEN. That is a fact.

Mr. BAUCUS. I look forward to next year when the Senator from Delaware stands in the Chamber and gives a recitation of the Grizzlies' fight song. I hope we can come to that day.

I thank all Senators for indulging me.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa with the good-looking holiday sweater.

## THE ECONOMIC STIMULUS PACKAGE

Mr. GRASSLEY. Mr. President, the session is about to end. I would like to call to the attention of colleagues one proposition that I hope comes before the Senate before we adjourn. That is the so-called economic stimulus package. You might call it an economic security package.

Nothing I say is going to in any way detract from the working relationship that I have with Senator BAUCUS as chairman of the Senate Finance Committee.

Maybe in this instance we did not reach an agreement involving he and I having complete agreement on a final product. There were other factors that came into play that maybe kept those negotiations from being one-on-one negotiations where people could freely negotiate and reach an agreement as you should in a conference. But all of this discussion, plus other forums I have been in with Senator BAUCUS as chairman of that committee, have been very cordial and productive sessions, even when they have not come out with a product.

I only wish that when the stimulus package comes to the floor I have the privilege of doing as we did last spring defending that package, along with Senator BAUCUS, with the two of us working together to get it through the Senate. Hopefully that can still happen. It may not happen, but it doesn't mean that Senator BAUCUS has not worked hard to help that happen. Hopefully, we can continue next year to do some things in other areas that fall within the jurisdiction of the Senate Finance Committee that will bring bipartisan bills to the Senate floor for successful passage by the Senate.

Probably what we are ending up with here, instead of what might come out of the conference committee which I was referring to in my work with Senator BAUCUS, is kind of a hybrid that involves some individual negotiations and some people who aren't even on the Senate Finance Committee, which has jurisdiction over most of the product. But this is a bill that is going to be introduced in the House. It is my understanding that it is a bill in which I will have some input, and the White House, and a group in the Senate called the centrists, a bipartisan group of Democrats and Republicans who might call themselves kind of middle-of-the-road types. It is an economic stimulus package presumably passing the House and coming to the Senate. I hope people will see it as a very rich proposal that will help displaced workers and give a boost to the economy.

Since September 11, we have focused on dislocated workers and unemployed people who have been hurt. But there are also a lot of people who are working and who are in anguish over what the future holds for them. Even if they have very good jobs, that might be the case because things aren't the same since September 11.

When we talk about an economic security package, even though we might tend to concentrate on the dislocated workers, we are concerned about all workers because people have some questions about the future. Because of what happened on September 11, they see the future a little differently with a little less security than they did prior to that time.

An economic security package addresses the needs of people who are working as well as people who are dislocated. It does what we can to help those who are dislocated through troubled times. But it also is meant to give some confidence to those who are working and to beef up the economy so we will be able to find jobs for people who are dislocated.

We are in a state of war. We don't know how long that state of war will be there. But it is not going to end when we find the last Taliban in Afghanistan, or the last al-Qaida member. It isn't going to end when we find bin Laden and other leaders responsible for what happened on September 11. How long the war is going to go on I do not know. But it is not over.

We are talking about America being in a state of war since September 11.

The Congress of the United States has addressed that and has given the President the backing that our Constitution demands from a partner in a war act, as Congress is a partner in that.

We need to remember that we are in a state of war and that things aren't the same. The Senate ought to respond as if we were in a state of war.

I think one of the ways to responsibly respond is for the Senate to vote on the economic security or economic stimulus package. I hope the Senate majority leader will let his caucus vote the conscience of the individual Member. I hope there isn't any attempt to put the position of the party ahead of the good of the country in the closing hours of this session so we can pass this bill.

It is time to finish our work, but it is also time to do the people's business. There is nothing more important right now than responding to the needs of the people of our country in a time of war when there is a great deal of anxiety and anguish about the future, not only among the dislocated but among those who are even working.

We are in the position of finishing the last of the appropriations bills. It is time to help the dislocated workers and those who are working and create jobs for the employed to give a shot in the arm to the economy.

I believe the White House centrist agreement is bipartisan and bicameral and is a product that ought to be brought before the Senate after it passes the House.

Remember that this isn't something coming to the Senate just on the spur of the moment in the sense that there is a rude awakening and we ought to do something about the economic situation and pass some stimulus. The President recommended it in early October when he proposed a program of accelerated depreciation, tax reduction, tax rebates for low-income people, enhancement of unemployment compensation, and help for the health care needs of the unemployed. The President did that. It wasn't the President who started it. There were lots of meetings held by Senator BAUCUS with Democrats and Republicans, and maybe meetings with only Democrats. We held separate Republican meetings in early October on whether or not we ought to have a stimulus package. We sought the advice of Chairman Greenspan.

There was some question in late September or early October when these meetings were being held about whether or not we needed an economic stimulus. But it was just a matter of a couple weeks until the President, probably on his own, made a determination and a proposal to Congress.

Parallel with that, there was a growing conclusion within both Houses of Congress and both parties that an economic stimulus package was needed. So we have been working in this direction for a long period of time.

There is a product before us now that is bicameral and bipartisan. Partisanship has been evident in this body, by the Senate Finance Committee voting out a bill on party-line votes, bringing it to the Senate, and finally coming to the determination that that partisan bill could not pass. It is not because everything in it was wrong but just because partisan legislation does not get through this body. You have to have some bipartisanship in order for a product to successfully clear this body.

So we have now a further compromise. It is not the President's proposal. We have gone way beyond what the President wanted to do in some of these areas. It does not have some of the baggage of a bill that previously passed the House of Representatives had, such as, for instance, the retroactive alternative minimum tax, where there is a lot of money just coming out of the Federal Treasury back to corporate America. It has many of the things the Democrats wanted and many of the things the Republicans wanted. But it is going down the same road now because it is bipartisan, bicameral, and it is coming to the Senate.

As to things such as accelerated depreciation, there are some changes in the alternative minimum tax that reflect the realities that accelerated depreciation will not work if there are not some changes in the alternative minimum tax. It speeds up tax brackets for middle-income taxpayers by reducing the 27 percent bracket down to 25 percent, and doing it January 1, 2002, instead of January 1, 2004, and January 1, 2006.

We recognize the needs of stimulating the consumer demand by tax rebates to low-income Americans. We increase unemployment compensation by 13 weeks. We have, for the first time in 70 years, a very dramatic change in the social policy of this country for unemployed people by providing health insurance for unemployed people. That is welcomed by a lot of Republicans. And it ought to be welcomed by a lot of Democrats. So I want to describe that.

I would also like to take an opportunity to clear up the record on press conferences that are being held by my friends in the Democrat leadership. Too often it is said, in a disinformation way, that what is really holding this up is that Republicans do not want health benefits for dislocated workers.

I think I have just now said, in this new policy—the first in 70 years; the biggest social change in the policy for dislocated workers in 70 years—that we support this. It is part of this package. So why would anyone say that Republicans do not care anything about health benefits for dislocated workers?

The President proposed it early on—not in a way I thought was very workable, but he proposed spending money on it. We have a package that has $23 billion of such benefit in it. In fact, it is a package with $2 billion less which helps more people than what some of the Democratic proposals would do.

So if you can help more people for less of the taxpayers' money, isn't that good? And isn't it good, too, that there is agreement that it needs to be done? I do not think it is fair for people in the Democratic leadership to say Republicans are against helping with the health benefits for unemployed workers when it has been in every one of our plans and even the President was the first to propose it.

I think the bipartisan, bicameral provisions that are coming before the House and Senate within the next 48 hours represent a genuine compromise. Not only does it provide an unemployment insurance extension of 13 weeks, but it also has Reed Act transfers—more money—to the States for them to spend for enhancing their own——

The PRESIDING OFFICER. It is the Chair's understanding that the time allocated in morning business to the Senator from Iowa has expired.

Mr. GRASSLEY. I am not sure I was aware of it or I would have asked permission to go beyond that because I know all the previous speakers spoke longer than 5 minutes and the gavel was never rapped. So if that is the case——

Mr. BIDEN. I have no objection to the Senator continuing his speech. I am wondering how long he is likely to speak.

Will the Senator say roughly how long he is going to speak?

Mr. GRASSLEY. I think now that I have spoken this long, I would say about 10 minutes.

Mr. BIDEN. I thank the Senator.

Mr. GRASSLEY. We give more money to the States if they want to improve even more their unemployment benefits. We are giving a 60-percent tax credit for health care tax for unemployed workers, including people who can use it to extend COBRA insurance benefits.

States will have the ability to address problems such as part-time workers. There is a modest proposal to accelerate income tax rate reductions in the 27-percent bracket.

I am sure there are a lot of Members of this body, particularly those who voted against the bipartisan tax bill last spring, who are not going to want to speed up, from 27 percent to 25 percent, the reduction of that tax rate. Somehow there is an insinuation that if you do that, you are helping the wealthy. I want my colleagues to remember that this benefits a single taxpayer earning as little as $27,051 and going up to $65,000. And then, for a married couple, that would kick in at $45,201, going up to $109,000.

For people making $27,000, where this bracket starts, or for married couples making $45,000, these are not rich people or rich families. What we are talking about is a 2-percentage-point tax cut for these folks.

So is there anything wrong with a single person paying $770 less in taxes or a married couple paying $1,281 less in taxes if they fall into this income tax bracket that we would call middle income?

It seems to me it is fair, but, most importantly, it is meant to be a stimulus. This is something that middle-of-the-road Democrats and Republicans support. This is part of the original centrist package.

We also have a 30-percent bonus depreciation. That is something that was in everybody's package, Republican or Democrat, House or Senate.

We have also a 5-year net operating loss carryback. That was not in the President's package. That was not in the Senate Republican package. That was in the Senate Democratic package.

On corporate alternative minimum tax, there is no repeal, no retroactivity, like was lambasted when it came out of the House that way. There is no corporate AMT repeal, retroactive or otherwise, in the White House-centrist package. There are some well thought out reforms that cost about one-twentieth of what the House bill did on alternative minimum tax. That is a very major movement. That is why the centrists support this compromise.

The White House-centrist package extends expiring tax provisions by 2 years.

Finally, the White House-centrist package includes bipartisan tax relief proposals for victims of terrorism and business in New York City. These are much needed, and they are urgent matters. I believe the Senators from New Jersey, New York, and Connecticut ought to find it inviting that these things are in there for their constituents and support this package.

Let's get the record straight. Let's have a good debate. Let the votes fall where they may. I can't help but ask our distinguished majority leader, Senator DASCHLE, to give the people what they want—a bipartisan economic stimulus bill with the largest aid going to dislocated workers in a generation.

It is clear that the people and the President don't want stalling, don't want muddling, don't want delay and, most important in this state of war we are in, don't want partisanship.

I urge the Senate majority leader to do the right thing: End this session by delivering a bipartisan priority. By doing it, we put the people's business first. If I were the majority leader, I would not know how to explain to the American people, as I returned home to the State of Iowa to enjoy the holiday season there with my family on the farm at New Hartford, why millions of Americans are desperately waiting for the Senate to pass an economic and job security bill that has been in this body for the last 2 months. If I were the majority leader, I don't know how I would explain to the people of Iowa, how I could look my constituents straight in the eye, and all of my taxpayers and all the small business owners of Iowa, and explain, by not passing this bill, how I would choose politics ahead of people.

It is time to get the job done. There is still time to do it. If people are allowed to vote their conscience and not have the restriction of party, we can get the job done, I believe.

I yield the floor.

## ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, on behalf of Senator DASCHLE, I announce there are no more votes tonight.

## UNANIMOUS CONSENT AGREEMENT—CONFERENCE REPORT TO ACCOMPANY H.R. 3061

Mr. REID. Mr. President, I ask unanimous consent that at 9:30 a.m. on Thursday, December 20, the Senate proceed to the consideration of the conference report to accompany H.R. 3061; that there be 90 minutes for debate equally divided between Senators HARKIN and SPECTER or their designees; that an additional 20 minutes be given to Senators MCCAIN and BROWNBACK—that is 10 minutes for each of them, for a total of 20 minutes—that there be 10 minutes each for Senator DOMENICI and Senator WELLSTONE; that upon the use or yielding back of time, the Senate vote on adoption of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

## UNANIMOUS CONSENT AGREEMENT—CONFERENCE REPORT TO ACCOMPANY H.R. 2506

Mr. REID. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Republican leader, may turn to the consideration of the conference report to accompany H.R. 2506 and that there be 1 hour 5 minutes for debate divided as follows: Senator LEAHY, 10 minutes; Senator BYRD, 45 minutes; Senator MCCONNELL, 10 minutes; that upon the use or yielding back of time, the conference report be agreed to, the motion to reconsider be laid on the table, and any statements related thereto be printed in the RECORD at the appropriate place, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Delaware.

Mr. BIDEN. Mr. President, I ask unanimous consent to proceed as in morning business for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ECONOMIC STIMULUS

Mr. BIDEN. Mr. President, before I speak on what I came over to the floor to discuss today, I would like to respond in 60 seconds to the Senator from Iowa.

I don't think the stimulus bill is about partisanship. The stimulus bill is about whether we are going to take care of workers and displaced people because of the economy or whether we are going to reward corporate entities that are not going to reinvest instantly in the economy and stimulate the economy. How can we stimulate the economy if what we are going to be ''spending'' through either tax expenditures or direct expenditures doesn't spend out for 2 years or more?

This is about fairness. The stimulus package I have seen so far is not remotely bipartisan and is in fact a serious mistake, based on what I know, unless there is some iteration in the last 12 hours of which I am unaware.

## MAINTAIN OUR BALKAN COMMITMENT

Mr. BIDEN. Mr. President, I rise today to take issue with Secretary of Defense Rumsfeld's comments yesterday in Brussels, in which he called for reducing NATO forces in Bosnia by one-third by the end of next year.

I find Secretary Rumsfeld's proposal both faulty in its logic, and dangerous in its implications.

Mr. Rumsfeld based his suggestion upon the allegation that the size of the NATO mission in Bosnia, known as SFOR, is ''putting an increasing strain on both our forces and our resources when they face growing demands from critical missions in the war on terrorism.''

From this assertion, one might think that the United States and NATO have massive numbers of troops in Bosnia. In fact, SFOR's strength is now about 18,400 troops. The U.S. contingent is only 3,100.

According to the Pentagon's new Quadrennial Defense Review, we must be able to ''swiftly defeat aggression in overlapping major conflicts while preserving the option of decisive victory, including regime change or occupation and conduct a limited number of smaller-scale contingency operations.''

By any calculation, therefore, we should have plenty of troops and materiel to handle the smaller-scale operation in Bosnia and still meet our commitments elsewhere in the war on terrorism.

In short, Secretary Rumsfeld's argument that Bosnia is a serious drain on our war-fighting capabilities simply doesn't wash.

I should also point out that we have already greatly reduced the size of the NATO-led operation in Bosnia. The current level of 18,400 troops is down from an original 60,000. The 3,100 Americans are down from an original 20,000.

Moreover, why should we quit a game in the fourth quarter when we're winning? Bosnia and Herzegovina still has many problems, but even the harshest critic of our policy there must admit that significant progress has been made since the Dayton Accords were signed six years ago. For example, there non-nationalist, multi-ethnic coalitions now govern both the Federation and the national parliaments. All of the political, economic, and social

progress has been made possible by the umbrella of SFOR.

But the victory is not complete. In that context, I'm rather surprised that Secretary Rumsfeld juxtaposed Bosnia with the war on terrorism, because al-Qaeda is known to have cells in Bosnia. The Saudi Arabian who co-starred with Osama bin Laden in the grotesque video from Afghanistan, which nauseated the civilized world, had previously fought with the mujahedin in Bosnia.

Mr. President, extirpating al-Qaeda from Bosnia is reason enough to keep the three thousand American troops there.

I have been to Bosnia nearly every year since the outbreak of hostilities in 1992. I have talked with most of the leading politicians of all ethnic groups. I have visited the headquarters of the combined Muslim-Croat Federation Army outside Sarajevo and reviewed the troops there. I have met with local officials from Banja Luka and Brcko in the north to Mostar in the south. No one, Mr. President, no one - - thinks that the current peace and progress in Bosnia could survive a premature withdrawal of NATO, especially American, troops.

Rather than setting an artificial date for withdrawal of NATO forces from Bosnia, we should concentrate on finishing the job, and then withdraw victoriously.

Moreover, the United States is sending a totally confusing message to the world, friends and foes alike. The same week that we reopen our embassy in Kabul, and James Dobbins, our envoy to Afghanistan, declares that we are there to stay, we announce that we will leave Bosnia within twelve months!

How seriously can Afghans take Mr. Dobbins' declaration? Can the Afghans possibly think that we will stay the course there when we won't do it in the Balkans?

Or are we perhaps planning to transfer some American troops from Bosnia to peacekeeping duty in Afghanistan? I don't think so. Secretary Rumsfeld and others in the Administration frequently declare that peacekeeping duty is a poor use of the American military.

Unfortunately, however, the Administration's mantra runs afoul of the so-called Strategic Concept, the document which guides overall NATO strategy. The Strategic Concept lists ethnic and religious conflicts like Bosnia among the greatest threats to the Alliance.

If we're going to opt out of NATO peace enforcing missions, and we're going to exclude NATO from our anti-terrorist military campaigns as we have done in Afghanistan, then what does that tell our allies about our commitment to NATO? I suppose we'll agree to keep an American general as Supreme Allied Commander Europe.

Unfortunately, Secretary Rumsfeld's arbitrary deadline-setting in Bosnia fits right into the Administration's announcement that we will withdraw unilaterally from the Anti-Ballistic Missile Treaty with Russia, a decision whose folly I criticized on this floor less than a week ago.

This administration's foreign and defense policy is driven by ideology, not by a realistic threat assessment. A stable Europe is the precondition for our pursuing terrorists in Central Asia, the Far East, or the Middle East. Since we continue to preach ''in together, out together'' in the Balkans, what will we do if our European NATO partners point out twelve months from now—as is likely to be the case—that there is still need for SFOR to remain in Bosnia?

In that case the administration's theory will collide with the hard facts of reality. Whether reality or ideology will win out will be more than an academic question. The future, both of the Balkans, and of NATO, may depend on the answer.

The American people should recognize the risky gamble that Mr. Rumsfeld's rigid ideology asks us to embark upon.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, I wanted to comment to the chairman of the Foreign Relations Committee about how much I appreciate his leadership, how much of a privilege it has been for me to be a member of that committee, along with the distinguished Senator from Connecticut, another leader of the committee, and how much you have taught me and how much you have encouraged me.

With that background, I am going to Afghanistan on January 3, and I am really looking forward to bringing back a report to the committee that might be of value as we discuss the future of the coalition, keeping it together, of all of those countries in the region that we will visit, as well as for the future of Afghanistan.

I commend the chairman of the committee for how he has been so steadfast in his insistence for the role of women in the new Government of Afghanistan. Afghanistan has a history of having very prominent women in the professions. Of course, all that disappeared with the Taliban. It is time to reassert the rights of women and, particularly, in our case, to insist on that as they form the government. It is with a great deal of appreciation I say to my chairman and to the chairman of the subcommittee how much I thank them for their leadership.

## TERRORISM INSURANCE

Mr. NELSON of Florida. Mr. President, I wanted to speak briefly on the subject of terrorism insurance because in the closing couple of days of this session, there is some question as to whether or not we will even get a bill. I want to say if we don't, that is a mistake. It is a mistake because to do nothing would leave us in the condition that we are in now, where so many of the businesses and homeowners and automobile owners of America would be in a position of not knowing if they are covered by terrorism or not because a number of companies have already filed with the insurance commissioners of the 50 States, withdrawing terrorism as a risk that would be covered.

The flip side of that is where terrorism may be covered, and with no plan, the opportunity is ripe for the rates to go up considerably. Take, for example, the issue of Giant Stadium in the Meadowlands. I am told that they have upwards of a 400-percent to 500-percent increase in the rates. Is that a fair rate? Only the insurance commissioners of the 50 States would know, but an insurance commissioner has to determine if a rate is fair by looking at data and looking at experience.

In this particular case, we have precious little data or experience. Therefore, the insurance departments of the 50 States are simply not going to know or, even if they thought a rate was excessive and arbitrary, they are not going to be able to deny the rate because they can only deny it if they went into court and proved to a judge in an administrative law court, or in a court of law, that it was excessive. But they don't have those tools.

So what should we do? Well, let me say as a backup, if all else fails, and I hope it doesn't—and I am talking to the Senator from Connecticut, who is a leader; I want to talk about his bill—instead of us doing nothing, we ought to take a period of time and pass a bill that would say that the Federal Government will treat this as an act of war for this short period of time, and assuming the terrorism risk for insurance purposes, that there would be no rate hikes and there would be the guaranteed terrorism coverage on all the insurance policies—in other words, a moratorium on the cancellations that are going on right now on terrorism coverage, and a rate freeze on the rates that are presently being jacked up sky high in many cases.

That is what I would suggest that the Congress consider as a backup, but we should not have to get to the backup.

I want to talk to the Senator from Connecticut and the rest of the Senate to say that if we took a vehicle such as the Dodd-Sarbanes bill—it could be that or it could be the Fritz-Hollings approach but an approach that blends the risk being shared by insurance companies for the lower amounts, generally in a range of about up to $10 billion of losses from a terrorist event, and above that the Federal Government would share in an 80–20 or 90–10 arrangement, depending on the size of the terrorism loss.

All of these bills have similarities. But what I would urge, and will urge if such a vehicle comes before the Senate by the offering of this amendment, is that there be a limitation on the

amount that the rates can be raised for terrorist insurance risk purposes and that part of the premium that would go to the terrorist risk would be set aside in the insurance company for accounting purposes from the rest of the premium so that we would know how much would be there, and if there were no terrorist loss, that could continue to be set aside for a catastrophe, which would include the terrorist loss. And—this is the part I am not sure those sponsors of the bill understand—even though I want to limit the rate increase, because I, indeed, think the rates are being raised using the September 11 horrible tragedy as an excuse to jack up the rates, nevertheless we have a responsibility to act, and we could limit those rate increases and, in the case that another terrorist event occurs and the loss were to occur, there is a portion of my bill on page 2 that would then have a surcharge on the policyholders up to the amount of the loss. That surcharge would be approved by the insurance departments of the 50 States.

In other words, since we would segregate the premium as allocated to the terrorist risk, and that limitation of the rates would be a 3-percent increase only, but if there were a terrorist event that exceeded an industry-wide—we are talking about $6 billion of premium—then the surcharge would kick in. That is the part that I do not think those sponsors understand. They know I am a former insurance commissioner and I am quite concerned about rates being jacked through the roof and the consumer taking it on the chin, and that is why I wanted to come to the Chamber to speak. That is why I am so appreciative that the Senator from Connecticut is here.

I just got off the phone with the general counsel of State Farm, someone whose advice I valued over the 6 years I was insurance commissioner prior to coming to the Senate. I will be talking to several other CEOs and general counsel. This is, in part, what we have been talking about all along, and it is not something that insurance companies should think is an anathema to their position.

What is an anathema to their position is for them to gouge the public, the consumers, because it sets a limitation on the rates, but it is a fair way of approaching it. Clearly, at the end of the day, it is a way of protecting the businesses of America, the homeowners of America, and the automobile owners of America who, if we do nothing, are facing the prospect that insurance companies have withdrawn their coverage for a terrorist attack.

I thank the President for the opportunity to speak on this very important subject that is so important particularly at the eleventh hour of this session of Congress.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

## NATO EXPANSION

Mr. WARNER. Mr. President, the Senators were advised by the Foreign Relations Committee through a hotline of the desire of the Senate to act on H.R. 3167. I have objected, and will continue to object, to the Senate considering this bill. It is a very significant bill, and I felt obligated to come to the Chamber and state to the Senate exactly why I object at this time in the few hours remaining in this session—I say a few hours, tonight and tomorrow—to proceeding to consider such an important document as this.

The document is an affirmation of a policy statement by President George W. Bush who said as follows on June 15, 2001, in a speech in Warsaw, Poland:

> All of Europe's new democracies from the Baltic to the Black Sea and all that lie between should have the same chance for security and freedom and the same chance to join the institutions of Europe as Europe's old democracies have. I believe in NATO membership for all of Europe's democracies that seek it and are ready to share the responsibility that NATO brings.

Basically, I share the President's view on that, but this particular document goes on and cites the following. It says:

> Declarations of Policy by the Congress of the United States.
>
> 1. Reaffirms its previous expressions of support for continued enlargement of NATO alliance contained in the NATO Participation Act of 1994, the NATO Enlargement Facilitation Act of 1996, and the European Security Act of 1998.
>
> 2. Supports the commitment to further enlargement of the NATO Alliance expressed by the Alliance in its Madrid Declaration of 1997 and its Washington Summit Communique of 1999.
>
> 3. —

And this perhaps is the more significant declaration of policy.

> The Congress endorses the vision of further enlargement of the NATO Alliance articulated by President George W. Bush on June 15—

That was the statement I just read—

> and by former President William J. Clinton on October 22, 1996, and urges our NATO allies to work with the United States to realize its vision of the Prague Summit of 2002.

My views are as follows. I think NATO—and I think every Member of this body shares this with me—has done a magnificent job for over a half century. It is perhaps the strongest and most effective alliance and accord in terms of security that this Nation has ever entered into.

Last year we had a very significant debate, and that is my basic problem; there is no urgency for this. This Chamber should resonate again with a strong debate on future membership in our NATO.

We had several days of debate last year. I put forward an amendment limiting the number of nations.

My concern is there are nine nations referred to in this particular document, all seeking NATO membership. That would be 9 plus 19, which would come to 28. The debate was in 1998. That is a very significant increase.

This document does not proclaim each is going to be admitted, but it gives a strong inference and overtone that could come to pass. As a matter of fact, it is authorization to the effect that certain sums of money—and I support each and every one of these authorizations for funds going to the nations to enable them to continue their efforts to increase their military, to strengthen that military, to enable that military to become an important part of the overall military collection of the NATO countries.

Before we speak to all nine indirectly and subscribe in whole to the President's policy, this body has a responsibility to examine each nation, to have a formalization from the administration and others as to which of those nations should be considered for inclusion in NATO, presumably in 2002. I see no urgency that we should proceed on a UC, without any Members except myself so far rising to address this.

I respect the chairman of the Foreign Relations Committee. He was in the Chamber, which prompted me to speak, hoping I could engage him.

The distinguished ranking member has communicated his desire to have this passed. I respect both of those fine Senators, but I think this deserves very careful consideration. We had hearings in the Foreign Relations Committee in 1998 regarding those members that desired to join. We had hearings in the Armed Services Committee, on which I am privileged to serve. I certainly encourage my chairman, Senator LEVIN, to have hearings on any thought with regard to increasing the size of NATO and specifically looking at those nations and providing our determination, as the committee, to the Senate as to the contribution they wish to make and the verification of the capabilities to make that contribution, both militarily and politically.

By the way, these authorizations are contained in the foreign operations bill such that they can go forward. It will not impede the distribution of these funds.

From time to time, Members put holds on matters. I take that obligation very seriously and come to state with some precision exactly why I take that step and will continue to do so for the balance of this session of the Congress, namely that it deserves the full attention of the Senate, preceded by a debate in the chamber with consideration by the two committees that have specific oversight of these matters.

## ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, Senator DODD and Senator MCCONNELL are in the Chamber. I ask unanimous consent to speak for 3 minutes and at the conclusion of my remarks the majority leader be recognized for a statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOSING THE GUN SHOW LOOPHOLE

Mr. REED. Mr. President, today the Brady Center to Prevent Gun Violence issued a very important report on ''Guns and Terror,'' and they pointed out the link between terrorist activity and our lax gun law in the United States. It is a compelling report that should urge us to action. We have seen throughout the last few weeks newspaper reports indicating terrorists are exploiting our lax gun laws, particularly when it comes to gun shows.

When Attorney General Ashcroft testified before the Senate Judiciary Committee on December 6, he held up an al-Qaida manual and talked about how terrorists are instructed to use America's freedom as a weapon against us, and he talked about the way they are urged to lie to deceive our law enforcement authorities.

He neglected to point something else out. These terrorists have been trained to exploit our gun laws. A few weeks ago, I mentioned a terrorist manual was seized in Kabul in which these jihad trainees were urged to obtain an assault rifle legally, enroll in American gun clubs to take courses in sniping, general shooting, and other rifle courses. We have to understand if this is their playbook, using gun shows is one of their plays and we have to stop this loophole.

I introduced legislation last year based upon the Lautenberg legislation this Senate passed. I hoped we could bring this legislation to the Senate very quickly, and we could move to close this gun show loophole, that we could apply the Brady law to every purchase at a gun show, that we could ensure there is a full-time period for law enforcement to evaluate, up to 3 days, the purchase.

These things are necessary. I think it would be a mistake to delay further, and I think also it would be a mistake to take and embrace a weaker version of the law when we have already passed a corrected bill that can make huge progress in closing off this loophole.

We already know individuals on behalf of Hezbollah have used gun shows, that individuals on behalf of the Irish Republican Army have used gun shows, that American militia movements have used gun shows. They do that because they know they can go to the shows, find unlicensed dealers and avoid any type of Brady background check. So I hope we could move very promptly in the next session to close this loophole.

There are 22 cosponsors of my legislation. It is a bill we have already passed in the Senate. It is something I believe is long overdue and I hope indeed we can do it to ensure terrorists do not exploit our laws to do damage to our country and to our people.

I yield the floor.

The PRESIDING OFFICER. The major majority leader.

Mr. DASCHLE. Mr. President, I compliment the distinguished Senator from Rhode Island for his comments now and for the leadership he has shown on this issue now for several years. Our caucus and the Senate owe him a debt of gratitude for the job he has done in sensitizing us to the importance of this legislation and our efforts to address this issue.

As the Senator noted, this legislation has a very favorable history. Senator Lautenberg, our former colleague from New Jersey, has also worked with the Senator from Rhode Island to pass this legislation at some point in the past, and because it has such overwhelming support I am confident this Senate can pass it as well.

The Senator has talked to me on several occasions about the importance of taking this legislation up this session. It is regrettable at least to date we have not had the opportunity to do that. I share the Senator's expressions of urgency with regard to the consideration of this legislation, and as I committed to him privately I will commit as well publicly that we will take this legislation to the Senate, hopefully early in the session next year.

There is no reason why we cannot complete our work. There is no reason why the Senate cannot go on record again, as it has before in passing this bill, and send a clear message, at least when it comes to the gun show loophole, that we can take steps to protect ourselves and protect this population, and find ways in which to do it in a reasonable way. That is what the Senator is asking.

Again, as I say, I thank him for his leadership, his commitment, and I will work with him to assure this legislation can be taken up successfully sometime next year.

Mr. REED. I thank the majority leader for his kind comments.

Mr. DASCHLE. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. I thank the Chair.

ELECTION REFORM

Mr. DODD. Mr. President, it is after 6 p.m. in the evening and I suspect that many normal people are sitting down having dinner, enjoying a quiet moment with their families. I hope in fact that many of our colleagues are doing that since there are no longer any votes this evening. We are about to make an announcement, my colleague and friend from Kentucky, and, if he can make it, our colleague from Missouri, along with my friends from New York and New Jersey and others who have joined us in crafting an election reform compromise.

Mr. President, the Chamber may be sparse in participation at this late hour and it may be after working hours for most, but may I suggest what we are about to introduce is ''landmark'' legislation. It will have been 36 years, I think, since the last time this body dealt with the issue of voting rights from a Federal perspective. The Voting Rights Act was the last major civil rights legislation dealing with the voting rights of the American public.

I begin these remarks by, first of all, expressing my deep gratitude to my friend from Kentucky who has been my chairman on the Rules Committee, and is now my ranking member on the Rules Committee, for his efforts, and those of his staff and others over these many weeks in putting this proposal together which we now offer to our colleagues as a bipartisan compromise. Our hope is that on our return, at some early date—and again, we will ask leadership for advice and counsel—we might bring this matter before the Senate when we return to the second session of Congress to adopt this election reform proposal.

Everyone is aware of what the world was like a year ago when the major story was not about Afghanistan and terrorism but about the condition of the election system in the country, particularly the events surrounding the Presidential race. I am not here today to talk about what happened. What happened last year was not an occurrence in one State or one election but a wake-up call for everyone about the deteriorating condition of our election system across the country. This does not happen on one night, in one State, in one election. There has been a lot spoken about that race, those particular events.

We have tried with this bill to look forward and not look back as to how we can respond to this in a responsible way so we may live up to our historic obligations in this Chamber to see to it that the rights of all Americans—specifically, the most fundamental of rights, the right to vote—is protected and the votes are counted.

Thomas Paine said very appropriately more than 200 years ago that the right to vote is ''the primary right by which other rights are protected.''

It is about as basic a statement and basic a right as we can identify.

The very credibility of every other action we take as a people, not to mention as a Congress, but as a people, in this Chamber and elsewhere, depends upon the American people's belief in the integrity of the election system which puts everyone in these seats as well as the seats occupied in every office, from the lowest political body in the country to the most exalted in the Presidency of the United States.

This bipartisan compromise we introduce today is not a condemnation of the past at all but rather a reflection of the promise of the future. The problems faced by voters across the Nation last November served, as I said a moment ago, as a wake-up call that our system of Federal elections was in serious need of reform and help. That is what we tried to do with this bill.

This is landmark legislation. Our task is to provide the necessary Federal leadership and resources to assist State and local officials without in any way usurping their historic responsibility to administer Federal elections.

This bipartisan compromise reflects the necessary balance between the Federal interests in assuring the integrity of Federal elections and the authority of State and local officials to determine the best means by which to conduct those very elections.

I am very grateful to my colleagues for their considerable contributions to this compromise. I thank the ranking member of the Rules Committee, Senator MCCONNELL, for his leadership, for his perseverance on this issue, and for his very significant contributions which I will identify shortly. Senator SCHUMER of New York, a member of the Rules Committee, has been active working on election reform since the beginning of this Congress when he became interested in the subject matter. My good friend from the State of Missouri, Senator BOND, early on recognized the need for Federal leadership in this area, particularly the need for Federal antifraud standards. And Senator ROBERT TORRICELLI, along with Senator MCCONNELL, introduced one of the very first election reform measures in the Senate following the elections of last year. There are many others involved in the debates and discussion, but those are the principals who have worked the hardest to craft this package and to present it to this Chamber.

I acknowledge the tireless work of my coauthor in the House, Congressman JOHN CONYERS, the dean of the Congressional Black Caucus. Throughout this long year of hearings, debate, and negotiation, he has been a friend and a stalwart believer in the responsibility of the Federal Government to ensure that every eligible American has an equal opportunity to vote and to have their votes counted. This compromise owes much to his vision and dedication to producing a bipartisan agreement.

Simply put, this bipartisan compromise makes it easier for every eligible American to vote and to have their vote counted while ensuring that protections are in place to prevent fraud. As my colleague and friend from Missouri has said so succinctly, it ought to be easy to vote in America and it ought to be very hard to cheat. We think we have struck that balance. We do not claim perfection, but we believe we put together the provisions which will certainly advance the measure of both goals: to make it easy to vote and hard to cheat in this system and thus devalue the legitimate vote of those who honestly go about the business of counting ballots.

The bipartisan substitute we introduce today represents a strong response to the first civil rights challenge, in our view, of the 21st century and protects the voting rights of every eligible American, regardless of the individual's race, ethnicity, disability, English proficiency, or the level of financial resources available to the community in which he or she lives and votes.

This compromise preserves the fundamental philosophy of the original bill: The Federal Government must set minimum standards for the conduct of Federal elections. We have expanded the original standards to include minimum requirements to defer fraud and have created a new Election Administration Commission to assure that, going forward, expertise and assistance will be available to the States and localities to meet these minimum standards.

Specifically, this compromise sets the following three minimum standards for Federal elections: Beginning in the year 2006, election systems must meet voting system standards providing for acceptable error rates, and provide notification for voters who overvote, while ensuring such systems are accessible to every blind and disabled person, and to language minorities, in a manner that ensures a private and independent vote.

Second, beginning in the year 2004, States must have in place provisional balloting systems so that no registered voter in America can ever be turned away from the polls without the opportunity to cast their ballot.

Third, States must establish a statewide computer voter registration list, and beginning next year, provide for verification for voters who register by mail in order to prevent fraudulent voting.

Those are minimum standards. They do not require a one-size-fits-all approach to Federal elections, nor do they require that any particular voting system be used or discarded, for that matter. Instead, the minimum standards ensure that every voting system—be it electronic machines or paper ballots—meet certain basic standards. And we explicitly guarantee to every State the ability to meet these standards in a way that best serves the unique needs of their communities.

Most importantly, this bipartisan compromise provides the funds to help States meet these requirements. For the first time, the Federal Government will contribute its fair share to the cost of administering elections for Federal office. That, in and of itself, is a historic change.

The compromise authorizes a total of $3.5 billion over 5 years towards this end. A total of $3 billion is authorized to fund the minimum standards, and an additional $400 million is authorized in fiscal year 2002 for incentive grants to allow States to immediately move forward to implement election improvements, particularly in the antifraud area.

There is $100 million in fiscal year 2002 provided for grants to make polling places physically accessible to those with disabilities. Never again should our fellow Americans who are blind or wheelchair bound have to suffer the indignities of being lifted into polling places or held at a curbside waiting for an accessible machine.

This significant commitment of resources underscores the fact that nothing in this bill establishes an unfunded mandate on States or localities. To the contrary, this compromise reflects a commitment on the part of Democrats and Republicans in this Chamber to provide not only the leadership but the resources at the Federal level to ensure the integrity of our Federal elections.

The Senate majority leader, Senator DASCHLE, has publicly committed to bringing S. 565, the Equal Protection of Voting Rights Act to the floor early next year, at which time this bipartisan compromise will be offered as a substitute.

I encourage my colleagues and the leader to make this bill one of the first measures—maybe the first measure—in the second session of the 107th Congress. I can think of no better way to begin the second session of this historic Congress than with a bipartisan measure whose sole purpose is to ensure the integrity of our system of Federal elections and the continued vitality of our democracy.

In the midst of all that has happened since September 11, I couldn't think of a better way to begin the new year than to work together in the Chamber to do something so critically fundamental to the success and soundness of our Nation.

I thank, again, my cosponsors—Senator MCCONNELL, specifically for his crafting of the commission concept, which I think is a wonderful idea, so we will have a permanent venue to begin to deal with these issues. I am sure he will explain in greater detail how this commission works. But without his contribution we might have only ended up with a temporary commission that would have gone out of existence in a short period of time and allowed, once again, the system to deteriorate.

There is no guarantee it will not. But with a commission in place, we will be in a much stronger position over the years to respond to these issues on a continuing basis.

I thank Senator BOND. His contribution was to the fraud area. Without him coming to the table and adding that element here, we might have left that out. It is a serious issue, one that deserves consideration. He has crafted some very sound provisions in this bill which add a very important leg to this.

With what I have talked about in the area of disabilities and provisional voting in addition to our requirement of statewide voter registration, these minimum standards, the broad provisions and the commission, we have not solved every problem at all. We are not dealing with every single issue that comes up. But that is one of the reasons why the commission can make a significant contribution.

I want to thank specifically our staff: Tam Sommerville and Brian Lewis of Senator MCCONNELL's Rule Committee staff; Julie Dammann and Jack Bartling of Senator BOND's office; Sharon Levin and Polly Trottenberg of Senator SCHUMER's office; Sarah Wills and Jennifer Leach of Senator TORRICELLI's office; and, in my office,

Kennie Gill, Veronica Gillesie, and Stacy Beck, along with Shawn Maher and others, for helping put this together.

I look forward, in the early part of the year, to debate and discussion on the subject matter.

Again, I appreciate the wonderful work of my colleagues.

It has been a long road but we think we have produced a very good piece of legislation. I look forward to working with my colleagues when we return.

I see the distinguished leader. I know he probably has other obligations. My colleague from Kentucky is here, but if the leader would care to make a comment on this, we welcome it.

Mr. DASCHLE. Mr. President, I will be very brief. I congratulate the distinguished Senators from Connecticut, Kentucky, and Missouri for their extraordinary work in this regard. I would not have bet we could have gotten to this point when the effort began many, many months ago.

There was a great deal of concern for how the last election was conducted—on both sides. Given the acrimony and difficulty in reaching even some consensus about how to approach this issue, I knew the odds were long. But these leaders overcame the odds. They articulated a vision for how this country ought to perform in every election and worked together, in spite of these difficulties, and have achieved a result that I think is extraordinary.

I do not think the Senator from Connecticut is far off when he talks about this being landmark legislation. Indeed, if it can incorporate the opportunities for millions of voters who have been disenfranchised, it will be landmark legislation. If we can deal with the fraud that has existed on occasion in elections in the past, it will be landmark legislation.

I cannot think of any higher priority. I cannot think of anything for which there is greater cause for excitement than the opportunity to address this issue in the comprehensive and very commendable way the Senators from Connecticut and Kentucky have.

I commit to work with the two Senators to find a time very early in the next session of Congress where we can take this bill up on a bipartisan basis, and maybe even set the tone that could be taken into other legislation as well. I think that would be conducive to bringing about the kind of result we would like as we begin all of our work in the next session. I will work with them. I will commit to them that we will find the time in the schedule to ensure that this legislation can be considered early.

I, again, congratulate both Senators for the extraordinary job they have done getting us to this point tonight.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I thank the distinguished majority leader for his kind comments about the work of the three of us here, and others, on this important piece of legislation. We are grateful that he thinks he will be able to schedule this debate sometime early next year.

Rarely do you get the feeling around here that you are involved in something that is truly unique and has the potential, as the Senator from Connecticut indicated, to be a landmark piece of legislation. We are all working on issues that are important to somebody in the country all the time. But nothing is more fundamental, obviously, than the right to vote.

I say at the outset to my friend from Connecticut, it has been a pleasure working with him. And to my colleague from Missouri, he has been a joy to work with.

We had three areas about which we cared a great deal. Senator DODD is a passionate advocate for the disability community and for reducing, to the maximum extent possible at the Federal level, any barrier to the ability to vote. They may not be intentional, but as a practical matter, barriers still exist. Senator DODD, as we worked through these 13 long months of negotiations, was always looking for a way to strengthen that part of the bill. If there is any hero in America to the disability community, it ought to be the Senator from Connecticut. On this legislation, he was constantly trying to strengthen it to the benefit of that community. I will be happy to testify on his behalf at any time that that was his focus.

The Senator from Missouri was relentless in pursuing the notion that we should, to the maximum extent possible at the Federal level, make it difficult to cheat. It has been a tradition in some parts of the country, including a number of counties in my State, that death not be a permanent disability to continuing to exercise the franchise. I think that practice is disapproved of by all ethical people, but it does go on.

Senator BOND was relentless in pursuing whatever avenues he could pursue to make it possible for this bill to deal with the business of cheating. We want everybody to vote, but only once. It is important that they still be alive when they exercise the franchise. If we were dedicating the various parts of the bill, the fraud part of the bill should be dedicated to the senior Senator from Missouri.

I was interested in the entity, the commission, that would oversee this subject matter down through the years. As the distinguished chairman of our committee indicated, it was my feeling, and I am pleased Senator DODD and Senator BOND agreed, that there be a permanent repository for the best, unbiased, objective evidence States and communities across America could go to for advice about their needs in conducting elections.

Right now the typical county official, or in some States the State official, is besieged by a hoard of vendors who want to sell their product. Where can you get objective advice about what might make sense for a sparsely populated State such as North Dakota versus a teeming mass in the city of New York? This new commission will hopefully be that place.

With this new commission, there will be no equipment to sell. It will be a place where you can get the best advice currently available in America about your particular election needs.

We structured this commission in such a way that it would operate on a bipartisan basis. I believe it is the case that in every precinct in America there is an equal number of Republicans and Democrats in that precinct who conduct the election, usually in a friendly manner. They keep an eye on each other. They insist that the business of administration of elections be fairly done. Occasionally the system malfunctions. But fairness is certainly the intent of the structure in every State in America.

The question of just how much the Federal Government should do in this regard is complicated. None of us wants to dictate a voting system from Washington to the rest of America. On the other hand, we collectively agreed that there ought to be some standards below which you would not be allowed to fall. If we did that, we were convinced we could improve the administration of elections in this country.

It was a long, tortuous process. We had 13 months of hearings, negotiations, compromises, offers, counter-offers, a bill, a compromise bill, a deal, and a new deal. By the time we finally were able to iron this out, I think we had about all the deliberations we could handle. On the other hand, it was a classic example, it seems to me, of the legislative process working as it should, because what we all have in common is the desire to do this job on a truly bipartisan basis.

What brought us together at the end was the common belief that America would be better off if we did this. None of us was trying to rig the system to the benefit of either side. I wasn't trying to make it easier for Republicans to win. Senator BOND wasn't either. Senators DODD, SCHUMER and TORRICELLI were not trying to make it easier for the Democrats to win. We were genuinely motivated by the desire to help, to the maximum extent possible at the Federal level, make the system better. And in doing that, for this to mean anything, there had to be some funds attached to it. We realized we needed to be able to spend some money in order to allow these communities to upgrade their systems.

We are here tonight knowing this is only the beginning and there is still a long road ahead of us. Even though the House has acted, we have to get this through the Senate and then through the conference.

I have a belief, which I think my colleagues share, that a lot of the hurdles we could have encountered on the floor we have already encountered, thought

through, and worked out. Hopefully, we can convince our colleagues when we get out here on the floor, where it is always potentially a free-for-all, that there is some rational basis for the decisions we reached. And on amendments which may unravel it, hopefully we can make a bipartisan argument that we have been there, we have talked about that, and we have worked our way through that and we can say this is why we think that is not a good idea and why we believe what we came out with is a superior position.

They may or may not take our advice. But at least we have spent a lot of time going into these uncharted waters wrestling with these issues and working them out.

As Senator DODD, the chairman of our committee, pointed out, there are not many people still around tonight. But we feel good about this. We thought we would share it with the Senate. We are pleased to be able to introduce this legislation today with a sense of real pride of accomplishment. We look forward to not only getting it through the Senate early next year, as the majority leader indicated, but getting it through the conference, getting it on the President's desk, and making a difference for America in the most basic thing we do—cast our votes.

The Senate is commonly known as the world's greatest deliberative body. After 13 months of hearings, negotiations, compromises, offers, counteroffers, bills compromise bills, deals, and new deals, I think I speak for all of us by saying: we have had about all of the deliberation we can handle on one issue.

Today's bill introduction is the result of 13 months of work and countless hours of negotiations.

Senator DODD and I began discussions about election reform at the Rules Committee more than one year ago.

Exactly one year ago last week, I introduced an election reform bill with Senator TORRICELLI.

Last winter, Senator DODD and I began a series of hearings on election reform.

Last May, I introduced a new bill with Senator SCHUMER and Senator TORRICELLI—that garnered strong bipartisan support with 71 Senator cosponsors. Although many in the press seem to have forgotten—We were fully prepared to go to the Senate floor and pass that bill last June—but were sidetracked on the way to the Senate floor with a little thing we'll simply call Senate reorganization.

The agreement we announced last week incorporates three key principles that I have been promoting since the original McConnell-Torricelli bill last year.

Those principles are:

No. 1, respect for the primary role of States and localities in election administration;

No. 2, establishment of an independent, bipartisan commission appointed by the President to provide nonpartisan election assistance to the states; and

No. 3, strong antifraud provisions to cleanup voter rolls and reduce fraud. No longer will we have dogs, cats, and dead people registering and voting by mail.

On this last point, I want to tip my hat to Senator BOND, who has been a tireless champion and advocate for strong anti-fraud provisions. His work on this issue has been instrumental in achieving today's agreement.

Today's bill is a classic example of compromise. None of us got everything we asked for, but all of us got what we wanted: a bipartisan bill to dramatically increase the resources for and improve the process of conducting elections in America.

My goal throughout this process has been to ensure that everyone who is legally entitled to vote is able to do so, and that everyone who does vote is legally entitled to do so—and does so only once.

I believe today's agreement will help us achieve this goal.

I thank Senator DODD for his unending and sometimes unrelenting devotion to this issue. I would also like to thank Senators SCHUMER, BOND, and TORRICELLI for their hard work and significant contributions to this legislation.

I thank the staffs of my colleagues who worked tirelessly on this effort over the past months. Specifically Kennie Gill and Veronica Gillespies of Senator DODD's staff, Julie Dammann and Jack Bartling of Senator BOND's staff; Sharon Levin of Senator SCHUMER's staff; Sarah Wills and Jennifer Leach of Senator TORRICELLI's staff; and Tamara Somerville, Brian Lewis, and Leon Sequeira of my staff.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank my colleagues, the distinguished Senator from Connecticut and the distinguished Senator from Kentucky. These Senators are experts in laws of elections. Having both served as chairman of the Rules Committee, they are well known as experts in this field. I appreciate their permitting me to join them as we work to craft what I think has rightly been described as a very important piece of legislation.

We are in this joyous holiday season. We hope we have delivered a package that is not only wrapped nicely but contains provisions that will be of significance and a significant improvement in our election system.

As has been said already, truly, voting in elections is the heart of our democracy. If you do not do it, if you exclude some people, and some people do not do it right, then our entire system suffers. One of the great freedoms we enjoy in this country is the freedom to have every qualified person vote.

As Senator DODD has pointed out, even if a person has certain disabilities, we ought to make it easier for that person to vote. People ought not be denied a right to vote where they are otherwise qualified if they are poor or in places where in the past they have not had adequate opportunity.

Senator DODD started to work on this process of reforming elections to make it easier to vote. I had some experiences that suggested to me we ought to add a second part to that; that is, make it easier to vote but tough to cheat. I think both sides of that equation are important if we are to assure the fullest and fairest participation in our electoral system. I think this compromise achieves that.

We need to make it easier to vote. For those who have been confused by machines or confounded by lack of phone lines to get questions answered, this proposal says we should let the voter know if he or she has made a mistake. If the system has made a mistake, then we set up a new system to give that voter an opportunity to cast the ballot which can be counted after the voter is identified as being a legitimate voter.

As has always been mentioned, we don't try to throw out any particular system. We don't say that ''one size fits all'' and Washington is going to tell every local election official that this is the kind of system you have to use.

Some 23 different States, I believe, use at least in part paper ballots. In some areas that is how they vote. In my hometown we vote by punch cards. I do not know when anybody has challenged the balloting there as having problems. Voter election officials might say check your card to make sure it is punched out. It is a simple thing. But it works. In St. Louis County, the largest voting jurisdiction in Missouri with the most diverse population—from some very wealthy areas to areas in great need which qualify as an enterprise and empowerment zone, a wonderful diversity of people with long-time residents and newly arrived immigrants—they use punch cards. Their error rate is 0.3 percent—one of the lowest in the country. Clearly, it isn't a problem there. We don't say you can't use punch cards.

For disabled voters, as has already been mentioned by Senator DODD, who has been a true champion, we require polling precincts to improve their voting system so voting machines are accessible even for those who are visually disabled. For those new citizens whose English proficiency is still a work in progress, we want to make sure that newly arrived people with different languages are not excluded from the protections of voting laws. If we have a credible population in a jurisdiction that speaks a different language and has literacy problems, we must publish the election information in their language. All of these steps go a long way toward achieving the goal of making it easier to vote.

Senator MCCONNELL's insistence on a commission—which would be a full-

time commission, a bipartisan commission, that would help solve these problems—is a tremendous contribution. I think that is going to make a difference.

But let me tell you how my interest and enthusiasm for challenging voter fraud was reignited. You have heard that old story about: Deja vu all over again. Well, on the night of the general election, in November of 2000, we were ready to see the votes start to come in in St. Louis.

But lo and behold, a case was filed in the court in St. Louis City challenging the voting process, saying that people were being illegally excluded. As a matter of fact, the plaintiff who filed the case had been dead for over a year. He alleged that long lines were keeping him from voting. I suggest that the long lines may not have been at the polls that kept him from voting. He probably had other problems that were keeping him from voting.

But we heard wind of this and lawyers went in and went to the court of appeals. And the court of appeals shut down that scheme within about an hour, after a few votes were cast.

I say deja vu all over again because—the funniest thing—I first ran for Governor in 1972. I am from an outstate area. I ran against a candidate who was from St. Louis City. I had a pretty good lead in the outstate area, and on election night we were starting to get ready to see the votes counted and we heard that in St. Louis City they kept the polls open. They kept the polls open hour after hour after hour, and it reached around midnight. The charge was that, in a Democratic-controlled city, in a Democratic-controlled State, the Democratic election officials were making it more difficult for Democratic voters to cast votes for Democratic candidates. Now, if that raises some eyebrows, I think it should.

But we set about cleaning up the system and getting good election boards in place. And we thought that old trick of keeping open the voting machines in areas where they are heavily partisan was over. But, no, it came back on election night 2000. We asked for an inquiry.

As we started kicking over damp rocks, more and more little election frauds crawled out.

We found out that, for example, there was sort of a system of provisional votes. Voters could go before a judge and say: I have been denied the right to vote.

And the judge would say: Here is an order. You can go vote.

Well, they voted. They cast their ballot. And they were not segregated. When we went back to look at them, we were kind of interested.

They said: You have to put down what your reasons for not being able to vote were. And one of them wrote on the line: I'm a convicted felon.

Sounds like a good reason for keeping them from voting. But the judge ordered that person be allowed to vote.

Another one said: I just moved here, and I wanted to vote for Al Gore.

It seemed like a good reason to that judge, so that person was allowed to vote.

The Missouri Secretary of State went back and examined those 1,300 ballots that were cast. Ninety-seven percent of them were illegal, people who were not lawfully registered as required under the Missouri Constitution. They were allowed to cast their votes anyhow.

There were 13,000 of those provisional votes in St. Louis County. We have not even completed an examination of those. But we also went and we started taking a look and doing some research, and we found there was some mess in the city of St. Louis. Some 25,000 voters—10 percent of the voters in St. Louis were double registered. Some voters were registered three times. Some were registered four times. The champions were registered five times.

We have not completed an investigation to find out how many of those people took advantage of their multiple registrations, but we believe there were significant numbers. There are investigations going on by the appropriate authorities. Obviously, if they find specific evidence, we trust they will take appropriate actions.

While I was accused of being partisan in calling attention to the St. Louis City fraud in November of 2000, something happened. There was a partisan primary for the mayor's race in March of this year. And lo and behold, on the last day of registration, 3,000 mail-in registration cards were dumped on the City Election Board. The interesting thing about them was that most of them were in the same handwriting and the same ink. Many people who had accused me of being partisan, though of the other party, now found it to be of great interest to look into the bona fides of these registrants.

Fortunately, we had a very aggressive and inquiring media in St. Louis that went out and started looking. It is amazing how many vacant lots in St. Louis City were teeming with voters. Where they were registered were empty lots.

The secretary of state did a little investigation of multiple registrations at one location. This is not apartment houses; this is supposedly a single family dwelling. They limited their examination to those places where eight or more adults were registered from one single family unit. They found over 250 of them—truly remarkable living conditions, and probably warrants some further investigation.

These drop houses were potential sites for massive voter fraud. Under the current system, mail-in registration allows you to register to vote by mail, motor-voter. When motor-voter passed, most people focused on registering people where you get your motor vehicle licenses. You have to show up. You are buying a car. You have an address. That makes a lot of sense.

But mail-in registrations required the local government to register those voters. Then they said the only way you could get off the rolls was if you showed up on the list of dead people, if you asked to be removed, or if you had not voted in two Federal elections.

The problem with people who were registering from these drop houses is, No. 1, there probably were not any people to die. They are not going to show up on the dead rolls. They certainly were not going to call in and ask their names be registered. Frankly, if you had gone to the trouble of registering a bunch of phony names, you certainly were not going to fail to vote them. Simple common sense.

Those things kind of heightened my interest. They got me looking at what we could do. We have agreed, in this bill, that, No. 1, one of the most important things we are going to do is have a statewide voter registration base, a database. This is important to make it easier to vote. And it is important to make it tougher to cheat. And that list has to be cleaned up. But it also says, if you are registering by mail, you cannot just send in a ballot with no further identification. We require some identification. Either you show up in person to vote the first time or you send in—either with your registration or with your vote—a photo ID or a bill mailed to you at that location with your name and address on it. If you pay a water bill there, and your name is on it, it is a pretty good indication that you are there. If you are paying bills from there, that is a start.

There are a lot of things that need to be done. I think there are a lot of jurisdictions, given the power that these new statewide databases will give them to check, to cross-check, that will be able to find if there are phony voters and clean up some of these multiple registrations, some of these double, triple, quadruple, quintuple registrations, and maybe begin to shut down on fraud.

There has not been any final determination other than the initial reviews of the secretary of state, but I can tell you, just in St. Louis City and St. Louis County, there was enough evidence of questionable voting that the warning given by the court of appeals in St. Louis should be taken to heart.

That is, that it is a significant denial of the right to vote if you have your vote diluted by multiple votes cast by some other person or by votes cast in the name of a nonexistent person. If people are not registered to vote and they are permitted to vote, that is a denial of the right of franchise. This bill takes very significant steps towards curing that.

One other thing. The Carter-Ford Commission said all people who register to vote must affirm their citizenship. That seems to be reasonable. I understand that one of the al-Qaida members actually voted in Colorado. A couple more illegal immigrants suspected of being involved with the September 11 activities were registered in Michigan. I don't know whether or not they managed to vote.

I guess my favorite, one that was uncovered by the media in St. Louis, was when they looked at the mail-in registrations, they did some groundwork and they focused on Ritzy Mecker. They went to inquire about the whereabouts of Ritzy Mecker. They finally tracked down her owner and found out it was a mixed-breed dog.

I don't know what Ritzy's preference in the election was. I don't know whether Ritzy was a Democrat or a Republican. Maybe she voted a split ticket; I don't know. But the kind of thing that went on there is a kind of Ritzy Mecker-voting system.

We want people who are adults, U.S. citizens, not felons, registered to vote, to be able to cast one vote, but the people who don't fall in that category should not be voting. And the dogs that don't fall in that category should not be voting.

One of my dear friends in State government when I served there, Tom Villa, his father was a legendary alderman, Red Villa, Albert ''Red'' Villa, legendary; he died in the early 1990s. But in this most wonderful of seasons, I can tell you that he came back to register for the 2000 election. Does your heart good to know that, yes, you can come back from the dead and register. We would like to see the photo ID of those people who have registered to make sure they have not departed us. As I said some time ago, I like dogs. I have a great respect for the dearly departed. But I really don't think they ought to vote.

When we talked about the fraud in the city of St. Louis, another good friend of mine, State representative Quincy Troupe, talking about the danger he saw in the primary of illegal registration, said about St. Louis:

> The only way you can win a close election in this town is to beat the cheat.

Time is long gone when we ought to have to ask candidates for office to beat the cheat if they want to hold office. This legislation we have crafted will be worked on in the Chamber. I imagine it will be worked over good, and we may be able to improve on it. But as my colleague from Kentucky said: We have hashed out a lot of these issues. I hope we can explain what we have done to our colleagues on both sides of the aisle so we can get strong support.

It is incumbent on us and the time is now. We have come to this place after a lot of blood, sweat, and tears that we and our staffs have put in, and I thank the staffs of my colleagues, my colleague from New York, Senator SCHUMER; my colleague from New Jersey, Senator TORRICELLI; their staffs. I thank particularly my chief of staff Julie Dammann and my counsel Jack Bartling. I haven't seen them for 3 months. I am looking forward to having them back in the normal office business after the Christmas recess.

I hope that the mutually worked on effort is going to produce something that will be a real present for all Americans in this holy season.

I thank my colleagues. I thank the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I also thank the staffs of all of the Senators involved. I think we couldn't have made it without them.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, this could be a fairly historic moment for our country. I thank my friends from Connecticut and Kentucky and Missouri for their good work. This is an issue that is vital to the people of our country. In fact, in light of September 11, which caused such problems for my city and for our country, if you had to think of the No. 1 reason that those overseas, those terrorists, hate us, it is because we vote, because we don't have a dictator, religious or otherwise. It is because we vote.

We have to make voting as perfect as possible. It is never going to be perfect. But such a sacred right, such a vital right should be made perfect.

This bill comes a lot closer to doing that. It has taken a lot of work. We all know what the bill is. The week after the Florida election I said we had to do something and came out with the idea that we ought to give the States money if they upgrade their machines, and that is at the core of this bill.

We all worked together. I compliment my colleague, particularly from Connecticut, who pulled everybody together, who, as I mentioned earlier, had the patience of Job. And my colleague from Kentucky, he and I had a bill originally. It probably would have been the bill on the floor had Mr. JEFFORDS not switched. But this is a better bill. I am proud to be on it because it not only provides money, but it requires the States to upgrade.

I thank my colleague from Missouri as well. His addition in terms of election fraud is something of which we on this side of the aisle should not be afraid. When there is fraud in elections, it jaundices elections, and elections are sacred.

I am not going to go into the details of the bill. My colleagues have spoken eloquently about the need for the bill. It is a little sad that we came to our agreement only this week of this session, but Senator DODD has mentioned that our leader, the floor leader, the majority leader, Senator DASCHLE, has said we will move this bill early next year. That will give us enough time to make sure the Presidential election in 2004 is not a repeat of the election in 2000.

In New York State, we need help, too. I voted for the first time in 1969. I voted exactly on the same clunky old voting machine in 2001 for mayor a few weeks ago.

I want to share with you something that stays in my mind. You go to a polling place in the early evening. You find people, all kinds of people, working people in their plaid shirts and jeans, people who have worked in the office towers in their shirts and ties. They are tired. But they know it is their obligation to vote. They go over to the polling place. And in my city and in many parts of my State, because of the oldness of the machines, there are long lines. They wait patiently. Many are studying the ballot and studying the literature that has been given out, particularly these days with so many names on the ballot.

Then you ought to see the looks on their faces when they get up, ready to vote, and they say: You are at the wrong polling place, or we don't have your card here, or you can't vote for some reason. It is a look of complete and utter sadness and almost despondency. In this bill we found ways to avoid it. The number of people who will be turned away who should have the right to vote will be many fewer. We have made provisions for provisional voting so, if you are not on the list, you can vote by a paper ballot, and then they will check. And if your vote should be counted, it will be. If it shouldn't, they will notify you.

I thought that is a very clever and good provision in the bill. They will tell you why so you can correct it. Within a few years of this bill becoming law, not only will voting be modernized but fraud will decline, and the ability of people to vote quickly and easily and correctly will have greatly improved.

So I just again want to say that this could be a fairly historic moment in the history of the Republic. We have had poll taxes, limitations on voting by sex, by property, by income, and by race. Thank God, we have eliminated those. But we have also had limitations on voting just because of the method we vote. On its face, it may not be as pernicious as those others, but it is every bit as detrimental to the Democracy. We are going to end that with this legislation—or at least greatly reduce it.

I hope that when we return, we will move quickly. Again, I thank our leader in the Rules Committee, somebody who really has patiently and diligently tilled the vineyards, improved the product over and over again, and then came to a consensus. One of the reasons I look forward to coming back—and I look forward to coming back for many reasons—is to work to see that New York gets its $20 billion, to get a stimulus bill to move the economy and help the unemployed and those who don't have health insurance. We have so many things to do.

One of the main reasons I want to come back next year—and that is a short time away because it is late in the year—is to get this legislation passed and stop the scene that I mentioned before: People who wait and wait and wait and, through no fault of their own, are denied the right to vote.

I yield the floor.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Connecticut.

## TERRORISM INSURANCE

Mr. DODD. Mr. President, I thank my colleague from New York. Before he arrived, I thanked him. In his presence, I thank him. The Senator played a very critical role in putting this product together. He is a new Member of the Senate, but he has already demonstrated, as others have pointed out, that he is very much a seasoned legislator. He brings from the New York legislature and from the other body years of experience, and it is a pleasure to do business with my colleague from the neighboring State of New York.

I hesitate to use the word ''landmark'' because we haven't finished it, but you can sense the enthusiasm we all feel about this compromise and at being able to arrive at a moment where we have the names already as cosponsors of a substitute that demonstrates a bipartisan commitment to this issue.

We don't claim perfection with this bill, but we do claim we are going to certainly improve the process immeasurably. My hope is that the leaders will find a time, if not as the first bill, as one of the early proposals we can bring to the floor for consideration.

I didn't want the Senator to leave the floor because I wanted to change the subject briefly. I will leave the record open for others who may want to comment about this bill. The hour is getting late and the time is running short. We all want to depart.

I want to mention the terrorism insurance bill, which is of critical importance to my colleague from New York. It is very important to many people across the country. I don't know what is going to happen with the so-called stimulus bill, but the terrorist insurance proposal is about as important a piece of legislation as this body could consider.

We have been at this now for a couple months trying to craft a proposal that would allow us to bridge this time from the September 11 events to a time when the industry would be able to calculate risk through the reinsurance efforts, and then through competitive pricing, be able to get back into this business.

It is a very complicated and arcane subject. It is not one that is going to be easily understood because the subject matter is complicated. Suffice it to say this: A critical leg of a healthy economy is the insurance industry. You cannot really have a healthy economy without it. People can't buy a home without fire insurance. You can't get loans today without having proper insurance.

The Presiding Officer, of course, brings a wealth of experience in this area because of his previous work in State government, where he dealt with insurance both in the private sector as well as a Governor. We have heard from Senator NELSON of Florida, also.

I know the Senator from New York is running off, but I hope—and it is my fervent plea this evening with a day left—there is still time for us to get this matter up. We are very close. I hope that Members on both sides will allow a motion to proceed to go forward. Give us a day, if that is what we can have, to consider various amendments on this bill. The House already passed one.

Bob Rubin, the former Secretary of the Treasury, when asked how he would calibrate the importance of this issue—and I can paraphrase his remarks and I think my friend from New York may have been there—said that this was as important, if not more important, than the stimulus package we have been considering.

Our failure to address and deal with this issue could mean that small businesses, construction projects, all across America, come January, will cease. Unemployment will go longer—not of CEOs of insurance companies, but of construction workers, small business people, shopkeepers—all of whom need to have this bill if they are going to get the bank loans to continue to operate.

This has to get done. If we don't do it, this body will be held accountable, in my view. We have known about this issue for weeks. Yet, we have not yet brought the matter to the floor. I hope that will change in the next 24 hours, because if we leave here and don't deal with this, more than 70 percent of these contracts are up for renewal, and we will create a further problem for our economy.

So I know it is not at an issue that attracts a lot of support automatically. It is complicated. There is no great affection for the issue of insurance. Those knowledgeable about the importance of this issue for the strength and vitality of our economy, to leave and go home for the holidays and leave this unattended to, I think, is a problem. I think we need to come back over the next day and address this. We may not succeed, but you have to try. I hope this matter will come up on the floor so we can at least debate it and, hopefully, pass it.

I know my colleague has a deep interest in the subject matter because of the facts concerning his own city and State. I wanted to give him an opportunity to comment on this as well. I am happy to yield to him or have him claim the floor in his own right.

Mr. SCHUMER. I thank the Senator for yielding. He is so right. If there was ever a time when the perfect should not be the enemy of the good, it is on this insurance bill. If you think this doesn't affect you because it is the arcane Dickensian, almost, world of insurance, it does. My colleague is exactly right. If we don't have terrorism insurance, and as of January 1—less than 2 weeks away—no one will write terrorism insurance, then your banks, whether they be in small towns or in large cities, will not lend to new projects. They may not even refinance existing loans, and that means, as my friend has correctly pointed out, new projects come to a halt. No more new jobs. No construction jobs. No jobs that those projects create.

Each of us in the course of these few weeks as we debated this has had a different view as to how to do this better. But no one disputes that we have to do it. I don't know hardly a person in this body—maybe 10 of the 100—who would say we should not do anything. And so if there were ever a time that we all should sort of give in a little bit and say, well, it is not going to be done my way—if I had my druthers, I would have an FDIC for terrorism insurance. That is what I would do.

Warren Buffet, from the State of the Presiding Officer, proposed that. But that is not going to happen. I know there is too much opposition in the other body and in the White House for that.

So the proposal that the Senator from Connecticut and my good friend from Maryland, our chairman of the Banking Committee, and the Senator from Texas, the ranking member from the other side, and I, and the Senator from New Jersey, and so many others have put together, is sort of a grand compromise. Is it perfect? No. Is it a lot better than letting terrorism insurance lapse? You bet.

This is a test, I say to my friend from Connecticut, for this body, this Congress, this Government. If in the post-September 11 world, when we have new necessities and new urgencies, we all cannot pull together a little bit to deal with the problems and instead we let rumor-mongering, egos, or whatever else get in the way, we are going to hurt this country.

This ain't beanbag, as Boss Tweed said in Plunket's book on New York City politics. This ain't beanbag, this is serious stuff. As my friend from Connecticut said, it probably means more to the country, even though it is more esoteric than the stimulus package in terms of the economy heading south. If we do not try to grapple with this difficult, thorny issue, it is at our own peril.

I join my colleague in his heartfelt plea that we make an effort to take this bill up and deal with one of the hidden but very seriously vexing problems facing our economy in the post-September 11 world.

I yield back to my friend.

Mr. DODD. Mr. President, I thank my colleague. I know Senator DASCHLE and others are working on this. Colleagues who are paying attention to this and heard the comments of our colleague from New York and myself, there are matters involved in this that I know are important to some but, in terms of the centerpiece of what we are trying to do, are really extraneous.

We are talking about a brief period of time for this bill to work. I know there are matters others would like to use dealing with other, more profound, long-term issues on this bill, and I urge

them to hold up if they can and not allow a larger debate on those questions and not stop the debate on something that needs to be dealt with in the next 24 hours before we recess for the year.

The President has urged us to do this. Every single industry group I know of beyond the insurance industry—the private sector—is calling on us to deal with this issue. Even the Consumer Federation has different ideas but understands our failure to act could create a serious problem. For us to not even try I think would be a huge mistake.

I urge before we recess that we make an effort, starting early tomorrow, to give this body time to hear some of the various ideas my colleagues may have. I may disagree with them on those ideas, but I am prepared to spend the time necessary tomorrow to engage in debate on those ideas, resolve them one way or another, and send this bill from this Chamber to conference with the one adopted in the House and resolve it, so we can finish the business of giving the President a proposal that will avoid the kinds of problems the Senator from New York has very properly described.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## JUDICIAL NOMINATIONS

Mr. HATCH. Mr. President, I understand some of my colleagues were on the floor today trying to make some points about judges, and I would like to set the record straight because I think they protest too much. There is just far too much protesting and far too much misinformation being given out about judges by some in this body.

Having been intimately involved in trying to get as many judges through as I could over the last 7 years, I have to say I find some of the comments that were made were a little unctuous and perhaps to some people who have been involved and have worked so hard to do a good job a little bit irritating and maybe offensive.

As Congress nears the end of its current session, we are beginning to see the end result of the systematic and calculated effort by some Senate Democrats to confirm the absolute minimum number of President Bush's judicial nominees they believe will be acceptable to the American public.

Some of the Senate Democrats want us to believe they have done everything that can be expected because they have confirmed as many judges during President Bush's first year in office as were confirmed in President Clinton's first year 8 years ago. What they are not telling the public is the Senate has purposefully ignored more judicial nominees than in any other President's first year in office in recent history.

Thirty-two of President Bush's nominees have been prohibited from even having a hearing, the first step in the Senate's constitutionally-required process of advice and consent.

Some Senate Democrats want to use an inaccurate measure of performance focused on the end result of 8 years ago rather than exposing the percentage of their work they left uncompleted this year. The percentage is a much more appropriate gauge for the simple reason our current President Bush sent many more judicial nominations to the Senate than the previous President did in his first year.

So let us look at the percentages. The Senate has exercised its advice and consent duty on only 21 percent of President Bush's circuit nominees this year. The other 79 percent of our work remains unfinished. This is despite the fact that President Bush sent his first batch of 11 circuit nominations to the Senate on May 9 of this year, which gave the Judiciary Committee plenty of time to act on them. Even so, only 3 of those 11 have been confirmed. A significant number of those have the highest possible rating from the American Bar Association. Even so, only three, as I say, have been confirmed. President Clinton, on the other hand, did not send his first circuit nominations to the Senate until August 1993, but still saw 60 percent of his circuit court nominees confirmed before the Senate adjourned in November of 1993.

The Senate's record on overall judicial nominations is not much better than our record on circuit nominees. Since some of my colleagues on the other side of the aisle are so fond of comparing their record to the first year of the Clinton and first Bush administrations, let us see how they stack up. President Clinton had nominated 32 judges by October 31 of his first year in office. Eighty-eight percent of those, or 28 nominees, were confirmed by the time Congress went out of session in 1993. The first President Bush had nominated 18 judges by October 31, 1989, of which 89 percent, 16 nominees, were confirmed by the time Congress recessed at the end of that year. In contrast, as of today, the current President Bush has nominated 66 judges and only 27 have been confirmed, a mere 41 percent. (I hope that tomorrow we will confirm the five who are presently on the Senate calendar.)

The importance of this percentage is that the Senate has done only 41 percent of its job this year. In other words, nearly 60 percent of judicial nominees are somewhere in the Senate's black hole. We will conclude our work by leaving nearly 100 vacancies in the judicial branch, which means more than 11 percent of all Federal courtrooms in this country are presided over by an empty chair.

Some of my Democratic colleagues recently asserted the present vacancy crisis is the result of Republican inaction on judicial nominees during the Clinton administration. Incredibly, some have asserted that the vacancy rate increased 60 percent under Republican control of the Senate. That is a wild exaggeration. The truth is that, during the 6 years when I was chairman of the judiciary committee, the vacancy rate was never above 8 percent at the end of any session of Congress.

In December 1995, there were 63 vacancies in the Federal courts, which is a vacancy rate of 7.4 percent. In December 1996, after Congress had been out of session for nearly 2 months during which it could not immediately fill any vacancies, there were 75 openings in the Federal judiciary. December 1997, 81 vacancies; December 1998, only 54 vacancies; December 1999, 68 vacancies, and last year, only 67 vacancies. All tolled, the average number of vacancies under my chairmanship in the month of December is 68—a vacancy rate of 8 percent.

Contrast this to 2001: We are about to adjourn with nearly 100 vacancies, a rate of over 11 percent. This year will indeed go down in history as a black hole—and a black mark—for the failure to confirm judicial nominees.

Of course, trying to shift the blame for this present vacancy crisis ignores the end result of how Republicans treated President Clinton's judicial nominees. During the Clinton Administration, the Senate confirmed 377 judicial nominees. This number is only 5 short of the all-time record of 382 judges confirmed during the Reagan administration. And keep in mind, for 6 years of the Reagan administration the Senate was controlled by the President's party. But for 6 of President Clinton's 8 years, the Senate was controlled by Republicans. So the Republican—controlled Senate confirmed essentially the same number of judges for Clinton as it did for Reagan. We have not heard a single Democratic Senator acknowledge this fact because it proves that the Republicans treated Democratic nominees fairly. The fact is, contrary to the assertion that Republicans held up President Clinton's judicial nominees, the Republicans who controlled the Senate during 6 years of the Clinton administration put a near record number of judges on the bench. What is more, those 377 confirmed judges represent nearly 80 percent of all of President Clinton's judicial nominees.

As for the pace of moving nominees, it is worth noting that 20 Clinton judicial nominees received a hearing within 2 weeks of their nomination. Thirty-four Clinton judicial nominees received a hearing within 3 weeks of their nomination, and 66 received a hearing within a month of their nomination.

In contrast to the Republican Senate, the present Democratic-controlled Senate has only contributed to the vacancy crisis. In the first 4 months of

Democratic control this year, only six Federal judges were confirmed. At several hearings, the Judiciary Committee considered only one or two judges at a time. The Senate has been behind the curve ever since, and the Federal judiciary continues to suffer for it. The number of judicial emergencies has increased by 17 in the last year.

Now I must pause a moment to talk about the Tenth Circuit since it encompasses my home state of Utah. Several of my Democratic colleagues remarked that the present leadership held the first hearing for a Tenth Circuit nominee since 1995. The implication, of course, is that the Republican-controlled Senate failed to approve Clinton nominees for the Tenth Circuit.

A closer examination of the facts reveals that there were no Tenth Circuit nominees for most of the 6 years the Democrats cite. After the confirmation of three Tenth Circuit Clinton nominees in 1995, there was not another Tenth Circuit nominee until 1999, and that nomination was subsequently withdrawn. The next Clinton Tenth Circuit nominee was not nominated until just before August recess in 2000, which left the Senate little time to act on the nomination given the dynamics of last year's election.

So the suggestion that the Republicans deliberately failed to act on Clinton nominees for the Tenth Circuit for 6 years is inaccurate at best and downright misleading at worst.

Unfortunately, the same cannot be said of the Judiciary Committee's present leadership. We have an eminently well qualified candidate from Utah for the 10th Circuit, Michael McConnell, who has been awaiting a hearing for more than 7 months. He received the highest rating given by the American Bar Association and is considered one of the true legal intellects in the country today.

Not long ago, I talked with one of the leading law deans in the country. He is a very liberal Democrat. I asked him about Michael McConnell. He knows him intimately. He said: I have met two absolute legal geniuses in my lifetime and Michael McConnell is one of them.

In addition, both Timothy Tymkovich of Colorado and Terrence O'Brien of Wyoming are awaiting hearings on their nominations to the Tenth Circuit. So, despite the recent confirmation of one Tenth Circuit nominee, there is still substantial work left undone in the Tenth Circuit.

The Senate's constitutional obligation to provide President Bush advice and consent on his judicial nominations is not a game, as some of my Democratic colleagues seem to believe. This is not football, or baseball, or basketball, where the whole point is to beat the other team. Neither the Senate nor the American public scores a victory when some Senate Democrats execute a deliberate strategy of ignoring more than half of President Bush's picks for the Federal Judiciary.

Any excuse for not moving a nominee that hinges on his or her supposed ideology is just that—an excuse. If we start imposing an ideological litmus test, then we will not get people of substance to sit on the Federal benches in this country. If we start denying hearings to nominees simply because they are personally pro-abortion or pro-life, it would be a tremendous mistake.

We should confirm the President's nominees where we can. Sometimes there are reasons why we cannot. I understand that. I have been there. I have had people on both sides of this floor mad at me, and I was doing everything I could to support President Clinton's nominees through the Senate process. I don't expect the current Judiciary Committee chairman to have an easy time, either. He is a friend. But the fact of the matter is, I don't think the job is getting done.

There are myriad reasons why political ideology has not been, and is not, an appropriate measure of judicial qualifications. A nominee's personal opinions are largely irrelevant so long as a nominee can set those opinions aside and follow the law fairly and impartially as a judge. I am very concerned that the statements made today by some of my Democratic colleagues indicate a renewed intention to subject judicial nominees to a political litmus test, instead of focusing on their intellectual capacity, integrity, temperament, health, and willingness to follow precedent.

Despite the unfortunate decisions made this year, I believe there is some room for hope in 2002. The same results-oriented strategy that led the Judiciary Committee this year to match President Clinton's first year, should lead the committee to equal his second year, as well. During President Clinton's second year in office, the Senate confirmed 100 of his judicial nominees. The American people should join me in expecting Senate Democrats to do the same for President Bush. In fact, I think we should take this year's systematic and calculated performance as a pledge that the Senate will confirm at least 100 of President Bush's judicial nominees in 2002.

Mr. President, there is another fact that I think ought to be brought up. That is, when the first President Bush left office, there were around 67 vacancies and 54 nominations pending that were never acted upon. But on election day of 2000, only about 42 Clinton nominees were left pending, several of whom were sent here so late in the year that there was no way the Judiciary Committee could have processed them.

I tried to do my best as Judiciary Committee chairman, and I don't think anybody on the other side has a right to complain. Admittedly, there were a few judges that we just couldn't get through, but it wasn't for lack of trying. There are some Senators in each party who may not want to see many of the other party's judges get through, and they make it tough. But those Members are very much in the minority. I think most Members in both parties would like to see a better job done.

Now, I have great hope we will do a better job next year. It is an absolute disgrace to allow 79 percent of President Bush's circuit court nominees to languish. In particular, I will mention three of them.

Michael McConnell is one of the greatest minds in the field of law today. He has all kinds of Democrat support, but one or more single-issue special interest groups are mouthing off against him. He has wide bipartisan support and everybody that knows him knows he would make a great circuit court of appeals judge. I would like to see him on the Tenth Circuit Court of Appeals because I think he would help that court a great deal.

Another one is Miguel Estrada. Here is one of the leading minorities in the country today, an immigrant who graduated from Columbia University and Harvard Law School. But the Senate leadership has been sitting on his nomination for 7 months, preventing him from having a hearing. He received the American Bar Association's highest rating, which some Democrats have touted as the gold standard for nominees, but still cannot get the time of day from the Judiciary Committee.

John Roberts is another excellent nominee. He is considered one of the greatest appellate lawyers in the country today. My friends on the other side left him languishing as a nominee of the first President Bush, back in 1992. Here he is, languishing for another 7 months, not even being given a chance to have a vote up or down.

Now let me just say a few words about two executive branch nominees who also have been mistreated. One is Eugene Scalia, the nominee for Solicitor of Labor. Listening to his critics, you might think the plan is to turn OSHA over to Eugene Scalia, who disagrees with the efficacy of some of the rules on ergonomics. But he will have nothing to do with that. And besides, both Houses rejected those rules by a majority vote. The Solicitor of Labor basically has no power other than to issue legal opinions, and Scalia is one of the brightest young legal minds in the country today.

I suggested last week that Mr. Scalia's nomination is being stopped for two reasons—at least these are the ones that keep cropping up. And I hope these are not the true reasons why any Senator would stop an executive branch nominee. I would be tremendously disappointed at our Senate if they were the true reasons.

The first is that he is a pro-life Catholic. This is not a persuasive argument for voting against Eugene Scalia's nomination. It is offensive to me if anyone in this body would actually vote against someone for that reason. The fact that he is a pro-life Catholic has nothing to do with whether or not he can do a good job as Solicitor of Labor. Everybody knows he is

an excellent lawyer. He has said he will abide by the law, whatever it is. Whether he agrees or disagrees with it, he will enforce the law. What more can you ask of a nominee? And he is the President's choice for this position. He deserves to have a vote.

If people feel so strongly against him that they want to vote him down, let them vote against him. But at least let this man, and the President, have a vote on this nomination.

The second reason that Eugene Scalia's nomination is being stopped, is that some may hold it against him that his father happens to be Justice Antonin Scalia on the U.S. Supreme Court. I hope nobody in this body would hold it against a son, the fact that they might disagree with the father. I do not have to speak in favor of Antonin Scalia. He is one of the greatest men in this country. He is a strong, morally upright, decent, honorable, intellectually sound, brilliant jurist—just the type we ought to have in the Federal courts. The fact that he may be more conservative than some in this body is irrelevant.

But even if there were some good reason to criticize Justice Scalia, there is no basis at all for using such a criticism against his son, who is a decent, honorable, intelligent, intellectual, brilliant young attorney who deserves the opportunity to serve his Government, and who has already said that as Solicitor of Labor he will abide by the law whether he agrees with it or not. Knowing how honorable he is, I know he will do exactly that.

The second executive branch nomination I want to mention is Joseph Schmitz for Inspector General of the Department of Defense. I happen to know a lot about him; he is one of the brightest people I have ever met. He is not even getting a committee vote. At least Mr. Scalia got a vote in committee—he received a majority vote in his favor in the HELP Committee. But Mr. Schmitz isn't even getting a vote in committee. That is no way to treat a nominee, or the President who nominated him.

Frankly, these jobs—solicitor and inspector general—are not politically sensitive positions. And both of these men I know personally to be honest, decent, honorable men. They deserve votes in this body. If they lose, then I can live with that result. I do not believe they will lose.

The purposeful delay on all of these nominations bother me a great deal, and I hope we do something about it. If we can't do anything before the end of the current session, then I hope we will do it shortly after we get back.

I will continue to do my very best to work as closely as I can with Senator LEAHY. We are friends, and I respect him. I want to support him in every way. But some of the comments I have heard in this Chamber today are nothing more than a distortion of the facts, a distortion of the numbers, and a distortion of the record. I personally resent it.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADMINISTRATIVE SIMPLIFICATION COMPLIANCE ACT

Mr. BINGAMAN. Mr. President, on December 12, 2001, the Senate passed the Administrative Simplification Compliance Act, by unanimous consent. As the title states, this is a bill about compliance with the ''Administrative Simplification Act'' and not a proposal to delay enforcement of it.

This bill permits healthcare organizations, health plans, providers and clearinghouses, which cannot meet the current deadline for compliance with the transactions and code sets rule, to seek and obtain a one-year delay. Such flexibility was necessary due to the complexity and novel nature of the changes mandated under the Administrative Simplification Act. At the same time, certain provisions were built into the rule to allay concerns that entitles that request the delay may merely continue to avoid preparing for compliance. The first of the provisions designed to provide compliance impetus is the requirement to submit a plan no later than October 16, 2002, stating, among other things, how the covered entity will come into compliance by October 16, 2003.

These plans must include: (1) an analysis reflecting the extent to which, and the reasons, why, the person is not in compliance; (2) a budget, schedule, work plan, and implementation strategy for achieving compliance; (3) whether the person plans to use or might use a contractor or other vendor to assist the person in achieving compliance; and (4) a timeframe for testing that begins not later than April 15, 2003.

I am concerned that there will be a year in which some covered entities are using compliant standard transactions, as prescribed by the Administrative Simplification Act, and others who are not compliant and sought the delay according to them by H.R. 3323. For those in compliance, it is important that they are not penalized for using a compliant standard transaction format, as prescribed by the Administrative Simplification Act, after the original compliance date of October 15, 2002. That is, transactions should not be rejected, burdened, or penalized with additional costs, for being in conformity to the standard transaction format.

In order to avoid burdening complying health care entities, those entities seeking delay should also set forth how they will accept and not unduly burden conforming transactions from compliant health care entities between October 16, 2002, and October 16, 2003.

I look forward to working with my colleagues to ensure that Administrative Simplification Act accomplishes what it was set out to do, which is to save money for covered entities on transactions costs, provided administrative efficiency, and protect the privacy of personally identifiable health information.

## HOLD ON S. 1803

Mr. GRASSLEY. Mr. President, in keeping with my policy on public disclosure of holds, today I placed a hold on further action on S. 1803, legislation reported out by the Senate Foreign Relations Committee to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961.

I am particularly concerned with Section 602 of this legislation.

Section 602(a) expresses the sense of Congress that the United States Trade Representative should seek to ensure that Free Trade Agreements are accompanied by specific commitments relating to nonproliferation and export controls.

Section 602(b) specifically directs the United States Trade Representative to ensure that any Free Trade Agreement with Singapore contains or is accompanied by a variety of specific nonproliferation and export control commitments.

Both of these matters—what sort of commitments Free Trade Agreements should contain, and specific negotiating instructions to USTR relating to the United States-Singapore FTA negotiations—are matters under the jurisdiction of the Senate Finance Committee.

Apart from the fact that Section 602 deals with matters that pertain to the jurisdiction of the Finance Committee, I have an additional practical concern as well.

According to the Trade Act of 1974, the United States Trade Representative is required to consult with and report to Members of the Senate Finance Committee and the House Committee on Ways and Means on the status of trade negotiations. This includes ongoing negotiations, like the US-Singapore FTA talks, and future FTAs in general.

If enacted into law, Section 602 would likely result in a confusing situation in which the Senate Foreign Relations Committee is advancing negotiating instructions to USTR on behalf of Congress, even though the oversight responsibility for such negotiations lies with the Finance Committee. USTR would have to consult with the Finance Committee about its implementation of negotiating instructions developed by the Foreign Relations Committee, instructions Finance Committee Members had no role in developing, and are not familiar with.

As far as I know, no Member of the Finance Committee has even seen Section 602 before.

Just a few days ago, the Finance Committee approved a bipartisan Trade Promotion Authority bill by a vote of 18–3. This bill contains specific and detailed negotiating instructions relating to multilateral, regional, and bilateral trade negotiations. The issues raised in Section 602, especially those framed as negotiating instructions, should have been considered by the Finance Committee in the context of the mark-up of TPA legislation, not on the floor in the context of legislation authorizing appropriations under the Arms Export Control Act.

For these reasons, Mr. President, I will continue to hold this legislation until the concerns I have raised here are addressed.

## CAMBODIA KILLINGS

Mr. MCCONNELL. Mr. President, an article in last week's New York Times highlighting the continued problem of wildlife poaching in Cambodia. A conservation expert predicted that within the next 3 to 5 years several species will cease to be biologically viable. Without a doubt, this is a legitimate concern and I applaud efforts to protect these endangered species.

But there are other species which may be endangered that the New York Times did not cite—these species are called ''Cambodian democrats''.

The killing of democracy activists in Cambodia deserve increase attention from the press and the international community. A total of 11 political activists and candidates from the royalist FUNCINPEC party and the opposition Sam Rainsy Party have been killed in the runup to local election scheduled for February, 2002.

Officials from the ruling Cambodian People's Party (CPP) have blamed these murders on witchcraft and business deals gone sour. This is poppycock. Diplomats in Phnom Penh must show some spine in demanding the CPP to cease the killings and to hold credible and competitive elections—something they did not do prior to the 1998 parliamentary elections. I hope that the importance of free and fair commune elections in 2002 and parliamentary elections in 2003 is not lost on this crowd, who seem more willing to embrace ''stability'' at the expense of democracy and the rule of law. Long term development in Cambodia is possible only under new and dynamic leadership.

There will come a day when the CPP is held accountable for its extrajudicial and corrupt activities. This Senator has not forgotten those killed and injured in the horrific grenade attack against the democratic opposition in March 1997—nor American Ron Abney, injured by shrapnel and who continues to bear physical reminders of that awful day. I have not forgotten the 100 FUNCINPEC supporters killed during the July 1997 coup d'etat organized and executed by CPP Prime Minister Hun Sen. Nor have I forgotten those killed and injured during the July 1998 elections. I ask Hun Sen: what kind of government kills Buddhist monks?

The international community can be part of the problem or part of the solution. It is past time they held the CPP and Prime Minister Hun Sen accountable for their repressive actions. Failure to do so will ensure that ''Cambodian democrats'' will join the list of species facing extinction in this Southeast Asian nation.

## EMERGENCY SMALL BUSINESS LOAN ASSISTANCE

Mr. KYL. Mr. President, I rise today to share concerns raised by the Bush administration and some of my colleagues regarding S. 1499, authored by my colleague from Massachusetts, Mr. KERRY.

I strongly believe that we must come to the aid of small businesses hurt hard by the September 11 attacks. That is why I have enthusiastically endorsed the Bush administration's ongoing, active, and aggressive efforts to provide emergency small-business loan assistance.

Unfortunately, S. 1499 came to the Senate floor without debate, without committee hearings, and without an opportunity for concerns about the bill to be raised and addressed. No CBO score was released, depriving those who are fiscally-responsible of a cost estimate of this legislation. Yet the Senate leadership attempted to pass this bill without affording us any opportunity to offer amendments.

Scarcely any explanation of this bill's provisions was ever offered before it was moved to the Senate floor—and that is extremely troubling.

We do know now that the costs of this bill—as much as $815 million—would actually exceed the entire 2002 budget for the Small Business Administration, nearly doubling it, at a time of a economic slowdown.

Additionally, the agency responsible for carrying out this legislation—the Small Business Administration (SBA)—has raised a number of concerns about this bill that have not been adequately addressed.

First, some of the provisions of the Kerry bill duplicate efforts already underway by the Bush administration. After the terrorist attacks, the SBA established the September 11 Emergency Injury Disaster Loan, EIDL, assistance program to make loans available to small businesses throughout the United States, who could demonstrate economic injury as a result of the terrorist attacks.

This was an appropriate and necessary response. I emphasize, Mr. President: these loans already are being made available.

In addition to duplication of ongoing efforts, the SBA also expressed the concern that provisions of the Kerry bill would actually increase the number of small-business loan defaults, at the expense of the American taxpayer.

As the SBA wrote in a letter to the sponsors of this measure:

> By relaxing credit requirements, reducing interest rates, eliminating fees, increasing the government guarantee, deferring principal payments, forgiving interest and increasing government liability, S. 1499 could make government-guaranteed small business loans more attractive than conventional loans, potentially displacing private sector options. In addition, S. 1499 significantly reduces lender and borrower stakes in a loan, thereby increasing the likelihood of default.

Certainly the sponsors of this measure do not want to promote defaults. After all, the goal of small-business assistance is to help entrepreneurs build, sustain and grow small businesses, with sound and fiscally-responsible loan assistance programs.

The existing EIDL assistance program provides a reasonable mechanism for needed aid by offering up to $1.5 million in emergency loans to small businesses at four percent interest over 30 years. Loans are not intended purely as a means of disaster relief.

Additionally, S. 1499's language is so broad that loan assistance could be provided to any small business that have ''been, or, that (are) likely to be directly or indirectly adversely affected'' by the terrorist attacks. Obviously, such language is ripe for abuse and could lead to exorbitant costs for the American taxpayer. Surely, this is not what the bill sponsors intended from this provision.

Lastly, the Small Business Administration expresses concerns regarding S. 1499's provisions providing emergency relief for Federal contractors. The provisions would allow an increase in the price of a federal contract that is performed by a small business in order to offset losses resulting from increased security measures taken by the Federal government at Federal facilities. As the SBA points out: ''providing equitable relief through SBA acting as a central clearing house would prove inefficient, costly, and burdensome on the Federal acquisition process.''

All of us want to come to the aid of small businesses adversely affected by the September 11 attacks and their aftermath. But we can do so in a cost-effective and responsible way, instead of a rushed, haphazard process designed to thwart compromise.

I am confident that a bipartisan compromise on this issue can be found in the near-term, so that the concerns raised by the administration can be taken into account, and we can pass something the President will support.

## LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred October 7, 1998 in Traverse City, MI. A gay man was attacked by two men yelling anti-gay epithets. The assailants, Jeremy Jamrog, 21, and James Johnson, 24, were charged with aggravated assault in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

## LEGISLATIVE BRANCH EMERGENCY PREPAREDNESS TASK FORCE

Ms. LANDRIEU. Mr. President, I stand here today to pay tribute to a group of Americans who have worked tirelessly to protect all of us. Following the tragic events of September 11, Al Lenhardt, the Senate Sergeant at Arms and Chairman of the U.S. Capitol Police Board recognized the value of bringing together a group of experts from outside the legislative branch to provide the expertise necessary to respond to this unprecedented attack on America. He brought in a team of experts and created the Legislative Branch Emergency Preparedness Task Force to conduct a comprehensive assessment of the Capitol Complex and provide recommendations that would enhance our security .

This extraordinary group of experts could quite easily have taken a simplistic approach and recommended turning the Capitol into an armed camp. Fortunately, they recognized that this building, known throughout the world as a symbol of freedom and democracy, is first and foremost the public's domain and must remain so. Instead of taking the easy route, they developed a carefully crafted series of measures which enhanced the security of everyone who walks through these doors Members of Congress, staff and visitors alike without denying the American people their right to see and meet with their elected representatives. They ensured that the Capitol remained ''the People's House.''

Mr. Gary Quay of the Department of Defense, Colonel Richard Majauskas, Lieutenant Colonel Donald Salo and Lieutenant Colonel Stanley Tunstall of the Army, Lieutenant Commander David Klain of the Navy, Deputy Chief Chris McGaffin and Captain Edward Bailor of the U.S. Capitol Police, Mr. Michael DiSilvestro of the Office of Senate Security, Mr. Michael Johnson of the Senate Sergeant at Arms, Mr. Kevin Brennan of the House Sergeant at Arms, and Mr. Bill Weidemeyer and Mr. Jim Powers of the Architect of the Capitol dedicated themselves to the task of looking at every aspect of emergency preparedness on Capitol Hill.

All of us remember the confusion that reigned on September 11. In light of what happened, that confusion was perfectly understandable. After all, never before had someone turned one commercial airliner into a weapon of mass destruction, let alone four. I am convinced that the rapid implementation of the Task Force's recommendations by Jeri Thomson, the Secretary of the Senate, Alan Hantman, the Architect of the Capitol, and Jim Varey, Chief of the U.S. Capitol Police, has significantly enhanced our ability to respond to emergencies and will prevent a repeat of that day's confusion.

In a world where cynicism and selfishness rule the day for some, I am proud to say this is not the case for these dedicated Americans. The safety of our nation's Capitol, and all who work in and visit it, is enhanced by their efforts. On behalf of Americans everywhere and the 107th Congress in particular, I am proud to stand here today and say ''Thank you—job well done!''

## PRESIDENTIAL COMMISSION TO ESTABLISH AN AFRICAN AMERICAN HISTORY AND CULTURE MUSEUM

Mr. BROWNBACK. Mr. President, one of the most important chapters in our national story of human freedom and dignity is the history and legacy of the African American march toward freedom, legal equality and full participation in American society. Yet in our Nation's front yard, the national mall, there is no museum set aside to honor this legacy.

Yesterday, the Senate began the very important step toward establishing a national museum in Washington, DC to honor the rich history of African Americans.

With the passage of H.R. 3442, a bill that creates a Presidential commission that will develop a plan to establish and maintain the National Museum of African American History and Culture, the Senate has taken a tremendous step closer to honoring those African Americans who not only fought for their own freedom but fought for the freedoms in this country that we enjoy today.

I thank my colleague Senator MAX CLELAND for his leadership in the Senate on this issue. Senator CLELAND worked diligently with me to draft a bill that would properly honor the history of African Americans. This legislation will enable our Nation to start the process that will honor this important aspect of American history.

Specifically, the legislation creates a 19-member commission made up of individuals who specialize in African American history, education and museum professionals. The commission has 9 months to present its recommendations to the President and Congress regarding an action plan for creating a national museum honoring African Americans.

The commission will decide the structure and makeup of the museum, devise a governing board for the museum, and among other action items, will consider planning the museum within the Smithsonian's arts and industries building, which is the last existing space on the national mall.

As a Kansan, I feel a special connection to honoring the legacy of African Americans. The State of Kansas not only played a significant role in the civil war but also was chosen by many African American families as a place to begin their new life of freedom and prosperity in the ''exodus'' to Kansas.

I believe that it is long over due that we properly honor African American history by establishing a world class museum that showcases the achievements of African Americans in this country. I look forward to the commission's recommendations for establishing this museum on the national mall in Washington, DC, where African American history belongs.

I do not pretend that this legislation is a cure-all for the problem of racial division, it is, however, an important and productive step toward healing our nation's racial wounds. This museum will both celebrate African American achievement and serve as a landmark of national conscience on the historical facts of slavery, the reconstruction, the civil rights struggle and beyond.

Dr. King expressed his hope for national reconciliation. I too hope ''That the dark clouds of [misconceptions] will soon pass away and the deep fog of misunderstanding will be lifted from our fear-drenched communities and in some not too distant tomorrow the radiant stars of love and brotherhood will shine over our great nation with all their scintillating beauty.''

Today, we are one step closer to fulfilling this goal. I am proud to be a part of honoring this magnificent history. As a nation we have an extraordinary opportunity before us—a chance to learn, understand and remember together our nation's history and to honor the significant contribution of African Americans to our history and culture.

Mr. SMITH of New Hampshire. Mr. President, the gas additive MTBE has become a huge concern for millions across the nation because of the contamination that it has caused.

That is certainly true of many communities throughout New Hampshire where it has become a crisis, and the crisis will continue to escalate unless it is dealt with.

I have been fighting for the past two years to get the Senate to act on legislation that will solve this problem and up to now, unfortunate roadblocks have prevented this from happening.

I was pleased last week when the majority leader made a commitment to me that the Senate will vote on MTBE legislation before the end of February and I know that the majority leader will honor that commitment and I want to express my appreciation to him for working with me.

Until the day that vote arrives, I will continue to come to the floor to remind Senators of the terrible impact that MTBE is having on the nation and remind them why it is important that we act now.

Make no mistake about it—cleaning up MTBE contamination and preventing further contamination is something that the residents of New Hampshire are demanding and I will do all that I can to solve this problem.

Let me step back and provide some background on how we got where we are and why this legislation is so important to those many States that have suffered from MTBE contamination.

MTBE has been a component of our fuel supply for two decades.

In 1990, the Clean Air Act was amended to include a clean gasoline program.

That program mandated the use of an oxygenate in our fuel—MTBE was one of two options to be used.

The problem with MTBE is its ability to migrate through the ground very quickly and into the water table.

Several States have had gasoline leaks or spills lead to the closure of wells because of MTBE.

MTBE is only a suspected carcinogen, but its smell and taste do render water unusable.

Many homes in New Hampshire and across the nation have lost use of their water supply because of MTBE contamination.

According to the New Hampshire Department of Environmental Services, there may be up to 40,000 private wells with some MTBE contamination and of those, up to 8,000 may have MTBE contamination over State health standards.

Because of MTBE, New Hampshire has been left with no option but to divert funds from other programs in order to pay for safe water for residents with contaminated wells, in many instances, the State has had to provide bottled water.

They are also installing and maintaining extremely expensive treatment equipment and these costs are so expensive that an average family could not afford to have clean drinking water without assistance.

Yesterday, I came to the Senate floor to talk about the hardships faced by many in the Western part of New Hampshire and I focused on the plight a small business owner and two families in the Richmond area.

Today I want to talk about those in the Southern part of New Hampshire that have faced similar problems.

This past spring, as chairman of the Environment and Public Works Committee, I held a hearing in Salem, NH, at the hearing, the committee heard about the nightmares caused by MTBE.

I want to take a moment to tell you about one particular witness who lives in Derry, NH, Mrs. Christina Miller shared with the committee the experience that her family and neighbors have been dealing with because of MTBE.

Mrs. Miller, her husband Greg, and their infant son Nathan live in the Frost Road community in Derry, the area has been particularly hard hit by MTBE.

The gas additive was first detected there a little over three years ago and the concentration of MTBE in the well water was over ten times higher than the level where a person can smell it and taste it.

Since the discovery of MTBE in the wells, testing in the neighborhood has been on-going.

Currently, some 40 homes in the Frost Road community are being monitored for MTBE and so far, seven treatment systems, including one in the Miller home, have been installed in homes on and around Frost Road.

In April of last year, while Mrs. Miller was pregnant with Nathan, a water sample from the Miller well showed a high MTBE contamination level, and due to this discovery, the Millers began receiving bottled water from the State to replace the contaminated drinking water.

But while bottled water is fine for drinking, Mrs. Miller pointed out that it doesn't help with other daily needs such as: bathing; washing fruits and vegetables; and cooking.

There is also the potential health concerns associated with the contamination and not much is known about the health affects of MTBE—but when you have a new born, as the Miller's do with Nathan, the health uncertainties add to the already existing anxiety.

The State has installed a treatment system in their basement and it is a large, cumbersome intrusion in their house—it is also expensive.

This system consists of a residential air stripper and two carbon filter units and while the State is currently paying for the system, there is the concern about how long this will last and whether they will pay for any upgrades as well.

Needless to say, with the MTBE contamination and the presence of a large treatment system in their home, the Millers' are quite concerned with impact on the home's resale value.

What adds to the concerns is that the State still has not been able to determine the source of the MTBE.

It is a bad situation—one that begs for a remedy and the people of Derry are looking for help and relief from this federally mandated gas additive that has caused so much pain.

This problem is not unique to new Hampshire, it exists in Maine California, Nevada, Texas, New York, and on and on.

In fact, in Maine, one single car accident rendered 12 drinking wells unusable—just like that—we must do something.

I have a bill that has been reported out of committee two years in a tow—briefly, the bill will: Authorize $400 million out of the Leaking Underground Storage Tank Fund (LUST Fund) to help the states clean up MTBE contamination; Ban MTBE four years after enactment of this bill; Allow Governors to waive the gasoline oxygenate requirement of the Clean Air Act; Preserve environmental benefits on air toxics, and; Provide funds to help transition from MTBE to other clean, safe fuels.

Also, I am very pleased to be joining our subcommittee ranking member, Senator CHAFEE in introducing a new underground storage tank bill that includes MTBE cleanup funding.

The time to act is now—Just as I said yesterday, I will continue to come to the floor until the Senate acts on this issue. It is time to help out the families who have fallen victim to a Federal mandate.

## PORT AND MARITIME SECURITY ACT

Mr. HOLLINGS. Mr. President, we worked hard with the administration to incorporate many of their suggested changes in this bill to sharpen the policy and create a better legislative product. I had intended to work with Chairman LEAHY of the Judiciary Committee to modernize and update some of our maritime criminal laws to reflect the realities following the attacks of September 11th, and to strengthen our laws to protect against maritime terrorism. Unfortunately, the administration did not consult or share with the Judiciary Committee the changes in criminal laws and other matters within the Judiciary Committee's jurisdiction that were provided to me. I ask the chairman of the Judiciary Committee if he would be willing to work to work with me and Senator MCCAIN next year to consider whether new criminal provisions are necessary to enhance seaport security?

Mr. LEAHY. Mr. President, I am also very concerned that we develop policies to more adequately protect our maritime vulnerabilities and protect the public from the threats emerging as a result of maritime trade. I would be happy to work with Chairman HOLLINGS and Ranking Member MCCAIN next year to evaluate whether any gaps in our criminal laws to protect our maritime safety and seaport security exist and the appropriate steps we should take to close those gaps.

Additionally, I have expressed to Chairman HOLLINGS my concerns that we properly limit access to and use of sensitive law enforcement information relating to background checks which are provided for in this bill. Chairman HOLLINGS has assured me that the bill sets strict and appropriate limits as to both when such access will be required and how the information will be used once obtained. I would like to ask Chairman HOLLINGS if he could explain those provisions?

Mr. HOLLINGS. Mr. President, I share Chairman LEAHY's concern that we provide adequate safeguards for both access to and use of this sensitive

information. That is why we have included important protections and limitations for such use and access in the bill. Background checks will be limited to those employees who have access to sensitive cargo information or unrestricted access to segregated ''controlled access areas,'' that is defined areas within ports, terminals, or affiliated maritime infrastructure which present a demonstrable security concern. In addition, under this bill the use of such material, once it is obtained, will be restricted to the minimum necessary to disqualify an ineligible employee. In other words, only the minimum amount of law enforcement information necessary to make eligibility decisions will be shared with port authorities or maritime terminal operators.

## ADDITIONAL STATEMENTS

### CHARLES KRAUTHAMMER ON PRESIDENTIAL LEADERSHIP IN FOREIGN POLICY

• Mr. KYL. Mr. President, I commend to my colleagues a recent column by Charles Krauthammer entitled ''Unilateral? Yes, Indeed.'' It ran in the December 14 issue of the Washington Post.

Once again, Krauthammer has done a fine job of articulating sentiments shared by many of us regarding the President's conduct of foreign policy. The essence of the issue can be summarized in one word: leadership. Since the start of his presidency, George W. Bush has been the target of innumerable criticisms emanating from his approach to the conduct of foreign policy. Greatly exaggerated fears of isolationism have been voiced by the president's critics, both at home and abroad. With the conduct of the war against terrorism and the decision to withdraw from the Anti-Ballistic Missile Treaty, however, the President has demonstrated not isolationism, but leadership. Leadership, as defined by the willingness to make unpopular decisions and accept the consequences out of a conviction that the decisions in question are in the best interests of the United States.

Pre-war concerns that the entire Muslim world would rise up against us if we went after Al Qaeda and its Taleban protectors have proven unfounded. Worst-case scenarios surrounding the President's decision to withdraw from the ABM Treaty have similarly failed to materialize. There are consequences to both decisions, but they were the right decisions and the consequences are far less than the benefits accruing to the United States from their having been implemented.

I urge my colleagues to take a minute to read the article by Charles Krauthammer. It articulates better than could I the importance of leadership in international affairs, and I highly recommend it.

I ask that the article be printed in the RECORD.

The article follows.

[From the Washington Post, Dec. 14, 2001]

UNILATERAL? YES, INDEED

(By Charles Krauthammer)

Last month's Putin-Bush summit at Crawford was deemed an arms control failure because the rumored deal—Russia agrees to let us partially test, but not deploy, defenses that violate the 1972 Anti-Ballistic Missile Treaty—never came off.

In fact, it was a triumph. Like Reagan at the famous 1986 Reykjavik summit, at which he would not give up the Strategic Defense Initiative to Gorbachev, Bush was not about to allow Putin to lock the United States into any deal that would prevent us from building ABM defenses.

Bush proved that yesterday when he dropped the bombshell and unilaterally withdrew the United States from the treaty, and thus from all its absurd restrictions on ABM technology.

This is deeply significant, not just because it marks a return to strategic sanity, formally recognizing that the ballistic missile will be to the 21st century what the tank and the bomber were to the 20th, but because it unashamedly reasserts the major theme of the Bush foreign policy: unilateralism.

After Sept. 11, the critics (the usual troika: liberal media, foreign policy establishment, Democratic ex-officials) were clucking about how the Bush administration has beaten a hasty retreat from reckless unilateralism. President Bush ''is strongly supported by the American people,'' explained former Senate leader George Mitchell, ''in part because he has simply discarded almost everything he said on foreign policy prior to Sept. 11.''

Bush had wanted to go it alone in the world, said the critics. But he dare not. ''It's hard to see the President restoring the unilateralist tinge that colored so many of his early foreign policy choices,'' wrote columnist E. J. Dionne just two months ago. ''Winning the battle against terror required an end to unilateralism.''

We need friends, they said. We need allies. We need coalition partners. We cannot alienate them again and again. We cannot have a president who kills the Kyoto Protocol on greenhouse gases, summarily rejects the ''enforcement provisions'' of the bioweapons treaty, trashes the ABM Treaty—and expect to build the coalition we need to fight the war on terrorism.

We cannot? We did.

Three months is all it took to make nonsense of these multilateralist protests. Coalition? The whole idea that the Afghan war is being fought by a ''coalition'' is comical. What exactly has Egypt contributed? France sent troops into Mazar-e Sharif after the fighting had stopped, noted that renowned military analyst Jay Leno. (''Their mission?'' asked Leno. ''To teach the Taliban how to surrender.'') There is a coalition office somewhere in Islamabad. Can anyone even name the coalition spokesman who makes announcements about the war?

The ''coalition'' consists of little more than U.S. aircraft, U.S. special forces, and Afghan friends-of-the-moments on the ground. Like the Gulf War, the Afghan war is unilateralism dressed up as multilateralism. We made it plain that even if no one followed us, we would go it alone. Surprise: Others followed.

A unilateralist does not object to people joining our fight. He only objects when the multilateralists, like Clinton in Kosovo, give 18 countries veto power over bombing targets.

The Afghan war is not a war run by committee. We made tough bilateral deals with useful neighbors. Pakistan, Uzbekistan, Tajikistan, Russia. The Brits and the Australians added a sprinkling of guys on the ground risking their lives, and we will always be grateful for their solidarity. But everyone knows whose war it is.

The result? The Taliban are destroyed. Al Qaeda is on the run. Pakistan has made a historic pro-American strategic pivot, as have the former Soviet republics, even Russia itself. The Europeans are cooperating on prosecutions. Even the Arab states have muted their anti-American and anti-Israeli rhetoric, with the Egyptian foreign minister traveling to Jerusalem for the first time in three years.

Not because they love us. Not because we have embraced multilateralism. But because we have demonstrated astonishing military power and the will to defend vital American interests, unilaterally if necessary.

Where is the great Bush retreat from unilateralism? The ABM Treaty is dead. Kyoto is dead. The new provisions of the totally useless biological weapons treaty are even deader: Just six days before pulling out of the ABM Treaty, the administration broke up six years of absurd word-mongering over a bio treaty so worthless that Iraq is a signatory in good standing.

And the world has not risen up against us—no more than did the ''Arab street'' (over the Afghan war), as another set of foreign policy experts were warning just weeks ago.

The essence of unilateralism is that we do not allow others, no matter how well-meaning, to deter us from pursuing the fundamental security interests of the United States and the free world. It is the driving motif of the Bush foreign policy. And that is the reason it has been so successful.•

### RUSSIA AND ENERGY SECURITY

• Mr. BIDEN. Mr. President, I rise to point out that while the attention of the world is now rightly focused on Afghanistan and the war against terrorism there, we should not forget that a large part of the oil and gas consumed by the United States and the rest of the industrialized world comes from the conflict-ridden Middle East.

In addition to addressing the issue of energy independence through new domestic sources of supply, conservation, and the development of renewable energy resources, it is imperative for us to be thinking abut the best possible way of protecting the security of alternative sources of oil and gas outside the United States. The Caspian Sea is also on Russia's doorstep, and we should encourage development that will foster positive political as well as economic relations with the world's second largest oil exporter.

Russia's recent refusal to follow OPEC's lead in slashing production is one more example of its ability to play a positive role on world oil markets, and the recently opened $2.5 billion Caspian oil pipeline, Russia's largest joint investment to date, and one in which U.S. firms hold more than a one-third interest, is an example of the kind of project that will encourage Moscow to continue to look westward.

Akezhan Kazhegeldin, an economist, businessman, and former prime minister of oil-rich Kazakhstan, has written a thoughtful article on these subjects that appeared in the Russian

journal Vremya Novostei on October 15, 2001. In his article, Dr. Kazhegeldin states that oil and gas from Kazakhstan and the other energy producing nations of the former Soviet Union could provide an important backup source of energy, complementing what now comes from the Persian Gulf countries.

Moreover, referring to the debate surrounding the route of future, additional pipelines carrying oil to consuming countries, Dr. Kazhegeldin asserts that there is no reason for the West and Russia to be at loggerheads now that the Cold War is over. He goes on to describe how the West and Russia could, in his view, work together on a comprehensive pipeline solution that would benefit everyone.

Some of Dr. Kazhegeldin's ideas will undoubtedly elicit healthy debate. I urge my colleagues to read his provocative article, and I ask that the text be printed in the RECORD.

The article follows.

[From Vremya Novostei, Oct. 15, 2001]

''GLOBAL ARC OF STABILITY: THE WAY RUSSIA AND THE CASPIAN CAN MAKE THE WORLD STABLE''

(By Akezhan Kazhegeldin)

The September 11 tragic events and launching of the Afghan campaign, seen as the first stage in ''the global war against terror'', have changed the world dramatically. Protection of peaceful citizens from possible terror acts appears as just a tip of the huge pyramid of new problems. We are facing an acute and more global problem, the problem of ensuring the industrial world's economic safety.

The supply of the developed nations' energy, above all, oil and gas, is a critical and vulnerable element in the world's economic relations. A great part of the developed oil fields are concentrated in the highly insecure and conflict-ridden Middle Eastern region, which makes the threat of oil blockade and energy crisis for the industrial countries, the main oil and gas consumers, a perpetual nightmare. Unpredictable dictators are no less dangerous than terrorist groups. Should the interests of both in the region coincide, the rest of the world would find itself in an impasse.

Even if everything goes very well and the antiterrorist campaign ends quickly, the community of industrial countries will have to make sure that the threat of energy blackmail is ruled out in principle. In the global energy system, it is necessary to use reserve and back-up methods in order to ensure safety. Caspian oil reserves can play a major role here.

For the past decade, politicians and journalists have been debating about the problem of Caspian oil perhaps more heatedly than the industry professionals. It has almost been made into a stake in the new Great Game, the U.S-Russian rivalry over the control of the region and its riches. This confrontation has become the legacy of the old ''bloc'' model of the world. Wayne Merry, a former U.S. State Department and Pentagon official, now a senior associate at the American Foreign Policy Council in Washington, describes its sources: ''. . . Washington concentrated its efforts on one great strategic project to assure US primacy in the region. . . . The idea was to bypass existing pipelines in Russia, squeeze out Iran, bring energy supplies from the Caspian region to a transhipment point in a NATO country, and thereby assure the independent futures of the producing and transit countries.''

Understandably, Moscow clearly saw the threat to its interests and resisted U.S. plans. However, both sides played their parts by force of habit, without their usual passion. The reason is that the interests of Russia and the West (not only the U.S.) in the region are actually not conflicting. Some regional leaders tried to artificially keep alive the conflict between them as they hoped to secure foreign support for their authoritarian regimes.

Now that many old patterns have been left behind in the 20th century for good, the common interests of the industrial and democratic countries allow them to work out joint approaches to ensure their energy independence. Owing to this, Kazakhstan, Azerbaijan and Turkmenistan have a historic opportunity to become stable partners of both Russia and the West, and to be integrated into the world economy.

Naturally, this integration should entail bringing their political systems in line with the international democratic and market economy standards. ''A glance at other post-colonial regions in Africa and Asia shows that the first generation of 'Big Man' leaders often does as much harm to their countries as did the departing imperial powers, creating a painful legacy for future generations to sort out,'' concludes Wayne Merry. ''American long-term interests in Central Asia are best served by seeking to engage tomorrow's leaders and assuring that, when the region's energy reserves do become important to the outside world, these leaders will look to the United States as a friend and not as yet another external exploiter.''

Setting aside the controversial definition of the Central Asian countries as post-colonial ones, one should admit that the time when the region's energy reserves do become important to the outside world is nearing. Though geological exploration of the Caspian shelf is far from being completed, and many experts are not inclined to share the fanciful expectations of ''dozens of new Kuwaits'', it is clear that the region's oil and gas reserves are extremely large. However, energy projects can't become global automatically, thanks only to rich oilfields. Stable export routes are required to deliver oil and gas to the global markets. Even all the reserves of the Caspian states put together won't make the Caspian project global. It is necessary to select and develop the routes to transport oil and gas to the global markets—to the consumers in Europe, U.S., and Asian countries.

The most politically and economically viable option is to transport the Caspian ''big oil'' up to the north, into Russia and further on into Eastern and Western Europe, to the consumers and transshipment ports. Economically, this option seems much more attractive, since the construction is to take place on a plain, in populated areas with a developed infrastructure. Russia's European region has enough qualified manpower and electricity for oil pumping. Russian plants produce pipes and other equipment. Stability in Russia and the neighboring countries guarantees safety of the route and its uninterrupted operation.

If chosen, the Russian option would mean turning the energy flow from south to north. It will permit the in-depth integration of Russia and Central Asia into a united Europe and simultaneously charge Europe and Russia with a common political mission of ensuring energy independence for the industrial countries. It will allow oil-producing countries of the Caspian region to play a major role in the global energy market. Russia, Kazakhstan, Azerbaijan, and—in the long term, Turkmenistan, could, along with the North Sea oil producing countries, become a real alternative to OPEC and get significant political benefits.

The main advantage of the northern export route for Caspian oil consists in the availability of a branched pipeline network in Russia. It is much easier and cheaper to improve and develop the existing system than to construct a new one. I mean the pipelines owned by the Transneft company and the recently constructed CPC line from Western Kazakhstan to the Black Sea. The CPC alone cannot provide exporters with access to the global market. For natural reasons, the Bosporus and Dardanelles have a limited carrying capacity. The Black Sea ecosystem is vulnerable, as this sea is warm and almost closed. Turkey has already announced its intention to limit the number of giant tankers passing through its straits. Instead of forcing Turkey to agree by means of political pressure, we should respect its fundamental interests and seek other solutions in addition to the CPC capacities.

The pipeline would enable Russia to solve several of its specific problems. For instance, to strengthen the special status of the Kaliningrad region as Russia's outpost in Western Europe. If the pipeline goes via the Kaliningrad region, the region could not only solve some of its economic problems, but also get additional security guarantees in case of NATO's expansion to the East. A place of its own in the EU economy would be the best guarantee for the region.

In any case, with any combination of routes, Russia would be the main player in a Caspian-European project. Moreover, Russia should initiate its realization. Technological and economic calculations will give optimal solutions. However, political will and vision are still primary considerations. History teaches us that it is they rather than mathematical and economic calculations that have brought into existence such giant projects as the Suez and Panama Canals that formed the global markets of those days.

Looking into the future and putting aside the required political decisions, I would like to stress that the Russian route could give an incredibly promising opportunity of opening up global markets for Eurasian oil and gas. This opportunity includes building an oil-carrier port in the Murmansk region on the Barents Sea. The non-freezing, deep-sea port would become the gateway to the global market for Caspian, Siberian and, prospectively, for Timanoperchersk oil as well, as the northern oil will require outlets to world markets. In the Murmansk region, some former military ports can reportedly be used right now by tankers. From there, they can quickly and safely reach not only Western European ports, but also the U.S. and Canada's eastern coast.

If gas-liquefying installations are built there, it would be hard to imagine a more natural route for a pipeline which will transport gas from the Russian polar regions and the Arctic Ocean's shelf.

In addition to the oil pipeline, a parallel gas pipeline should be built to provide Kazakh and Turkmen gas access to global markets that will not compete with the existing Russian gas routes to Western Europe. Constructing gas and oil pipelines simultaneously will make it possible to significantly cut capital expenditures and make transportation for long distances economically viable. By the way, the length of this route can be compared to the gas export line running from Tyumen's north to Western Europe.

Today's situation on the gas market is such that the Central Asian countries will long sit on their riches waiting for investors hindered by the lack of access to global markets. I am speaking not only about the

Turkmen gas. The share of gas in the Caspian hydrocarbon reserves can be much higher than those suggested by the most optimistic forecasts. On the one hand, Caspian gas should be available when the industrial world needs it badly. On the other hand, Caspian gas won't be a rival for Russian gas and a source of contention between Russia and its neighbors in Central Asia.

Where the two huge pipelines run side by side, where a joint exploitation system exists, one will naturally expect to have a transcontinental highway and info-highway—a powerful communication line originating from Europe and going further to the south.

These prospects are both exciting and distant. However, they should be taken into account when addressing today's problems. No doubt, the global economy does have enough investment resources for such a large-scale project. The U.S. Congress has given $40 billion for primary measures to safeguard national security. Much less investment is needed to ensure energy security of the industrial states. Especially as it is much more reasonable and profitable to invest in crisis prevention than in recovering from them.

A pipeline bridge between the Caspian region and Western Europe, Central Asia and the world's oceans will help solve the problem of the globalization of Eurasian energy resources. It could become a basis for an ''arc of stability'' in Europe. It not only shifts the so-called arc of tension running close to Russia from the Balkans via the Caucasus, Central Asia, Iran, and Afghanistan, but will also exclude the Caspian states—the critical link—from this chain. When involved in the global economy, these countries could turn into strongholds of stability in a part of Asia that today poses major threats to the world.●

## IN HONOR OF LUCY S. CICILLINE ON HER 90TH BIRTHDAY

● Mr. REED. Mr. President. I would like to take a moment to recognize a dear friend on her 90th birthday.

Lucy Cicilline, the daughter of Italian immigrants, was born Lucy Miragliuolo on December 26, 1911 in Providence, RI.

Lucy is the mother of four, the grandmother of twenty-one and the great grandmother of twenty-five. But more than this, Lucy is a vital, active personality who has always lent a helping hand to others.

When I was a boy, Lucy lived close to our family's summer home at Scarborough Beach in Narragansett, RI. Together with her husband, John, and her children, she was a wonderful friend to me and to my family. Always a kind and caring person, she showered her affection and attention on all her neighbors. As a nurse, it was Lucy who tended to my injured elbows and knees, and sometimes bruised spirit, during all the times I fell down and encountered the other mishaps of childhood.

As a Registered Nurse, employed at St. Joseph's Hospital in Providence, Lucy shared her kind and giving personality with her patients until her retirement.

But retirement did not stop her either. In 1980, at the age of sixty-nine and after the death of her husband of forty-seven years, Lucy decided it was time for her to learn how to drive.

Lucy approached this task with the same dogged determination and positive attitude that she has with everything in her life. She took driving lessons, received her license and continued to drive for the next ten years until her declining eyesight took her off the road.

Still, despite her eyesight and her getting on in years, Lucy is an important member of her community. For over fifty years, she has been contributing to the St. Joseph's Indian Tribe and has been named an honorary member of their community.

Now at the Village at Waterman Lake in Smithfield, RI, Lucy is an active adult who exercises and socializes with her fellow residents.

When I think of Lucy Cicilline, I recall the magic days of youth when I was surrounded and protected by adults like my parents and the Cicillines who set an extraordinary example of kindness and commitment to faith and family and country. At many moments in my life, I drew on those memories for inspiration and strength. Her example is with me today.

So today, I would like to thank Lucy for her kindness and her friendship and also wish her the happiest of birthdays.●

## THE URGENT NEED FOR BALLISTIC MISSILE DEFENSE

● Mr. KYL. Mr. President, I rise to submit for the RECORD an article written by Brian T. Kennedy, vice president of the Claremont Institute, entitled ''The Urgent Need for Ballistic Missile Defense.'' Published in the Imprimis publication of Hillsdale College, Mr. Kennedy persuasively argues that ''the United States is defenseless against [the] mortal danger . . . of a ballistic missile attack.''

In view of the events of September 11, I commend this article to the Senate for review as a cautionary warning to the U.S. Government of the potential danger of failing to meet its fundamental constitutional obligation to ''provide for the common defense.''

The article follows.

[From Imprimis, Nov. 2001]

### THE URGENT NEED FOR BALLISTIC MISSILE DEFENSE

(By Brian T. Kennedy)

On September 11, our nation's enemies attacked us using hijacked airliners. Next time, the vehicles of death and destruction might well be ballistic missiles armed with nuclear, chemical, or biological warheads. And let us be clear: The United States is defenseless against this mortal danger. We would today have to suffer helplessly a ballistic missile attack, just as we suffered helplessly on September 11. But the dead would number in the millions and a constitutional crisis would likely ensue, because the survivors would wonder—with good reason—if their government were capable of carrying out its primary constitutional duty to ''provide for the common defense.''

#### THE THREAT IS REAL

The attack of September 11 should not be seen as a fanatical act of individuals like Osama Bin Laden, but as deliberate act of a consortium of nations who hope to remove the U.S. from its strategic positions in the Middle East, in Asia and the Pacific, and in Europe. It is the belief of such nations that the U.S. can be made to abandon its allies, such as Israel, if the cost of standing by them becomes too high. It is not altogether unreasonable for our enemies to act on such a belief. The failure of U.S. political leadership, over a period of two decades, to respond proportionately to terrorist attacks on Americans in Lebanon, to the first World Trade Center bombing, to the attack on the Khobar Towers in Saudi Arabia, to the bombings of U.S. embassies abroad, and most recently to the attack on the USS Cole in Yemen, likely emboldened them. They may also have been encouraged by observing our government's unwillingness to defend Americans against ballistic missiles. For all of the intelligence failures leading up to September 11, we know with absolute certainty that various nations are spending billions of dollars to build or acquire strategic ballistic missiles with which to attack and blackmail the United States. Yet even now, under a president who supports it, missile defense advances at a glacial pace.

Who are these enemy nations, in whose interest it is to press the U.S. into retreating from the world stage? Despite the kind words of Russian President Vladimir Putin, encouraging a ''tough response'' to the terrorist attack of September 11, we know that it is the Russian and Chinese governments that are supplying our enemies in Iraq. Iran, Libya, and North Korea with the ballistic missile technology to terrorize our nation. Is it possible that Russia and China don't understand the consequences of transferring this technology? Are Vladimir Putin and Jiang Zemin unaware that countries like Iran and Iraq are known sponsors of terrorism? In light of the absurdity of these questions, it is reasonable to assume that Russia and China transfer this technology as a matter of high government policy, using these rogue states as proxies to destabilize the West because they have an interest in expanding their power, and because they know that only the U.S. can stand in their way.

We should also note that ballistic missiles can be used not only to kill and destroy, but to commit geopolitical blackmail. In February of 1996, during a confrontation between mainland China and our democratic ally on Taiwan, Lt. Gen. Xiong Guang Kai, a senior Chinese official, made an implicit nuclear threat against the U.S., warning our government not to interfere because Americans ''care more about Los Angeles than they do Taipei.'' With a minimum of 20 Chinese intercontinental ballistic missiles (ICBMs) currently aimed at the U.S., such threats must be taken seriously.

#### THE STRATEGIC TERROR OF BALLISTIC MISSILES

China possesses the DF–5 ballistic missile with a single, four-megaton warhead. Such a warhead could destroy an area of 87.5 square miles, or roughly all of Manhattan, with its daily population of three million people. Even more devastating is the Russian SS–18, which has a range of 7,500 miles and is capable of carrying a single, 24-megaton warhead or multiple warheads ranging from 550 to 750 kilotons.

Imagine a ballistic missile attack on New York or Los Angeles, resulting in the death of three to eight million Americans. Beyond the staggering loss of human life, this would take a devastating political and economic toll. Americans' faith in their government—a government that allowed such an attack—would be shaken to its core. As for the economic shock, consider that damages from the September 11 attack, minor by comparison, are estimated by some economists to be

nearly 1.3 trillion dollars, roughly one-fifth of GNP.

Missile defense critics insist that such an attack could never happen, based on the expectation that the U.S. would immediately strike back at whomever launched it with an equal fury. They point to the success of the Cold War theory of Mutually Assured Destruction (MAD). But even MAD is premised on the idea that the U.S. would ''absorb'' a nuclear strike, much like we ''absorbed'' the attack of September 11. Afterwards the President, or surviving political leadership, would estimate the losses and then employ our submarines, bombers, and remaining land-based ICBMs to launch a counterattack. This would fulfill the premise of MAD, but it would also almost certainly guarantee additional ballistic missile attacks from elsewhere.

Consider another scenario. What if a president, in order to avoid the complete annihilation of the nation, came to terms with our enemies? What rational leader wouldn't consider such an option, given the unprecedented horror of the alternative? Considering how Americans value human life, would a Bill Clinton or a George Bush order the unthinkable? Would any president launch a retaliatory nuclear strike against a country, even one as small as Iraq, if it meant further massive casualties to American citizens? Should we not agree that an American president ought not to have to make such a decision? President Reagan expressed this simply when he said that it would be better to prevent a nuclear attack than to suffer one and retaliate.

Then there is the blackmail scenario. What if Osama Bin Laden were to obtain a nuclear ballistic missile from Pakistan (which, after all, helped to install the Taliban regime), place it on a ship somewhere off our coast, and demand that the U.S. not intervene in the destruction of Israel? Would we trade Los Angeles or New York for Tel Aviv or Jerusalem? Looked at this way, nuclear blackmail would be as devastating politically as nuclear war would be physically.

ROADBLOCK TO DEFENSE: THE ABM TREATY

Signed by the Soviet Union and the United States in 1972, the Anti-Ballistic Missile Treaty forbids a national missile defense. Article I, Section II reads: ''Each Party undertakes not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense, and not to deploy ABM systems for defense of an individual region except as provided for in Article III of this Treaty.'' Article III allows each side to build a defense for an individual region that contains an offensive nuclear force. in other words, the ABM Treaty prohibits our government from defending the American people, while allowing it to defend missiles to destroy other peoples.

Although legal scholars believe that this treaty no longer has legal standing, given that the Soviet Union no longer exists, it has been upheld as law by successive administrations—especially the Clinton administration—and by powerful opponents of American missile defense in the U.S. Senate.

As a side note, we now know that the Soviets violated the ABM Treaty almost immediately. Thus the Russians possess today the world's only operable missile defense system. Retired CIA Analyst William Lee, in the ABM Treaty Charade, describes a 9,000-interceptor system around Moscow that is capable of protecting 75 percent of the Russian population. In other words, the Russians did not share the belief of U.S. arms-control experts in the moral superiority of purposefully remaining vulnerable to missile attack.

HOW TO STOP BALLISTIC MISSILES

For all the bad news about the ballistic missile threat to the U.S., there is the good news that missile defense is well within our technological capabilities. As far back as 1962, a test missile fired from the Kwajaleen Atoll was intercepted (within 500 yards) by an anti-ballistic missile launched from Vanderberg Air Force Base. The idea at the time was to use a small nuclear warhead in the upper atmosphere to destroy incoming enemy warheads. But it was deemed politically incorrect—as it is still today—to use a nuclear explosion to destroy a nuclear warhead, even if that warhead is racing toward an American city. (Again, only we seem to be squeamish in this regard: Russia's aforementioned 9,000 interceptors bear nuclear warheads.) So U.S. research since President Reagan reintroduced the idea of missile defense in 1983 has been aimed primarily at developing the means to destroy enemy missiles through direct impact or ''hit-to-kill'' methods.

American missile defense research has included ground-based, sea-based and space-based interceptors, and air-based and space-based lasers. Each of these systems has undergone successful, if limited, testing. The space-based systems are especially effective since they seek to destroy enemy missiles in their first minutes of flight, known also as the boost phase. During this phase, missiles are easily detectible, have yet to deploy any so-called decoys or countermeasures, and are especially vulnerable to space-based interceptors and lasers.

The best near-term option for ballistic missile defense, recommended by former Reagan administration defense strategist Frank Gaffney, is to place a new generation of interceptors, currently in research, aboard U.S. Navy Aegis Cruisers. These ships could then provide at least some missile defense while more effective systems are built. Also under consideration is a ground-based system in the strategically important state of Alaska, at Fort Greely and Kodiak Island. This would represent another key component in a comprehensive ''layered'' missile defense that will include land, sea, air and space.

ARGUMENTS AGAINST MISSILE DEFENSE

Opponents of missile defense present four basic arguments. The first is that ABM systems are technologically unrealistic, since ''hitting bullets with bullets'' leaves no room for error. They point to recent tests of ground-based interceptors that have had mixed results. Two things are important to note about these tests: First, many of the problems stem from the fact that the tests are being conducted under ABM Treaty restrictions on the speed of interceptors, and on their interface with satellites and radar. Second, some recent test failures involve science and technology that the U.S. perfected 30 years ago, such as rocket separation. But putting all this aside, as President Reagan's former science advisor William Graham points out, the difficulty of ''hitting bullets with bullets'' could be simply overcome by placing small nuclear charges on ''hit-to-kill'' vehicles as a ''fail safe'' for when they miss their targets. This would result in small nuclear explosions in space, but that is surely more acceptable than the alternative of enemy warheads detonating over American cities.

The second argument against missile defense is that no enemy would dare launch a missile attack at the U.S., for fear of swift retaliation. But as the CIA pointed out two years ago—and as Secretary of Defense Rumsfeld reiterated recently in Russia—an enemy could launch a ballistic missile from a ship off one of our coasts, scuttle the ship, and leave us wondering, as on September 11, who was responsible.

The third argument is that missile defense can't work against ship-launched missiles. But over a decade ago U.S. nuclear laboratories, with the help of scientists like Greg Canavan and Lowell Wood, conducted successful tests on space-based interceptors that could stop ballistic missiles in their boost phase from whatever location they were launched.

Finally, missile defense opponents argue that building a defense will ignite an expensive arms race. But the production cost of a space-based interceptor is roughly one to two million dollars. A constellation of 5,000 such interceptors might then cost ten billion dollars, a fraction of America's defense budget. By contrast, a single Russian SS–18 costs approximately $100 million, a North Korean Taepo Dong II missile close to $10 million, and an Iraqi Scud B missile about $2 million. In other words, if we get into an arms race, our enemies will go broke. The soviet Union found it could not compete with us in such a race in the 1980s. Nor will the Russians or the Chinese or their proxies be able to compete today.

TIME FOR LEADERSHIP

Building a missile defense is not possible as long as the U.S. remains bound by the ABM Treaty of 1972. President Bush has said that he will give the Russian government notice of our withdrawal from that treaty when his testing program comes into conflict with it. But given the severity of the ballistic missile threat, it is cause for concern that we have not done so already.

Our greatest near-term potential attacker, Iraq, is expected to have ballistic missile capability in the next three years. Only direct military intervention will prevent it from deploying this capability before the U.S. can deploy a missile defense. This should be undertaken as soon as possible.

Our longer-term potential attackers, Russia and China, possess today the means to destroy us. We must work and hope for peaceful relations, but we must also be mindful of the possibility that they have other plans. Secretary Powell has invited Russia and China to join the coalition to defeat terrorism. This is ironic, since both countries have been active supporters of the regimes that sponsor terrorism. And one wonders what they might demand in exchange. Might they ask us to delay building a missile defense? Or to renegotiate the ABM Treaty?

So far the Bush administration has not demonstrated the urgency that the ballistic missile threat warrants. It is also troublesome that the President's newly appointed director of Homeland Security, Pennsylvania Governor Tom Ridge, has consistently opposed missile defense—a fact surely noted with approval in Moscow and Beijing. On the other hand, President Bush has consistently supported missile defense, both in the 2000 campaign and since taking office, and he has the power to carry through with his promises.

Had the September 11 attack been visited by ballistic missiles, resulting in the deaths of three to six million Americans, a massive effort would have immediately been launched to build and deploy a ballistic missile defense. America, thankfully, has a window of opportunity—however narrow—to do so now, before it is too late.

Let us begin in earnest.●

## MARGARET MEAD'S 100TH BIRTHDAY

● Mrs. CLINTON. Mr. President, I ask that the following statement, and the excerpt from the Mead Centennial press release, be printed in the RECORD in honor of Margaret Mead's 100th birthday:

On December 16, Margaret Mead would have celebrated her 100th birthday. As one of New York's Senators, I am proud that Margaret Mead called New York home for so many years. New York State has such a rich history of women who have made a difference at home and throughout the world.

As my colleague Senator CHUCK HAGEL stated so well, Margaret Mead ''was an American patriot who dedicated her life to understanding the people and nations of our world. She respected the distinctiveness of various cultures . . . Margaret Mead took her responsibilities of citizenship seriously by sharing her knowledge with those engaged in public service.''

On the occasion of the Margaret Mead centennial, I hope that more of today's youth will be exposed to the lifework of this great woman, and will be inspired to learn about cultures around the world. She devoted her life to studying other cultures, and to encouraging Americans to develop a desire to learn about other cultures.

The following excerpt from a Mead Centennial 2001 press release captures Margaret Mead's accomplishments, and their relevance to our country today:

HAPPY BIRTHDAY, MARGARET MEAD: IN THE 21ST CENTURY HER IDEAS RING TRUE

''How to describe Margaret Mead? Physically, she was short and pudgy, walked with a light, firm step, wore a distinctive cape and carried a tall, forked walking stick. As an American icon, anthropologist, futurologist, environmentalist, feminist, curmudgeon, and 'grandmother to the world,' she stood for many different things in people's mind. Above all she stood for the need for Americans to understand other cultures. Since September 11, it has become clear that this is an idea that urgently needs to be reinforced.

As a young scientist, Mead traveled to Samoa, New Guinea, and Bali in the 1920s and '30s to study more 'primitive' societies, wanting to see what she, as an American and a westerner, could learn from cultures that were so different from our own. Mead's theories about adolescence, sexuality, aggression, gender roles, and education opened up new ways of thinking about our own society. In later years, she studied more contemporary cultures, but always with an eye toward learning about how better to understand ourselves and to interact in what was rapidly becoming a multicultural world. Mead's ideas and thoughts are inextricably interwoven in our fabric today, many decades after her first studies of cultures, and nearly a quarter century after her death. While some still attract lively controversy, many of the concepts we take for granted today in any discussion of cultural difference, community, peace, gender, or human rights—were brought to the forefront by Mead in the '30s, '40s, and '50s.

More than thirty books, dozens of films, and thousands of articles later, her ideas continue to thrive and inspire. Her famous admonition, 'Never doubt that a small group of thoughtful, committed citizens can change the world,' has become the motto of hundreds of community action groups. For the Centennial, more than a dozen of her books have been reissued with new and timely introductions. Many organizations and individuals across this country and around the world are taking time to remember Mead and reacquaint themselves with what she stood for, her work, and its implications for the future. The Institute for Intercultural Studies (IIS), founded by Mead in 1944, continues under the guidance of Mary Catherine Bateson, author, cultural anthropologist and Mead's only child. The Institute's mission, an increasingly important one, is to advance knowledge by creating and funding projects that are likely to affect contemporary intercultural and international relations. The IIS maintains a website, www.mead2001.org.

'If my mother were alive today, I know she would be on-line, using the internet to communicate rapidly, to gather and discuss ideas, to bring people together,' says Bateson. 'It is the continued interchange around her ideas that we hope to foster in commemorating her 100th birthday.' Happy birthday, Margaret Mead—and let intercultural and international understanding reign in this new century.''●

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

## REPORT ON AERONAUTICS AND SPACE ACTIVITIES FOR FISCAL YEAR 2000—MESSAGE FROM THE PRESIDENT—PM 62

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

*To the Congress of the United States:*

I am pleased to transmit this report on the Nation's achievements in aeronautics and space during Fiscal Year (FY) 2000, as required under section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Aeronautics and space activities involved 11 contributing departments and agencies of the Federal Government, and the results of their ongoing research and development affect the Nation in many ways.

A wide variety of aeronautics and space developments took place during FY 2000. The National Aeronautics and Space Administration (NASA) successfully completed four Space shuttle flights. In terms of robotic space flights, there were 24 U.S. expendable launch vehicle launches in FY 2000. Five of these launches were NASA-managed missions, nine were Department of Defense (DOD)—managed missions, and eight were FAA-licensed commercial launches. In addition, NASA flew on payload as a secondary payload on one of the FAA licensed commercial launches. This year, two new launch vehicles debuted: the Lockheed Martin Atlas IIIA and the Boeing Delta III, each serving as transition vehicles leading the way for the new generation of evolved expendable launch vehicles.

Scientists also made some dramatic new discoveries in various space-related fields such as space science, Earth science and remote sensing, and life and microgravity science. In aerospace, achievements included the demonstration of technologies that will reduce the environmental impact of aircraft operations, reinvigorate the general aviation industry, improve the safety and efficiency of U.S. commercial airlines and air traffic control system, and reduce the future cost of access to space.

The United States also entered into many new agreements for cooperation with its international partners around the world in many areas of space activity.

Thus, FY 2000 was a very successful one for U.S. aeronautics and space programs. Efforts in their areas have contributed significantly to the Nation's scientific and technical knowledge, international cooperation, a healthier environment, and a more competitive economy.

GEORGE W. BUSH.

THE WHITE HOUSE, *December 19, 2001*.

## MESSAGES FROM THE HOUSE

At 11:33 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 107. An act to require that the Secretary of the Interior conduct a study to identify sites and resources, to recommend alternatives for commemorating and interpreting the Cold War, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2187. An act to amend title 10, United States Code, to make receipts collected from mineral leasing activities on certain naval oil shale reserves available to cover environmental restoration, waste management, and environmental compliance cots incurred by the United States with respect to the reserves; to the Committee on Armed Services.

H.R. 3054. An act to award congressional gold medals on behalf of government workers who responded to the attacks on the World Trade Center and perished and on behalf of people aboard United States Airlines Flight 93 who helped resist the hijackers and caused the plane to crash.

H.R. 3072. An act to designate the facility of the United States Postal Service located at 125 Main Street in Forest City, North Carolina, as the ''Vernon Tarlton Post Office Building''; to the Committee on Governmental Affairs.

H.R. 3178. An act to authorize the Environmental Protection Agency to provide funding to support research and development projects for the security of water infrastructure.

H.R. 3334. An act to designate the Richard J. Guadagno Headquarters and Visitors Center at Humboldt Bay National Wildlife Refuge, California.

H.R. 3379. An act to designate the facility of the United States Postal Service located at 375 Carlls Path in Deer Park, New York, as the ''Raymond M. Downey Post Office Building''; to the Committee on Governmental Affairs.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 273. Concurrent resolution reaffirming the special relationship between the United States and the Republic of the Philippines; to the Committee on Foreign Relations.

The message further announced that the House has passed the following bill with an amendment, in which it requests the concurrence of the Senate:

S. 1389. An act to provide for the conveyance of certain real property in South Dakota to the state of South Dakota with indemnification by the United States government, and for other purposes.

The message also announced that the House has passed the following bill, without amendment:

S. 1789. An act to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

---

At 3:54 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3343. An act to amend title X of the Energy Policy Act of 1992, and for other purposes.

The message also announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3061) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

The message further announced that pursuant to section 205(a) of the Vietnam Education Foundation Act of 2000 (Public Law 106–552), and upon the recommendation of the majority leader, the Speaker appoints the following Member of the House of Representatives to the Board of Directors of the Vietnam Education Foundation: Mr. SMITH of New Jersey.

---

At 5:21 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2506) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

## MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 107. An act to require that the Secretary of the Interior conduct a study to identify sites and resources, to recommend alternatives for commemorating and interpreting the Cold War, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2187. An act to amend title, 10 United States Code, to make receipts collected from mineral leasing activities on certain naval oil shale reserves available to cover environmental restoration, waste management, and environmental compliance costs incurred by the United States with respect to the reserves; to the Committee on Armed Services.

H.R. 3054. An act to award congressional gold medals on behalf of government workers who responded to the attacks on the World Trade Center and perished and on behalf of people aboard United States Airlines Flight 93 who helped resist the hijackers and caused the plane to crash.

H.R. 3072. An act to designate the facility of the United States Postal Service located at 125 Main Street in Forest City, North Carolina, as the ''Vernon Tarlton Post Office Building''; to the Committee on Governmental Affairs.

H.R. 3379. An act to designate the facility of the United States Postal Service located at 375 Carlls Path in Deer Park, New York, as the ''Raymond M. Downey Post Office Building''; to the Committee on Governmental Affairs.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 273. Concurrent resolution reaffirming the special relationship between the United States and the Republic of the Philippines; to the Committee on Foreign Relations.

## MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3178. An act to authorize the Environmental Protection Agency to provide funding to support research, development, and demonstration projects for the security of water infrastructure.

## MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 3343. An act to amend title X of the Energy Policy Act of 1992, and for other purposes.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4939. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled ''Amendment to the List of Proscribed Destinations'' (22 CFR Part 126) received on December 18, 2001; to the Committee on Foreign Relations.

EC–4940. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to provide for direct billing for water and sanitary sewer usage by the District of Columbia to Federal agencies, and direct payment by those agencies in the District of Columbia; to the Committee on Governmental Affairs.

EC–4941. A communication from the Executive Director of the Federal Retirement Thrift Investment Board, transmitting, a draft of proposed legislation to clarify the authority of the Executive Director of the Federal Retirement Thrift Investment Board to bring suit on behalf of the Thrift Saving Fund in the District Courts of the United States; to the Committee on Governmental Affairs.

EC–4942. A communication from the Special Assistant to the President and Director of the Office of Administration, Executive Office of the President, transmitting, pursuant to law, a Aggregate Report on Personnel for Fiscal Year 2001; to the Committee on Governmental Affairs.

EC–4943. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Sodium thiosulfate; Exemption from the Requirement of a Tolerance'' (FRL6811–6) received on December 18, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4944. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Imazapic; Pesticide Tolerance'' (FRL6816–2) received on December 18, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4945. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Fluthiacet-methy; Pesticide Tolerance'' (FRL6806–7) received on December 18, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4946. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Flightcrew Compartment Access and Door Designs'' ((RIN2120–AH52)(2001–0002)) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4947. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Rolls-Royce plc. RB211 535 Turbofan Engines, Correction'' ((RIN2120–AA64)(2001–0578)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4948. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation,

transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Raytheon Model Beech 400, 400A, and 400T Series Airplanes, Model Mitsubishi MU–300 Airplanes, and Model Beech MU–300–10 Airplanes'' ((RIN2120–AA64)(2001–0577)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4949. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Dassault Model Mystere-Falcon 50 Series Airplanes'' ((RIN2120–AA64)(2001–0575)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4950. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 757 Series Airplanes'' ((RIN2120–AA64)(2001–0573)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4951. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Aeromat-Industria Mecanico Metalurgica Itda. Models AMT–100 and AMT–200 Powered Sailplanes'' ((RIN2120–AA64)(2001–0574)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4952. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of the Dimensions of the Grand Canyon National Park Special Flight Rules Area and Flight Free Zones'' ((RIN2120–AG74)(2001–0004)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4953. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments (72); Amdt. No. 2078'' ((RIN2120–AA65)(2001–0061)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4954. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Fokker Model F.28 Mark 0100 Series Airplanes'' ((RIN2120–AA64)(2001–0570)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4955. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 737 Series Airplanes'' ((RIN2120–AA64)(2001–0571)) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4956. A communication from the Attorney-Advisor of the National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Hybrid III Type 3-Year-Old Size Test Dummy (Response to Petitions for Reconsideration)'' (RIN2127–AI02) received on December 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4957. A communication from the Acting Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Listing the Tumbling Creek Cavesnail as Endangered (Emergency Rule)'' (RIN1018–AI19) received on December 17, 2001; to the Committee on Environment and Public Works.

EC–4958. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a letter clarifying how revisions to the Mixture and Derived-From rules apply to the 40CFR 261.3(g) exclusion; to the Committee on Environment and Public Works.

EC–4959. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a letter addressing the Regulatory Determination on the Status of CAtoxid Units; to the Committee on Environment and Public Works.

EC–4960. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; State of Louisiana; Redesignation of Lafourche Parish Ozone Nonattainment Area to Attainment for Ozone'' (FRL7121–4) received on December 18, 2001; to the Committee on Environment and Public Works.

EC–4961. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Control of Emissions From Hospital/Medical/Infectious Waste Incinerators; State of Kansas'' (FRL7120–2) received on December 18, 2001; to the Committee on Environment and Public Works.

EC–4962. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval of Section 112(1) Authority for Hazardous Air Pollutants; District of Columbia; Department of Health'' (FRL7121–7) received on December 18, 2001; to the Committee on Environment and Public Works.

EC–4963. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Kentucky: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL7120–8) received on December 18, 2001; to the Committee on Environment and Public Works.

EC–4964. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Tennessee: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL7121–1) received on December 18, 2001; to the Committee on Environment and Public Works.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 415: A bill to amend title 49, United States Code, to require that air carriers meet public convenience and necessity requirements by ensuring competitive access by commercial air carriers to major cities, and for other purposes. (Rept. No. 107–130).

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SARBANES for the Committee on Banking, Housing, and Urban Affairs.

*Vickers B. Meadows, of Virginia, to be an Assistant Secretary of Housing and Urban Development.

*Diane Leneghan Tomb, of Virginia, to be an Assistant Secretary of Housing and Urban Development.

By Mr. HOLLINGS for the Committee on Commerce, Science, and Transportation.

*Emil H. Frankel, of Connecticut, to be an Assistant Secretary of Transportation.

*Jeffrey Shane, of the District of Columbia, to be Associate Deputy Secretary of Transportation.

*Sean O'Keefe, of New York, to be Administrator of the National Aeronautics and Space Administration.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. ALLEN:

S. 1848. A bill to provide mortgage payment assistance for employees who are separated from employment; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SCHUMER (for himself and Mrs. CLINTON):

S. 1849. A bill for the relief of Thomas J. Sansone, Jr; to the Committee on Health, Education, Labor, and Pensions.

By Mr. CHAFEE (for himself, Mr. CARPER, Mr. SMITH of New Hampshire, Mr. JEFFORDS, and Mr. INHOFE):

S. 1850. A bill to amend the Solid Waste Disposal Act to bring underground storage tanks into compliance with subtitle I of that Act, to promote cleanup of leaking underground storage tanks, to provide sufficient resources for such compliance and cleanup, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BINGAMAN (for himself, Mr. CHAFEE, Mr. ROCKEFELLER, Mr. KENNEDY, Mr. FEINGOLD, Mr. CORZINE, Mr. REED, Mrs. CLINTON, Mr. KERRY, and Mr. KOHL):

S. 1851. A bill to amend part C of title XVIII of the Social Security Act to provide for continuous open enrollment and disenrollment in Medicare+Choice plans and for other purposes; to the Committee on Finance.

By Mr. THOMAS:

S. 1852. A bill to extend the deadline for commencement of construction of a hydroelectric project in the State of Wyoming; to the Committee on Energy and Natural Resources.

By Mr. DODD (for himself and Mr. ROCKEFELLER):

S. 1853. A bill to authorize the President of the United States, on behalf of the Congress, to present a gold medal to Sargent Shriver; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. JOHNSON:

S. 1854. A bill to authorize the President to present congressional gold medals to the Native American Code Talkers in recognition of

their contributions to the Nation during World War I and World War II; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ALLEN (for himself and Mr. MCCAIN):

S. 1855. A bill to amend title 38, United States Code, to enact into law eligibility of certain veterans and their dependents for burial in Arlington National Cemetery; to the Committee on Veterans' Affairs.

By Mr. KERRY (for himself, Mr. BURNS, Mr. CORZINE, and Mr. BAUCUS):

S. 1856. A bill to amend the Internal Revenue Code of 1986 to promote employer and employee participation in telework arrangements, and for other purposes; to the Committee on Finance.

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

S. 1857. A bill to Encourage the Negotiated Settlement of Tribal Claims; to the Committee on Indian Affairs.

By Mr. ALLEN (for himself and Mr. KERRY):

S. 1858. A bill to permit the closed circuit televising of the criminal trial of Zacarias Moussaoui for the victims of September 11th; to the Committee on the Judiciary.

By Mr. SCHUMER (for himself and Mr. CHAFEE):

S. 1859. A bill to extend the deadline for granting posthumous citizenship to individuals who die while on active-duty service in the Armed Forces; to the Committee on the Judiciary.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. DASCHLE (for himself and Mr. LOTT):

S. Res. 193. A resolution authorizing certain employees of the Senate who perform service in the uniformed services to be placed in a leave without pay status, and for other purposes; considered and agreed to.

## ADDITIONAL COSPONSORS

S. 94

At the request of Mr. DORGAN, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 94, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for electricity produced form wind.

S. 267

At the request of Mr. DASCHLE, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 267, a bill to amend the Packers and Stockyards Act of 1921, to make it unlawful for any stockyard owner, market agency, or dealer to transfer or market nonambulatory livestock, and for other purposes.

S. 321

At the request of Mr. GRASSLEY, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 321, a bill to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the medicaid program for such children, and for other purposes.

S. 351

At the request of Ms. COLLINS, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 351, a bill to amend the Solid Waste Disposal Act to reduce the quantity of mercury in the environment by limiting use of mercury fever thermometers and improving collection, recycling, and disposal of mercury, and for other purposes.

S. 683

At the request of Mr. SANTORUM, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 683, a bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance, and to establish State health insurance safety-net programs.

S. 990

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. 990, a bill to amend the Pittman-Robertson Wildlife Restoration Act to improve the provisions relating to wildlife conservation and restoration programs, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1317

At the request of Mr. SCHUMER, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1317, a bill to amend title XVIII of the Social Security Act to provide for equitable reimbursement rates under the medicare program to Medicare+Choice organizations.

S. 1335

At the request of Mr. KENNEDY, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1335, a bill to support business incubation in academic settings.

S. 1478

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 1478, a bill to amend the Animal Welfare Act to improve the treatment of certain animals, and for other purposes.

S. 1626

At the request of Mr. BINGAMAN, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 1626, a bill to provide disadvantaged children with access to dental services.

S. 1707

At the request of Mr. JEFFORDS, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1749

At the request of Mr. KENNEDY, the names of the Senator from Michigan (Mr. LEVIN), the Senator from Florida (Mr. NELSON), and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1754

At the request of Mr. LEAHY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1754, a bill to authorize appropriations for the United States Patent and Trademark Office for fiscal years 2002 through 2007, and for other purposes.

S. 1842

At the request of Mr. CLELAND, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 1842, a bill to modify the project for beach erosion control, Tybee Island, Georgia.

AMENDMENT NO. 2533

At the request of Mr. CRAPO, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Wyoming (Mr. THOMAS), the Senator from Nevada (Mr. ENSIGN), the Senator from Colorado (Mr. ALLARD), the Senator from Colorado (Mr. CAMPBELL), and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of amendment No. 2533 intended to be proposed to S. 1731, an original bill to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ALLEN:

S. 1848. A bill to provide mortgage payment assistance for employees who are separated from employment; to the Committee on Health, Education, Labor, and Pensions.

Mr. ALLEN. Mr. President, today I rise to introduce the Homestead Preservation Act.

It is a bill to provide displaced workers with access to low-interest loans to help cover monthly home mortgage payments while they are looking for a new job. This is commonsense, compassionate legislation designed to help working families, who through no fault of their own, are adversely affected by international competition.

During the past months, all Americans have been deluged with grim news

of recessions, plummeting consumer confidence and rising unemployment. Since October of last year, unemployment has jumped 1.8 percent, bringing the unemployment rate to 5.7 percent, the highest in over 6 years. This is more than just a statistic. The 5.7 percent represents 8.2 million people who are now without a job, a paycheck, and the means by which to provide their family with a sense of economic security, knowing that the bills will be paid, food is on the table, gifts will be under the Christmas tree.

Virginia has not escaped the effects of the recession. While the unemployment is not as high as the national average, we have seen a 1.4 percent increase in unemployment from October 2000 to October 2001. There were 20 mass layoffs in October, an increase of 8 from the year before. And there have been 2,713 new claims for unemployment benefits in October—almost double from October 2000.

While these are uneasy times for everyone, regions such as Southwest Virginia and Southside, with heavy concentrations in manufacturing—especially the textile and apparel industries—have been especially hard hit. Nationwide, employment in apparel manufacturing lost more than 10,000 jobs just last month. Factory employment has plummeted in the past year and a half. One of every three layoffs in Virginia is from the manufacturing industry, although only one in six jobs throughout the Commonwealth are in this sector. In Virginia, October was the 15th consecutive month of factory job losses.

Virginia's Southside and Southwest regions are already suffering from the economic effects of international competition, such as NAFTA. Nationwide, an average of 37,500 Americans lose their jobs because of NAFTA-related competition each year. During the 1990s, Virginians saw the loss of 15,400 apparel jobs—a decline of 54.3 percent—and 15,300 textile jobs—a decline of 36 percent.

Fair and free trade is necessary if American businesses are to have the opportunity to promote their goods and services and continue to expand through growth abroad. NAFTA has created a net increase in employment. As Governor of Virginia, I led several trade missions abroad to promote our products. We brought back agreements that initially meant half a billion dollars in new investment and sales for Virginia, investments made possible only through fair and free trade.

But, while trade is helping our economy as a whole, there are many good, hard working families, who have been adversely affected by international competition—especially in the textile and apparel industries. Anytime a factory closes, it is a devastating blow to all of the families and businesses in the community and region.

While I was proud of the outstanding way the close-knit Southside and Southwest communities in Virginia came together to help those who lost their jobs, when companies like Pluma and Tultex closed their doors, they should not be forced to go through these times alone. After the Tultex plant closing in Martinsville in early December of 1999, people donated toys to the Salvation Army to make sure that Christmas came to the homes of the thousands of laid off workers.

I am proposing that the Federal Government do its part to help people through these tough times. There are already thoughtful programs in place, such as the NAFTA Transitional Adjustment Assistance program, that helps workers get additional job skills training and employment assistance, and, provides extended unemployment benefits during job training. These programs are the result of the commonsense, logical conclusion that good, working people can lose their jobs because of trade—not because they did anything wrong or because they don't want to work.

We ought to find a way to ease the stress and turmoil for people whose lives are unexpectedly thrown into transition after years of steady employment with a company that suddenly disappears. While these hard-working folks are finding appropriate employment, they should not fear losing their homes. For most people and families, their home is the largest investment they make in life. Many have considerable equity build up.

Government agencies already have low-interest loan programs in place to help families who have met with unexpected economic disaster, such as a natural disaster like a hurricane, flood or tornado.

When a factory closes, it is an economic disaster to these families and their communities. The effects are just as far reaching and certainly as economically devastating. Like a natural disaster, families displaced by international competition are not responsible for the events leading to the factory closings. The Federal Government ought to make the same disaster loan assistance programs available to our displaced workers.

This is my rationale for introducing the Homestead Preservation Act. This legislation will provide temporary home mortgage assistance to displaced workers, helping them make ends meet during their search for a new job.

Specifically, the Homestead Preservation Act authorizes the Department of Labor to administer a low-interest loan program—4 percent—for workers displaced due to international competition. The loan is for up to the amount of 12 monthly home mortgage payments. The program is authorized at $10 million per year, for 5 years. It distributes the loan through an account, providing monthly allocations to cover the amount of the worker's home mortgage payment. The loans could be paid off or repaid over a period of 5 years. No payments would be required until 6 months after the borrower has returned to work full-time. The loan is available only for the cost of a monthly home mortgage payment and covers only those workers displaced due to international competition and those who qualify for benefits under the NAFTA–TAAP and TAA benefits programs.

Like the NAFTA–TAAP and TAA benefits programs, the Homestead Preservation Act recognizes that some temporary assistance is needed as workers take the time to become retrained and reeducated, expand upon their skills and search for new employment.

As Governor, there was nothing I enjoyed more than being able to recruit and land investment from new or expanding enterprises in Virginia. By recruiting businesses, we brought new and better jobs for the hard-working, caring people of Virginia. One example is Drake Extrusion from the United Kingdom, which chose Martinsville Industrial Park for its new carpet and bedding fiber manufacturing plant. It was announced as a $12 million investment. It doubled in value at the official opening in 1996. It brought in additional small businesses. As of last year, Drake employed over 180 people.

Unfortunately, it can take time to bring in new companies and industries to a region, just as it takes time to learn a new skill or earn a degree. Displaced families do not have time; they have monthly bills that must be paid, in full, no excuses. The Homestead Preservation Act provides the financial assistance necessary to bridge the time it takes to find employment. Without this bridge, many working families would not be able to take advantage of the opportunities our there for them. They would be denied the necessary tools to help them succeed in the changing economy.

The current recession has made it even more vital that the Federal Government do what is right by our workers in the textile and apparel industries—in all industries suffering high rates of job losses due to international competition. Because of international competition, textile and apparel workers are even more vulnerable to the current economic situation making them ill-equipped to weather an economic downturn. For example, in 1999, the average wage rates in Virginia for a textile or apparel worker were 77 percent and 57 percent, respectively, of the overall average wage rate for Virginians. This provides for less money in the family's ''rainy day'' savings account. And right now, it is storming for these families. These jobs are not coming back. Only about 70 percent of displaced factory workers find reemployment, well below the access-industry average.

Losses are expected to continue accumulating as the industries brace for worldwide open trade, which is scheduled to begin in 2005. When these workers are displaced, meager savings and temporary unemployment benefits are

frequently not enough to cover expenses that had previously fit within the family budget. Without immediate help, these families, at the minimum, risk ruining their credit ratings and, in the worst-case scenario, could lose their home or car.

The Homestead Preservation Act would provide families vital temporary financial assistance, enabling them to keep them to keep their homes and to protect their credit ratings as they work toward strengthening and updating their skills and continue their search for a new job. Hard-working Americans, facing such a harrowing situation, ought to have a response to help them. People need transitional help now.

The Homestead Preservation Act provides the temporary financial tools necessary for displaced workers to get back on their feet and succeed. It is a caring, logical and responsible response.

Mr. President, as I said, I rise today to introduce the Homestead Preservation Act. This is a commonsense, compassionate place of legislation that is designed to help working families who, through no fault of their own, lose their jobs as a result of international competition.

It is a bill to provide displaced workers with access to low-interest loans to help cover monthly home mortgage payments while they are out looking for a job.

During the past few months, all Americans have been deluged with grim news of recessions, plummeting consumer confidence, and rising unemployment

Clearly, these are uneasy times for everyone in all regions of the country, whether in the South, the Midwest, the Northeast, and out West as well, but particularly in the areas where there are heavy concentrations of manufacturing. The textile and apparel industries have been especially hard hit. That industry is generally in the South and, to some extent, in the Midwest.

Nationwide, employment in apparel manufacturing lost more than 10,000 jobs just last month. That is in Virginia, North Carolina, South Carolina, Mississippi, Alabama, Georgia, Arkansas, Missouri, and various other States.

Factory employment has plummeted in the past year and a half. In Virginia alone, about one out of every six jobs is in manufacturing. But as far as the layoffs, one out of every three layoffs in Virginia is from the manufacturing industry.

I am a supporter of fair and free trade. I think trade is good for American consumers. It is good for our retailers and our farmers. I think it is necessary for our businesses and farmers to have opportunities to promote their goods, their products, their services abroad. That allows them to expand and grow.

I think NAFTA has created a net increase in employment. As Governor of Virginia, I led several trade missions abroad, whether to Canada, Mexico, various countries in Western and Central Europe, as well as East Asia. We brought back agreements that initially meant over a half a billion dollars in new investment and sales for Virginia products. These investments and sales in Virginia were only made possible by fair and free trade.

But while trade is helping our economy as a whole, there are many good, hard-working people and families who have been adversely affected by international competition, particularly in the textile and apparel industries.

Any time a factory closes, it is a devastating blow to all of the families and, indeed, all of the businesses in the communities in that region. You can see, with great pride, how communities come together—close knit communities—and try to help out if a major manufacturer shuts down.

I remember back in December 2 years ago—in early December, 1999—when Tultex shut down. Thousands of jobs were lost. People donated toys to the Salvation Army, though, to make sure Christmas would come to every family.

What I am proposing is that the Federal Government does its part to help people through these tough times, so that people and communities are not alone during these transitions.

There are already thoughtful programs in place. The NAFTA Transitional Adjustment Assistance Program helps workers get additional job skills in training and employment assistance, as well as provides extended unemployment benefits during job training.

These programs are the result of the good, commonsense, logical conclusion that working people can lose their jobs because of trade, not because they did anything wrong or because they did not want to work. They do want to work.

We ought to find a way to help ease the stress and turmoil for people whose lives are unexpectedly thrown into transition after years of steady employment with a company that suddenly disappears. Especially in textile areas, you see folks who have worked there for decades; some of their parents may have worked at that same mill or facility.

These are hard-working people. They are trying to find employment. But while they are doing so, they should not have to worry about or fear losing their homes.

For most people, and most families, their home is the largest investment they will make in their lives. Many have considerable equity built up in their homes that could be lost.

Government agencies already have low-interest loan programs in place to help families who have been hit with unexpected disasters—such as a natural disaster, such as a hurricane or a tornado or a flood.

Whan a factory closes, it is truly an economic disaster to these families and communities. The effects are just as far reaching and certainly as economically devastating. Like a natural disaster, families displaced by international competition are not responsible for the events leading to those factory closings.

The Federal Government ought to make similar disaster loan assistance programs available to our displaced workers. That is the rationale of my introduction of the Homestead Preservation Act.

This legislation would provide temporary mortgage assistance to displaced workers, helping them make ends meet during the search for a new job.

Specifically, the Homestead Preservation Act authorizes the Department of Labor to administer a low-interest loan program—4 percent—for workers displaced due to international competition.

The loan is for up to the amount of 12 monthly home mortgage payments. The program is authorized at $10 million per year for 5 years. It distributes the loan through an account providing a monthly allocation to cover the amount of the worker's home mortgage payment. The loans would be paid or repaid and paid off over 5 years, but no payments would be required until 6 months after the worker has gotten back on his or her feet in gainful employment. The loan would be available only for the cost of the monthly home mortgage payment and covers only those workers displaced due to international competition and who would qualify for the benefits under the NAFTA–TAAP and the transitional adjustment assistance benefits programs.

Working within the parameters and the certification and qualifications of the NAFTA–TAAP and the TAA benefits programs, the Homestead Preservation Act recognizes some temporary assistance is needed as workers take time to retrain and be reeducated and expand upon their skills and search for new employment.

This will provide, in effect, a bridge loan assistance to these displaced workers. If you look at it, the unemployment benefits are fine, but usually they are not enough to cover the expenses which previously fit within a family budget.

Without immediate help, these families, at a minimum, risk ruining their credit ratings and, in the worst case scenario, could lose their car or even their home. The Homestead Preservation Act would provide families with vital temporary financial assistance, enabling them to keep their homes, protect their credit ratings, and, as they work toward strengthening and improving their skills, to continue to be able to search for a job without worrying about losing their homes. They are under a harrowing situation. We ought to have a response to help them.

There are many people who need transitional help right away. As we move forward to expand trade opportunities, let's also improve the transitional adjustment assistance programs.

The Homestead Preservation Act provides the temporary financial tools necessary for displaced workers to get them back on their feet and to succeed. In my view, it is a very caring, logical and responsible response.

I trust my colleagues will agree and support this reasonable, balanced idea.

I ask unanimous consent that the text of the bill and the section-by-section analysis be printed in the RECORD.

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

S. 1848

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Homestead Preservation Act''.

**SEC. 2. MORTGAGE PAYMENT ASSISTANCE.**

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Labor (referred to in this section as the ''Secretary'') shall establish a program under which the Secretary shall award low-interest loans to eligible individuals to enable such individuals to continue to make mortgage payments with respect to the primary residences of such individuals.

(b) ELIGIBILITY.—To be eligible to receive a loan under the program established under subsection (a), an individual shall—

(1) be—

(A) an adversely affected worker with respect to whom a certification of eligibility has been issued by the Secretary of Labor under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.); or

(B) an individual who would be an individual described in subparagraph (A) but who resides in a State that has not entered into an agreement under section 239 of such Act (19 U.S.C. 2311);

(2) be a borrower under a loan which requires the individual to make monthly mortgage payments with respect to the primary place of residence of the individual; and

(3) be enrolled in a job training or job assistance program.

(c) LOAN REQUIREMENTS.—

(1) IN GENERAL.—A loan provided to an eligible individual under this section shall—

(A) be for a period of not to exceed 12 months;

(B) be for an amount that does not exceed the sum of—

(i) the amount of the monthly mortgage payment owed by the individual; and

(ii) the number of months for which the loan is provided;

(C) have an applicable rate of interest that equals 4 percent;

(D) require repayment as provided for in subsection (d); and

(E) be subject to such other terms and conditions as the Secretary determines appropriate.

(2) ACCOUNT.—A loan awarded to an individual under this section shall be deposited into an account from which a monthly mortgage payment will be made in accordance with the terms and conditions of such loan.

(d) REPAYMENT.—

(1) IN GENERAL.—An individual to which a loan has been awarded under this section shall be required to begin making repayments on the loan on the earlier of—

(A) the date on which the individual has been employed on a full-time basis for 6 consecutive months; or

(B) the date that is 1 year after the date on which the loan has been approved under this section.

(2) REPAYMENT PERIOD AND AMOUNT.—

(A) REPAYMENT PERIOD.—A loan awarded under this section shall be repaid on a monthly basis over the 5-year period beginning on the date determined under paragraph (1).

(B) AMOUNT.—The amount of the monthly payment described in subparagraph (A) shall be determined by dividing the total amount provided under the loan (plus interest) by 60.

(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit an individual from—

(i) paying off a loan awarded under this section in less than 5 years; or

(ii) from paying a monthly amount under such loan in excess of the monthly amount determined under subparagraph (B) with respect to the loan.

(e) REGULATIONS.—Not later than 6 weeks after the date of enactment of this Act, the Secretary shall promulgate regulations necessary to carry out this section, including regulations that permit an individual to certify that the individual is an eligible individual under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 for each of fiscal years 2003 through 2007.

THE HOMESTEAD PRESERVATION ACT—SECTION-BY-SECTION ANALYSIS

A bill to provide mortgage payment assistance for employees who are separated from employment.

SECTION I. SHORT TITLE

This Act may be cited as the ''Homestead Preservation Act''.

SECTION II. MORTGAGE PAYMENT ASSISTANCE

This section establishes the program, sets program perimeters, and defines eligibility for program participation.

The Secretary of Labor (Secretary) is authorized to establish a low-interest loan program to cover the cost of mortgage payments of the borrower's primary residence.

Eligibility for participation is defined as a displaced worker who has received a certification of eligibility by the Secretary under chapter 2, title II of the Trade Act of 1974 (NAFTA–TAAP; TAA) or would be qualified if his or her State of residence had entered into an agreement allowing for NAFTA–TAAP and TAA participation. The borrower must be enrolled in a job training or job assistance program.

The terms of the loan must require the borrower to use the loan to make monthly payments on the mortgage of his or her primary residence.

The loan perimeters are established to limit the life of the loan to a period of one year and to an amount that does not exceed amount of the mortgage payments due over the number of months for which the loan is provided. The interest rate on the loans is capped at 4 percent.

The loan shall be deposited into an account from which the monthly mortgage payment will be made.

Loan repayment begins one year from the date of loan approval or the date on which the borrower has been employed full-time, for six months.

Loan repayment shall be completed within five years with a monthly payment determined by dividing the total amount of the loan, plus interest, by 60. Borrowers may pay the loan early or pay more than the per-month amount required without penalty.

The Secretary has six weeks to promulgate the regulations necessary to implement this Act, including regulations that permit a resident of a non-participating State in NAFTA–TAAP or TAA, to certify that he or she is qualified for loan participation as a displaced worker.

There is authorized to be appropriated, $10 million, per year, for five years.

Mr. WELLSTONE. Mr. President, I thank the Senator from Virginia. His proposal sounds very interesting and very important. I look forward to looking at the specifics of it. I appreciate his words. I appreciate what he is talking about. It may be legislation that provides people with that temporary assistance because people want to get the jobs on which they can support their families. I think it is an important endeavor. I thank my colleague.

---

By Mr. CHAFEE (for himself, Mr. CARPER, Mr. SMITH of New Hampshire, Mr. JEFFORDS, and Mr. INHOFE):

S. 1850. A bill to amend the Solid Waste Disposal Act to bring underground storage tanks into compliance with subtitle I of that Act, to promote cleanup of leaking underground storage tanks, to provide sufficient resources for such compliance and cleanup, and for other purposes; to the Committee on Environment and Public Works.

Mr. CHAFEE. Mr. President, today I introduce the Underground Storage Tank Compliance Act of 2001. This legislation will bring all underground storage tanks, USTs, into compliance with Federal law and finish the work begun seventeen years ago with enactment of the UST provisions of the Solid Waste Disposal Act. The legislation will emphasize leak prevention and compliance with existing statutes. In addition, this bipartisan bill will assist communities in coping with the contamination of groundwater and oil by methl tertiary butyl ether, MTBE.

In 1984, Congress enacted as Subtitle I of the Solid Waste Disposal Act a comprehensive program to address the problem of leaking underground storage tanks. With the goal of protecting the Nation's groundwater from leaking tanks, the 1984 law imposed minimum Federal requirements for leak detection and prevention standards for USTs. In 1988, owners and operators of existing underground storage tank systems were given a ten-year window to upgrade, replace, or close tanks that didn't meet minimum federal requirements for spill, overfill, and corrosion protection. As the deadline passed on December 22, 1988, many underground storage tanks failed to meet the federal standards.

To assess the situation, Senator SMITH of New Hampshire and I commissioned the U.S. General Accounting Office, GAO, to examine compliance of USTs with Federal requirements. GAO concluded in May 2001 that only 89 percent of tanks were meeting Federal equipment standards. In addition, it also discovered that only 71 percent were being operated and maintained properly. GAO cited infrequent tank inspections and limited funding among the contributing factors.

Communities across the Nation have borne the brunt of our failure to prevent tank releases. Gasoline and fuel

additives, such as MTBE, have contaminated groundwater and rendered it undrinkable. The Village of Pascoag, RI is just one community that has suffered from MTBE contamination that can be traced to leaking underground storage tanks. For months, residents of Pascoag have been unable to use the water supply for drinking, bathing, or cooking. Hundreds of thousands of dollars are being spent to dilute the water with a neighboring communities' supply, to install water filtration systems, and to bring new wells on-line. Additional money will be spent to remediate the contamination and to take enforcement action against the owners of the leaking tanks. Unfortunately, this is not an isolated incident. A similar story can be told in countless communities from New Hampshire, to New York, to California.

To address these issues, the legislation that I introduce today, together with Senators CARPER, SMITH of New Hampshire, JEFFORDS, and INHOFE, requires the inspection of all tanks every two years and increases Federal emphasis on the training tank operators. It simply does not make sense to install modern, protective equipment if the people who operate them do so improperly. Enforcement of existing requirements, rather than creating new requirements, is an important element of our bill. In addition, the legislation emphasizes compliance of tanks owned by Federal, State, and local governments, and provides $200 million for cleanup of sites contaminated by MTBE. Finally, the legislation provides increased funding to carry out the program, which the GAO has identified as critical to the success of the UST program.

Since its inception in 1984, the UST program has been largely successful. More than one million outdated tanks have successfully been closed or removed, and countless cleanups have been undertaken. We have come a long way, but we must go further. Our legislation will build upon the successes of yesterday, so that we may enjoy the successes of tomorrow. I look forward to working with all of my colleagues to move this important bipartisan legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1850

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Underground Storage Tank Compliance Act of 2001''.

**SEC. 2. LEAKING UNDERGROUND STORAGE TANKS.**

Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at the end the following:

''(f) TRUST FUND DISTRIBUTION.—

''(1) IN GENERAL.—

''(A) AMOUNT AND PERMITTED USES OF DISTRIBUTION.—The Administrator shall distribute to States not less than 80 percent of the funds from the Trust Fund that are made available to the Administrator under section 9013(2)(A) for each fiscal year for use in paying the reasonable costs, incurred under a cooperative agreement with any State, of—

''(i) actions taken by the State under section 9003(h)(7)(A);

''(ii) necessary administrative expenses, as determined by the Administrator, that are directly related to corrective action and compensation programs under subsection (c)(1);

''(iii) any corrective action and compensation program carried out under subsection (c)(1) for a release from an underground storage tank regulated under this subtitle to the extent that, as determined by the State in accordance with guidelines developed jointly by the Administrator and the State, the financial resources of the owner or operator of the underground storage tank (including resources provided by a program in accordance with subsection (c)(1)) are not adequate to pay the cost of a corrective action without significantly impairing the ability of the owner or operator to continue in business;

''(iv) enforcement by the State or a local government of—

''(I) the State program approved under this section; or

''(II) State or local requirements concerning underground storage tanks that are similar or identical to the requirements of this subtitle; or

''(v) State or local corrective actions carried out under regulations promulgated under section 9003(c)(4).

''(B) USE OF FUNDS FOR ENFORCEMENT.—In addition to the uses of funds authorized under subparagraph (A), the Administrator may use funds from the Trust Fund that are not distributed to States under subparagraph (A) for enforcement of any regulation promulgated by the Administrator under this subtitle.

''(C) PROHIBITED USES.—Except as provided in subparagraph (A)(iii), under any similar requirement of a State program approved under this section, or in any similar State or local provision as determined by the Administrator, funds provided to a State by the Administrator under subparagraph (A) shall not be used by the State to provide financial assistance to an owner or operator to meet any requirement relating to underground storage tanks under part 280 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this subsection).

''(2) ALLOCATION.—

''(A) PROCESS.—Subject to subparagraph (B), in the case of a State with which the Administrator has entered into a cooperative agreement under section 9003(h)(7)(A), the Administrator shall distribute funds from the Trust Fund to the State using the allocation process developed by the Administrator under the cooperative agreement.

''(B) REVISIONS TO PROCESS.—The Administrator may revise the allocation process referred to in subparagraph (A) with respect to a State only after—

''(i) consulting with—

''(I) State agencies responsible for overseeing corrective action for releases from underground storage tanks;

''(II) owners; and

''(III) operators; and

''(ii) taking into consideration, at a minimum—

''(I) the total tax revenue contributed to the Trust Fund from all sources within the State;

''(II) the number of confirmed releases from leaking underground storage tanks in the State;

''(III) the number of petroleum storage tanks in the State;

''(IV) the percentage of the population of the State that uses groundwater for any beneficial purpose;

''(V) the performance of the State in implementing and enforcing the program;

''(VI) the financial needs of the State; and

''(VII) the ability of the State to use the funds referred to in subparagraph (A) in any year.

''(3) DISTRIBUTIONS TO STATE AGENCIES.—

''(A) IN GENERAL.—Distributions from the Trust Fund under this subsection shall be made directly to a State agency that—

''(i) enters into a cooperative agreement referred to in paragraph (2)(A); or

''(ii) is enforcing a State program approved under this section.

''(B) ADMINISTRATIVE EXPENSES.—A State agency that receives funds under this subsection shall limit the proportion of those funds that are used to pay administrative expenses to such percentage as the State may establish by law.

''(4) COST RECOVERY PROHIBITION.—Funds from the Trust Fund provided by States to owners or operators for programs under subsection (c)(1) relating to releases from underground storage tanks shall not be subject to cost recovery by the Administrator under section 9003(h)(6).''.

**SEC. 3. INSPECTION OF UNDERGROUND STORAGE TANKS.**

Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(2) by inserting before subsection (b) (as redesignated by paragraph (1)) the following:

''(a) INSPECTION REQUIREMENTS.—Not later than 2 years after the date of enactment of the Underground Storage Tank Compliance Act of 2001, and at least once every 2 years thereafter, the Administrator or a State with a program approved under section 9004, as appropriate, shall require that all underground storage tanks regulated under this subtitle be inspected for compliance with regulations promulgated under section 9003(c).''.

**SEC. 4. OPERATOR TRAINING.**

Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by striking section 9010 and inserting the following:

**''SEC. 9010. OPERATOR TRAINING.**

''(a) GUIDELINES.—

''(1) IN GENERAL.—Not later than 18 months after the date of enactment of the Underground Storage Tank Compliance Act of 2001, in cooperation with States, owners, and operators, the Administrator shall publish in the Federal Register, after public notice and opportunity for comment, guidelines that specify methods for training operators of underground storage tanks.

''(2) CONSIDERATIONS.—The guidelines described in paragraph (1) shall take into account—

''(A) State training programs in existence as of the date of publication of the guidelines;

''(B) training programs that are being employed by owners and operators as of the date of enactment of this paragraph;

''(C) the high turnover rate of operators;

''(D) the frequency of improvement in underground storage tank equipment technology;

''(E) the nature of the businesses in which the operators are engaged; and

''(F) such other factors as the Administrator determines to be necessary to carry out this section.

''(b) STATE PROGRAMS.—

''(1) IN GENERAL.—Not later than 2 years after the date on which the Administrator

publishes the guidelines under subsection (a)(1), each State shall develop and implement a strategy for the training of operators of underground storage tanks that is consistent with paragraph (2).

''(2) REQUIREMENTS.—A State strategy described in paragraph (1) shall—

''(A) be consistent with subsection (a);

''(B) be developed in cooperation with owners and operators; and

''(C) take into consideration training programs implemented by owners and operators as of the date of enactment of this subsection.

''(3) FINANCIAL INCENTIVE.—The Administrator may award to a State that develops and implements a strategy described in paragraph (1), in addition to any funds that the State is entitled to receive under this subtitle, not more than $50,000, to be used to carry out the strategy.''.

**SEC. 5. REMEDIATION OF MTBE CONTAMINATION.**

Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)) is amended—

(1) in paragraph (7)(A)—

(A) by striking ''paragraphs (1) and (2) of this subsection'' and inserting ''paragraphs (1), (2), and (12)''; and

(B) by striking '', and including the authorities of paragraphs (4), (6), and (8) of this subsection'' and inserting ''and the authority under section 9011 and paragraphs (4), (6), and (8),''; and

(2) by adding at the end the following:

''(12) REMEDIATION OF MTBE CONTAMINATION.—

''(A) IN GENERAL.—The Administrator and the States may use funds made available under section 9013(2)(B) to carry out corrective actions with respect to a release of methyl tertiary butyl ether that presents a threat to human health or welfare or the environment.

''(B) APPLICABLE AUTHORITY.—The Administrator or a State shall carry out subparagraph (A)—

''(i) in accordance with paragraph (2); and

''(ii) in the case of a State, in accordance with a cooperative agreement entered into by the Administrator and the State under paragraph (7).''.

**SEC. 6. RELEASE PREVENTION, COMPLIANCE, AND ENFORCEMENT.**

(a) RELEASE PREVENTION AND COMPLIANCE.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) (as amended by section 4) is amended by adding at the end the following:

**''SEC. 9011. RELEASE PREVENTION AND COMPLIANCE.**

''Funds made available under section 9013(2)(D) from the Trust Fund may be used to conduct inspections, issue orders, or bring actions under this subtitle—

''(1) by a State, in accordance with section 9003(h)(7), acting under—

''(A) a program approved under section 9004; or

''(B) any State requirement concerning the regulation of underground storage tanks that is similar or identical to a requirement under this subtitle, as determined by the Administrator; and

''(2) by the Administrator, under this subtitle (including under a State program approved under section 9004).''.

(b) GOVERNMENT-OWNED TANKS.—Section 9003 of the Solid Waste Disposal Act (42 U.S.C. 6991b) is amended by adding at the end the following:

''(i) GOVERNMENT-OWNED TANKS.—

''(1) COMPLIANCE STRATEGY.—Not later than 2 years after the date of enactment of this subsection, each State shall submit to the Administrator a strategy to ensure compliance with regulations promulgated under subsection (c) of any underground storage tank that is—

''(A) regulated under this subtitle; and

''(B) owned or operated by the State government or any local government.

''(2) FINANCIAL INCENTIVE.—The Administrator may award to a State that develops and implements a strategy described in paragraph (1), in addition to any funds that the State is entitled to receive under this subtitle, not more than $50,000, to be used to carry out the strategy.''.

(c) INCENTIVES FOR PERFORMANCE.—Section 9006 of the Solid Waste Disposal Act (42 U.S.C. 6991e) is amended by adding at the end the following:

''(e) INCENTIVES FOR PERFORMANCE.—In determining the terms of, or whether to issue, a compliance order under subsection (a), or the amount of, or whether to impose, a civil penalty under subsection (d), the Administrator, or a State under a program approved under section 9004, shall take into consideration whether an owner or operator has—

''(1) a history of operating underground storage tanks of the owner or operator in accordance with—

''(A) this subtitle; or

''(B) a State program approved under section 9004; or

''(2) implemented a program, consistent with guidelines published under section 9010, that provides training to persons responsible for operating any underground storage tank of the owner or operator.''.

(d) AUTHORITY TO PROHIBIT CERTAIN DELIVERIES.—Section 9006 of the Solid Waste Disposal Act (42 U.S.C. 6991e) (as amended by subsection (c)) is amended by adding at the end the following:

''(f) AUTHORITY TO PROHIBIT CERTAIN DELIVERIES.—

''(1) IN GENERAL.—After the date on which the Administrator promulgates regulations under paragraph (2), the Administrator, or a State with a program approved under section 9004, may prohibit the delivery of regulated substances to underground storage tanks that are not in compliance with—

''(A) a requirement or standard promulgated by the Administrator under section 9003; or

''(B) a requirement or standard of a State program approved under section 9004.

''(2) AUTHORITY.—Not later than 2 years after the date of enactment of this subsection, the Administrator, after consultation with States, shall promulgate regulations that specify—

''(A) the circumstances under which the authority provided by paragraph (1) may be used;

''(B) the process by which the authority provided by paragraph (1) will be used consistently and fairly; and

''(C) such other factors as the Administrator, in cooperation with States, determines to be necessary to carry out this subsection.''.

(e) PUBLIC RECORD.—Section 9002 of the Solid Waste Disposal Act (42 U.S.C. 6991a) is amended by adding at the end the following:

''(d) PUBLIC RECORD.—

''(1) IN GENERAL.—The Administrator shall require each State and Indian tribe that receives funds under this subtitle to maintain, update at least annually, and make available to the public, in such manner and form as the Administrator shall prescribe (after consultation with States and Indian tribes), a record of underground storage tanks regulated under this subtitle.

''(2) CONSIDERATIONS.—To the maximum extent practicable, the public record of a State or Indian tribe, respectively, shall include, for each year—

''(A) the number, sources, and causes of underground storage tank releases in the State or on tribal land;

''(B) the record of compliance by underground storage tanks in the State or on tribal land with—

''(i) this subtitle; or

''(ii) an applicable State program approved under section 9004; and

''(C) data on the number of underground storage tank equipment failures in the State or on tribal land.

''(3) AVAILABILITY.—The Administrator shall make the public record of each State and Indian tribe under this section available to the public electronically.''.

**SEC. 7. FEDERAL FACILITIES.**

Section 9007 of the Solid Waste Disposal Act (42 U.S.C. 6991f) is amended by adding at the end the following:

''(c) REVIEW OF FEDERAL UNDERGROUND STORAGE TANKS.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in cooperation with each Federal agency that owns or operates 1 or more underground storage tanks or that manages land on which 1 or more underground storage tanks are located, shall review the status of compliance of those underground storage tanks with this subtitle.

''(d) COMPLIANCE STRATEGIES.—Not later than 2 years after the date of enactment of this subsection, each Federal agency described in subsection (c) shall submit to the Administrator and to each State in which an underground storage tank described in subsection (c) is located, a strategy to ensure the compliance of those underground storage tanks with this subtitle.''.

**SEC. 8. TANKS UNDER THE JURISDICTION OF INDIAN TRIBES.**

Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by inserting after section 9011 (as added by section 6(a)) the following:

**''SEC. 9012. TANKS UNDER THE JURISDICTION OF INDIAN TRIBES.**

''The Administrator, in coordination with Indian tribes, shall—

''(1) not later than 1 year after the date of enactment of this section, develop and implement a strategy—

''(A) giving priority to releases that present the greatest threat to human health or the environment, to take necessary corrective action in response to releases from leaking underground storage tanks located wholly within the boundaries of—

''(i) an Indian reservation; or

''(ii) any other area under the jurisdiction of an Indian tribe; and

''(B) to implement and enforce requirements concerning underground storage tanks located wholly within the boundaries of—

''(i) an Indian reservation; or

''(ii) any other area under the jurisdiction of an Indian tribe; and

''(2) not later than 2 years after the date of enactment of this section and every 2 years thereafter, submit to Congress a report that summarizes the status of implementation and enforcement of the leaking underground storage tank program in areas located wholly within—

''(A) the boundaries of Indian reservations; and

''(B) any other areas under the jurisdiction of an Indian tribe.''.

**SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) (as amended by section 8) is amended by adding at the end the following:

**''SEC. 9013. AUTHORIZATION OF APPROPRIATIONS.**

''There are authorized to be appropriated to the Administrator—

''(1) to carry out subtitle I (except sections 9003(h), 9005(a), and 9011) $25,000,000 for each of fiscal years 2003 through 2007; and

''(2) from the Trust Fund, notwithstanding section 9508(c)(1) of the Internal Revenue Code of 1986—

''(A) to carry out section 9003(h) (except section 9003(h)(12)) $100,000,000 for each of fiscal years 2003 through 2007;

''(B) to carry out section 9003(h)(12), $200,000,000 for fiscal year 2003, to remain available until expended;

''(C) to carry out section 9005(a)—

''(i) $35,000,000 for each of fiscal years 2003 and 2004; and

''(ii) $20,000,000 for each of fiscal years 2005 through 2008; and

''(D) to carry out section 9011—

''(i) $50,000,000 for fiscal year 2003; and

''(ii) $30,000,000 for each of fiscal years 2004 through 2008.''.

**SEC. 10. CONFORMING AMENDMENTS.**

(a) IN GENERAL.—Section 9001 of the Solid Waste Disposal Act (42 U.S.C. 6991) is amended—

(1) by striking ''For the purposes of this subtitle—'' and inserting ''In this subtitle:'';

(2) by redesignating paragraphs (1), (2), (3), (4), (5), (6), (7), and (8) as paragraphs (10), (7), (4), (3), (8), (5), (2), and (6), respectively;

(3) by inserting before paragraph (2) (as redesignated by paragraph (2)) the following:

''(1) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).''; and

(4) by inserting after paragraph (8) (as redesignated by paragraph (2)) the following:

''(9) TRUST FUND.—The term 'Trust Fund' means the Leaking Underground Storage Tank Trust Fund established by section 9508 of the Internal Revenue Code of 1986.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 9003(f) of the Solid Waste Disposal Act (42 U.S.C. 6991b(f)) is amended—

(A) in paragraph (1), by striking ''9001(2)(B)'' and inserting ''9001(7)(B)''; and

(B) in paragraphs (2) and (3), by striking ''9001(2)(A)'' each place it appears and inserting ''9001(7)(A)''.

(2) Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)) is amended in paragraphs (1), (2)(C), (7)(A), and (11) by striking ''Leaking Underground Storage Tank Trust Fund'' each place it appears and inserting ''Trust Fund''.

(3) Section 9009 of the Solid Waste Disposal Act (42 U.S.C. 6991h) is amended—

(A) in subsection (a), by striking ''9001(2)(B)'' and inserting ''9001(7)(B)''; and

(B) in subsection (d), by striking ''section 9001(1) (A) and (B)'' and inserting ''subparagraphs (A) and (B) of section 9001(10)''.

**SEC. 11. TECHNICAL AMENDMENTS.**

(a) Section 9001(4)(A) of the Solid Waste Disposal Act (42 U.S.C. 6991(4)(A)) (as amended by section 9(a)(2)) is amended by striking ''sustances'' and inserting ''substances''.

(b) Section 9003(f)(1) of the Solid Waste Disposal Act (42 U.S.C. 6991b(f)(1)) is amended by striking ''subsection (c) and (d) of this section'' and inserting ''subsections (c) and (d)''.

(c) Section 9004(a) of the Solid Waste Disposal Act (42 U.S.C. 6991c(a)) is amended by striking ''in 9001(2) (A) or (B) or both'' and inserting ''in subparagraph (A) or (B) of section 9001(7)''.

(d) Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) (as amended by section 3) is amended—

(1) in subsection (b), by striking ''study taking'' and inserting ''study, taking'';

(2) in subsection (c)(1), by striking ''relevent'' and inserting ''relevant''; and

(3) in subsection (c)(4), by striking ''Evironmental'' and inserting ''Environmental''.

---

By Mr. BINGAMAN (for himself, Mr. CHAFEE, Mr. ROCKEFELLER, Mr. KENNEDY, Mr. FEINGOLD, Mr. CORZINE, Mr. REED, Mrs. CLINTON, Mr. KERRY, and Mr. KOHL):

S. 1851. A bill to amend part C of title XVIII, of the Social Security Act to provide for continuous open enrollment and disenrollment in Medicare+Choice plans and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, the legislation I am introducing today with Senators CHAFEE, ROCKEFELLER, KENNEDY, FEINGOLD, CORZINE, REED, CLINTON, KERRY, and KOHL entitled the Medicare+Choice Consumer Protection Act is designed to ensure protections for Medicare+Choice beneficiaries that are witnessing increased costs, decreased benefits, and fewer options to obtain affordable supplemental coverage for Medicare.

This legislation is a companion bill to H.R. 3267, legislation introduced by Representative PETE STARK.

The Medicare+Choice program is an important option for many seniors and the disabled in this country, including 15 percent of seniors in the State of New Mexico. This option must remain a viable one in the Medicare program, but due to the recent rounds of plan withdrawals, benefit reductions, and cost increases that plans have undertaken within the program, there has been a growing level of insecurity among Medicare beneficiaries with respect to their health coverage.

Last year, I sponsored legislation, S. 2905, the Medicare+Choice Program Improvement Act of 2000, to increase payments, including the minimum payment amount to Medicare+Choice plans. However, despite payment increases approved by the Congress last year, including some substantial increases in certain more rural areas of the country, we have witnessed over 530,000 people recently lose their Medicare+Choice coverage as a result of HMO pull-outs from the Medicare program, including some in areas that received these much higher payments.

Many others have also experienced increases in their costs through the HMO or benefit reductions, including the elimination or substantial reduction of prescription drug coverage.

Therefore, while we must continue to explore mechanisms to ensure that the Medicare+Choice program remains a viable one, it is clear that even if their push for higher payments is met that the plans may still choose to pull-out of areas, decrease benefits, or increase costs to seniors. Despite ads being run by some Medicare+Choice plans that they will provide ''health care for life,'' Medicare beneficiaries are seeing constant turmoil and change on a yearly basis. Some Medicare Beneficiaries have been dropped to have seen their benefits reduced or costs increased by HMO's on yearly basis since the creation of the Medicare+Choice program in 1997.

In New Mexico, the result of last year's payment increases have resulted in a mixed outcome. Presbyterian's Medicare+Choice plan has reported that they are on track to achieve a profit margin of 3 to 4 percent on its M+C product in 2001 compared to a loss of around 15 percent in the prior year. In contrast, St. Joseph's M+C plan received the substantial increase in its Medicare payment, and yet, eliminated prescription drug coverage to seniors through its HMO without notice to some seniors this past March and still reports the system is up for sale and may completely change this coming year.

Beneficiaries are often left confused and uncertain. As 96 year-old Beulah Torrez of Espanola, New Mexico, said after the last round of Medicare+Choice plan changes, ''I just finally gave up. I couldn't afford anything. I couldn't afford the HMOs.''

As we continue to seek ways to improve Medicare+Choice coverage, we should take immediate action to extend important consumer protections to Medicare beneficiaries who find themselves in a plan that no longer meets their needs. To achieve these goals, the bill we are introducing today would.

(1) Eliminate the Medicare+Choice lock-in scheduled to go into effect in January 2002.

(2) Extend the existing Medigap protections that apply to people whose Medicare+Choice plan withdraws from the program to anyone whose Medicare+Choice plan changes benefits or whose doctor or hospital leaves the plan.

(3) Prevent Medicare+Choice plans from charging higher cost-sharing for a service than Medicare charges in the fee-for-service program.

Eliminating the lock-in would ensure that seniors and people with disabilities continue to be allowed to leave a health plan that is not meeting their needs. When St. Joseph's health plan eliminated prescription drug coverage from its Medicare plan earlier this year, Medicare beneficiaries were left without drug coverage but were at least able to change their health plan at the end of the month. This flexibility will end in January 2002 unless this legislation is passed. It is important that Medicare beneficiaries, often our nation's most vulnerable citizens, know that if they test an HMO and do not like its system, arrangements and rules that they will be able to leave and choose a Medicare option that better suits their specific needs. Both advocates and the managed care industry support this provision.

In addition, if a Medicare+Choice plan withdraws from a community or Medicare entirely, you can under current law move into a select category of Medigap plans, (A, B, C and F, without any individual health underwriting. this provision ensures that Medicare beneficiaries have affordable supplemental Medicare options available to them when, through no fault of their own, their Medicare+Choice plan withdrawals.

However, these protections for Medicare beneficiaries currently do not apply with Medicare+Choice plans that make significant changes, such as eliminating benefits, increasing cost sharing, or changing available providers, within the HMO but stop short of completely withdrawing from the Medicare program. In the St. Joseph's case I mentioned above, seniors were unable to receive important Medigap or supplemental Medicare coverage since the plan did not completely withdraw from the service area.

For Medicare beneficiaries whose needs no longer are met by the HMO due to such changes, a Medigap supplemental policy and a return to Medicare fee-for-service may often make better sense. Therefore, it is critical to extend the current Medigap protections for when a plan terminates Medicare participation to beneficiaries in plans that have made important changes to the benefits, cost sharing, or provider options.

And finally, the third provision of the bill would prevent Medicare+Choice plans from charging higher cost-sharing for individual services than occurs in the Medicare fee-for-service program. According to testimony before the House Ways and Means Health Subcommittee by Thomas Scully, Administrator for the Centers for Medicare and Medicaid Services, CMS, on December 4, 2001,

> . . . this year we have found that some plans proposed charging beneficiaries what we believed were unreasonably high copays for particular services . . . Thus, we have a new challenge balancing the need for plans to make decisions about their benefit packages and cost sharing amounts with the important requirement that plan designs do not discourage enrollment. The concern is always that high cost sharing could discourage beneficiaries, who have greater health care needs, from enrolling in or remaining a member of these particular plans.

In the case of UnitedHealth Group's Medicare Complete option in Wisconsin, that plan will begin charging a deductible of $295 a day for a hospital stay up to a cap of $4,800 compared to a similar stay under fee-for-service Medicare which has a deductible of $812. While CMS did require the plan to reduce their proposed deductible from $350 to $295 per day, overall out-of-pocket costs can far exceed those that would occur in fee-for-service for many beneficiaries.

As Stephanie Sue Stein, Director of the Milwaukee County Department on Aging, said at the same House Ways and Means Health Subcommittee hearing on December 4, 2001,

> Beneficiaries will still be expected to pay up to $4,800 out-of-pocket in addition to the $55 monthly premium for United's coverage and the $54 monthly premium for Medicare Part B. The excessive cost-sharing proposed by United raises questions about the value of this so-called insurance. It is now clear that many of the 16,000 seniors who have previously relied on UnitedHealthcare to provide access to affordable health care can no longer do so. It looks to us as though the benefit changes for 2002 are designed to discourage enrollment to beneficiaries who have health needs.

The question arises why we would allow Medicare+Choice plans to effectively diminish the value of Medicare benefits in this manner. While the Secretary has the authority under current law to prohibit or reduce some of the new cost-sharing arrangements that plans are preparing to impose, the change proposed by this legislation makes it clear that Medicare+Choice plans cannot charge patients more for a service than the patient would face under the Medicare fee-for-service plan.

In fact, the ability of Medicare+Choice plans to charge higher cost-sharing for benefits or services than in fee-for-service results in further risk avoidance, or what is referred to as ''cherry picking,'' as plans seek to avoid or deny services to the chronically or severely ill. This can have an adverse consequence for the health of people with disabilities, limit their choices, and result in higher costs for the Medicare program. For all of these reasons, we should enact this provision in short order.

While we are undertaking efforts to ensure that Medicare-Choice remains a viable option for Medicare beneficiaries, we must also ensure additional protections for beneficiaries.

As Ms. Stein said in her testimony,

> These plans now call themselves new things, complete and secure and healthy, but they are not complete or secure or healthy. They are radically different. These Medicare+Choice policies are not the same ones people bought when they took advantage of what they perceived to be the value-added benefits sold to them as Medicare+Choice. In fact, they are left with Medicare minus protection, Medicare minus the ability to buy a Medigap policy, Medicare minus the ability to choose different insurance.

In fact, according to a report by the Commonwealth Fund in April 2001, ''31 percent of Medicare+Choice enrollees are in contracts where the basic plan has a copayment requirement for hospital admissions, compared with just 13 percent in 2000. Outpatient hospital copayments are being required of 45 percent of Medicare+Choice enrollees in 2001, compared with only 29 percent in 2000.'' This will only increase further in 2002.

Therefore, to improve fundamental financial protections and health care options for our nation's Medicare seniors and disabled enrollees, I urge the swift passage of this legislation.

The following organizations have expressed their support for this legislation: AFSCME Retiree Program, Alliance for Retired Americans, American Association of Homes and Service for the Aging, American Association for International Aging, American Federation of Teachers Program on Retirement and Retirees, American Society of Consultant Pharmacists, Association for Gerontology and Human Development in Historically Black Colleges and Universities, B'nai B'rith Center for Senior Housing and Services, California Health Advocates, Center for Medicare Advocacy, Congress of California Seniors, Eldercare America, Families USA, International Union—UAW, National Academy of Elder Law Attorneys, National Association of Area Agencies on Aging, National Association of Professional Geriatric Care Managers, National Association of Retired and Senior Volunteer Program Directors, National Association of Retired Federal Employees, National Association of Senior Companion Program Directors, National Association of State Units on Aging, National Committee to Preserve Social Security and Medicare, National Council on the Aging, National Renal Administrators Association, National Senior Citizens Law Center, and OWL—Voice for Midlife and Older Women.

I request unanimous consent that a fact sheet and the text of the bill be printed in the RECORD.

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

S. 1851

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Medicare+Choice Consumer Protection Act of 2001''.

**SEC. 2. CONTINUOUS OPEN ENROLLMENT AND DISENROLLMENT.**

(a) IN GENERAL.—Section 1851(e)(2) of the Social Security Act (42 U.S.C. 1395w–21(e)(2)) is amended to read as follows:

''(2) CONTINUOUS OPEN ENROLLMENT AND DISENROLLMENT.—Subject to paragraph (5), a Medicare+Choice eligible individual may change the election under subsection (a)(1) at any time.''.

(b) CONFORMING AMENDMENTS.—

(1) MEDICARE+CHOICE.—Section 1851(e) of such Act (42 U.S.C. 1395w–21(e)) is amended—

(A) in paragraph (4)—

(i) by striking ''Effective as of January 1, 2002, an'' and inserting ''An'';

(ii) by striking ''other than during an annual, coordinated election period'';

(iii) by inserting ''in a special election period for such purpose'' after ''make a new election under this section''; and

(iv) by striking the second sentence; and

(B) in paragraphs (5)(B) and (6)(A), by striking ''the first sentence of''.

(2) PERMITTING ENROLLMENT IN MEDIGAP WHEN M+C PLANS REDUCE BENEFITS OR WHEN PROVIDER LEAVES A M+C PLAN.—

(A) IN GENERAL.—Clause (ii) of section 1882(s)(3)(B) of such Act (42 U.S.C. 1395ss(s)(3)(B)) is amended—

(i) by inserting ''(I)'' after ''(ii)'';

(ii) by striking ''under the first sentence of'' each place it appears and inserting ''during a special election period provided for under'';

(iii) by inserting ''the circumstances described in subclause (II) are present or'' before ''there are circumstances''; and

(iv) by adding at the end the following new subclause:

''(II) The circumstances described in this subclause are, with respect to an individual enrolled in a Medicare+Choice plan, a reduction in benefits (including an increase in cost-sharing) offered under the Medicare+Choice plan from the previous year or a provider of services or physician

who serves the individual no longer participating in the plan (other than because of good cause relating to quality of care under the plan).''.

(B) CONFORMING AMENDMENT.—Clause (iii) of such section is amended—

(i) by inserting ''the circumstances described in clause (ii)(II) are met or'' after ''policy described in subsection (t), and''; and

(ii) by striking ''under the first sentence of'' and inserting ''during a special election period provided for under''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002, and shall apply to reductions in benefits and changes in provider participation occurring on or after such date.

**SEC. 3. LIMITATION ON MEDICARE+CHOICE COST-SHARING.**

(a) IN GENERAL.—Section 1852(a) (42 U.S.C. 1395w–22(a)) is amended by adding at the end the following new paragraph:

''(6) LIMITATION ON COST-SHARING.—

''(A) IN GENERAL.—Subject to subparagraph (B), in no case shall the cost-sharing with respect to an item or service under a Medicare+Choice plan exceed the cost-sharing otherwise applicable under parts A and B to an individual who is not enrolled in a Medicare+Choice plan under this part.

''(B) PERMITTING FLAT COPAYMENTS.—Subparagraph (A) shall not be construed as preventing the application of flat dollar copayment amounts (in place of a percentage coinsurance), such as a fixed copayment for a doctor's visit, so long as such amounts are reasonable and appropriate and do not adversely affect access to items and services (as determined by the Secretary).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply as of January 1, 2003.

---

MEDICARE+CHOICE CONSUMER PROTECTION ACT OF 2001—FACT SHEET

Senators Jeff Bingaman (D–NM), Lincoln Chafee (R–RI), John D. Rockefeller, IV (D–WV), Edward M. Kennedy (D–MA), Russ Feingold (D–WI), Jon Corzine (D–NJ), Jack Reed (D–RI), Hillary Rodham Clinton (D–NY), John Kerry (D–MA) and Herb Kohl (D–WI) are preparing to introduce the ''Medicare+Choice Consumer Protection Act of 2001.'' This legislation is a companion bill to H.R. 3267, which was introduced by Representative Pete Stark (D–CA).

This legislation would improve consumer protections to Medicare beneficiaries seeking to enroll in Medicare+Choice plans by:

Eliminating the Medicare+Choice lock-in schedule to go into effect in January 2002;

Extending the existing Medigap protections that apply to people whose Medicare+Choice plan withdraws from the program to anyone whose Medicare+Choice changes benefits or whose doctor or hospital leaves the plan; and

Preventing Medicare+Choice plans from charging higher cost-sharing for a service than Medicare charges in the fee-for-service program.

NEED FOR LEGISLATION

Medicare+Choice Forthcoming Lock-In: Currently, Medicare beneficiaries that are dissatisfied with their health plan are allowed to enroll or disenroll from their health plans at any time. As of January 2002, Medicare beneficiaries electing the Medicare+Choice option will be required to ''lock in'' with that plan for much longer periods. In fact, for 2002, Medicare+Choice enrollees will only be allowed to switch plans once during the first six months after enrollment. In 2003, the beneficiaries will only be able to switch once during the first three months after enrollment.

The legislation eliminates the upcoming lock-in to ensure that Medicare beneficiaries continue to be allowed to leave a health plan that is not meeting their needs. Medicare beneficiaries, often our nation's most vulnerable citizens, need to know that if they test an HMO and do not like the system, arrangements, and rules that they will be able to leave to choose a Medicare option that better suits their specific needs. Both advocates and the managed care industry support this provision.

Medigap Protections When Medicare+Choice Plans Change Benefits, Cost Sharing, or Provider Options: In addition, if a Medicare+Choice plan withdrawals from a community or Medicare entirely, beneficiaries can under current law move into a select category of Medigap plans (A, B, C and F) without any individual health underwriting. This provision ensures that Medicare beneficiaries have affordable supplemental Medicare options available to them when, through no fault of their own, their Medicare+Choice plan withdrawals.

However, these protections for Medicare beneficiaries currently do not apply with Medicare+Choice plans that make significant changes, such as eliminating benefits, increasing cost sharing, or changing available providers, within the HMO but stop short of completely withdrawing from the Medicare program. For example, some plans now cover only generic prescriptions, in effect eliminating drug coverage for beneficiaries whose prescriptions have no generic equivalent. For those Medicare beneficiaries whose needs are no longer met by the Medicare+Choice plan due to these changes, the legislation extends the current Medigap protections for beneficiaries when a plan terminates Medicare participation to those in plans that have made important changes to their benefits, cost sharing, or provider options.

Preventing Higher Cost Sharing in Medicare+Choice Than in Fee-For-Service: Under current law, cost sharing per enrollee (including premiums) for covered services cannot be more than the actuarial value of the deductibles, coinsurance, and copayments under traditional Medicare fee-for-service. However, Medicare+Choice plans are increasingly charging higher cost-sharing for individual services within the health plan than is allowed in fee-for-service. Higher cost-sharing, for example, is being required by some Medicare+Choice plans for dialysis, hospitalization, and other services than in traditional fee-for-service Medicare.

In addition to creating an adverse consequence for the health of Medicare beneficiaries with disabilities who have certain illnesses, charging beneficiaries higher costs for certain services results in what is referred to as ''cherry picking,'' as some plans seek to avoid or deny services to the chronically or severely ill. Again, this can have adverse health effects for certain beneficiaries, limit their choices, and resulting in higher costs for the Medicare payment through ''risk selection.'' Consequently, this legislation would close this loophole and prohibit Medicare+Choice plans from imposing higher cost sharing for certain services than is allowed in Medicare fee-for-service.

SUPPORTING ORGANIZATIONS

AFSCME Retiree Program.
Alliance for Retired Americans.
American Association of Homes and Service for the Aging.
American Association for International Aging.
American Federation of Teachers Program on Retirement and Retirees.
American Society of Consultant Pharmacists.
Association for Gerontology and Human Development in Historically Black Colleges and Universities.
B'nai B'rith Center for Senior Housing and Services.
California Health Advocates.
Center for Medicare Advocacy.
Congress of California Seniors.
Eldercare America.
Families USA.
International Union, UAW.
National Academy of Elder Law Attorneys.
National Association of Area Agencies on Aging.
National Association of Professional Geriatric Care Managers.
National Association of Retired and Senior Volunteer Program Directors.
National Association of Retired Federal Employees.
National Association of Senior Companion Program Directors.
National Association of State Units on Aging.
National Committee to Preserve Social Security and Medicare.
National Council on the Aging.
National Renal Administrators Association.
National Senior Citizens Law Center.
OWL, Voice for Midlife and Older Women.

---

By Mr. THOMAS:

S. 1852. A bill to extend the deadline for commencement of construction of a hydroelectric project in the State of Wyoming; to the Committee on Energy and Natural Resources.

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

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

S. 1852

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

**SECTION 1. EXTENSION OF TIME FOR FEDERAL ENERGY REGULATORY COMMISSION HYDROELECTRIC PROJECT.**

(a) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission Swift Creek Power Company, Inc. hydroelectric license, project number 1651, the Commission may, at the request of the licensee for the project, and after reasonable notice, in accordance with the requirements of that section and the Commission's procedures under that section, extend the time period during which the licensee is required to commence the construction of the project for 3 consecutive 2-year periods.

(b) EFFECTIVE DATE.—Subsection (a) takes effect on the date of the expiration of the extension issued by the Commission before the date of the enactment of this Act under section 13 of the Federal Power Act (16 U.S.C. 806).

---

By Mr. JOHNSON:

S. 1854. A bill to authorize the President to present congressional gold medals to the Native American Code Talkers in recognition of their contributions to the Nation during World War I and World War II; to the Committee on Banking, Housing, and Urban Affairs.

Mr. JOHNSON. Mr. President, I rise today to introduce legislation that will recognize all Native American Code Talkers who served as Code Talkers during World Wars I and II. Earlier this year, the Navajo Code Talkers were

recognized by Congress and the President, and were presented with their Congressional Gold Medals. I was proud be a cosponsor of legislation introduced by Senator JEFF BINGAMAN granting the medals and participating in the ceremony recognizing their great accomplishments.

Today, I am introducing similar legislation recognizing the over 17 other tribes who served our Nation and democracy across the world. These brave men utilized their language to assist the allied forces, and subsequently saved the lives of thousands of men and women. Years ago, the United States government policy towards Native people attempted to force the assimilation of millions of Native Americans and Alaskan Natives.

The United States government attempted to strip the culture and language from the native peoples of this great land. We have learned the lessons of the past, and I stand here today honoring these courageous soldiers for preserving part of the very core of their culture. Their language.

It is tragic that we have waited so many decades for the recognition of these brave soldiers.

We cannot hope to make up for some of the wrongs that befell the Native peoples in the United States, or across North and South America. But, we can continue to ensure that honor is continually bestowed upon those men and women who fought for and defended our Nation, and the preservation of democracy on foreign lands.

Native Americans remain the most decorated ethnic group in our military forces. I am honored that we are one step closer to honoring those who deserve recognition that is long overdue. This truly marks a proud moment in our Nation's history.

I urge my colleagues to join me in honoring those Native Americans who served as code talkers in World Wars I and II. I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1854

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

**SECTION 1. CONGRESSIONAL MEDALS.**

(a) FINDINGS.—Congress finds that—

(1) not fewer than 17 Indian tribes have been identified as having served as code talkers during World War I and World War II;

(2) during World War I, 15 members of the Oklahoma Choctaw served as code talkers in the 36th Infantry Division;

(3) during World War II, many Native Americans served as code talkers, including—

(A) members of the Lakota-Dakota and Sioux Tribes, many of whom served in the 3d Battalion and the 302d Reconnaissance Team, First Cavalry Division;

(B) 17 members of the Commanche Tribe;

(C) members of the Hopi Tribe, many of whom served in the 223d Battalion;

(D) 27 members of the Sac and Fox Tribe of Iowa, 19 of whom served in the 18th Iowa Infantry;

(E) members of the Choctaw Tribe, many of whom served in Company K, 180th Infantry Regiment, 45th Division;

(F) 5 members of the Assiniboine Tribe;

(G) members of the Seminole Tribe of Florida, most of whom served in the 195th Field Artillery Battalion; and

(H) members of the Muscogee Creek Tribe, most of whom served in the Aleutian Islands campaign;

(4) in December 2000, Congress recognized the Navajo Code Talkers by authorizing the presentation of gold and silver medals to the Navajo Code Talkers and posthumously to their surviving family members;

(5) all Native American Code Talkers have performed an important service to the preservation of democracy, and deserve proper recognition, which is long overdue;

(6) because the code was so successful, the Native American Code Talkers are credited with saving the lives of countless American and Allied Forces during World War II; and

(7) Native Americans continue to be one of the most represented and decorated ethnic groups in the United States Armed Forces.

(b) CONGRESSIONAL MEDALS AUTHORIZED.—

(1) PRESENTATION AUTHORIZED.—To express recognition by the United States and its citizens of the achievements of the Native American Code Talkers, the President is authorized to award to each of the Native American Code Talkers, or a surviving family member, on behalf of Congress, a gold medal of appropriate design.

(2) DESIGN AND STRIKING.—For purposes of the awards authorized by paragraph (1), the Secretary of the Treasury (in this section referred to as the ''Secretary'') shall strike gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) DUPLICATE MEDALS.—The Secretary may strike and sell duplicates in bronze of the medals struck pursuant to this section, under such regulations as the Secretary may prescribe, and at a price sufficient to cover the costs thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the medals.

(d) STATUS AS NATIONAL MEDALS.—The medals struck pursuant to this section are national medals for purposes of chapter 51, of title 31, United States Code.

(e) FUNDING.—

(1) AUTHORITY TO USE FUND AMOUNTS.—There is authorized to be charged against the United States Mint Public Enterprise Fund, such sums as may be necessary to pay for the costs of the medals authorized by this section.

(2) PROCEEDS OF SALE.—Amounts received from the sale of duplicate medals under this section shall be deposited in the United States Mint Public Enterprise Fund.

---

By Mr. KERRY (for himself, Mr. BURNS, Mr. CORZINE, and Mr. BAUCUS):

S. 1856. A bill to amend the Internal Revenue Code of 1986 to promote employer and employee participation in telework arrangements, and for other purposes; to the Committee on Finance.

Mr. KERRY. Mr. President, along with my colleagues Senator BURNS, Senator CORZINE, and Senator BAUCUS, I wish to introduce legislation of critical importance to our Nation's workforce and economy.

The rapid spread of new telecommunications technologies has generated opportunities for firms across the country to improve upon the traditional work environment. Today, millions of American workers participate in ''telework'' arrangements, otherwise known as telecommuting, which allow them to work outside of their normal work location. Telework arrangements carry several advantages: the ability to spend more time with the children, less time wasted in traffic, enhanced productivity, and the environmental benefits of reduced carbon dioxide emissions. While teleworking grew substantially during the 1990s, the number of teleworkers has reached a plateau, with little increase in the last year. The social, economic, and environmental gains of teleworking are indisputable. Our legislation combines tax incentives and an employer awareness campaign to stimulate further growth in telework arrangements.

The term ''telework'' means to perform normal and regular work functions at locations other than the traditional workplace of the employer, thereby eliminating or substantially reducing the physical commute to and from the workplace. Given the opportunity, workers choose overwhelmingly to participate in telework arrangements. Employees who telework report an enhanced quality of life. 71 percent of teleworkers report being more satisfied with their job than before they were permitted to telework. Working from home allows parents more time with their children and reduces child care expenses. Teleworkers also stay in their communities, providing enhanced security and presence.

If teleworking is implemented broadly in a community, the need for construction of additional automobile infrastructure, which is often driven by peak period commuting demand, may be reduced. Even workers who do not telework benefit since traffic congestion is lessened for them as well.

There are also economic benefits. Data indicate that teleworking enhances productivity, both because teleworkers report being more productive per unit time, and because the teleworker has available the previously nonproductive commute time, an average of 62 minutes per day spent on an average 44 mile round-trip commute. Because teleworkers are able to mix work and personal needs, the number of occasions when they need to be absent from work altogether diminishes. One study suggests that the productivity improvement of home-based teleworkers averages 15 percent. Firms also benefit from eliminating unnecessary office space and reducing associated overhead costs. For example, one large national employer reports that in 2000, their telework program resulted in $100 million in increased productivity, $18 million in reduced turnover, and $25 million in reduced real estate costs. Because of the enhanced quality of life and personal freedom that teleworking fosters, firms are better able to retain valued employees.

Telework arrangements are critical to keeping our economy and workforce

on the leading edge of technological developments. Teleworking contributes to the residential deployment of broadband technology, which has otherwise stagnated. Teleworkers have a disproportionate need for high-speed Internet access. Encouraging telework is a means of inducing greater demand for broadband technology.

Allowing employees to work from home saves energy and reduces carbon dioxide emissions associated with commuting. It also reduces vehicular contributions to local and regional tropospheric pollution both directly and, by reducing congestion in general, indirectly. To the extent telework reduces demands for additional infrastructure, it also leads to less material use in construction and less land-use impact.

The Teleworking Advancement Act creates two tax-based incentives to promote the continued spread of employer-sponsored telework arrangements and a pilot program to raise awareness about telecommuting among small business employers.

The employer telework tax credit would allow employers to claim a credit of up to $500 for each employee who participates in an employer-sponsored telework arrangement during the taxable year. For employees who telework on a partial basis, the credit would be prorated. Employees of small businesses, those with 100 or fewer employees, and disabled employees, as defined by the Americans with Disabilities Act, would be eligible for a maximum credit of $1,000. An employer-sponsored telework arrangement is defined as an arrangement established by an employer that enables employees of the employer to telework for a minimum of 25 days per year. The arrangement must be supported by a written agreement between the employer and each teleworking employee that describes the terms of the arrangement.

The telework equipment tax credit would allow individuals or businesses to claim a credit equal to 10 percent of qualified telework expenses paid, pursuant to an employer-sponsored telework arrangement. Either the employer or the employee, depending on who incurred the expense, would be eligible for the credit. The maximum credit would be $500. For employees of small businesses (those with 100 or fewer employees) and disabled employees, as defined by the Americans with Disabilities Act, the credit would be 20 percent of eligible expenses, with a maximum credit of $1,000. Qualified telework expenses includes expenses paid or incurred for computers, software, modems, telecommunications equipment, and access to Internet or broadband technologies, including applicable taxes and other expenses for the delivery, installation, or maintenance of such equipment.

Finally, the legislation authorizes $5 million for the Administrator of the Small Business Administration to conduct a pilot program to raise awareness about telecommuting among small business employers and to encourage employers to offer telecommuting options to employees. Activities would include producing educational materials, conducting outreach, and acquiring telecommuting technologies and equipment to be used for demonstration purposes. Special efforts would be made to conduct outreach to businesses owned by or employing individuals with disabilities.

The Teleworking Advancement Act will induce more employers to offer teleworking opportunities to their employees, creating broad-based benefits for the American workforce and helping ensure that our economy remains at the forefront of 21st century workplace practices. Through a combination of tax incentives and an employer awareness campaign, our legislation will stimulate the spread of flexible, innovative, and productivity-enhancing labor arrangements. I urge my colleagues to support passage of the legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1856

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Teleworking Advancement Act''.

**SEC. 2. CREDIT FOR TELEWORKING.**

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to foreign tax credit, etc.) is amended by inserting after section 30A the following new section:

**''SEC. 30B. TELEWORK CREDIT.**

''(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for any taxable year an amount equal to the sum of—

''(1) the employer telework tax credit, plus

''(2) the telework equipment tax credit.

''(b) EMPLOYER TELEWORK TAX CREDIT; TELEWORK EQUIPMENT TAX CREDIT.—For purposes of this section—

''(1) EMPLOYER TELEWORK TAX CREDIT.—Except as provided for in subsection (c)(1), the employer telework tax credit for any taxable year is equal to $500 for each employee who participates in an employer sponsored telework arrangement during the taxable year.

''(2) TELEWORK EQUIPMENT TAX CREDIT.—Except as provided for in subsection (c)(2), the telework equipment tax credit for any taxable year is equal to 10 percent of qualified telework expenses paid or incurred during the taxable year by either the employer on behalf of the employee, or directly by the employee, pursuant to an employer sponsored telework arrangement.

''(c) SPECIAL RULE FOR DISABLED EMPLOYEES AND EMPLOYEES OF SMALL BUSINESSES.—For purposes of this section:

''(1) For each employee who is covered under the Americans with Disabilities Act of 1990 (42 U.S.C. 1201), or for each employee of a small business, the employer telework tax credit for any taxable year is equal to $1,000 for each employee who participates in an employer sponsored telework arrangement during the taxable year.

''(2) For each employee who is covered under the Americans with Disabilities Act of 1990 (42 U.S.C. 1201), or for each employee of a small businesses, the telework equipment tax credit for any taxable year is equal to 20 percent of qualified telework expenses paid or incurred during the taxable year by either the employer on behalf of the employee, or directly by the employee, pursuant to an employer sponsored telework arrangement.

''(d) CREDIT ADJUSTMENTS AND LIMITATIONS.—

''(1) CREDIT ADJUSTMENTS.—In computing the credit allowed under subsection (b)(1) or (c)(1) for any taxable year, the following adjustments shall apply:

''(A) In the case of an employee who participates in an employer sponsored telework arrangement for less than the full taxable year, the credit amount identified in subsection (b)(1) or (c)(1), whichever is applicable, shall be multiplied by a fraction, the numerator of which is the total number of months in the taxable year that the employee participates in an employer sponsored telework arrangement and the denominator of which is 12. For purposes of the preceding sentence, an employee is considered to be participating in an employer sponsored telework arrangement for a month if the employee teleworks for at least one full day of such month.

''(B) In the case of an employee who participates in an employer sponsored telework arrangement but does not telework every day of the taxable year that the employee is required by his or her employer to work, the credit amount identified in subsection (b)(1) or (c)(1), whichever is applicable, shall be multiplied by a fraction, the numerator of which is the total number of full days in the taxable year that the employee teleworks and the denominator of which is the total number of days in the taxable year that the employee is required by his or her employer to work.

''(2) TELEWORK EQUIPMENT CREDIT LIMITATIONS.—

''(A) In computing the credit allowed under subsection (b)(2) for any taxable year, the following limitations shall apply:

''(i) The maximum credit claimed by any employer with respect to qualified telework expenses paid or incurred on behalf of an employee shall not exceed $500 for each employee who participates in an employer sponsored telework arrangement.

''(ii) The maximum credit claimed by any employee with respect to qualified telework expenses paid or incurred directly by the employee pursuant to an employer sponsored telework arrangement shall not exceed $500.

''(B) In computing the credit allowed under subsection (c)(2) for any taxable year with respect to employees who are covered under the Americans with Disabilities Act of 1990 (42 U.S.C. 1201), or for each employee of a small business, the following limitations shall apply:

''(i) The maximum credit claimed by any employer with respect to qualified telework expenses paid or incurred on behalf of an employee shall not exceed $1,000 for each employee who participates in an employer sponsored telework arrangement.

''(ii) The maximum credit claimed by any employee with respect to qualified telework expenses paid or incurred directly by the employee pursuant to an employer sponsored telework arrangement shall not exceed $1,000.

''(e) DEFINITIONS.—For purposes of this section—

''(1) EMPLOYER SPONSORED TELEWORK ARRANGEMENT.—The term 'employer sponsored telework arrangement' means an arrangement established by an employer that enables employees of the employer to telework for a minimum of 25 full days per taxable

year. Such an arrangement shall be supported by a written agreement between the employer and each teleworking employee that describes the terms of the employer sponsored telework arrangement.

''(2) QUALIFIED TELEWORK EXPENSES.—

''(A) IN GENERAL.—The term 'qualified telework expenses' shall include expenses paid or incurred for computers, computer-related hardware and software, modems, data processing equipment, telecommunications equipment, and access to Internet or broadband technologies, including applicable taxes and other expenses for the delivery, installation, or maintenance of such equipment.

''(B) ONLY CERTAIN EXPENSES TAKEN INTO ACCOUNT.—Expenses shall be taken into account under subparagraph (A) only to the extent they are authorized by the employer pursuant to an employer sponsored telework arrangement and are necessary to enable the employee to telework.

''(3) SMALL BUSINESS.—The term 'small business' means a business with an average of 100 or fewer employees during the taxable year.

''(4) TELEWORK.—An employee shall be treated as engaged in telework if—

''(A) the employee's normal and regular work functions are performed at a fixed location provided by the employer,

''(B)(i) the employee, under an employer sponsored telework arrangement, performs such functions at the employee's residence or at a location specifically designed to allow employees to perform such functions closer to their residence, and

''(ii) the performance of such functions at such residence or location eliminates or substantially reduces the physical commute of the employee to the fixed location described in subparagraph (A), and

''(C) the employee transmits by electronic or other communications medium the employee's work product from such residence or location to the fixed location where such functions would otherwise have been performed.

''(f) SPECIAL RULES.—

''(1) LIMITATION BASED ON AMOUNT OF TAX.—

''(A) LIABILITY FOR TAX.—The credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

''(i) the regular tax for the taxable year, reduced by the sum of the credits allowable under subpart A and the preceding sections of this subpart, over

''(ii) the tentative minimum tax for the taxable year.

''(B) CARRYFORWARD OF UNUSED CREDIT.—If the amount of the credit allowable under subsection (a) for any taxable year exceeds the limitation under paragraph (1)(A) for the taxable year, the excess shall be carried to the succeeding taxable year and added to the amount allowable as a credit under subsection (a) for such succeeding taxable year.

''(2) BASIS REDUCTION.—The basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit (determined without regard to paragraph (1)).

''(3) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.

''(4) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 50(b) or with respect to the portion of the cost of any property taken into account under section 179.

''(5) ELECTION NOT TO TAKE CREDITS.—No credits shall be allowed under subsection (a) for any expense if the taxpayer elects to not have this section apply with respect to such expense.

''(6) DENIAL OF DOUBLE BENEFIT.—No deduction or credit (other than under this section) shall be allowed under this chapter with respect to any expense which is taken into account in determining the credit under this section.

''(7) DOCUMENTATION.—Employers and employees are responsible for maintaining adequate documentation to support any credits claimed under this section.''

(b) CONFORMING AMENDMENT.—Subsection (a) of section 1016 of the Internal Revenue Code of 1986 (relating to general rule for adjustments to basis) is amended by striking ''and'' at the end of paragraph (27), by striking the period at the end of paragraph (28) and inserting '', and'', and by adding at the end the following:

''(29) in the case of property with respect to which a credit was allowed under section 30B, to the extent provided in section 30B(f)(2).''

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 30A the following new item:

''Sec. 30B. Telework credit.''

(d) REGULATORY MATTERS.—

(1) PROHIBITION.—No Federal or State agency or instrumentality shall adopt regulations or ratemaking procedures that would have the effect of confiscating any credit or portion thereof allowed under sections 30B of the Internal Revenue Code of 1986 (as added by this Act) or otherwise subverting the purpose of this Act.

(2) TREASURY REGULATORY AUTHORITY.—It is the intent of Congress in providing the telework tax credit under section 30B of the Internal Revenue Code of 1986 (as added by this Act) to promote broad participation in employer sponsored telework arrangements by providing incentives to both employers and employees. Accordingly, the Secretary of the Treasury shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of section 30B of such Code, including regulations describing the information, records, and data that employers and employees are required to provide the Secretary to substantiate compliance with the requirements of this section and section 30B of such Code. Until the Secretary prescribes such regulations, employers and employees may base such determinations on any reasonable method that is consistent with the purposes of section 30B of such Code.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 3. SMALL BUSINESS TELECOMMUTING PILOT PROGRAM.**

(a) IN GENERAL.—In accordance with this section, the Administrator shall conduct, in not more than 5 of the Small Business Administration's regions, a pilot program to raise awareness about telecommuting among small business employers and to encourage such employers to offer telecommuting options to employees.

(b) SPECIAL OUTREACH TO INDIVIDUALS WITH DISABILITIES.—In carrying out subsection (a), the Administrator shall make special efforts to do outreach to—

(1) businesses owned by or employing individuals with disabilities, and disabled American veterans in particular;

(2) Federal, State, and local agencies having knowledge and expertise in assisting individuals with disabilities or disabled American veterans; and

(3) any group or organization, the primary purpose of which is to aid individuals with disabilities or disabled American veterans.

(c) PERMISSIBLE ACTIVITIES.—In carrying out the pilot program, the Administrator may only—

(1) produce educational materials and conduct presentations designed to raise awareness in the small business community of the benefits and the ease of telecommuting;

(2) conduct outreach—

(A) to small business concerns that are considering offering telecommuting options; and

(B) as provided in subsection (b); and

(3) acquire telecommuting technologies and equipment to be used for demonstration purposes.

(d) SELECTION OF REGIONS.—In determining which regions will participate in the pilot program, the Administrator shall give priority consideration to regions in which Federal agencies and private-sector employers have demonstrated a strong regional commitment to telecommuting.

(e) REPORT TO CONGRESS.—Not later than 2 years after the first date on which funds are appropriated to carry out this section, the Administrator shall transmit to the Committee on Small Business of the House of Representatives and the Committee on Small Business of the Senate a report containing the results of an evaluation of the pilot program and any recommendations as to whether the pilot program, with or without modification, should be extended to include the participation of all Small Business Administration regions.

(f) DEFINITIONS.—In this section—

(1) the term ''Administrator'' means the Administrator of the Small Business Administration;

(2) the term ''disability'' has the same meaning as in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102);

(3) the term ''pilot program'' means the program established under this section; and

(4) the term ''telecommuting'' means the use of telecommunications to perform work functions under circumstances which reduce or eliminate the need to commute.

(g) TERMINATION.—The pilot program shall terminate 2 years after the first date on which funds are appropriated to carry out this section.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Small Business Administration $5,000,000 to carry out this section.

---

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

S. 1857. A bill to Encourage the Negotiated Settlement of Tribal Claims; to the Committee on Indian Affairs.

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

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

S. 1857

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

**SECTION 1. SETTLEMENT OF TRIBAL CLAIMS.**

(a) IN GENERAL.—Solely for purposes of providing an opportunity to explore the settlement of tribal claims, during fiscal year 2002, the statute of limitations shall be deemed not to have run for any claim concerning losses to or mismanagement of tribal trust funds.

(b) NO PRECLUSION OF FINDINGS.—Nothing in this section precludes a court or other adjudicatory entity from adjudicating a statute of limitations defense either:

(1) in an action filed on or after October 1, 2002; or

(2) in any case, controversy, or other proceeding pending on the date of enactment of this section against the United States in which a court or adjudicatory entity is called on to determine whether the statute of limitations on such a claim has run.

## SUBMITTED RESOLUTIONS

### SENATE RESOLUTION 193—AUTHORIZING CERTAIN EMPLOYEES OF THE SENATE WHO PERFORM SERVICE IN THE UNIFORMED SERVICES TO BE PLACED IN A LEAVE WITHOUT PAY STATUS, AND FOR OTHER PURPOSES

Mr. DASCHLE (for himself and Mr. LOTT) submitted the following resolution; which was considered and agreed to:

S. RES. 193

*Resolved*,

**SECTION 1. LEAVE WITHOUT PAY STATUS FOR CERTAIN SENATE EMPLOYEES PERFORMING SERVICE IN THE UNIFORMED SERVICES.**

(a) DEFINITIONS.—In this section—

(1) the terms ''employee'' and ''Federal executive agency'' have the meanings given those terms under section 4303 (3) and (5) of title 38, United States Code, respectively; and

(2) the term ''employee of the Senate'' means any employee whose pay is disbursed by the Secretary of the Senate, except that the term does not include a member of the Capitol Police or a civilian employee of the Capitol Police.

(b) LEAVE WITHOUT PAY STATUS.—An employee of the Senate who is deemed to be on furlough or leave of absence under section 4316(b)(1)(A) of title 38, United States Code, by reason of service in the uniformed services—

(1) may be placed in a leave without pay status while so on furlough or leave of absence; and

(2) while placed in that status, shall be treated—

(A) subject to subparagraph (B), as an employee of a Federal executive agency in a leave without pay status for purposes of chapters 83, 84, 87, and 89 of title 5, United States Code; and

(B) as a Congressional employee for purposes of those chapters.

(c) EFFECTIVE DATE.—This section shall take effect on October 1, 2001, and apply to fiscal year 2002 and each fiscal year thereafter.

## AMENDMENTS SUBMITTED AND PROPOSED

SA 2678. Mr. HUTCHINSON (for himself, Mr. LOTT, Mr. HELMS, Mr. SESSIONS, and Mrs. HUTCHISON) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2679. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2680. Mr. CRAIG submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2681. Mr. CRAIG submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2682. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2683. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 2568 submitted by Mr. HELMS and intended to be proposed to the amendment SA 2471 proposed by Mr. DASCHLE to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2684. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2685. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2686. Mr. GRASSLEY (for himself, Mr. HAGEL, Mr. LUGAR, and Mr. JOHNSON) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2687. Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill H.R. 3210, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table.

SA 2688. Mr. DODD (for himself, Mr. MCCONNELL, Mr. SCHUMER, Mr. BOND, Mr. TORRECELLI, Mr. MCCAIN, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table.

## TEXT OF AMENDMENTS

**SA 2678.** Mr. HUTCHINSON (for himself, Mr. LOTT, Mr. HELMS, Mr. SESSIONS, and Mrs. HUTCHISON) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the ''Farm Security Act of 2001''.

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

Sec. 1. Short title; table of contents.

TITLE I—COMMODITY PROGRAMS

Sec. 100. Definitions.

**Subtitle A—Fixed Decoupled Payments and Counter-Cyclical Payments**

Sec. 101. Payments to eligible producers.
Sec. 102. Establishment of payment yield.
Sec. 103. Establishment of base acres and payment acres for a farm.
Sec. 104. Availability of fixed, decoupled payments.
Sec. 105. Availability of counter-cyclical payments.
Sec. 106. Producer agreement required as condition on provision of fixed, decoupled payments and counter-cyclical payments.
Sec. 107. Planting flexibility.
Sec. 108. Relation to remaining payment authority under production flexibility contracts.
Sec. 109. Payment limitations.
Sec. 110. Period of effectiveness.

**Subtitle B—Marketing Assistance Loans and Loan Deficiency Payments**

Sec. 121. Availability of nonrecourse marketing assistance loans for covered commodities.
Sec. 122. Loan rates for nonrecourse marketing assistance loans.
Sec. 123. Term of loans.
Sec. 124. Repayment of loans.
Sec. 125. Loan deficiency payments.
Sec. 126. Payments in lieu of loan deficiency payments for grazed acreage.
Sec. 127. Special marketing loan provisions for upland cotton.
Sec. 128. Special competitive provisions for extra long staple cotton.
Sec. 129. Availability of recourse loans for high moisture feed grains and seed cotton and other fibers.
Sec. 130. Availability of nonrecourse marketing assistance loans for wool and mohair.
Sec. 131. Availability of nonrecourse marketing assistance loans for honey.
Sec. 132. Producer retention of erroneously paid loan deficiency payments and marketing loan gains.
Sec. 133. Reserve stock adjustment.

**Subtitle C—Other Commodities**

CHAPTER 1—DAIRY

Sec. 141. Milk price support program.
Sec. 142. Repeal of recourse loan program for processors.
Sec. 143. Extension of dairy export incentive and dairy indemnity programs.
Sec. 144. Fluid milk promotion.
Sec. 145. Dairy product mandatory reporting.
Sec. 146. Study of national dairy policy.

CHAPTER 2—SUGAR

Sec. 151. Sugar program.
Sec. 152. Reauthorize provisions of Agricultural Adjustment Act of 1938 regarding sugar.
Sec. 153. Storage facility loans.

CHAPTER 3—PEANUTS

Sec. 161. Definitions.
Sec. 162. Establishment of payment yield, peanut acres, and payment acres for a farm.
Sec. 163. Direct payments for peanuts.
Sec. 164. Counter-cyclical payments for peanuts.
Sec. 165. Producer agreements.
Sec. 166. Planting flexibility.
Sec. 167. Marketing assistance loans and loan deficiency payments for peanuts.
Sec. 168. Quality improvement.
Sec. 169. Payment limitations.
Sec. 170. Termination of marketing quota programs for peanuts and compensation to peanut quota holders for loss of quota asset value.

**Subtitle D—Administration**

Sec. 181. Administration generally.
Sec. 182. Extension of suspension of permanent price support authority.
Sec. 183. Limitations.
Sec. 184. Adjustments of loans.
Sec. 185. Personal liability of producers for deficiencies.
Sec. 186. Extension of existing administrative authority regarding loans.
Sec. 187. Assignment of payments.
Sec. 188. Report on effect of certain farm program payments on economic viability of producers and farming infrastructure.

**TITLE II—CONSERVATION**

**Subtitle A—Environmental Conservation Acreage Reserve Program**

Sec. 201. General provisions.

**Subtitle B—Conservation Reserve Program**

Sec. 211. Reauthorization.
Sec. 212. Enrollment.
Sec. 213. Duties of owners and operators.
Sec. 214. Reference to conservation reserve payments.
Sec. 215. Expansion of pilot program to all States.

**Subtitle C—Wetlands Reserve Program**

Sec. 221. Enrollment.
Sec. 222. Easements and agreements.
Sec. 223. Duties of the Secretary.
Sec. 224. Changes in ownership; agreement modification; termination.

**Subtitle D—Environmental Quality Incentives Program**

Sec. 231. Purposes.
Sec. 232. Definitions.
Sec. 233. Establishment and administration.
Sec. 234. Evaluation of offers and payments.
Sec. 235. Environmental Quality Incentives Program plan.
Sec. 236. Duties of the Secretary.
Sec. 237. Limitation on payments.
Sec. 238. Ground and surface water conservation.

**Subtitle E—Funding and Administration**

Sec. 241. Reauthorization.
Sec. 242. Funding.
Sec. 243. Allocation for livestock production.
Sec. 244. Administration and technical assistance.

**Subtitle F—Other Programs**

Sec. 251. Private grazing land and conservation assistance.
Sec. 252. Wildlife Habitat Incentives Program.
Sec. 253. Farmland Protection Program.
Sec. 254. Resource Conservation and Development Program.
Sec. 255. Grassland Reserve Program.
Sec. 256. Farmland Stewardship Program.
Sec. 257. Small Watershed Rehabilitation Program.
Sec. 258. Provision of assistance for Repaupo Creek Tide Gate and Dike Restoration Project, New Jersey.
Sec. 259. Grassroots source water protection program.

**Subtitle G—Repeals**

Sec. 261. Provisions of the Food Security Act of 1985.
Sec. 262. National Natural Resources Conservation Foundation Act.

**TITLE III—TRADE**

Sec. 301. Market Access Program.
Sec. 302. Food for Progress.
Sec. 303. Surplus commodities for developing or friendly countries.
Sec. 304. Export Enhancement Program.
Sec. 305. Foreign Market Development Cooperator Program.
Sec. 306. Export Credit Guarantee Program.
Sec. 307. Food for Peace (Public Law 480).
Sec. 308. Emerging markets.
Sec. 309. Bill Emerson Humanitarian Trust.
Sec. 310. Technical assistance for specialty crops.
Sec. 311. Farmers to Africa and the Caribbean Basin.
Sec. 312. George McGovern–Robert Dole International Food for Education and Child Nutrition Program.
Sec. 313. Study on fee for services.
Sec. 314. National export strategy report.

**TITLE IV—NUTRITION PROGRAMS**

**Subtitle A—Food Stamp Program**

Sec. 401. Simplified definition of income.
Sec. 402. Standard deduction.
Sec. 403. Transitional food stamps for families moving from welfare.
Sec. 404. Quality control systems.
Sec. 405. Simplified application and eligibility determination systems.
Sec. 406. Authorization of appropriations.

**Subtitle B—Commodity Distribution**

Sec. 441. Distribution of surplus commodities to special nutrition projects.
Sec. 442. Commodity supplemental food program.
Sec. 443. Emergency food assistance.

**Subtitle C—Miscellaneous Provisions**

Sec. 461. Hunger fellowship program.
Sec. 462. General effective date.

**TITLE V—CREDIT**

**Subtitle A—Farm Ownership Loans**

Sec. 501. Direct loans.
Sec. 502. Financing of bridge loans.
Sec. 503. Limitations on amount of farm ownership loans.
Sec. 504. Joint financing arrangements.
Sec. 505. Guarantee percentage for beginning farmers and ranchers.
Sec. 506. Guarantee of loans made under State beginning farmer or rancher programs.
Sec. 507. Down payment loan program.
Sec. 508. Beginning farmer and rancher contract land sales program.

**Subtitle B—Operating Loans**

Sec. 511. Direct loans.
Sec. 512. Amount of guarantee of loans for tribal farm operations; waiver of limitations for tribal farm operations and other farm operations.

**Subtitle C—Administrative Provisions**

Sec. 521. Eligibility of limited liability companies for farm ownership loans, farm operating loans, and emergency loans.
Sec. 522. Debt settlement.
Sec. 523. Temporary authority to enter into contracts; private collection agencies.
Sec. 524. Interest rate options for loans in servicing.
Sec. 525. Annual review of borrowers.
Sec. 526. Simplified loan applications.
Sec. 527. Inventory property.
Sec. 528. Definitions.
Sec. 529. Loan authorization levels.
Sec. 530. Interest rate reduction program.
Sec. 531. Options for satisfaction of obligation to pay recapture amount for shared appreciation agreements.
Sec. 532. Waiver of borrower training certification requirement.
Sec. 533. Annual review of borrowers.

**Subtitle D—Farm Credit**

Sec. 541. Repeal of burdensome approval requirements.
Sec. 542. Banks for cooperatives.
Sec. 543. Insurance Corporation premiums.
Sec. 544. Board of Directors of the Federal Agricultural Mortgage Corporation.

**Subtitle E—General Provisions**

Sec. 551. Inapplicability of finality rule.
Sec. 552. Technical amendments.
Sec. 553. Effect of amendments.
Sec. 554. Effective date.

**TITLE VI—RURAL DEVELOPMENT**

Sec. 601. Funding for rural local television broadcast signal loan guarantees.
Sec. 602. Expanded eligibility for value-added agricultural product market development grants.
Sec. 603. Agriculture innovation center demonstration program.
Sec. 604. Funding of community water assistance grant program.
Sec. 605. Loan guarantees for the financing of the purchase of renewable energy systems.
Sec. 606. Loans and loan guarantees for renewable energy systems.
Sec. 607. Rural business opportunity grants.
Sec. 608. Grants for water systems for rural and native villages in Alaska.
Sec. 609. Rural cooperative development grants.
Sec. 610. National reserve account of Rural Development Trust Fund.
Sec. 611. Rural venture capital demonstration program.
Sec. 612. Increase in limit on certain loans for rural development.
Sec. 613. Pilot program for development and implementation of strategic regional development plans.
Sec. 614. Grants to nonprofit organizations to finance the construction, refurbishing, and servicing of individually-owned household water well systems in rural areas for individuals with low or moderate incomes.
Sec. 615. National Rural Development Partnership.
Sec. 616. Eligibility of rural empowerment zones, rural enterprise communities, and champion communities for direct and guaranteed loans for essential community facilities.
Sec. 617. Grants to train farm workers in new technologies and to train farm workers in specialized skills necessary for higher value crops.
Sec. 618. Loan guarantees for the purchase of stock in a farmer cooperative seeking to modernize or expand.
Sec. 619. Intangible assets and subordinated unsecured debt required to be considered in determining eligibility of farmer-owned cooperative for business and industry guaranteed loan.
Sec. 620. Ban on limiting eligibility of farmer cooperative for business and industry loan guarantee based on population of area in which cooperative is located; refinancing.
Sec. 621. Rural water and waste facility grants.
Sec. 622. Rural water circuit rider program.
Sec. 623. Rural water grassroots source water protection program.
Sec. 624. Delta regional authority.
Sec. 625. Predevelopment and small capitalization loan fund.
Sec. 626. Rural economic development loan and grant program.

**TITLE VII—RESEARCH AND RELATED MATTERS**

**Subtitle A—Extensions**

Sec. 700. Market expansion research.

Sec. 701. National Rural Information Center Clearinghouse.
Sec. 702. Grants and fellowships for food and agricultural sciences education.
Sec. 703. Policy research centers.
Sec. 704. Human nutrition intervention and health promotion research program.
Sec. 705. Pilot research program to combine medical and agricultural research.
Sec. 706. Nutrition education program.
Sec. 707. Continuing animal health and disease research programs.
Sec. 708. Appropriations for research on national or regional problems.
Sec. 709. Grants to upgrade agricultural and food sciences facilities at 1890 land-grant colleges, including Tuskegee University.
Sec. 710. National research and training centennial centers at 1890 land-grant institutions.
Sec. 711. Hispanic-serving institutions.
Sec. 712. Competitive grants for international agricultural science and education programs.
Sec. 713. University research.
Sec. 714. Extension service.
Sec. 715. Supplemental and alternative crops.
Sec. 716. Aquaculture research facilities.
Sec. 717. Rangeland research.
Sec. 718. National genetics resources program.
Sec. 719. High-priority research and extension initiatives.
Sec. 720. Nutrient management research and extension initiative.
Sec. 721. Agricultural telecommunications program.
Sec. 722. Alternative agricultural research and commercialization revolving fund.
Sec. 723. Assistive technology program for farmers with disabilities.
Sec. 724. Partnerships for high-value agricultural product quality research.
Sec. 725. Biobased products.
Sec. 726. Integrated research, education, and extension competitive grants program.
Sec. 727. Institutional capacity building grants.
Sec. 728. 1994 Institution research grants.
Sec. 729. Endowment for 1994 Institutions.
Sec. 730. Precision agriculture.
Sec. 731. Thomas Jefferson initiative for crop diversification.
Sec. 732. Support for research regarding diseases of wheat, triticale, and barley caused by Fusarium Graminearum or by Tilletia Indica.
Sec. 733. Food Animal Residue Avoidance Database program.
Sec. 734. Office of Pest Management Policy.
Sec. 735. National Agricultural Research, Extension, Education, and Economics Advisory Board.
Sec. 736. Grants for research on production and marketing of alcohols and industrial hydrocarbons from agricultural commodities and forest products.
Sec. 737. Biomass research and development.
Sec. 738. Agricultural experiment stations research facilities.
Sec. 739. Competitive, special, and facilities research grants national research initiative.
Sec. 740. Federal agricultural research facilities authorization of appropriations.
Sec. 740A. Cotton classification services.
Sec. 740B. Critical agricultural materials research.
Sec. 740C. Private nonindustrial hardwood research program.

**Subtitle B—Modifications**

Sec. 741. Equity in Educational Land-Grant Status Act of 1994.
Sec. 742. National Agricultural Research, Extension, and Teaching Policy Act of 1977.
Sec. 743. Agricultural Research, Extension, and Education Reform Act of 1998.
Sec. 744. Food, Agriculture, Conservation, and Trade Act of 1990.
Sec. 745. National Agricultural Research, Extension, and Teaching Policy Act of 1977.
Sec. 746. Biomass research and development.
Sec. 747. Biotechnology risk assessment research.
Sec. 748. Competitive, special, and facilities research grants.
Sec. 749. Matching funds requirement for research and extension activities of 1890 institutions.
Sec. 749A. Matching funds requirement for research and extension activities for the United States territories.
Sec. 750. Initiative for future agriculture and food systems.
Sec. 751. Carbon cycle research.
Sec. 752. Definition of food and agricultural sciences.
Sec. 753. Federal extension service.
Sec. 754. Policy research centers.
Sec. 755. Animals used in research.

**Subtitle C—Related Matters**

Sec. 761. Resident instruction at land-grant colleges in United States territories.
Sec. 762. Declaration of extraordinary emergency and resulting authorities.
Sec. 763. Agricultural biotechnology research and development for the developing world.

**Subtitle D—Repeal of Certain Activities and Authorities**

Sec. 771. Food Safety Research Information Office and National Conference.
Sec. 772. Reimbursement of expenses under Sheep Promotion, Research, and Information Act of 1994.
Sec. 773. National genetic resources program.
Sec. 774. National Advisory Board on Agricultural Weather.
Sec. 775. Agricultural information exchange with Ireland.
Sec. 776. Pesticide resistance study.
Sec. 777. Expansion of education study.
Sec. 778. Support for advisory board.
Sec. 779. Task force on 10-year strategic plan for agricultural research facilities.

**Subtitle E—Agriculture Facility Protection**

Sec. 790. Additional protections for animal or agricultural enterprises, research facilities, and other entities.

**TITLE VIII—FORESTRY INITIATIVES**

Sec. 801. Repeal of forestry incentives program and Stewardship Incentive Program.
Sec. 802. Establishment of Forest Land Enhancement Program.
Sec. 803. Renewable resources extension activities.
Sec. 804. Enhanced community fire protection.
Sec. 805. International forestry program.
Sec. 806. Wildfire prevention and hazardous fuel purchase program.
Sec. 807. McIntire-Stennis cooperative forestry research program.

**TITLE IX—MISCELLANEOUS PROVISIONS**

**Subtitle A—Tree Assistance Program**

Sec. 901. Eligibility.
Sec. 902. Assistance.
Sec. 903. Limitation on assistance.
Sec. 904. Definitions.

**Subtitle B—Other Matters**

Sec. 921. Bioenergy program.
Sec. 922. Availability of section 32 funds.
Sec. 923. Seniors farmers' market nutrition program.
Sec. 924. Department of Agriculture authorities regarding caneberries.
Sec. 925. National Appeals Division.
Sec. 926. Outreach and assistance for socially disadvantaged farmers and ranchers.
Sec. 927. Equal treatment of potatoes and sweet potatoes.
Sec. 928. Reference to sea grass and sea oats as crops covered by noninsured crop disaster assistance program.
Sec. 929. Assistance for livestock producers.
Sec. 930. Compliance with Buy American Act and sense of Congress regarding purchase of American-made equipment, products, and services using funds provided under this Act.
Sec. 931. Report regarding genetically engineered foods.
Sec. 932. Market name for pangasius fish species.
Sec. 933. Program of public education regarding use of biotechnology in producing food for human consumption.
Sec. 934. GAO study.
Sec. 935. Interagency Task Force on Agricultural Competition.
Sec. 936. Authorization for additional staff and funding for the Grain Inspection, Packers and Stockyards Administration.
Sec. 937. Enforcement of the Humane Methods of Slaughter Act of 1958.
Sec. 938. Penalties and foreign commerce provisions of the Animal Welfare Act.
Sec. 939. Improve administration of Animal and Plant Health Inspection Service.
Sec. 940. Renewable energy resources.
Sec. 941. Use of amounts provided for fixed, decoupled payments to provide necessary funds for rural development programs.
Sec. 942. Study of nonambulatory livestock.

**TITLE I—COMMODITY PROGRAMS**

**SEC. 100. DEFINITIONS.**

In this title (other than chapter 3 of subtitle C):

(1) AGRICULTURAL ACT OF 1949.—The term ''Agricultural Act of 1949'' means the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), as in effect prior to the suspensions under section 171 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7301).

(2) BASE ACRES.—The term ''base acres'', with respect to a covered commodity on a farm, means the number of acres established under section 103 with respect to the commodity upon the election made by the producers on the farm under subsection (a) of such section.

(3) COUNTER-CYCLICAL PAYMENT.—The term ''counter-cyclical payment'' means a payment made to producers under section 105.

(4) COVERED COMMODITY.—The term ''covered commodity'' means wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybeans, and other oilseeds.

(5) EFFECTIVE PRICE.—The term ''effective price'', with respect to a covered commodity for a crop year, means the price calculated

by the Secretary under section 105 to determine whether counter-cyclical payments are required to be made for that crop year.

(6) ELIGIBLE PRODUCER.—The term ''eligible producer'' means a producer described in section 101(a).

(7) FIXED, DECOUPLED PAYMENT.—The term ''fixed, decoupled payment'' means a payment made to producers under section 104.

(8) OTHER OILSEED.—The term ''other oilseed'' means a crop of sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, or, if designated by the Secretary, another oilseed.

(9) PAYMENT ACRES.—The term ''payment acres'' means 85 percent of the base acres of a covered commodity on a farm, as established under section 103, upon which fixed, decoupled payments and counter-cyclical payments are to be made.

(10) PAYMENT YIELD.—The term ''payment yield'' means the yield established under section 102 for a farm for a covered commodity.

(11) PRODUCER.—The term ''producer'' means an owner, operator, landlord, tenant, or sharecropper who shares in the risk of producing a crop and who is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced. In determining whether a grower of hybrid seed is a producer, the Secretary shall not take into consideration the existence of a hybrid seed contract and shall ensure that program requirements do not adversely affect the ability of the grower to receive a payment under this title.

(12) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(13) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States.

(14) TARGET PRICE.—The term ''target price'' means the price per bushel (or other appropriate unit in the case of upland cotton, rice, and other oilseeds) of a covered commodity used to determine the payment rate for counter-cyclical payments.

(15) UNITED STATES.—The term ''United States'', when used in a geographical sense, means all of the States.

## Subtitle A—Fixed Decoupled Payments and Counter-Cyclical Payments

### SEC. 101. PAYMENTS TO ELIGIBLE PRODUCERS.

(a) PAYMENTS REQUIRED.—Beginning with the 2002 crop of covered commodities, the Secretary shall make fixed decoupled payments and counter-cyclical payments under this subtitle—

(1) to producers on a farm that were parties to a production flexibility contract under section 111 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7211) for fiscal year 2002; and

(2) to other producers on farms in the United States as described in section 103(a).

(b) TENANTS AND SHARECROPPERS.—In carrying out this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

(c) SHARING OF PAYMENTS.—The Secretary shall provide for the sharing of fixed, decoupled payments and counter-cyclical payments among the eligible producers on a farm on a fair and equitable basis.

### SEC. 102. ESTABLISHMENT OF PAYMENT YIELD.

(a) ESTABLISHMENT AND PURPOSE.—For the purpose of making fixed decoupled payments and counter-cyclical payments under this subtitle, the Secretary shall provide for the establishment of a payment yield for each farm for each covered commodity in accordance with this section.

(b) USE OF FARM PROGRAM PAYMENT YIELD.—Except as otherwise provided in this section, the payment yield for each of the 2002 through 2011 crops of a covered commodity for a farm shall be the farm program payment yield in effect for the 2002 crop of the covered commodity under section 505 of the Agricultural Act of 1949 (7 U.S.C. 1465).

(c) FARMS WITHOUT FARM PROGRAM PAYMENT YIELD.—In the case of a farm for which a farm program payment yield is unavailable for a covered commodity (other than soybeans or other oilseeds), the Secretary shall establish an appropriate payment yield for the covered commodity on the farm taking in consideration the farm program payment yields applicable to the commodity under subsection (b) for similar farms in the area.

(d) PAYMENT YIELDS FOR OILSEEDS.—

(1) DETERMINATION OF AVERAGE YIELD.—In the case of soybeans and each other oilseed, the Secretary shall determine the average yield for the oilseed on a farm for the 1998 through 2001 crop years, excluding any crop year in which the acreage planted to the oilseed was zero. If, for any of these four crop years in which the oilseed was planted, the farm would have satisfied the eligibility criteria established to carry out section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (Public Law 105–277; 7 U.S.C. 1421 note), the Secretary shall assign a yield for that year equal to 65 percent of the county yield.

(2) ADJUSTMENT FOR PAYMENT YIELD.—The payment yield for a farm for an oilseed shall be equal to the product of the following:

(A) The average yield for the oilseed determined under paragraph (1).

(B) The ratio resulting from dividing the national average yield for the oilseed for the 1981 through 1985 crops by the national average yield for the oilseed for the 1998 through 2001 crops.

### SEC. 103. ESTABLISHMENT OF BASE ACRES AND PAYMENT ACRES FOR A FARM.

(a) ELECTION BY PRODUCERS OF BASE ACRE CALCULATION METHOD.—For the purpose of making fixed decoupled payments and counter-cyclical payments with respect to a farm, the Secretary shall give producers on the farm an opportunity to elect one of the following as the method by which the base acres of all covered commodities on the farm are to be determined:

(1) The four-year average of acreage actually planted on the farm to a covered commodity for harvest, grazing, haying, silage, or other similar purposes during crop years 1998, 1999, 2000, and 2001 and any acreage on the farm that the producers were prevented from planting during such crop years to the covered commodity because of drought, flood, or other natural disaster, or other condition beyond the control of the producer, as determined by the Secretary.

(2) The sum of contract acreage (as defined in section 102 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7202)) used by the Secretary to calculate the fiscal year 2002 payment that, subject to section 109, would be made under section 114 of such Act (7 U.S.C. 7214) for the covered commodity on the farm and the four-year average determined under paragraph (1) for soybeans and each other oilseed produced on the farm.

(b) SINGLE ELECTION; TIME FOR ELECTION.—The opportunity to make the election described in subsection (a) shall be available to producers on a farm only once. The producers shall notify the Secretary of the election made by the producers under such subsection not later than 180 days after the date of the enactment of this Act.

(c) EFFECT OF FAILURE TO MAKE ELECTION.—If the producers on a farm fail to make the election under subsection (a), or fail to timely notify the Secretary of the selected option as required by subsection (b), the producers shall be deemed to have made the election described in subsection (a)(2) to determine base acres for all covered commodities on the farm.

(d) APPLICATION OF ELECTION TO ALL COVERED COMMODITIES.—The election made under subsection (a) or deemed to be made under subsection (c) with respect to a farm shall apply to all of the covered commodities on the farm. Producers may not make the election described in subsection (a)(1) for one covered commodity and the election described in subsection (a)(2) for other covered commodities on the farm.

(e) TREATMENT OF CONSERVATION RESERVE CONTRACT ACREAGE.—

(1) IN GENERAL.—In the case of producers on a farm that make the election described in subsection (a)(2), the Secretary shall provide for an adjustment in the base acres for the farm whenever either of the following circumstances occur:

(A) A conservation reserve contract entered into under section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) with respect to the farm expires or is voluntarily terminated.

(B) Cropland is released from coverage under a conservation reserve contract by the Secretary.

(2) SPECIAL PAYMENT RULES.—For the fiscal year and crop year in which a base acre adjustment under paragraph (1) is first made, the producers on the farm shall elect to receive either fixed decoupled payments and counter-cyclical payments with respect to the acreage added to the farm under this subsection or a prorated payment under the conservation reserve contract, but not both.

(f) PAYMENT ACRES.—The payment acres for a covered commodity on a farm shall be equal to 85 percent of the base acres for the commodity.

(g) PREVENTION OF EXCESS BASE ACRES.—

(1) REQUIRED REDUCTION.—If the sum of the base acres for a farm, together with the acreage described in paragraph (2), exceeds the actual cropland acreage of the farm, the Secretary shall reduce the quantity of base acres for one or more covered commodities for the farm or peanut acres for the farm as necessary so that the sum of the base acres and acreage described in paragraph (2) does not exceed the actual cropland acreage of the farm. The Secretary shall give the producers on the farm the opportunity to select the base acres or peanut acres against which the reduction will be made.

(2) OTHER ACREAGE.—For purposes of paragraph (1), the Secretary shall include the following:

(A) Any peanut acres for the farm under chapter 3 of subtitle C.

(B) Any acreage on the farm enrolled in the conservation reserve program or wetlands reserve program under chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.).

(C) Any other acreage on the farm enrolled in a conservation program for which payments are made in exchange for not producing an agricultural commodity on the acreage.

(3) EXCEPTION FOR DOUBLE-CROPPED ACREAGE.—In applying paragraph (1), the Secretary shall make an exception in the case of double cropping, as determined by the Secretary.

### SEC. 104. AVAILABILITY OF FIXED, DECOUPLED PAYMENTS.

(a) PAYMENT REQUIRED.—For each of the 2002 through 2011 crop years of each covered commodity, the Secretary shall make fixed, decoupled payments to eligible producers.

(b) PAYMENT RATE.—The payment rates used to make fixed, decoupled payments with respect to covered commodities for a crop year are as follows:

(1) Wheat, $0.53 per bushel.
(2) Corn, $0.30 per bushel.
(3) Grain sorghum, $0.36 per bushel.
(4) Barley, $0.25 per bushel.
(5) Oats, $0.025 per bushel.
(6) Upland cotton, $0.0667 per pound.
(7) Rice, $2.35 per hundredweight.
(8) Soybeans, $0.42 per bushel.
(9) Other oilseeds, $0.0074 per pound.

(c) PAYMENT AMOUNT.—The amount of the fixed, decoupled payment to be paid to the eligible producers on a farm for a covered commodity for a crop year shall be equal to the product of the following:

(1) The payment rate specified in subsection (b).

(2) The payment acres of the covered commodity on the farm.

(3) The payment yield for the covered commodity for the farm.

(d) TIME FOR PAYMENT.—

(1) GENERAL RULE.—Fixed, decoupled payments shall be paid not later than September 30 of each of fiscal years 2002 through 2011. In the case of the 2002 crop, payments may begin to be made on or after December 1, 2001.

(2) ADVANCE PAYMENTS.—At the option of an eligible producer, 50 percent of the fixed, decoupled payment for a fiscal year shall be paid on a date selected by the producer. The selected date shall be on or after December 1 of that fiscal year, and the producer may change the selected date for a subsequent fiscal year by providing advance notice to the Secretary.

(3) REPAYMENT OF ADVANCE PAYMENTS.—If a producer that receives an advance fixed, decoupled payment for a fiscal year ceases to be an eligible producer before the date the fixed, decoupled payment would otherwise have been made by the Secretary under paragraph (1), the producer shall be responsible for repaying the Secretary the full amount of the advance payment.

**SEC. 105. AVAILABILITY OF COUNTER-CYCLICAL PAYMENTS.**

(a) PAYMENT REQUIRED.—The Secretary shall make counter-cyclical payments with respect to a covered commodity whenever the Secretary determines that the effective price for the commodity is less than the target price for the commodity.

(b) EFFECTIVE PRICE.—For purposes of subsection (a), the effective price for a covered commodity is equal to the sum of the following:

(1) The higher of the following:

(A) The national average market price received by producers during the 12-month marketing year for the commodity, as determined by the Secretary.

(B) The national average loan rate for a marketing assistance loan for the covered commodity in effect for the same period under subtitle B.

(2) The payment rate in effect for the covered commodity under section 104 for the purpose of making fixed, decoupled payments with respect to the commodity.

(c) TARGET PRICE.—For purposes of subsection (a), the target prices for covered commodities are as follows:

(1) Wheat, $4.04 per bushel.
(2) Corn, $2.78 per bushel.
(3) Grain sorghum, $2.64 per bushel.
(4) Barley, $2.39 per bushel.
(5) Oats, $1.47 per bushel.
(6) Upland cotton, $0.736 per pound.
(7) Rice, $10.82 per hundredweight.
(8) Soybeans, $5.86 per bushel.
(9) Other oilseeds, $0.1036 per pound.

(d) PAYMENT RATE.—The payment rate used to make counter-cyclical payments with respect to a covered commodity for a crop year shall be equal to the difference between—

(1) the target price for the commodity; and

(2) the effective price determined under subsection (b) for the commodity.

(e) PAYMENT AMOUNT.—The amount of the counter-cyclical payment to be paid to the eligible producers on a farm for a covered commodity for a crop year shall be equal to the product of the following:

(1) The payment rate specified in subsection (d).

(2) The payment acres of the covered commodity on the farm.

(3) The payment yield for the covered commodity for the farm.

(f) TIME FOR PAYMENTS.—

(1) GENERAL RULE.—The Secretary shall make counter-cyclical payments under this section for a crop of a covered commodity as soon as possible after determining under subsection (a) that such payments are required for that crop year.

(2) PARTIAL PAYMENT.—The Secretary may permit, and, if so permitted, an eligible producer may elect to receive, up to 40 percent of the projected counter-cyclical payment, as determined by the Secretary, to be made under this section for a crop of a covered commodity upon completion of the first six months of the marketing year for that crop. The producer shall repay to the Secretary the amount, if any, by which the partial payment exceeds the actual counter-cyclical payment to be made for that marketing year.

(g) SPECIAL RULE FOR CURRENTLY UNDESIGNATED OILSEED.—If the Secretary uses the authority under section 100(8) to designate another oilseed as an oilseed for which counter-cyclical payments may be made, the Secretary may modify the target price specified in subsection (c)(9) that would otherwise apply to that oilseed as the Secretary considers appropriate.

(h) SPECIAL RULE FOR BARLEY USED ONLY FOR FEED PURPOSES.—For purposes of calculating the effective price for barley under subsection (b), the Secretary shall use the loan rate in effect for barley under section 122(b)(3), except, in the case of producers who received the higher loan rate provided under such section for barley used only for feed purposes, the Secretary shall use that higher loan rate.

**SEC. 106. PRODUCER AGREEMENT REQUIRED AS CONDITION ON PROVISION OF FIXED, DECOUPLED PAYMENTS AND COUNTER-CYCLICAL PAYMENTS.**

(a) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

(1) REQUIREMENTS.—Before the producers on a farm may receive fixed, decoupled payments or counter-cyclical payments with respect to the farm, the producers shall agree, in exchange for the payments—

(A) to comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.);

(B) to comply with applicable wetland protection requirements under subtitle C of title XII of the Act (16 U.S.C. 3821 et seq.);

(C) to comply with the planting flexibility requirements of section 107; and

(D) to use the land on the farm, in an amount equal to the base acres, for an agricultural or conserving use, and not for a nonagricultural commercial or industrial use, as determined by the Secretary.

(2) COMPLIANCE.—The Secretary may issue such rules as the Secretary considers necessary to ensure producer compliance with the requirements of paragraph (1).

(b) EFFECT OF FORECLOSURE.—A producer may not be required to make repayments to the Secretary of fixed, decoupled payments and counter-cyclical payments if the farm has been foreclosed on and the Secretary determines that forgiving the repayments is appropriate to provide fair and equitable treatment. This subsection shall not void the responsibilities of the producer under subsection (a) if the producer continues or resumes operation, or control, of the farm. On the resumption of operation or control over the farm by the producer, the requirements of subsection (a) in effect on the date of the foreclosure shall apply.

(c) TRANSFER OR CHANGE OF INTEREST IN FARM.—

(1) TERMINATION.—Except as provided in paragraph (4), a transfer of (or change in) the interest of a producer in base acres for which fixed, decoupled payments or counter-cyclical payments are made shall result in the termination of the payments with respect to the base acres, unless the transferee or owner of the acreage agrees to assume all obligations under subsection (a). The termination shall be effective on the date of the transfer or change.

(2) TRANSFER OF PAYMENT BASE.—There is no restriction on the transfer of a farm's base acres or payment yield as part of a change in the producers on the farm.

(3) MODIFICATION.—At the request of the transferee or owner, the Secretary may modify the requirements of subsection (a) if the modifications are consistent with the objectives of such subsection, as determined by the Secretary.

(4) EXCEPTION.—If a producer entitled to a fixed, decoupled payment or counter-cyclical payment dies, becomes incompetent, or is otherwise unable to receive the payment, the Secretary shall make the payment, in accordance with regulations prescribed by the Secretary.

(d) ACREAGE REPORTS.—

(1) IN GENERAL.—As a condition on the receipt of any benefits under this subtitle or subtitle B, the Secretary shall require producers to submit to the Secretary acreage reports.

(2) CONFORMING AMENDMENT.—Section 15 of the Agricultural Marketing Act (12 U.S.C. 1141j) is amended by striking subsection (d).

(e) REVIEW.—A determination of the Secretary under this section shall be considered to be an adverse decision for purposes of the availability of administrative review of the determination.

**SEC. 107. PLANTING FLEXIBILITY.**

(a) PERMITTED CROPS.—Subject to subsection (b), any commodity or crop may be planted on base acres on a farm.

(b) LIMITATIONS AND EXCEPTIONS REGARDING CERTAIN COMMODITIES.—

(1) LIMITATIONS.—The planting of the following agricultural commodities shall be prohibited on base acres:

(A) Fruits.

(B) Vegetables (other than lentils, mung beans, and dry peas).

(C) Wild rice.

(2) EXCEPTIONS.—Paragraph (1) shall not limit the planting of an agricultural commodity specified in such paragraph—

(A) in any region in which there is a history of double-cropping of covered commodities with agricultural commodities specified in paragraph (1), as determined by the Secretary, in which case the double-cropping shall be permitted;

(B) on a farm that the Secretary determines has a history of planting agricultural commodities specified in paragraph (1) on base acres, except that fixed, decoupled payments and counter-cyclical payments shall be reduced by an acre for each acre planted to such an agricultural commodity; or

(C) by a producer who the Secretary determines has an established planting history of a specific agricultural commodity specified in paragraph (1), except that—

(i) the quantity planted may not exceed the producer's average annual planting history of such agricultural commodity in the

1991 through 1995 crop years (excluding any crop year in which no plantings were made), as determined by the Secretary; and

(ii) fixed, decoupled payments and counter-cyclical payments shall be reduced by an acre for each acre planted to such agricultural commodity.

**SEC. 108. RELATION TO REMAINING PAYMENT AUTHORITY UNDER PRODUCTION FLEXIBILITY CONTRACTS.**

(a) TERMINATION OF SUPERSEDED PAYMENT AUTHORITY.—Notwithstanding section 113(a)(7) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7213(a)(7)) or any other provision of law, the Secretary shall not make payments for fiscal year 2002 after the date of the enactment of this Act under production flexibility contracts entered into under section 111 of such Act (7 U.S.C. 7211).

(b) CONTRACT PAYMENTS MADE BEFORE ENACTMENT.—If, on or before the date of the enactment of this Act, a producer receives all or any portion of the payment authorized for fiscal year 2002 under a production flexibility contract, the Secretary shall reduce the amount of the fixed, decoupled payment otherwise due the producer for that same fiscal year by the amount of the fiscal year 2002 payment previously received by the producer.

**SEC. 109. PAYMENT LIMITATIONS.**

Sections 1001 through 1001C of the Food Security Act of 1985 (7 U.S.C. 1308 through 1308–3) shall apply to fixed, decoupled payments and counter-cyclical payments.

**SEC. 110. PERIOD OF EFFECTIVENESS.**

This subtitle shall be effective beginning with the 2002 crop year of each covered commodity through the 2011 crop year.

## Subtitle B—Marketing Assistance Loans and Loan Deficiency Payments

**SEC. 121. AVAILABILITY OF NONRECOURSE MARKETING ASSISTANCE LOANS FOR COVERED COMMODITIES.**

(a) NONRECOURSE LOANS AVAILABLE.—

(1) AVAILABILITY.—For each of the 2002 through 2011 crops of each covered commodity, the Secretary shall make available to producers on a farm nonrecourse marketing assistance loans for covered commodities produced on the farm. The loans shall be made under terms and conditions that are prescribed by the Secretary and at the loan rate established under section 122 for the covered commodity.

(2) INCLUSION OF EXTRA LONG STAPLE COTTON.—In this subtitle, the term ''covered commodity'' includes extra long staple cotton.

(b) ELIGIBLE PRODUCTION.—Any production of a covered commodity on a farm shall be eligible for a marketing assistance loan under subsection (a).

(c) TREATMENT OF CERTAIN COMMINGLED COMMODITIES.—In carrying out this subtitle, the Secretary shall make loans to a producer that is otherwise eligible to obtain a marketing assistance loan, but for the fact the covered commodity owned by the producer is commingled with covered commodities of other producers in facilities unlicensed for the storage of agricultural commodities by the Secretary or a State licensing authority, if the producer obtaining the loan agrees to immediately redeem the loan collateral in accordance with section 166 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7286).

(d) COMPLIANCE WITH CONSERVATION AND WETLANDS REQUIREMENTS.—As a condition of the receipt of a marketing assistance loan under subsection (a), the producer shall comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.) and applicable wetland protection requirements under subtitle C of title XII of the Act (16 U.S.C. 3821 et seq.) during the term of the loan.

(e) DEFINITION OF EXTRA LONG STAPLE COTTON.—In this subtitle, the term ''extra long staple cotton'' means cotton that—

(1) is produced from pure strain varieties of the Barbadense species or any hybrid thereof, or other similar types of extra long staple cotton, designated by the Secretary, having characteristics needed for various end uses for which United States upland cotton is not suitable and grown in irrigated cotton-growing regions of the United States designated by the Secretary or other areas designated by the Secretary as suitable for the production of the varieties or types; and

(2) is ginned on a roller-type gin or, if authorized by the Secretary, ginned on another type gin for experimental purposes.

(f) TERMINATION OF SUPERSEDED LOAN AUTHORITY.—Notwithstanding section 131 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7231), nonrecourse marketing assistance loans shall not be made for the 2002 crop of covered commodities under subtitle C of title I of such Act.

**SEC. 122. LOAN RATES FOR NONRECOURSE MARKETING ASSISTANCE LOANS.**

(a) WHEAT.—

(1) LOAN RATE.—Subject to paragraph (2), the loan rate for a marketing assistance loan under section 121 for wheat shall be—

(A) not less than 85 percent of the simple average price received by producers of wheat, as determined by the Secretary, during the marketing years for the immediately preceding five crops of wheat, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period; but

(B) not more than $2.58 per bushel.

(2) STOCKS TO USE RATIO ADJUSTMENT.—If the Secretary estimates for any marketing year that the ratio of ending stocks of wheat to total use for the marketing year will be—

(A) equal to or greater than 30 percent, the Secretary may reduce the loan rate for wheat for the corresponding crop by an amount not to exceed 10 percent in any year;

(B) less than 30 percent but not less than 15 percent, the Secretary may reduce the loan rate for wheat for the corresponding crop by an amount not to exceed 5 percent in any year; or

(C) less than 15 percent, the Secretary may not reduce the loan rate for wheat for the corresponding crop.

(b) FEED GRAINS.—

(1) LOAN RATE FOR CORN AND GRAIN SORGHUM.—Subject to paragraph (2), the loan rate for a marketing assistance loan under section 121 for corn and grain sorghum shall be—

(A) not less than 85 percent of the simple average price received by producers of corn or grain sorghum, respectively, as determined by the Secretary, during the marketing years for the immediately preceding five crops of the covered commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period; but

(B) not more than $1.89 per bushel.

(2) STOCKS TO USE RATIO ADJUSTMENT.—If the Secretary estimates for any marketing year that the ratio of ending stocks of corn or grain sorghum to total use for the marketing year will be—

(A) equal to or greater than 25 percent, the Secretary may reduce the loan rate for the covered commodity for the corresponding crop by an amount not to exceed 10 percent in any year;

(B) less than 25 percent but not less than 12.5 percent, the Secretary may reduce the loan rate for the covered commodity for the corresponding crop by an amount not to exceed 5 percent in any year; or

(C) less than 12.5 percent, the Secretary may not reduce the loan rate for the covered commodity for the corresponding crop.

(3) OTHER FEED GRAINS.—The loan rate for a marketing assistance loan under section 121 for barley and oats shall be—

(A) established at such level as the Secretary determines is fair and reasonable in relation to the rate that loans are made available for corn, taking into consideration the feeding value of the commodity in relation to corn; but

(B) not more than—

(i) $1.65 per bushel for barley, except not more than $1.70 per bushel for barley used only for feed purposes, as determined by the Secretary; and

(ii) $1.21 per bushel for oats.

(c) UPLAND COTTON.—

(1) LOAN RATE.—Subject to paragraph (2), the loan rate for a marketing assistance loan under section 121 for upland cotton shall be established by the Secretary at such loan rate, per pound, as will reflect for the base quality of upland cotton, as determined by the Secretary, at average locations in the United States a rate that is not less than the smaller of—

(A) 85 percent of the average price (weighted by market and month) of the base quality of cotton as quoted in the designated United States spot markets during 3 years of the 5-year period ending July 31 of the year preceding the year in which the crop is planted, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period; or

(B) 90 percent of the average, for the 15-week period beginning July 1 of the year preceding the year in which the crop is planted, of the five lowest-priced growths of the growths quoted for Middling 1 3/32-inch cotton C.I.F. Northern Europe (adjusted downward by the average difference during the period April 15 through October 15 of the year preceding the year in which the crop is planted between the average Northern European price quotation of such quality of cotton and the market quotations in the designated United States spot markets for the base quality of upland cotton), as determined by the Secretary.

(2) LIMITATIONS.—The loan rate for a marketing assistance loan for upland cotton shall not be less than $0.50 per pound or more than $0.5192 per pound.

(d) EXTRA LONG STAPLE COTTON.—The loan rate for a marketing assistance loan under section 121 for extra long staple cotton shall be $0.7965 per pound.

(e) RICE.—The loan rate for a marketing assistance loan under section 121 for rice shall be $6.50 per hundredweight.

(f) OILSEEDS.—

(1) SOYBEANS.—The loan rate for a marketing assistance loan under section 121 for soybeans shall be—

(A) not less than 85 percent of the simple average price received by producers of soybeans, as determined by the Secretary, during the marketing years for the immediately preceding five crops of soybeans, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period; but

(B) not more than $4.92 per bushel.

(2) OTHER OILSEEDS.—The loan rate for a marketing assistance loan under section 121 for other oilseeds shall be—

(A) not less than 85 percent of the simple average price received by producers of the other oilseed, as determined by the Secretary, during the marketing years for the immediately preceding five crops of the other oilseed, excluding the year in which

the average price was the highest and the year in which the average price was the lowest in the period; but

(B) not more than $0.087 per pound.

**SEC. 123. TERM OF LOANS.**

(a) TERM OF LOAN.—In the case of each covered commodity (other than upland cotton or extra long staple cotton), a marketing assistance loan under section 121 shall have a term of nine months beginning on the first day of the first month after the month in which the loan is made.

(b) SPECIAL RULE FOR COTTON.—A marketing assistance loan for upland cotton or extra long staple cotton shall have a term of 10 months beginning on the first day of the month in which the loan is made.

(c) EXTENSIONS PROHIBITED.—The Secretary may not extend the term of a marketing assistance loan for any covered commodity.

**SEC. 124. REPAYMENT OF LOANS.**

(a) REPAYMENT RATES FOR WHEAT, FEED GRAINS, AND OILSEEDS.—The Secretary shall permit a producer to repay a marketing assistance loan under section 121 for wheat, corn, grain sorghum, barley, oats, and oilseeds at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 122, plus interest (as determined by the Secretary); or

(2) a rate that the Secretary determines will—

(A) minimize potential loan forfeitures;

(B) minimize the accumulation of stocks of the commodity by the Federal Government;

(C) minimize the cost incurred by the Federal Government in storing the commodity; and

(D) allow the commodity produced in the United States to be marketed freely and competitively, both domestically and internationally.

(b) REPAYMENT RATES FOR UPLAND COTTON AND RICE.—The Secretary shall permit producers to repay a marketing assistance loan under section 121 for upland cotton and rice at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 122, plus interest (as determined by the Secretary); or

(2) the prevailing world market price for the commodity (adjusted to United States quality and location), as determined by the Secretary.

(c) REPAYMENT RATES FOR EXTRA LONG STAPLE COTTON.—Repayment of a marketing assistance loan for extra long staple cotton shall be at the loan rate established for the commodity under section 122, plus interest (as determined by the Secretary).

(d) PREVAILING WORLD MARKET PRICE.—For purposes of this section and section 127, the Secretary shall prescribe by regulation—

(1) a formula to determine the prevailing world market price for each covered commodity, adjusted to United States quality and location; and

(2) a mechanism by which the Secretary shall announce periodically the prevailing world market price for each covered commodity.

(e) ADJUSTMENT OF PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON.—

(1) IN GENERAL.—During the period beginning on the date of the enactment of this Act and ending July 31, 2012, the prevailing world market price for upland cotton (adjusted to United States quality and location) established under subsection (d) shall be further adjusted if—

(A) the adjusted prevailing world market price is less than 115 percent of the loan rate for upland cotton established under section 122, as determined by the Secretary; and

(B) the Friday through Thursday average price quotation for the lowest-priced United States growth as quoted for Middling (M) 1 3/32-inch cotton delivered C.I.F. Northern Europe is greater than the Friday through Thursday average price of the 5 lowest-priced growths of upland cotton, as quoted for Middling (M) 1 3/32-inch cotton, delivered C.I.F. Northern Europe (referred to in this section as the ''Northern Europe price'').

(2) FURTHER ADJUSTMENT.—Except as provided in paragraph (3), the adjusted prevailing world market price for upland cotton shall be further adjusted on the basis of some or all of the following data, as available:

(A) The United States share of world exports.

(B) The current level of cotton export sales and cotton export shipments.

(C) Other data determined by the Secretary to be relevant in establishing an accurate prevailing world market price for upland cotton (adjusted to United States quality and location).

(3) LIMITATION ON FURTHER ADJUSTMENT.—The adjustment under paragraph (2) may not exceed the difference between—

(A) the Friday through Thursday average price for the lowest-priced United States growth as quoted for Middling 1 3/32-inch cotton delivered C.I.F. Northern Europe; and

(B) the Northern Europe price.

(f) TIME FOR FIXING REPAYMENT RATE.—In the case of a producer that marketed or otherwise lost beneficial interest in a covered commodity before repaying the marketing assistance loan made under section 121 with respect to the commodity, the Secretary shall permit the producer to repay the loan at the lowest repayment rate that was in effect for that covered commodity under this section as of the date that the producer lost beneficial interest, as determined by the Secretary.

**SEC. 125. LOAN DEFICIENCY PAYMENTS.**

(a) AVAILABILITY OF LOAN DEFICIENCY PAYMENTS.—Except as provided in subsection (d), the Secretary may make loan deficiency payments available to producers who, although eligible to obtain a marketing assistance loan under section 121 with respect to a covered commodity, agree to forgo obtaining the loan for the commodity in return for payments under this section.

(b) COMPUTATION.—A loan deficiency payment under this section shall be computed by multiplying—

(1) the loan payment rate determined under subsection (c) for the covered commodity; by

(2) the quantity of the covered commodity produced by the eligible producers, excluding any quantity for which the producers obtain a loan under section 121.

(c) LOAN PAYMENT RATE.—For purposes of this section, the loan payment rate shall be the amount by which—

(1) the loan rate established under section 122 for the covered commodity; exceeds

(2) the rate at which a loan for the commodity may be repaid under section 124.

(d) EXCEPTION FOR EXTRA LONG STAPLE COTTON.—This section shall not apply with respect to extra long staple cotton.

(e) TIME FOR PAYMENT.—The Secretary shall make a payment under this section to a producer with respect to a quantity of a covered commodity as of the earlier of the following:

(1) The date on which the producer marketed or otherwise lost beneficial interest in the commodity, as determined by the Secretary.

(2) The date the producer requests the payment.

(f) CONTINUATION OF SPECIAL LDP RULE FOR 2001 CROP YEAR.—Section 135(a)(2) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235(a)(2)) is amended by striking ''2000 crop year'' and inserting ''2000 and 2001 crop years''.

**SEC. 126. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.**

(a) ELIGIBLE PRODUCERS.—Effective for the 2002 through 2011 crop years, in the case of a producer that would be eligible for a loan deficiency payment under section 125 for wheat, barley, or oats, but that elects to use acreage planted to the wheat, barley, or oats for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of the wheat, barley, or oats on that acreage.

(b) PAYMENT AMOUNT.—The amount of a payment made to a producer on a farm under this section shall be equal to the amount determined by multiplying—

(1) the loan deficiency payment rate determined under section 125(c) in effect, as of the date of the agreement, for the county in which the farm is located; by

(2) the payment quantity determined by multiplying—

(A) the quantity of the grazed acreage on the farm with respect to which the producer elects to forgo harvesting of wheat, barley, or oats; and

(B) the payment yield for that covered commodity on the farm.

(c) TIME, MANNER, AND AVAILABILITY OF PAYMENT.—

(1) TIME AND MANNER.—A payment under this section shall be made at the same time and in the same manner as loan deficiency payments are made under section 125.

(2) AVAILABILITY.—The Secretary shall establish an availability period for the payment authorized by this section that is consistent with the availability period for wheat, barley, and oats established by the Secretary for marketing assistance loans authorized by this subtitle.

(d) PROHIBITION ON CROP INSURANCE OR NONINSURED CROP ASSISTANCE.—A 2002 through 2011 crop of wheat, barley, or oats planted on acreage that a producer elects, in the agreement required by subsection (a), to use for the grazing of livestock in lieu of any other harvesting of the crop shall not be eligible for insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).

**SEC. 127. SPECIAL MARKETING LOAN PROVISIONS FOR UPLAND COTTON.**

(a) COTTON USER MARKETING CERTIFICATES.—

(1) ISSUANCE.—During the period beginning on the date of the enactment of this Act and ending July 31, 2012, the Secretary shall issue marketing certificates or cash payments, at the option of the recipient, to domestic users and exporters for documented purchases by domestic users and sales for export by exporters made in the week following a consecutive four-week period in which—

(A) the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 3/32-inch cotton, delivered C.I.F. Northern Europe exceeds the Northern Europe price; and

(B) the prevailing world market price for upland cotton (adjusted to United States quality and location) does not exceed 134 percent of the loan rate for upland cotton established under section 122.

(2) VALUE OF CERTIFICATES OR PAYMENTS.—The value of the marketing certificates or cash payments shall be based on the amount of the difference in the prices during the fourth week of the consecutive four-week period multiplied by the quantity of upland cotton included in the documented sales.

(3) ADMINISTRATION OF MARKETING CERTIFICATES.—

(A) REDEMPTION, MARKETING, OR EXCHANGE.—The Secretary shall establish procedures for redeeming marketing certificates for cash or marketing or exchange of the certificates for agricultural commodities owned by the Commodity Credit Corporation or pledged to the Commodity Credit Corporation as collateral for a loan in such manner, and at such price levels, as the Secretary determines will best effectuate the purposes of cotton user marketing certificates, including enhancing the competitiveness and marketability of United States cotton. Any price restrictions that would otherwise apply to the disposition of agricultural commodities by the Commodity Credit Corporation shall not apply to the redemption of certificates under this subsection.

(B) DESIGNATION OF COMMODITIES AND PRODUCTS.—To the extent practicable, the Secretary shall permit owners of certificates to designate the commodities and products, including storage sites, the owners would prefer to receive in exchange for certificates.

(C) TRANSFERS.—Marketing certificates issued to domestic users and exporters of upland cotton may be transferred to other persons in accordance with regulations issued by the Secretary.

(4) APPLICATION OF THRESHOLD.—

(A) 2002 MARKETING YEAR.—During the period beginning on the date of enactment of this Act and ending July 31, 2002, the Secretary shall make the calculations under paragraphs (1)(A) and (2) and subsection (b)(1)(B) without regard to the 1.25 cent threshold provided those paragraphs and subsection.

(B) 2003 THROUGH 2006 MARKETING YEARS.—During each 12-month period beginning August 1, 2002, through August 1, 2006, the Secretary may make the calculations under paragraphs (1)(A) and (2) and subsection (b)(1)(B) without regard to the 1.25 cent threshold provided those paragraphs and subsection.

(b) SPECIAL IMPORT QUOTA.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The President shall carry out an import quota program during the period beginning on the date of the enactment of this Act and ending July 31, 2012, as provided in this subsection.

(B) PROGRAM REQUIREMENTS.—Except as provided in subparagraph (C), whenever the Secretary determines and announces that for any consecutive four-week period, the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 3/32-inch cotton, delivered C.I.F. Northern Europe, adjusted for the value of any certificate issued under subsection (a), exceeds the Northern Europe price there shall immediately be in effect a special import quota.

(C) TIGHT DOMESTIC SUPPLY.—During any month for which the Secretary estimates the season-ending United States upland cotton stocks-to-use ratio, as determined under subparagraph (D), to be below 16 percent, the Secretary, in making the determination under subparagraph (B), shall not adjust the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 3/32-inch cotton, delivered C.I.F. Northern Europe, for the value of any certificates issued under subsection (a).

(D) SEASON-ENDING UNITED STATES STOCKS-TO-USE RATIO.—For the purposes of making estimates under subparagraph (C), the Secretary shall, on a monthly basis, estimate and report the season-ending United States upland cotton stocks-to-use ratio, excluding projected raw cotton imports but including the quantity of raw cotton that has been imported into the United States during the marketing year.

(2) QUANTITY.—The quota shall be equal to one week's consumption of upland cotton by domestic mills at the seasonally adjusted average rate of the most recent three months for which data are available.

(3) APPLICATION.—The quota shall apply to upland cotton purchased not later than 90 days after the date of the Secretary's announcement under paragraph (1) and entered into the United States not later than 180 days after the date.

(4) OVERLAP.—A special quota period may be established that overlaps any existing quota period if required by paragraph (1), except that a special quota period may not be established under this subsection if a quota period has been established under subsection (c).

(5) PREFERENTIAL TARIFF TREATMENT.—The quantity under a special import quota shall be considered to be an in-quota quantity for purposes of—

(A) section 213(d) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(d));

(B) section 204 of the Andean Trade Preference Act (19 U.S.C. 3203);

(C) section 503(d) of the Trade Act of 1974 (19 U.S.C. 2463(d)); and

(D) General Note 3(a)(iv) to the Harmonized Tariff Schedule.

(6) DEFINITION.—In this subsection, the term ''special import quota'' means a quantity of imports that is not subject to the over-quota tariff rate of a tariff-rate quota.

(7) LIMITATION.—The quantity of cotton entered into the United States during any marketing year under the special import quota established under this subsection may not exceed the equivalent of five week's consumption of upland cotton by domestic mills at the seasonally adjusted average rate of the three months immediately preceding the first special import quota established in any marketing year.

(c) LIMITED GLOBAL IMPORT QUOTA FOR UPLAND COTTON.—

(1) IN GENERAL.—The President shall carry out an import quota program that provides that whenever the Secretary determines and announces that the average price of the base quality of upland cotton, as determined by the Secretary, in the designated spot markets for a month exceeded 130 percent of the average price of such quality of cotton in the markets for the preceding 36 months, notwithstanding any other provision of law, there shall immediately be in effect a limited global import quota subject to the following conditions:

(A) QUANTITY.—The quantity of the quota shall be equal to 21 days of domestic mill consumption of upland cotton at the seasonally adjusted average rate of the most recent three months for which data are available.

(B) QUANTITY IF PRIOR QUOTA.—If a quota has been established under this subsection during the preceding 12 months, the quantity of the quota next established under this subsection shall be the smaller of 21 days of domestic mill consumption calculated under subparagraph (A) or the quantity required to increase the supply to 130 percent of the demand.

(C) PREFERENTIAL TARIFF TREATMENT.—The quantity under a limited global import quota shall be considered to be an in-quota quantity for purposes of—

(i) section 213(d) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(d));

(ii) section 204 of the Andean Trade Preference Act (19 U.S.C. 3203);

(iii) section 503(d) of the Trade Act of 1974 (19 U.S.C. 2463(d)); and

(iv) General Note 3(a)(iv) to the Harmonized Tariff Schedule.

(D) DEFINITIONS.—In this subsection:

(i) SUPPLY.—The term ''supply'' means, using the latest official data of the Bureau of the Census, the Department of Agriculture, and the Department of the Treasury—

(I) the carry-over of upland cotton at the beginning of the marketing year (adjusted to 480-pound bales) in which the quota is established;

(II) production of the current crop; and

(III) imports to the latest date available during the marketing year.

(ii) DEMAND.—The term ''demand'' means—

(I) the average seasonally adjusted annual rate of domestic mill consumption during the most recent three months for which data are available; and

(II) the larger of—

(aa) average exports of upland cotton during the preceding six marketing years; or

(bb) cumulative exports of upland cotton plus outstanding export sales for the marketing year in which the quota is established.

(iii) LIMITED GLOBAL IMPORT QUOTA.—The term ''limited global import quota'' means a quantity of imports that is not subject to the over-quota tariff rate of a tariff-rate quota.

(E) QUOTA ENTRY PERIOD.—When a quota is established under this subsection, cotton may be entered under the quota during the 90-day period beginning on the date the quota is established by the Secretary.

(2) NO OVERLAP.—Notwithstanding paragraph (1), a quota period may not be established that overlaps an existing quota period or a special quota period established under subsection (b).

**SEC. 128. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA LONG STAPLE COTTON.**

(a) COMPETITIVENESS PROGRAM.—Notwithstanding any other provision of law, during the period beginning on the date of the enactment of this Act and ending on July 31, 2012, the Secretary shall carry out a program to maintain and expand the domestic use of extra long staple cotton produced in the United States, to increase exports of extra long staple cotton produced in the United States, and to ensure that extra long staple cotton produced in the United States remains competitive in world markets.

(b) PAYMENTS UNDER PROGRAM; TRIGGER.—Under the program, the Secretary shall make payments available under this section whenever—

(1) for a consecutive four-week period, the world market price for the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is below the prevailing United States price for a competing growth of extra long staple cotton; and

(2) the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is less than 134 percent of the loan rate for extra long staple cotton.

(c) ELIGIBLE RECIPIENTS.—The Secretary shall make payments available under this section to domestic users of extra long staple cotton produced in the United States and exporters of extra long staple cotton produced in the United States who enter into an agreement with the Commodity Credit Corporation to participate in the program under this section.

(d) PAYMENT AMOUNT.—Payments under this section shall be based on the amount of the difference in the prices referred to in subsection (b)(1) during the fourth week of the consecutive four-week period multiplied by the amount of documented purchases by domestic users and sales for export by exporters made in the week following such a consecutive four-week period.

(e) FORM OF PAYMENT.—Payments under this section shall be made through the issuance of cash or marketing certificates, at the option of eligible recipients of the payments.

**SEC. 129. AVAILABILITY OF RECOURSE LOANS FOR HIGH MOISTURE FEED GRAINS AND SEED COTTON AND OTHER FIBERS.**

(a) HIGH MOISTURE FEED GRAINS.—

(1) RECOURSE LOANS AVAILABLE.—For each of the 2002 through 2011 crops of corn and grain sorghum, the Secretary shall make available recourse loans, as determined by the Secretary, to producers on a farm who—

(A) normally harvest all or a portion of their crop of corn or grain sorghum in a high moisture state;

(B) present—

(i) certified scale tickets from an inspected, certified commercial scale, including a licensed warehouse, feedlot, feed mill, distillery, or other similar entity approved by the Secretary, pursuant to regulations issued by the Secretary; or

(ii) field or other physical measurements of the standing or stored crop in regions of the United States, as determined by the Secretary, that do not have certified commercial scales from which certified scale tickets may be obtained within reasonable proximity of harvest operation;

(C) certify that they were the owners of the feed grain at the time of delivery to, and that the quantity to be placed under loan under this subsection was in fact harvested on the farm and delivered to, a feedlot, feed mill, or commercial or on-farm high-moisture storage facility, or to a facility maintained by the users of corn and grain sorghum in a high moisture state; and

(D) comply with deadlines established by the Secretary for harvesting the corn or grain sorghum and submit applications for loans under this subsection within deadlines established by the Secretary.

(2) ELIGIBILITY OF ACQUIRED FEED GRAINS.—A loan under this subsection shall be made on a quantity of corn or grain sorghum of the same crop acquired by the producer equivalent to a quantity determined by multiplying—

(A) the acreage of the corn or grain sorghum in a high moisture state harvested on the producer's farm; by

(B) the lower of the farm program payment yield or the actual yield on a field, as determined by the Secretary, that is similar to the field from which the corn or grain sorghum was obtained.

(3) HIGH MOISTURE STATE DEFINED.—In this subsection, the term ''high moisture state'' means corn or grain sorghum having a moisture content in excess of Commodity Credit Corporation standards for marketing assistance loans made by the Secretary under section 121.

(b) RECOURSE LOANS AVAILABLE FOR SEED COTTON.—For each of the 2002 through 2011 crops of upland cotton and extra long staple cotton, the Secretary shall make available recourse seed cotton loans, as determined by the Secretary, on any production.

(c) REPAYMENT RATES.—Repayment of a recourse loan made under this section shall be at the loan rate established for the commodity by the Secretary, plus interest (as determined by the Secretary).

(d) TERMINATION OF SUPERSEDED LOAN AUTHORITY.—Notwithstanding section 137 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7237), recourse loans shall not be made for the 2002 crop of corn, grain sorghum, and seed cotton under such section.

**SEC. 130. AVAILABILITY OF NONRECOURSE MARKETING ASSISTANCE LOANS FOR WOOL AND MOHAIR.**

(a) NONRECOURSE LOANS AVAILABLE.—During the 2002 through 2011 marketing years for wool and mohair, the Secretary shall make available to producers on a farm nonrecourse marketing assistance loans for wool and mohair produced on the farm during that marketing year.

(b) LOAN RATE.—The loan rate for a loan under subsection (a) shall be not more than—

(1) $1.00 per pound for graded wool;

(2) $0.40 per pound for nongraded wool; and

(3) $4.20 per pound for mohair.

(c) TERM OF LOAN.—A loan under subsection (a) shall have a term of 1 year beginning on the first day of the first month after the month in which the loan is made.

(d) REPAYMENT RATES.—The Secretary shall permit a producer to repay a marketing assistance loan under subsection (a) for wool or mohair at a rate that is the lesser of—

(1) the loan rate established for the commodity under subsection (b), plus interest (as determined by the Secretary); or

(2) a rate that the Secretary determines will—

(A) minimize potential loan forfeitures;

(B) minimize the accumulation of stocks of the commodity by the Federal Government;

(C) minimize the cost incurred by the Federal Government in storing the commodity; and

(D) allow the commodity produced in the United States to be marketed freely and competitively, both domestically and internationally.

(e) LOAN DEFICIENCY PAYMENTS.—

(1) AVAILABILITY.—The Secretary may make loan deficiency payments available to producers that, although eligible to obtain a marketing assistance loan under this section, agree to forgo obtaining the loan in return for payments under this subsection.

(2) COMPUTATION.—A loan deficiency payment under this subsection shall be computed by multiplying—

(A) the loan payment rate in effect under paragraph (3) for the commodity; by

(B) the quantity of the commodity produced by the eligible producers, excluding any quantity for which the producers obtain a loan under this subsection.

(3) LOAN PAYMENT RATE.—For purposes of this subsection, the loan payment rate for wool or mohair shall be the amount by which—

(A) the loan rate in effect for the commodity under subsection (b); exceeds

(B) the rate at which a loan for the commodity may be repaid under subsection (d).

(4) TIME FOR PAYMENT.—The Secretary shall make a payment under this subsection to a producer with respect to a quantity of a wool or mohair as of the earlier of the following:

(A) The date on which the producer marketed or otherwise lost beneficial interest in the wool or mohair, as determined by the Secretary.

(B) The date the producer requests the payment.

(f) LIMITATIONS.—The marketing assistance loan gains and loan deficiency payments that a person may receive for wool and mohair under this section shall be subject to a separate payment limitation, but in the same dollar amount, as the payment limitation that applies to marketing assistance loans and loan deficiency payments received by producers of other agricultural commodities in the same marketing year.

**SEC. 131. AVAILABILITY OF NONRECOURSE MARKETING ASSISTANCE LOANS FOR HONEY.**

(a) NONRECOURSE LOANS AVAILABLE.—During the 2002 through 2011 crop years for honey, the Secretary shall make available to producers on a farm nonrecourse marketing assistance loans for honey produced on the farm during that crop year.

(b) LOAN RATE.—The loan rate for a marketing assistance loan for honey under subsection (a) shall be equal to $0.60 cents per pound.

(c) TERM OF LOAN.—A marketing assistance loan under subsection (a) shall have a term of 1 year beginning on the first day of the first month after the month in which the loan is made.

(d) REPAYMENT RATES.—The Secretary shall permit a producer to repay a marketing assistance loan for honey under subsection (a) at a rate that is the lesser of—

(1) the loan rate for honey, plus interest (as determined by the Secretary); or

(2) the prevailing domestic market price for honey, as determined by the Secretary.

(e) LOAN DEFICIENCY PAYMENTS.—

(1) AVAILABILITY.—The Secretary may make loan deficiency payments available to any producer of honey that, although eligible to obtain a marketing assistance loan under subsection (a), agrees to forgo obtaining the loan in return for a payment under this subsection.

(2) COMPUTATION.—A loan deficiency payment under this subsection shall be determined by multiplying—

(A) the loan payment rate determined under paragraph (3); by

(B) the quantity of honey that the producer is eligible to place under loan, but for which the producer forgoes obtaining the loan in return for a payment under this subsection.

(3) LOAN PAYMENT RATE.—For the purposes of this subsection, the loan payment rate shall be the amount by which—

(A) the loan rate established under subsection (b); exceeds

(B) the rate at which a loan may be repaid under subsection (d).

(4) TIME FOR PAYMENT.—The Secretary shall make a payment under this subsection to a producer with respect to a quantity of a honey as of the earlier of the following:

(A) The date on which the producer marketed or otherwise lost beneficial interest in the honey, as determined by the Secretary.

(B) The date the producer requests the payment.

(f) LIMITATIONS.—The marketing assistance loan gains and loan deficiency payments that a person may receive for a crop of honey under this section shall be subject to a separate payment limitation, but in the same dollar amount, as the payment limitation that applies to marketing assistance loans and loan deficiency payments received by producers of other agricultural commodities in the same crop year.

(g) PREVENTION OF FORFEITURES.—The Secretary shall carry out this section in such a manner as to minimize forfeitures of honey marketing assistance loans.

**SEC. 132. PRODUCER RETENTION OF ERRONEOUSLY PAID LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.**

Notwithstanding any other provision of law, the Secretary of Agriculture and the Commodity Credit Corporation shall not require producers in Erie County, Pennsylvania, to repay loan deficiency payments and marketing loan gains erroneously paid or determined to have been earned by the Commodity Credit Corporation for certain 1998 and 1999 crops under subtitle C of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7231 et seq.). In the case of a producer who has already made the repayment on or before the date of the enactment of this Act, the Commodity Credit Corporation shall reimburse the producer for the full amount of the repayment.

**SEC. 133. RESERVE STOCK ADJUSTMENT.**

Section 301(b)(14)(C) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)(14)(C)) is amended—

(1) in clause (i), by striking ''100,000,000'' and inserting ''75,000,000''; and

(2) in clause (ii), by striking ''15 percent'' and inserting ''10 percent''.

**Subtitle C—Other Commodities**

**CHAPTER 1—DAIRY**

**SEC. 141. MILK PRICE SUPPORT PROGRAM.**

(a) SUPPORT ACTIVITIES.—During the period beginning on January 1, 2002, and ending on December 31, 2011, the Secretary of Agriculture shall support the price of milk produced in the 48 contiguous States through the purchase of cheese, butter, and nonfat dry milk produced from the milk.

(b) RATE.—During the period specified in subsection (a), the price of milk shall be supported at a rate equal to $9.90 per hundredweight for milk containing 3.67 percent butterfat.

(c) PURCHASE PRICES.—The support purchase prices under this section for each of the products of milk (butter, cheese, and nonfat dry milk) announced by the Secretary shall be the same for all of that product sold by persons offering to sell the product to the Secretary. The purchase prices shall be sufficient to enable plants of average efficiency to pay producers, on average, a price that is not less than the rate of price support for milk in effect under subsection (b).

(d) SPECIAL RULE FOR BUTTER AND NONFAT DRY MILK PURCHASE PRICES.—

(1) ALLOCATION OF PURCHASE PRICES.—The Secretary may allocate the rate of price support between the purchase prices for nonfat dry milk and butter in a manner that will result in the lowest level of expenditures by the Commodity Credit Corporation or achieve such other objectives as the Secretary considers appropriate. Not later than 10 days after making or changing an allocation, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the allocation. Section 553 of title 5, United States Code, shall not apply with respect to the implementation of this section.

(2) TIMING OF PURCHASE PRICE ADJUSTMENTS.—The Secretary may make any such adjustments in the purchase prices for nonfat dry milk and butter the Secretary considers to be necessary not more than twice in each calendar year.

(e) COMMODITY CREDIT CORPORATION.—The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

**SEC. 142. REPEAL OF RECOURSE LOAN PROGRAM FOR PROCESSORS.**

Section 142 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7252) is repealed.

**SEC. 143. EXTENSION OF DAIRY EXPORT INCENTIVE AND DAIRY INDEMNITY PROGRAMS.**

(a) DAIRY EXPORT INCENTIVE PROGRAM.—Section 153(a) of the Food Security Act of 1985 (15 U.S.C. 713a–14(a)) is amended by striking ''2002'' and inserting ''2011''.

(b) DAIRY INDEMNITY PROGRAM.—Section 3 of Public Law 90–484 (7 U.S.C. 4501) is amended by striking ''1995'' and inserting ''2011''.

**SEC. 144. FLUID MILK PROMOTION.**

(a) DEFINITION OF FLUID MILK PRODUCT.—Section 1999C of the Fluid Milk Promotion Act of 1990 (7 U.S.C. 6402) is amended by striking paragraph (3) and inserting the following new paragraph:

''(3) FLUID MILK PRODUCT.—The term 'fluid milk product' has the meaning given such term—

''(A) in section 1000.15 of title 7, Code of Federal Regulations, subject to such amendments as may be made from time to time; or

''(B) in any successor regulation providing a definition of such term that is promulgated pursuant to the Agricultural Adjustment Act (7 U.S.C. 601 et seq.), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.''.

(b) DEFINITION OF FLUID MILK PROCESSOR.—Section 1999C(4) of the Fluid Milk Promotion Act of 1990 (7 U.S.C. 6402(4)) is amended by striking ''500,000'' and inserting ''3,000,000''.

(c) ELIMINATION OF ORDER TERMINATION DATE.—Section 1999O of the Fluid Milk Promotion Act of 1990 (7 U.S.C. 6414) is amended—

(1) by striking subsection (a); and

(2) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively.

**SEC. 145. DAIRY PRODUCT MANDATORY REPORTING.**

Section 273(b)(1)(B) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637b(b)(1)(B)) is amended—

(1) by inserting ''and substantially identical products designated by the Secretary'' after ''dairy products'' the first place it appears; and

(2) by inserting ''and such substantially identical products'' after ''dairy products'' the second place it appears.

**SEC. 146. STUDY OF NATIONAL DAIRY POLICY.**

(a) STUDY REQUIRED.—Not later than April 30, 2002, the Secretary of Agriculture shall submit to Congress a comprehensive economic evaluation of the potential direct and indirect effects of the various elements of the national dairy policy, including an examination of the effect of the national dairy policy on—

(1) farm price stability, farm profitability and viability, and local rural economies in the United States;

(2) child, senior, and low-income nutrition programs, including impacts on schools and institutions participating in the programs, on program recipients, and other factors; and

(3) the wholesale and retail cost of fluid milk, dairy farms, and milk utilization.

(b) NATIONAL DAIRY POLICY DEFINED.—In this section, the term ''national dairy policy'' means the dairy policy of the United States as evidenced by the following policies and programs:

(1) Federal Milk Marketing Orders.

(2) Interstate dairy compacts (including proposed compacts described in H.R. 1827 and S. 1157, as introduced in the 107th Congress).

(3) Over-order premiums and State pricing programs.

(4) Direct payments to milk producers.

(5) Federal milk price support program.

(6) Export programs regarding milk and dairy products, such as the Dairy Export Incentive Program.

**CHAPTER 2—SUGAR**

**SEC. 151. SUGAR PROGRAM.**

(a) CONTINUATION OF PROGRAM.—Subsection (i) of section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7251) is amended—

(1) by striking ''(other than subsection (f))''; and

(2) by striking ''2002 crops'' and inserting ''2011 crops''.

(b) TERMINATION OF MARKETING ASSESSMENT AND FORFEITURE PENALTY.—Effective as of October 1, 2001, subsections (f) and (g) of such section are repealed.

(c) LOAN RATE ADJUSTMENTS.—Subsection (c) of such section is amended—

(1) by striking ''REDUCTION IN LOAN RATES'' and inserting ''LOAN RATE ADJUSTMENTS''; and

(2) in paragraph (1)—

(A) by striking ''REDUCTION REQUIRED'' and inserting ''POSSIBLE REDUCTION''; and

(B) by striking ''shall'' and inserting ''may''.

(d) NOTIFICATION.—Subsection (e) of such section is amended by adding at the end the following new paragraph:

''(3) PREVENTION OF ONEROUS NOTIFICATION REQUIREMENTS.—The Secretary may not impose or enforce any prenotification or similar administrative requirement that has the effect of preventing a processor from choosing to forfeit the loan collateral upon the maturity of the loan.''.

(e) IN PROCESS SUGAR.—Such section is further amended by inserting after subsection (e) the following new subsection (f):

''(f) LOANS FOR IN-PROCESS SUGAR.—

''(1) AVAILABILITY; RATE.—The Secretary shall make nonrecourse loans available to processors of domestically grown sugarcane and sugar beets for in-process sugars and syrups derived from such crops. The loan rate shall be equal to 80 percent of the loan rate applicable to raw cane sugar or refined beet sugar, depending on the source material for the in-process sugars and syrups.

''(2) FURTHER PROCESSING UPON FORFEITURE.—As a condition on the forfeiture of in-process sugars and syrups serving as collateral for a loan under paragraph (1), the processor shall, within such reasonable time period as the Secretary may prescribe and at no cost to the Commodity Credit Corporation, convert the in-process sugars and syrups into raw cane sugar or refined beet sugar of acceptable grade and quality for sugars eligible for loans under subsection (a) or (b). Once the in-process sugars and syrups are fully processed into raw cane sugar or refined beet sugar, the processor shall transfer the sugar to the Corporation, which shall make a payment to the processor in an amount equal to the difference between the loan rate for raw cane sugar or refined beet sugar, whichever applies, and the loan rate the processor received under paragraph (1).

''(3) LOAN CONVERSION.—If the processor does not forfeit the collateral as described in paragraph (2), but instead further processes the in-process sugars and syrups into raw cane sugar or refined beet sugar and repays the loan on the in-process sugars and syrups, the processor may then obtain a loan under subsection (a) or (b) on the raw cane sugar or refined beet sugar, as appropriate.

''(4) DEFINITION.—In this subsection the term 'in-process sugars and syrups' does not include raw sugar, liquid sugar, invert sugar, invert syrup, or other finished products that are otherwise eligible for loans under subsection (a) or (b).''.

(f) ADMINISTRATION OF PROGRAM.—Such section is further amended by adding at the end the following new subsection:

''(j) AVOIDING FORFEITURES; CORPORATION INVENTORY DISPOSITION.—

''(1) NO COST.—To the maximum extent practicable, the Secretary shall operate the sugar program established under this section at no cost to the Federal Government by avoiding the forfeiture of sugar to the Commodity Credit Corporation.

''(2) INVENTORY DISPOSITION.—In support of the objective specified in paragraph (1), the Commodity Credit Corporation may accept bids for commodities in the inventory of the Corporation from (or otherwise make available such commodities, on appropriate terms and conditions, to) processors of sugarcane and processors of sugar beets (when the processors are acting in conjunction with the producers of the sugarcane or sugar beets processed by such processors) in return for the reduction of production of raw cane sugar or refined beet sugar, as appropriate. The authority provided under this paragraph is in addition to any authority of the Corporation under any other law.''.

(g) INFORMATION REPORTING.—Subsection (h) of such section is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively;

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

''(2) DUTY OF PRODUCERS TO REPORT.—

''(A) PROPORTIONATE SHARE STATES.—The Secretary shall require a producer of sugarcane located in a State (other than Puerto Rico) in which there are in excess of 250 sugarcane producers to report, in the manner prescribed by the Secretary, the producer's sugarcane yields and acres planted to sugarcane.

''(B) OTHER STATES.—The Secretary may require producers of sugarcane or sugar beets not covered by paragraph (1) to report, in the manner prescribed by the Secretary, each producer's sugarcane or sugar beet yields and acres planted to sugarcane or sugar beets, respectively.

''(3) DUTY OF IMPORTERS TO REPORT.—The Secretary shall require an importer of sugars, syrups or molasses to be used for human consumption or to be used for the extraction of sugar for human consumption, except such sugars, syrups, or molasses that are within the quantities of tariff-rate quotas that are at the lower rate of duties, to report, in the manner prescribed by the Secretary, the quantities of such products imported and the sugar content or equivalent of such products.''; and

(3) in paragraph (5), as so redesignated, by striking ''paragraph (1)'' and inserting ''this subsection''.

(h) INTEREST RATE.—Section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283) is amended by adding at the end the following new sentence: ''For purposes of this section, raw cane sugar, refined beet sugar, and in process sugar eligible for a loan under section 156 shall not be considered an agricultural commodity.''.

**SEC. 152. REAUTHORIZE PROVISIONS OF AGRICULTURAL ADJUSTMENT ACT OF 1938 REGARDING SUGAR.**

(a) INFORMATION REPORTING.—Section 359a of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359aa) is repealed.

(b) ESTIMATES.—Section 359b of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359bb) is amended:

(1) in the section heading—

(A) by inserting ''**flexible**'' before ''**marketing**''; and

(B) by striking ''**and crystalline fructose**'';

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''Before'' and inserting ''Not later than August 1 before'';

(ii) by striking ''1992 through 1998'' and inserting ''2002 through 2011'';

(iii) in subparagraph (A), by striking ''(other than sugar'' and all that follows through ''stocks'';

(iv) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (E), respectively;

(v) by inserting after subparagraph (A) the following:

''(B) the quantity of sugar that would provide for reasonable carryover stocks;'';

(vi) in subparagraph (C), as so redesignated—

(I) by striking ''or'' and all that follows through ''beets''; and

(II) by striking the ''and'' following the semicolon;

(vii) by inserting after subparagraph (C), as so redesignated, the following:

''(D) the quantity of sugar that will be available from the domestic processing of sugarcane and sugar beets; and''; and

(viii) in subparagraph (E), as so redesignated—

(I) by striking ''quantity of sugar'' and inserting ''quantity of sugars, syrups, and molasses'';

(II) by inserting ''human'' after ''imported for'' the first place it appears;

(III) by inserting after ''consumption'' the first place it appears the following: ''or to be used for the extraction of sugar for human consumption'';

(IV) by striking ''year'' and inserting ''year, whether such articles are under a tariff-rate quota or are in excess or outside of a tariff rate quota''; and

(V) by striking ''(other than sugar'' and all that follows through ''carry-in stocks'';

(B) by redesignating paragraph (2) as paragraph (3);

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

''(2) EXCLUSION.—The estimates in this section shall not include sugar imported for the production of polyhydric alcohol or to be refined and re-exported in refined form or in sugar containing products.'';

(D) in paragraph (3), as so redesignated—

(i) by striking ''QUARTERLY REESTIMATES'' and inserting ''REESTIMATES''; and

(ii) by inserting ''as necessary, but'' after ''a fiscal year'';

(3) in subsection (b)—

(A) by striking paragraph (1) and inserting the following new paragraph:

''(1) IN GENERAL.—By the beginning of each fiscal year, the Secretary shall establish for that fiscal year appropriate allotments under section 359c for the marketing by processors of sugar processed from sugar beets and from domestically-produced sugarcane at a level that the Secretary estimates will result in no forfeitures of sugar to the Commodity Credit Corporation under the loan program for sugar.''; and

(B) in paragraph (2), by striking ''or crystalline fructose'';

(4) by striking subsection (c);

(5) by redesignating subsection (d) as subsection (c); and

(6) in subsection (c), as so redesignated—

(A) by striking paragraph (2);

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(C) in paragraph (2), as so redesignated—

(i) by striking ''or manufacturer'' and all that follows through ''(2)''; and

(ii) by striking ''or crystalline fructose''.

(c) ESTABLISHMENT.—Section 359c of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359cc) is amended—

(1) in the section heading by inserting ''**flexible**'' after ''**of**'';

(2) in subsection (a), by inserting ''flexible'' after ''establish'';

(3) in subsection (b)—

(A) in paragraph (1)(A), by striking ''1,250,000'' and inserting ''1,532,000''; and

(B) in paragraph (2), by striking ''to the maximum extent practicable'';

(4) by striking subsection (c) and inserting the following new subsection:

''(c) MARKETING ALLOTMENT FOR SUGAR DERIVED FROM SUGAR BEETS AND MARKETING ALLOTMENT FOR SUGAR DERIVED FROM SUGARCANE.—The overall allotment quantity for the fiscal year shall be allotted among—

''(1) sugar derived from sugar beets by establishing a marketing allotment for a fiscal year at a quantity equal to the product of multiplying the overall allotment quantity for the fiscal year by the percentage of 54.35; and

''(2) sugar derived from sugarcane by establishing a marketing allotment for a fiscal year at a quantity equal to the product of multiplying the overall allotment quantity for the fiscal year by the percentage of 45.65.'';

(5) by amending subsection (d) to read as follows:

''(d) FILLING CANE SUGAR AND BEET SUGAR ALLOTMENTS.—Each marketing allotment for cane sugar established under this section may only be filled with sugar processed from domestically grown sugarcane, and each marketing allotment for beet sugar established under this section may only be filled with sugar domestically processed from sugar beets.'';

(6) by striking subsection (e);

(7) by redesignating subsection (f) as subsection (e);

(8) in subsection (e), as so redesignated—

(A) by inserting ''(1) IN GENERAL.—'' before ''The allotment for sugar'' and indenting such paragraph appropriately;

(B) in such paragraph (1)—

(i) by striking ''the 5'' and inserting ''the'';

(ii) by inserting after ''sugarcane is produced,'' the following: ''after a hearing, if requested by the affected sugar cane processors and growers, and on such notice as the Secretary by regulation may prescribe,'';

(iii) by striking ''on the basis of past marketings'' and all that follows through ''allotments'', and inserting ''as provided in this subsection and section 359d(a)(2)(A)(iv)''; and

(C) by inserting after paragraph (1) the following new paragraphs:

''(2) OFFSHORE ALLOTMENT.—

''(A) COLLECTIVELY.—Prior to the allotment of sugar derived from sugarcane to any other State, 325,000 short tons, raw value shall be allotted to the offshore States.

''(B) INDIVIDUALLY.—The collective offshore State allotment provided for under subparagraph (A) shall be further allotted among the offshore States in which sugarcane is produced, after a hearing if requested by the affected sugar cane processors and growers, and on such notice as the Secretary by regulation may prescribe, in a fair and equitable manner on the basis of—

''(i) past marketings of sugar, based on the average of the 2 highest years of production of raw cane sugar from the 1996 through 2000 crops;

''(ii) the ability of processors to market the sugar covered under the allotments for the crop year; and

''(iii) past processings of sugar from sugarcane based on the 3 year average of the crop years 1998 through 2000.

''(3) MAINLAND ALLOTMENT.—The allotment for sugar derived from sugarcane, less the amount provided for under paragraph (2), shall be allotted among the mainland States in the United States in which sugarcane is produced, after a hearing if requested by the affected sugar cane processors and growers, and on such notice as the Secretary by regulation may prescribe, in a fair and equitable manner on the basis of—

''(A) past marketings of sugar, based on the average of the 2 highest years of production of raw cane sugar from the 1996 through 2000 crops;

''(B) the ability of processors to market the sugar covered under the allotments for the crop year; and

''(C) past processings of sugar from sugarcane, based on the 3 crop years with the greatest processings (in the mainland States collectively) during the 1991 through 2000 crop years.'';

(9) by inserting after subsection (e), as so redesignated, the following new subsection (f):

''(f) FILLING CANE SUGAR ALLOTMENTS.—Except as otherwise provided in section 359e, a State cane sugar allotment established under subsection (e) for a fiscal year may be filled only with sugar processed from sugarcane grown in the State covered by the allotment.'';

(10) in subsection (g)—

(A) in paragraph (1), by striking ''359b(a)(2)—'' and all that follows through

the comma at the end of subparagraph (C) and inserting ''359b(a)(3), adjust upward or downward marketing allotments in a fair and equitable manner'';

(B) in paragraph (2) by striking ''359f(b)'' and inserting ''359f(c)''; and

(C) in paragraph (3)—

(i) by striking ''REDUCTIONS'' and inserting ''CARRY-OVER OF REDUCTIONS'';

(ii) by inserting after ''this subsection, if'' the following: ''at the time of the reduction'';

(iii) by striking ''price support'' and inserting ''nonrecourse'';

(iv) by striking ''206'' and all that follows through ''the allotment'' and inserting ''156 of the Agricultural Market Transition Act (7 U.S.C. 7272),''; and

(v) by striking '', if any,''; and

(11) by amending subsection (h) to read as follows:

''(h) SUSPENSION OF ALLOTMENTS.—Whenever the Secretary estimates, or reestimates, under section 359b(a), or has reason to believe that imports of sugars, syrups or molasses for human consumption or to be used for the extraction of sugar for human consumption, whether under a tariff-rate quota or in excess or outside of a tariff-rate quota, will exceed 1.532 million short tons, raw value equivalent, and that such imports would lead to a reduction of the overall allotment quantity, the Secretary shall suspend the marketing allotments until such time as such imports have been restricted, eliminated, or otherwise reduced to or below the level of 1.532 million tons.''.

(d) ALLOCATION.—Section 359d of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359dd) is amended—

(1) in subsection (a)(2)(A)—

(A) by inserting ''(i) IN GENERAL.—'' before ''The Secretary shall'' and indenting such clause appropriately;

(B) in clause (i), as so designated—

(i) by striking ''interested parties'' and inserting ''the affected sugar cane processors and growers'';

(ii) by striking ''by taking'' and all that follows through ''allotment allocated.'' and inserting ''with this subparagraph.''; and

(iii) by inserting at the end the following new sentence: ''Each such allocation shall be subject to adjustment under section 359c(g).'';

(C) by inserting after clause (i) the following new clauses:

''(ii) MULTIPLE PROCESSOR STATES.—Except as provided in clause (iii), the Secretary shall allocate the allotment for cane sugar among multiple cane sugar processors in a single State based upon—

''(I) past marketings of sugar, based on the average of the 2 highest years of production of raw cane sugar from among the 1996 through 2000 crops;

''(II) the ability of processors to market sugar covered by that portion of the allotment allocated for the crop year;

''(III) past processings of sugar from sugarcane, based on the average of the 3 highest years from among crop years 1996 through 2000; and

''(IV) however, only with respect to allotments under subclauses (I), (II), and (III) attributable to the former operations of the Talisman processing facility, shall be allocated among processors in the State coincident with the provisions of the agreements of March 25 and March 26, 1999, between the affected processors and the Department of the Interior.

''(iii) PROPORTIONATE SHARE STATES.—In the case of States subject to section 359f(c), the Secretary shall allocate the allotment for cane sugar among multiple cane sugar processors in a single state based upon—

''(I) past marketings of sugar, based on the average of the two highest years of production of raw cane sugar from among the 1997 through 2001 crop years;

''(II) the ability of processors to market sugar covered by that portion of the allotments allocated for the crop year; and

''(III) past processings of sugar from sugarcane, based on the average of the two highest crop years from the five crop years 1997 through 2001.

''(iv) NEW ENTRANTS.—Notwithstanding clauses (ii) and (iii), the Secretary, on application of any processor that begins processing sugarcane on or after the date of enactment of this clause, and after a hearing if requested by the affected sugarcane processors and growers, and on such notice as the Secretary by regulation may prescribe, may provide such processor with an allocation which provides a fair, efficient and equitable distribution of the allocations from the allotment for the State in which the processor is located and, in the case of proportionate share States, shall establish proportionate shares in an amount sufficient to produce the sugarcane required to satisfy such allocations. However, the allotment for a new processor under this clause shall not exceed 50,000 short tons, raw value.

''(v) TRANSFER OF OWNERSHIP.—Except as otherwise provided in section 359f(c)(8), in the event that a sugarcane processor is sold or otherwise transferred to another owner, or closed as part of an affiliated corporate group processing consolidation, the Secretary shall transfer the allotment allocation for the processor to the purchaser, new owner, or successor in interest, as applicable, of the processor.''; and

(2) in subsection (a)(2)(B)—

(A) by striking ''interested parties'' and inserting ''the affected sugar beet processors and growers''; and

(B) by striking ''processing capacity'' and all that follows through ''allotment allocated'' and inserting the following: ''the marketings of sugar processed from sugar beets of any or all of the 1996 through 2000 crops, and such other factors as the Secretary may deem appropriate after consultation with the affected sugar beet processors and growers. However, in the case of any processor which has started processing sugar beets after January 1, 1996, the Secretary shall provide such processor with an allocation which provides a fair, efficient and equitable distribution of the allocations''.

(e) REASSIGNMENT.—Section 359e(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ee(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B) by striking the ''and'' after the semicolon;

(B) by redesignating subparagraph (C) as subparagraph (D);

(C) by inserting after subparagraph (B) the following new subparagraph:

''(C) if after the reassignments, the deficit cannot be completely eliminated, the Secretary shall reassign the estimated quantity of the deficit to the sale of any inventories of sugar held by the Commodity Credit Corporation; and''; and

(D) in subparagraph (D), as so redesignated, by inserting ''and sales'' after ''reassignments''; and

(2) in paragraph (2)—

(A) in subparagraph (A) by striking the ''and'' after the semicolon;

(B) in subparagraph (B), by striking ''reassign the remainder to imports.'' and inserting ''use the estimated quantity of the deficit for the sale of any inventories of sugar held by the Commodity Credit Corporation; and''; and

(C) by inserting after subparagraph (B) the following new subparagraph:

''(C) if after such reassignments and sales, the deficit cannot be completely eliminated, the Secretary shall reassign the remainder to imports.''.

(f) PRODUCER PROVISIONS.—Section 359f of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ff) is amended—

(1) in subsection (a)—

(A) by striking ''processor's allocation'' in the second sentence and inserting ''allocation to the processor''; and

(B) by inserting after ''request of either party'' the following: '', and such arbitration should be completed within 45 days, but not more than 60 days, of the request'';

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following new subsection:

''(b) SUGAR BEET PROCESSING FACILITY CLOSURES.— In the event that a sugar beet processing facility is closed and the sugar beet growers who previously delivered beets to such facility desire to deliver their beets to another processing company:

''(1) Such growers may petition the Secretary to modify existing allocations to accommodate such a transition; and

''(2) The Secretary may increase the allocation to the processing company to which the growers desire to deliver their sugar beets, and which the processing company agrees to accept, not to exceed its processing capacity, to accommodate the change in deliveries.

''(3) Such increased allocation shall be deducted from the allocation to the company that owned the processing facility that has been closed and the remaining allocation will be unaffected.

''(4) The Secretary's determination on the issues raised by the petition shall be made within 60 days of the filing of the petition.'';

(4) in subsection (c), as so redesignated—

(A) in paragraph (3)(A), by striking ''the preceding five years'' and inserting ''the two highest years from among the years 1999, 2000, and 2001'';

(B) in paragraph (4)(A), by striking ''each'' and all that follows through ''in effect'' and inserting ''the two highest of the three (3) crop years 1999, 2000, and 2001''; and

(C) by inserting after paragraph (7) the following new paragraph:

''(8) PROCESSING FACILITY CLOSURES.—In the event that a sugarcane processing facility subject to this subsection is closed and the sugarcane growers who previously delivered sugarcane to such facility desire to deliver their sugarcane to another processing company—

''(A) such growers may petition the Secretary to modify existing allocations to accommodate such a transition;

''(B) the Secretary may increase the allocation to the processing company to which the growers desire to deliver the sugarcane, and which the processing company agrees to accept, not to exceed its processing capacity, to accommodate the change in deliveries;

''(C) such increased allocation shall be deducted from the allocation to the company that owned the processing facility that has been closed and the remaining allocation will be unaffected; and

''(D) the Secretary's determination on the issues raised by the petition shall be made within 60 days of the filing of the petition.''.

(g) CONFORMING AMENDMENTS.—(1) The heading of part VII of subtitle B of Title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 359aa et seq.) is amended to read as follows:

**''PART VII—FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR''.**

(2) Section 359g of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359gg) is amended—

(A) by striking ''359f'' each place it appears and inserting ''359f(c)'';

(B) in subsection (b), by striking ''3 consecutive'' and inserting ''5 consecutive''; and

(C) in subsection (c), by inserting ''or adjusted'' after ''share established''.

(3) Section 359j(c) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359jj) is amended—

(A) by amending the subsection heading to read as follows: ''DEFINITIONS.—'';

(B) by striking ''Notwithstanding'' and inserting the following:

''(1) UNITED STATES AND STATE.—Notwithstanding''; and

(C) by inserting after such paragraph (1) the following new paragraph:

''(2) OFFSHORE STATES.—For purposes of this part, the term 'offshore States' means the sugarcane producing States located outside of the continental United States.''.

(h) LIFTING OF SUSPENSION.—Section 171(a)(1)(E) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7301(a)(1)(E)) is amended by inserting before the period at the end the following: '', but only with respect to sugar marketings through fiscal year 2002''.

**SEC. 153. STORAGE FACILITY LOANS.**

(a) STORAGE FACILITY LOAN PROGRAM.—Notwithstanding any other provision of law and as soon as practicable after the date of the enactment of this section, the Commodity Credit Corporation shall amend part 1436 of title 7, Code of Federal Regulations, to establish a sugar storage facility loan program to provide financing for processors of domestically-produced sugarcane and sugar beets to build or upgrade storage and handling facilities for raw sugars and refined sugars.

(b) ELIGIBLE PROCESSORS.—Storage facility loans shall be made available to any processor of domestically produced sugarcane or sugar beets that has a satisfactory credit history, determines a need for increased storage capacity (taking into account the effects of marketing allotments), and demonstrates an ability to repay the loan.

(c) TERM OF LOANS.—Storage facility loans shall be for a minimum of seven years, and shall be in such amounts and on such terms and conditions (including down payment, security requirements, and eligible equipment) as are normal, customary, and appropriate for the size and commercial nature of the borrower.

(d) ADMINISTRATION.—The sugar storage facility loan program shall be administered using the services, facilities, funds, and authorities of the Commodity Credit Corporation.

## CHAPTER 3—PEANUTS

**SEC. 161. DEFINITIONS.**

In this chapter:

(1) COUNTER-CYCLICAL PAYMENT.—The term ''counter-cyclical payment'' means a payment made to peanut producers under section 164.

(2) EFFECTIVE PRICE.—The term ''effective price'' means the price calculated by the Secretary under section 164 for peanuts to determine whether counter-cyclical payments are required to be made under such section for a crop year.

(3) HISTORIC PEANUT PRODUCER.—The term ''historic peanut producer'' means a peanut producer on a farm in the United States that produced or attempted to produce peanuts during any or all of crop years 1998, 1999, 2000, and 2001.

(4) FIXED, DECOUPLED PAYMENT.—The term ''fixed, decoupled payment'' means a payment made to peanut producers under section 163.

(5) PAYMENT ACRES.—The term ''payment acres'' means 85 percent of the peanut acres on a farm, as established under section 162, upon which fixed, decoupled payments and counter-cyclical payments are to be made.

(6) PEANUT ACRES.—The term ''peanut acres'' means the number of acres assigned to a particular farm by historic peanut producers pursuant to section 162(b).

(7) PAYMENT YIELD.—The term ''payment yield'' means the yield assigned to a particular farm by historic peanut producers pursuant to section 162(b).

(8) PEANUT PRODUCER.—The term ''peanut producer'' means an owner, operator, landlord, tenant, or sharecropper who shares in the risk of producing a crop of peanuts in the United States and who is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced.

(9) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(10) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States.

(11) TARGET PRICE.—The term ''target price'' means the price per ton of peanuts used to determine the payment rate for counter-cyclical payments.

(12) UNITED STATES.—The term ''United States'', when used in a geographical sense, means all of the States.

**SEC. 162. ESTABLISHMENT OF PAYMENT YIELD, PEANUT ACRES, AND PAYMENT ACRES FOR A FARM.**

(a) ESTABLISHMENT OF PAYMENT YIELD AND PAYMENT ACRES.—

(1) DETERMINATION OF AVERAGE YIELD.—

(A) IN GENERAL.—The Secretary shall determine, for each historic peanut producer, the average yield for peanuts on each farm on which the historic peanut producer produced peanuts for the 1998 through 2001 crop years, excluding any crop year in which the producer did not produce peanuts. If, for any of these four crop years in which peanuts were planted on a farm by the producer, the farm would have satisfied the eligibility criteria established to carry out section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105–277), the Secretary shall assign a yield for the producer for that year equal to 65 percent of the county yield, as determined by the Secretary.

(B) SELECTION BY PRODUCER.—If a county in which a historical peanut producer described in subparagraph (A) is located is declared a disaster area during 1 or more of the 4 crop years described in subparagraph (A), for the purposes of determining the 4-year average yield for the historical peanut producer, the historical peanut producer may elect to substitute, for not more than 1 of the crop years during which a disaster is declared—

(i) the State 4-year average yield of peanuts produced in the State; or

(ii) the average yield for the historical peanut producer determined by the Secretary under subparagraph (A).

(2) ACREAGE AVERAGE.—Except as provided in paragraph (3), the Secretary shall determine, for the historical peanut producer, the 4-year average of—

(A) acreage planted to peanuts on all farms for harvest during the 1998 through 2001 crop years; and

(B) any acreage that was prevented from being planting to peanuts during the crop years because of drought, flood, or other natural disaster, or other condition beyond the control of the historical peanut producer, as determined by the Secretary.

(3) SELECTION BY PRODUCER.—If a county in which a historical peanut producer described in paragraph (2) is located is declared a disaster area during 1 or more of the 4 crop years described in paragraph (2), for the purposes of determining the 4-year average acreage for the historical peanut producer, the historical peanut producer may elect to substitute, for not more than 1 of the crop years during which a disaster is declared—

(A) the State average of acreage actually planted to peanuts; or

(B) the average of acreage for the historical peanut producer determined by the Secretary under paragraph (2).

(4) TIME FOR DETERMINATIONS; FACTORS.—

(A) TIMING.—The Secretary shall make the determinations required by this subsection not later than 90 days after the date of enactment of this section.

(B) FACTORS.—In making the determinations, the Secretary shall take into account changes in the number and identity of historical peanut producers sharing in the risk of producing a peanut crop since the 1998 crop year, including providing a method for the assignment of average acres and average yield to a farm when a historical peanut producer is no longer living or an entity composed of historical peanut producers has been dissolved.

(b) ASSIGNMENT OF YIELD AND ACRES TO FARMS.—

(1) ASSIGNMENT BY HISTORICAL PEANUT PRODUCERS.—For each of the 2002 and 2003 crop years, the Secretary shall provide each historical peanut producer with an opportunity to assign the average peanut yield and average acreage determined under subsection (a) for the historical peanut producer to cropland on a farm.

(2) PAYMENT YIELD.—The average of all of the yields assigned by historical peanut producers to a farm shall be considered to be the payment yield for the farm for the purpose of making direct payments and counter-cyclical payments under this chapter.

(3) PEANUT ACRES.—Subject to subsection (e), the total number of acres assigned by historical peanut producers to a farm shall be considered to be the peanut acres for the farm for the purpose of making direct payments and counter-cyclical payments under this chapter.

(c) ELECTION.—Not later than 180 days after the date of enactment of this section for the 2002 crop, and not later than 180 days after January 1, 2003, for the 2003 crop, a historical peanut producer shall notify the Secretary of the assignments described in subsection (b).

(d) PAYMENT ACRES.—The payment acres for peanuts on a farm shall be equal to 85 percent of the peanut acres assigned to the farm.

(e) PREVENTION OF EXCESS PEANUT ACRES.—

(1) REQUIRED REDUCTION.—If the total of the peanut acres for a farm, together with the acreage described in paragraph (3), exceeds the actual cropland acreage of the farm, the Secretary shall reduce the quantity of peanut acres for the farm or contract acreage for 1 or more covered commodities for the farm as necessary so that the total of the peanut acres and acreage described in paragraph (3) does not exceed the actual cropland acreage of the farm.

(2) SELECTION OF ACRES.—The Secretary shall give the peanut producers on the farm the opportunity to select the peanut acres or contract acreage against which the reduction will be made.

(3) OTHER ACREAGE.—For the purposes of paragraph (1), the Secretary shall include—

(A) any contract acreage for the farm under subtitle B;

(B) any acreage on the farm enrolled in the conservation reserve program or wetlands reserve program under chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.); and

(C) any other acreage on the farm enrolled in a conservation program for which payments are made in exchange for not producing an agricultural commodity on the acreage.

(3) DOUBLE-CROPPED ACREAGE.—In applying paragraph (1), the Secretary shall take into account additional acreage as a result of an established double-cropping history on a farm, as determined by the Secretary.

**SEC. 163. DIRECT PAYMENTS FOR PEANUTS.**

(a) IN GENERAL.—For each of the 2002 through 2006 fiscal years, the Secretary shall make direct payments to peanut producers on a farm with peanut acres under section 158B and a payment yield for peanuts under section 164.

(b) PAYMENT RATE.—The payment rate used to make direct payments with respect to peanuts for a fiscal year shall be equal to $0.018 per pound.

(c) PAYMENT AMOUNT.—The amount of the direct payment to be paid to the peanut producers on a farm for peanuts for a fiscal year shall be equal to the product obtained by multiplying—

(1) the payment rate specified in subsection (b);

(2) the payment acres on the farm; by

(3) the payment yield for the farm.

(d) TIME FOR PAYMENT.—

(1) IN GENERAL.—The Secretary shall make direct payments—

(A) in the case of the 2002 fiscal year, during the period beginning December 1, 2001, and ending September 30, 2002; and

(B) in the case of each of the 2003 through 2006 fiscal years, not later than September 30 of the fiscal year.

(2) ADVANCE PAYMENTS.—

(A) IN GENERAL.—At the option of the peanut producers on a farm, the Secretary shall pay 50 percent of the direct payment for a fiscal year for the producers on the farm on a date selected by the peanut producers on the farm.

(B) SELECTED DATE.—The selected date for a fiscal year shall be on or after December 1 of the fiscal year.

(C) SUBSEQUENT FISCAL YEARS.—The peanut producers on a farm may change the selected date for a subsequent fiscal year by providing advance notice to the Secretary.

(3) REPAYMENT OF ADVANCE PAYMENTS.—If any peanut producer on a farm that receives an advance direct payment for a fiscal year ceases to be eligible for a direct payment before the date the direct payment would have been made by the Secretary under paragraph (1), the peanut producer shall be responsible for repaying the Secretary the full amount of the advance payment.

**SEC. 164. COUNTER-CYCLICAL PAYMENTS FOR PEANUTS.**

(a) IN GENERAL.—For each of the 2002 through 2006 crops of peanuts, the Secretary shall make counter-cyclical payments with respect to peanuts if the Secretary determines that the effective price for peanuts is less than the income protection price for peanuts.

(b) EFFECTIVE PRICE.—For the purposes of subsection (a), the effective price for peanuts is equal to the total of—

(1) the greater of—

(A) the national average market price received by peanut producers during the marketing season for peanuts, as determined by the Secretary; or

(B) the national average loan rate for a marketing assistance loan for peanuts under section 167 in effect for the marketing season for peanuts under this chapter; and

(2) the payment rate in effect for peanuts under section 165 for the purpose of making direct payments with respect to peanuts.

(c) INCOME PROTECTION PRICE.—For the purposes of subsection (a), the income protection price for peanuts shall be equal to $550 per ton.

(d) PAYMENT AMOUNT.—The amount of the counter-cyclical payment to be paid to the peanut producers on a farm for a crop year shall be equal to the product obtained by multiplying—

(1) the payment rate specified in subsection (e);

(2) the payment acres on the farm; by

(3) the payment yield for the farm.

(e) PAYMENT RATE.—The payment rate used to make counter-cyclical payments with respect to peanuts for a crop year shall be equal to the difference between—

(1) the income protection price for peanuts; and

(2) the effective price determined under subsection (b) for peanuts.

(f) TIME FOR PAYMENTS.—

(1) IN GENERAL.—The Secretary shall make counter-cyclical payments to peanut producers on a farm under this section for a crop of peanuts as soon as practicable after determining under subsection (a) that the payments are required for the crop year.

(2) PARTIAL PAYMENT.—

(A) IN GENERAL.—At the option of the Secretary, the peanut producers on a farm may elect to receive up to 40 percent of the projected counter-cyclical payment to be made under this section for a crop of peanuts on completion of the first 2 months of the marketing season for the crop, as determined by the Secretary.

(B) REPAYMENT.—The peanut producers on a farm shall repay to the Secretary the amount, if any, by which the payment received by producers on the farm (including any partial payments) exceeds the counter-cyclical payment the producers on the farm are eligible for under this section.

**SEC. 165. PRODUCER AGREEMENTS.**

(a) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

(1) REQUIREMENTS.—Before the peanut producers on a farm may receive direct payments or counter-cyclical payments with respect to the farm, the peanut producers on the farm shall agree during the fiscal year or crop year, respectively, for which the payments are received, in exchange for the payments—

(A) to comply with applicable highly erodible land conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.);

(B) to comply with applicable wetland conservation requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.);

(C) to comply with the planting flexibility requirements of section 166; and

(D) to use a quantity of the land on the farm equal to the peanut acres, for an agricultural or conserving use, and not for a nonagricultural commercial or industrial use, as determined by the Secretary.

(2) COMPLIANCE.—The Secretary may promulgate such regulations as the Secretary considers necessary to ensure peanut producer compliance with paragraph (1).

(b) FORECLOSURE.—

(1) IN GENERAL.—The Secretary shall not require the peanut producers on a farm to repay a direct payment or counter-cyclical payment if a foreclosure has occurred with respect to the farm and the Secretary determines that forgiving the repayment is appropriate to provide fair and equitable treatment.

(2) COMPLIANCE WITH REQUIREMENTS.—

(A) IN GENERAL.—This subsection shall not void the responsibilities of the peanut producers on a farm under subsection (a) if the peanut producers on the farm continue or resume operation, or control, of the farm.

(B) APPLICABLE REQUIREMENTS.—On the resumption of operation or control over the farm by the peanut producers on the farm, the requirements of subsection (a) in effect on the date of the foreclosure shall apply.

(c) TRANSFER OR CHANGE OF INTEREST IN FARM.—

(1) TERMINATION.—Except as provided in paragraph (5), a transfer of (or change in) the interest of the peanut producers on a farm in peanut acres for which direct payments or counter-cyclical payments are made shall result in the termination of the payments with respect to the peanut acres, unless the transferee or owner of the acreage agrees to assume all obligations under subsection (a).

(2) EFFECTIVE DATE.—The termination takes effect on the date of the transfer or change.

(3) TRANSFER OF PAYMENT BASE AND YIELD.—The Secretary shall not impose any restriction on the transfer of the peanut acres or payment yield of a farm as part of a transfer or change described in paragraph (1).

(4) MODIFICATION.—At the request of the transferee or owner, the Secretary may modify the requirements of subsection (a) if the modifications are consistent with the purposes of subsection (a), as determined by the Secretary.

(5) EXCEPTION.—If a peanut producer entitled to a direct payment or counter-cyclical payment dies, becomes incompetent, or is otherwise unable to receive the payment, the Secretary shall make the payment, in accordance with regulations promulgated by the Secretary.

(d) ACREAGE REPORTS.—As a condition on the receipt of any benefits under this chapter, the Secretary shall require the peanut producers on a farm to submit to the Secretary acreage reports for the farm.

(e) TENANTS AND SHARECROPPERS.—In carrying out this chapter, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

(f) SHARING OF PAYMENTS.—The Secretary shall provide for the sharing of direct payments and counter-cyclical payments among the peanut producers on a farm on a fair and equitable basis.

**SEC. 166. PLANTING FLEXIBILITY.**

(a) PERMITTED CROPS.—Subject to subsection (b), any commodity or crop may be planted on peanut acres on a farm.

(b) LIMITATIONS AND EXCEPTIONS REGARDING CERTAIN COMMODITIES.—

(1) LIMITATIONS.—The planting of the following agricultural commodities shall be prohibited on peanut acres:

(A) Fruits.

(B) Vegetables (other than lentils, mung beans, and dry peas).

(C) In the case of the 2003 and subsequent crops of an agricultural commodity, wild rice.

(2) EXCEPTIONS.—Paragraph (1) shall not limit the planting of an agricultural commodity specified in paragraph (1)—

(A) in any region in which there is a history of double-cropping of peanuts with agricultural commodities specified in paragraph (1), as determined by the Secretary, in which case the double-cropping shall be permitted;

(B) on a farm that the Secretary determines has a history of planting agricultural commodities specified in paragraph (1) on peanut acres, except that direct payments and counter-cyclical payments shall be reduced by an acre for each acre planted to the agricultural commodity; or

(C) by the peanut producers on a farm that the Secretary determines has an established planting history of a specific agricultural commodity specified in paragraph (1), except that—

(i) the quantity planted may not exceed the average annual planting history of the

agricultural commodity by the peanut producers on the farm during the 1996 through 2001 crop years (excluding any crop year in which no plantings were made), as determined by the Secretary; and

(ii) direct payments and counter-cyclical payments shall be reduced by an acre for each acre planted to the agricultural commodity.

**SEC. 167. MARKETING ASSISTANCE LOANS AND LOAN DEFICIENCY PAYMENTS FOR PEANUTS.**

(a) NONRECOURSE LOANS AVAILABLE.—

(1) AVAILABILITY.—For each of the 2002 through 2006 crops of peanuts, the Secretary shall make available to peanut producers on a farm nonrecourse marketing assistance loans for peanuts produced on the farm.

(2) TERMS AND CONDITIONS.—The loans shall be made under terms and conditions that are prescribed by the Secretary and at the loan rate established under subsection (b).

(3) ELIGIBLE PRODUCTION.—The producers on a farm shall be eligible for a marketing assistance loan under this section for any quantity of peanuts produced on the farm.

(4) TREATMENT OF CERTAIN COMMINGLED COMMODITIES.—In carrying out this section, the Secretary shall make loans to peanut producers on a farm that would be eligible to obtain a marketing assistance loan but for the fact the peanuts owned by the peanut producers on the farm are commingled with other peanuts of other producers in facilities unlicensed for the storage of agricultural commodities by the Secretary or a State licensing authority, if the peanut producers on a farm obtaining the loan agree to immediately redeem the loan collateral in accordance with section 165.

(5) OPTIONS FOR OBTAINING LOAN.—A marketing assistance loan under this subsection, and loan deficiency payments under subsection (e), may be obtained at the option of the peanut producers on a farm through—

(A) a designated marketing association of peanut producers that is approved by the Secretary, which may own or construct necessary storage facilities;

(B) the Farm Service Agency; or

(C) a loan servicing agent approved by the Secretary.

(b) LOAN RATE.—The loan rate for a marketing assistance loan for peanuts under subsection (a) shall be equal to $400 per ton.

(c) TERM OF LOAN.—

(1) IN GENERAL.—A marketing assistance loan for peanuts under subsection (a) shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made.

(2) EXTENSIONS PROHIBITED.—The Secretary may not extend the term of a marketing assistance loan for peanuts under subsection (a).

(d) REPAYMENT RATE.—The Secretary shall permit peanut producers on a farm to repay a marketing assistance loan for peanuts under subsection (a) at a rate that is the lesser of—

(1) the loan rate established for peanuts under subsection (b), plus interest (as determined by the Secretary); or

(2) a rate that the Secretary determines will—

(A) minimize potential loan forfeitures;

(B) minimize the accumulation of stocks of peanuts by the Federal Government;

(C) minimize the cost incurred by the Federal Government in storing peanuts; and

(D) allow peanuts produced in the United States to be marketed freely and competitively, both domestically and internationally.

(e) LOAN DEFICIENCY PAYMENTS.—

(1) AVAILABILITY.—The Secretary may make loan deficiency payments available to the peanut producers on a farm that, although eligible to obtain a marketing assistance loan for peanuts under subsection (a), agree to forgo obtaining the loan for the peanuts in return for payments under this subsection.

(2) AMOUNT.—A loan deficiency payment under this subsection shall be obtained by multiplying—

(A) the loan payment rate determined under paragraph (3) for peanuts; by

(B) the quantity of the peanuts produced by the peanut producers on the farm, excluding any quantity for which the producers on the farm obtain a loan under subsection (a).

(3) LOAN PAYMENT RATE.—For the purposes of this subsection, the loan payment rate shall be the amount by which—

(A) the loan rate established under subsection (b); exceeds

(B) the rate at which a loan may be repaid under subsection (d).

(4) TIME FOR PAYMENT.—The Secretary shall make a payment under this subsection to the peanut producers on a farm with respect to a quantity of peanuts as of the earlier of—

(A) the date on which the peanut producers on the farm marketed or otherwise lost beneficial interest in the peanuts, as determined by the Secretary; or

(B) the date the peanut producers on the farm request the payment.

(f) COMPLIANCE WITH CONSERVATION REQUIREMENTS.—As a condition of the receipt of a marketing assistance loan under subsection (a), the peanut producers on a farm shall comply during the term of the loan with—

(1) applicable highly erodible land conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.); and

(2) applicable wetland conservation requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.).

(g) REIMBURSABLE AGREEMENTS AND PAYMENT OF EXPENSES.—To the maximum extent practicable, the Secretary shall implement any reimbursable agreements or provide for the payment of expenses under this chapter in a manner that is consistent with the implementation of the agreements or payment of the expenses for other commodities.

**SEC. 168. QUALITY IMPROVEMENT.**

(a) OFFICIAL INSPECTION.—All peanuts placed under a marketing assistance loan under section 167 or otherwise sold or marketed shall be officially inspected and graded by a Federal or State inspector.

(b) EFFECTIVE DATE.—This section shall take effect with the 2002 crop of peanuts.

**SEC. 169. PAYMENT LIMITATIONS.**

For purposes of sections 1001 through 1001C of the Food Security Act of 1985 (7 U.S.C. 1308 through 1308–3), separate payment limitations shall apply to peanuts with respect to—

(1) fixed, decoupled payments;

(2) counter-cyclical payments, and

(3) limitations on marketing loan gains and loan deficiency payments.

**SEC. 170. TERMINATION OF MARKETING QUOTA PROGRAMS FOR PEANUTS AND COMPENSATION TO PEANUT QUOTA HOLDERS FOR LOSS OF QUOTA ASSET VALUE.**

(a) REPEAL OF MARKETING QUOTA.—

(1) REPEAL.—Part VI of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1357–1359a), relating to peanuts, is repealed.

(2) TREATMENT OF 2001 CROP.—Part VI of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1357–1359a), as in effect on the day before the date of the enactment of this Act, shall continue to apply with respect to the 2001 crop of peanuts notwithstanding the amendment made by paragraph (1).

(b) COMPENSATION CONTRACT REQUIRED.—The Secretary shall offer to enter into a contract with eligible peanut quota holders for the purpose of providing compensation for the lost value of the quota on account of the repeal of the marketing quota program for peanuts under subsection (a). Under the contracts, the Secretary shall make payments to eligible peanut quota holders during fiscal years 2002 through 2006.

(c) TIME FOR PAYMENT.—The payments required under the contracts shall be provided in five equal installments not later than September 30 of each of fiscal years 2002 through 2006.

(d) PAYMENT AMOUNT.—The amount of the payment for a fiscal year to a peanut quota holder under a contract shall be equal to the product obtained by multiplying—

(1) $0.10 per pound; by

(2) the actual farm poundage quota (excluding seed and experimental peanuts) established for the peanut quota holder's farm under section 358–1(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358–1(b)) for the 2001 marketing year.

(e) ASSIGNMENT OF PAYMENTS.—The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)), relating to assignment of payments, shall apply to the payments made to peanut quota holders under the contracts. The peanut quota holder making the assignment, or the assignee, shall provide the Secretary with notice, in such manner as the Secretary may require, of any assignment made under this subsection.

(f) PEANUT QUOTA HOLDER DEFINED.—In this section, the term ''peanut quota holder'' means a person or enterprise that owns a farm that—

(1) was eligible, immediately before the date of the enactment of this Act, to have a peanut quota established upon it;

(2) if there are not quotas currently established, would be eligible to have a quota established upon it for the succeeding crop year, in the absence of the amendment made by subsection (a); or

(3) is otherwise a farm that was eligible for such a quota at the time the general quota establishment authority was repealed.

The Secretary shall apply this definition without regard to temporary leases or transfers or quotas for seed or experimental purposes.

**Subtitle D—Administration**

**SEC. 181. ADMINISTRATION GENERALLY.**

(a) USE OF COMMODITY CREDIT CORPORATION.—The Secretary shall carry out this title through the Commodity Credit Corporation.

(b) DETERMINATIONS BY SECRETARY.—A determination made by the Secretary under this title shall be final and conclusive.

(c) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall issue such regulations as are necessary to implement this title. The issuance of the regulations shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804) relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly know as the ''Paperwork Reduction Act'').

(d) PROTECTION OF PRODUCERS.—The protection afforded producers that elect the option to accelerate the receipt of any payment under a production flexibility contract

payable under the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7212 note) shall also apply to the advance payment of fixed, decoupled payments and counter-cyclical payments.

(e) ADJUSTMENT AUTHORITY RELATED TO URUGUAY ROUND COMPLIANCE.—If the Secretary determines that expenditures under subtitles A, B, and C that are subject to the total allowable domestic support levels under the Uruguay Round Agreements (as defined in section 2(7) of the Uruguay Round Agreements Act (19 U.S.C. 3501(7))), as in effect on the date of the enactment of this Act, will exceed such allowable levels for any applicable reporting period, the Secretary may make adjustments in the amount of such expenditures during that period to ensure that such expenditures do not exceed, but in no case are less than, such allowable levels.

**SEC. 182. EXTENSION OF SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITY.**

(a) AGRICULTURAL ADJUSTMENT ACT OF 1938.—Section 171(a)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7301(a)(1)) is amended by striking ''2002'' both places it appears and inserting ''2011''.

(b) AGRICULTURAL ACT OF 1949.—Section 171(b)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7301(b)(1)) is amended by striking ''2002'' both places it appears and inserting ''2011''.

(c) SUSPENSION OF CERTAIN QUOTA PROVISIONS.—Section 171(c) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7301(c)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 183. LIMITATIONS.**

(a) LIMITATION ON AMOUNTS RECEIVED.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended—

(1) in paragraph (1)—

(A) by striking ''PAYMENTS UNDER PRODUCTION FLEXIBILITY CONTRACTS'' and inserting ''FIXED, DECOUPLED PAYMENTS'';

(B) by striking ''contract payments made under the Agricultural Market Transition Act to a person under 1 or more production flexibility contracts'' and inserting ''fixed, decoupled payments made to a person''; and

(C) by striking ''4'' and inserting ''5'';

(2) in paragraphs (2) and (3)—

(A) by striking ''payments specified'' and all that follows through ''and oilseeds'' and inserting ''following payments that a person shall be entitled to receive'';

(B) by striking ''75'' and inserting ''150'';

(C) by striking the period at the end of paragraph (2) and all that follows through ''the following'' in paragraph (3);

(D) by striking ''section 131'' and all that follows through ''section 132'' and inserting ''section 121 of the Farm Security Act of 2001 for a crop of any covered commodity at a lower level than the original loan rate established for the commodity under section 122''; and

(E) by striking ''section 135'' and inserting ''section 125''; and

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

''(3) LIMITATION ON COUNTER-CYCLICAL PAYMENTS.—The total amount of counter-cyclical payments that a person may receive during any crop year shall not exceed the amount specified in paragraph (2), as in effect on the day before the date of the enactment of the Farm Security Act of 2001.''.

(b) DEFINITIONS.—Paragraph (4) of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended to read as follows:

''(4) DEFINITIONS.—In this title, the terms 'covered commodity', 'counter-cyclical payment', and 'fixed, decoupled payment' have the meaning given those terms in section 100 of the Farm Security Act of 2001.''.

(c) TRANSITION.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308), as in effect on the day before the date of the enactment of this Act, shall continue to apply with respect to fiscal year 2001 and the 2001 crop of any covered commodity.

**SEC. 184. ADJUSTMENTS OF LOANS.**

Section 162(b) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7282(b)) is amended by striking ''this title'' and inserting ''this title and title I of the Farm Security Act of 2001''.

**SEC. 185. PERSONAL LIABILITY OF PRODUCERS FOR DEFICIENCIES.**

Section 164 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7284) is amended by striking ''this title'' each places it appears and inserting ''this title and title I of the Farm Security Act of 2001''.

**SEC. 186. EXTENSION OF EXISTING ADMINISTRATIVE AUTHORITY REGARDING LOANS.**

Section 166 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7286) is amended—

(1) in subsection (a)—

(A) by striking ''IN GENERAL.—'' and inserting ''SPECIFIC PAYMENTS.—''; and

(B) by striking ''subtitle C'' and inserting ''subtitle C of this title and title I of the Farm Security Act of 2001''; and

(2) in subsection (c)(1)—

(A) by striking ''producer'' the first two places it appears and inserting ''person''; and

(B) by striking ''to producers under subtitle C'' and inserting ''by the Commodity Credit Corporation''.

**SEC. 187. ASSIGNMENT OF PAYMENTS.**

The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)), relating to assignment of payments, shall apply to payments made under the authority of this Act. The producer making the assignment, or the assignee, shall provide the Secretary with notice, in such manner as the Secretary may require, of any assignment made under this section.

**SEC. 188. REPORT ON EFFECT OF CERTAIN FARM PROGRAM PAYMENTS ON ECONOMIC VIABILITY OF PRODUCERS AND FARMING INFRASTRUCTURE.**

(a) REVIEW REQUIRED.—The Secretary of Agriculture shall conduct a review of the effects that payments under production flexibility contracts and market loss assistance payments have had, and that fixed, decoupled payments and counter-cyclical payments are likely to have, on the economic viability of producers and the farming infrastructure, particularly in areas where climate, soil types, and other agronomic conditions severely limit the covered crops that producers can choose to successfully and profitably produce.

(b) CASE STUDY RELATED TO RICE PRODUCTION.—The review shall include a case study of the effects that the payments described in subsection (a), and the forecast effects of increasing these or other decoupled payments, are likely to have on rice producers (including tenant rice producers), the rice milling industry, and the economies of rice farming areas in Texas, where harvested rice acreage has fallen from 320,000 acres in 1995 to only 211,000 acres in 2001.

(c) REPORT AND RECOMMENDATIONS.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the information collected for the review and the case study and any findings made on the basis of such information. The report shall include recommendations for minimizing the adverse effects on producers, with a special focus on producers who are tenants, on the agricultural economies in farming areas generally, on those particular areas described in subsection (a), and on the area that is the subject of the case study in subsection (b).

## TITLE II—CONSERVATION

### Subtitle A—Environmental Conservation Acreage Reserve Program

**SEC. 201. GENERAL PROVISIONS.**

Title XII of the Food Security Act of 1985 is amended—

(1) in section 1230(a), by striking ''1996 through 2002'' and inserting ''2002 through 2011'';

(2) by striking subsection (c) of section 1230; and

(3) in section 1230A (16 U.S.C. 3830a), by striking ''chapter'' each place it appears and inserting ''title''.

### Subtitle B—Conservation Reserve Program

**SEC. 211. REAUTHORIZATION.**

(a) IN GENERAL.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended in each of subsections (a) and (d) by striking ''2002'' and inserting ''2011''.

(b) SCOPE OF PROGRAM.—Section 1231(a) of such Act (16 U.S.C. 3831(a)) is amended by striking ''and water'' and inserting '', water, and wildlife''.

**SEC. 212. ENROLLMENT.**

(a) CONSERVATION PRIORITY AREAS.—

(1) ELIGIBILITY.—Section 1231(b) of the Food Security Act of 1985 (16 U.S.C. 3831(b)) is amended—

(A) by striking paragraph (1) and inserting the following:

''(1) highly erodible cropland that—

''(A)(i) if permitted to remain untreated could substantially reduce the production capability for future generations; or

''(ii) cannot be farmed in accordance with a conservation plan that complies with the requirements of subtitle B; and

''(B) the Secretary determines had a cropping history or was considered to be planted for 3 of the 6 years preceding the date of enactment of the Agriculture, Conservation, and Rural Enhancement Act of 2001 (except for land enrolled in the conservation reserve program as of that date);''; and

(B) by adding at the end the following:

''(5) the portion of land in a field not enrolled in the conservation reserve in a case in which more than 50 percent of the land in the field is enrolled as a buffer under a program described in section 1234(i)(1), if the land is enrolled as part of the buffer; and

''(6) land (including land that is not cropland) enrolled through continuous signup—

''(A) to establish conservation buffers as part of the program described in a notice issued on March 24, 1998 (63 Fed. Reg. 14109) or a successor program; or

''(B) into the conservation reserve enhancement program described in a notice issued on May 27, 1998 (63 Fed. Reg. 28965) or a successor program.''.

(2) CRP PRIORITY AREAS.—Section 1231(f) of the Food Security Act of 1985 (16 U.S.C. 3831(f)) is amended by adding at the end the following:

''(5) PRIORITY.—In designating conservation priority areas under paragraph (1), the Secretary shall give priority to areas in which designated land would facilitate the most rapid completion of projects that—

''(A) are ongoing as of the date of the application; and

''(B) meet the purposes of the program established under this subchapter.''.

(b) ELIGIBILITY ON CONTRACT EXPIRATION.—Section 1231(f) of such Act (16 U.S.C. 3831(f)) is amended to read as follows:

''(f) ELIGIBILITY ON CONTRACT EXPIRATION.—On the expiration of a contract entered into under this subchapter, the land

subject to the contract shall be eligible to be considered for re-enrollment in the conservation reserve.''.

(c) BALANCE OF NATURAL RESOURCE PURPOSES.—

(1) IN GENERAL.—Section 1231 of such Act (16 U.S.C. 3831) is amended by adding at the end the following:

''(i) BALANCE OF NATURAL RESOURCE PURPOSES.—In determining the acceptability of contract offers under this subchapter, the Secretary shall ensure an equitable balance among the conservation purposes of soil erosion, water quality and wildlife habitat.''.

(2) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall issue final regulations implementing section 1231(i) of the Food Security Act of 1985, as added by paragraph (1) of this subsection.

**SEC. 213. DUTIES OF OWNERS AND OPERATORS.**

Section 1232 of the Food Security Act of 1985 (16 U.S.C. 3832) is amended—

(1) in subsection (a)—

(A) in paragraph (3), by inserting ''as described in section 1232(a)(7) or for other purposes'' before ''as permitted'';

(B) in paragraph (4), by inserting ''where practicable, or maintain existing cover'' before ''on such land''; and

(C) in paragraph (7), by striking ''Secretary—'' and all that follows and inserting ''Secretary may permit, consistent with the conservation of soil, water quality, and wildlife habitat—

''(A) managed grazing and limited haying, in which case the Secretary shall reduce the conservation reserve payment otherwise payable under the contract by an amount commensurate with the economic value of the activity;

''(B) wind turbines for the provision of wind energy, whether or not commercial in nature; and

''(C) land subject to the contract to be harvested for recovery of biomass used in energy production, in which case the Secretary shall reduce the conservation reserve payment otherwise payable under the contract by an amount commensurate with the economic value of such activity;''; and

(2) by striking subsections (c) and (d) and redesignating subsection (e) as subsection (c).

**SEC. 214. REFERENCE TO CONSERVATION RESERVE PAYMENTS.**

Subchapter B of chapter 1 of subtitle D of title XII of such Act (16 U.S.C. 3831–3836) is amended—

(1) by striking ''rental payment'' each place it appears and inserting ''conservation reserve payment'';

(2) by striking ''rental payments'' each place it appears and inserting ''conservation reserve payments''; and

(3) in the paragraph heading for section 1235(e)(4), by striking ''RENTAL PAYMENT'' and inserting ''CONSERVATION RESERVE PAYMENT''.

**SEC. 215. EXPANSION OF PILOT PROGRAM TO ALL STATES.**

Section 1231(h) of the Food Security Act of 1985 (16 U.S.C. 3831(h)) is amended—

(1) in paragraph (1), by striking ''and 2002'' and all that follows through ''South Dakota'' and inserting ''through 2011 calendar years, the Secretary shall carry out a program in each State'';

(2) in paragraph (3)(C), by striking ''—'' and all that follows and inserting ''not more than 150,000 acres in any 1 State.''; and

(3) by striking paragraph (2) and redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively.

## Subtitle C—Wetlands Reserve Program

**SEC. 221. ENROLLMENT.**

(a) MAXIMUM.—Section 1237(b) of the Food Security Act of 1985 (16 U.S.C. 3837(b)) is amended by striking paragraph (1) and inserting the following:

''(1) ANNUAL ENROLLMENT.—In addition to any acres enrolled in the wetlands reserve program as of the end of a calendar year, the Secretary may in the succeeding calendar year enroll in the program a number of additional acres equal to—

''(A) if the succeeding calendar year is calendar year 2002, 150,000; or

''(B) if the succeeding calendar year is a calendar year after calendar year 2002—

''(i) 150,000; plus

''(ii) the amount (if any) by which 150,000, multiplied by the number of calendar years in the period that begins with calendar year 2002 and ends with the calendar year preceding such succeeding calendar year, exceeds the total number of acres added to the reserve during the period.''.

(b) METHODS.—Section 1237 of such Act (16 U.S.C. 3837(b)(2)) is amended—

(1) in subsection (b), by striking paragraph (2) and inserting the following:

''(2) METHODS OF ENROLLMENT.—The Secretary shall enroll acreage into the wetlands reserve program through the use of easements, restoration cost share agreements, or both.''; and

(2) by striking subsection (g).

(c) EXTENSION.—Section 1237(c) of such Act (16 U.S.C. 3837(c)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 222. EASEMENTS AND AGREEMENTS.**

Section 1237A of the Food Security Act of 1985 (16 U.S.C. 3837a) is amended—

(1) in subsection (b), by striking paragraph (2) and inserting the following:

''(2) prohibits the alteration of wildlife habitat and other natural features of such land, unless specifically permitted by the plan;'';

(2) in subsection (e), by striking paragraph (2) and inserting the following:

''(2) shall be consistent with applicable State law.'';

(3) by striking subsection (h).

**SEC. 223. DUTIES OF THE SECRETARY.**

Section 1237C of the Food Security Act of 1985 (16 U.S.C. 3837c) is amended by striking subsection (d).

**SEC. 224. CHANGES IN OWNERSHIP; AGREEMENT MODIFICATION; TERMINATION.**

Section 1237E(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3837e(a)(2)) is amended to read as follows:

''(2) the ownership change occurred due to foreclosure on the land and the owner of the land immediately before the foreclosure exercises a right of redemption from the mortgage holder in accordance with State law; or''.

## Subtitle D—Environmental Quality Incentives Program

**SEC. 231. PURPOSES.**

Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa) is amended—

(1) by striking ''to—'' and all that follows through ''provides—'' and inserting ''to provide—'';

(2) by striking ''that face the most serious threats to'' and inserting ''to address environmental needs and provide benefits to air,'';

(3) by redesignating the subparagraphs (A) through (D) that follow the matter amended by paragraph (2) of this section as paragraphs (1) through (4), respectively;

(4) by moving each of such redesignated provisions 2 ems to the left; and

(5) by striking ''farmers and ranchers'' each place it appears and inserting ''producers''.

**SEC. 232. DEFINITIONS.**

Section 1240A of the Food Security Act of 1985 (16 U.S.C. 3839aa–1) is amended—

(1) in paragraph (1)—

(A) by inserting ''non-industrial private forest land,'' before ''and other land''; and

(B) by striking ''poses a serious threat'' and all that follows and inserting ''provides increased environmental benefits to air, soil, water, or related resources.''; and

(2) in paragraph (4), by inserting '', including non-industrial private forestry'' before the period.

**SEC. 233. ESTABLISHMENT AND ADMINISTRATION.**

(a) REAUTHORIZATION.—Section 1240B(a)(1) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(a)(1)) is amended by striking ''2002'' and inserting ''2011''.

(b) TERM OF CONTRACTS.—Section 1240B(b)(2) of such Act (16 U.S.C. 3839aa–2(b)(2)) is amended by striking ''not less than 5, nor more than 10, years'' and inserting ''not less than 1 year, nor more than 10 years''.

(c) STRUCTURAL PRACTICES.—Section 1240B(c)(1)(B) of such Act (16 U.S.C. 3839aa–2(c)(1)(B)) is amended to read as follows:

''(B) achieving the purposes established under this subtitle.''.

(d) ELIMINATION OF CERTAIN LIMITATIONS ON ELIGIBILITY FOR COST-SHARE PAYMENTS.—Section 1240B(e)(1) of such Act (16 U.S.C. 3839aa–2(e)(1)) is amended—

(1) by striking subparagraph (B) and redesignating subparagraph (C) as subparagraph (B); and

(2) in subparagraph (B) (as so redesignated), by striking ''or 3''.

(e) INCENTIVE PAYMENTS.—Section 1240B of such Act (16 U.S.C. 3839aa-2) is amended—

(1) in subsection (e)—

(A) in the subsection heading, by striking '', INCENTIVE PAYMENTS,''; and

(B) by striking paragraph (2); and

(2) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively, and inserting after subsection (e) the following:

''(f) CONSERVATION INCENTIVE PAYMENTS.—

''(1) IN GENERAL.—The Secretary may make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform multiple land management practices and to promote the enhancement of soil, water, wildlife habitat, air, and related resources.

''(2) SPECIAL RULE.—In determining the amount and rate of incentive payments, the Secretary may accord great weight to those practices that include residue, nutrient, pest, invasive species, and air quality management.''.

**SEC. 234. EVALUATION OF OFFERS AND PAYMENTS.**

Section 1240C of the Food Security Act of 1985 (16 U.S.C. 3839aa–3) is amended by striking paragraphs (1) through (3) and inserting the following:

''(1) aid producers in complying with this title and Federal and State environmental laws, and encourage environmental enhancement and conservation;

''(2) maximize the beneficial usage of animal manure and other similar soil amendments which improve soil health, tilth, and water-holding capacity; and

''(3) encourage the utilization of sustainable grazing systems, such as year-round, rotational, or managed grazing.''.

**SEC. 235. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.**

Section 1240E(a) of the Food Security Act of 1985 (16 U.S.C. 3839aa–5(a)) is amended by striking ''that incorporates such conservation practices'' and all that follows and inserting ''that provides or will continue to provide increased environmental benefits to air, soil, water, or related resources.''.

**SEC. 236. DUTIES OF THE SECRETARY.**

Section 1240F(3) of the Food Security Act of 1985 (16 U.S.C. 3839aa–6(3)) is amended to read as follows:

''(3) providing technical assistance or cost-share payments for developing and implementing 1 or more structural practices or 1 or more land management practices, as appropriate;''.

**SEC. 237. LIMITATION ON PAYMENTS.**

Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa–7) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''$10,000'' and inserting ''$50,000''; and

(B) in paragraph (2), by striking ''$50,000'' and inserting ''$200,000'';

(2) in subsection (b)(2), by striking ''the maximization of environmental benefits per dollar expended and''; and

(3) by striking subsection (c).

**SEC. 238. GROUND AND SURFACE WATER CONSERVATION.**

Section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa–8) is amended to read as follows:

**''SEC. 1240H. GROUND AND SURFACE WATER CONSERVATION.**

''(a) SUPPORT FOR CONSERVATION MEASURES.—The Secretary shall provide cost-share payments and low-interest loans to encourage ground and surface water conservation, including irrigation system improvement, and provide incentive payments for capping wells, reducing use of water for irrigation, and switching from irrigation to dryland farming.

''(b) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available the following amounts to carry out this section:

''(1) $30,000,000 for fiscal year 2002.

''(2) $45,000,000 for fiscal year 2003.

''(3) $60,000,000 for each of fiscal years 2004 through 2011.''.

**Subtitle E—Funding and Administration**

**SEC. 241. REAUTHORIZATION.**

Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 242. FUNDING.**

Section 1241(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3841(b)(1)) is amended—

(1) by striking ''$130,000,000'' and all that follows through ''2002, for'' and inserting ''the following amounts for purposes of'';

(2) by striking ''subtitle D.'' and inserting ''subtitle D:''; and

(3) by adding at the end the following:

''(A) $200,000,000 for fiscal year 2001.

''(B) $1,025,000,000 for each of fiscal years 2002 and 2003.

''(C) $1,200,000,000 for each of fiscal years 2004, 2005, and 2006.

''(D) $1,400,000,000 for each of fiscal years 2007, 2008, and 2009.

''(E) $1,500,000,000 for each of fiscal years 2010 and 2011.''.

**SEC. 243. ALLOCATION FOR LIVESTOCK PRODUCTION.**

Section 1241(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3841(b)(2)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 244. ADMINISTRATION AND TECHNICAL ASSISTANCE.**

(a) BROADENING OF EXCEPTION TO ACREAGE LIMITATION.—Section 1243(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3843(b)(2)) is amended by striking ''that—'' and all that follows and inserting ''that the action would not adversely affect the local economy of the county.''.

(b) RULES GOVERNING PROVISION OF TECHNICAL ASSISTANCE.—Section 1243(d) of such Act (16 U.S.C. 3843(d)) is amended to read as follows:

''(d) RULES GOVERNING PROVISION OF TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall provide technical assistance under this title to a producer eligible for such assistance, by providing the assistance directly or, at the option of the producer, through an approved third party if available.

''(2) REEVALUATION.—The Secretary shall reevaluate the provision of, and the amount of, technical assistance made available under subchapters B and C of chapter 1 and chapter 4 of subtitle D.

''(3) CERTIFICATION OF THIRD-PARTY PROVIDERS.—

''(A) IN GENERAL.—Not later than 6 months after the date of the enactment of this subsection, the Secretary of Agriculture shall, by regulation, establish a system for approving persons to provide technical assistance pursuant to chapter 4 of subtitle D. For purposes of this paragraph, a person shall be considered approved if they have a memorandum of understanding regarding the provision of technical assistance in place with the Secretary.

''(B) EXPERTISE REQUIRED.—In prescribing such regulations, the Secretary shall ensure that persons with expertise in the technical aspects of conservation planning, watershed planning, environmental engineering, including commercial entities, nonprofit entities, State or local governments or agencies, and other Federal agencies, are eligible to become approved providers of such technical assistance.''.

(c) DUTY OF SECRETARY.—

(1) IN GENERAL.—Section 1770(d) of such Act (7 U.S.C. 2276(d)) is amended—

(A) by striking ''or'' at the end of paragraph (9);

(B) by striking the period at the end of paragraph (11) and inserting ''; or''; and

(C) by adding at the end the following:

''(12) title XII of this Act.''.

(2) CONFORMING AMENDMENTS.—Section 1770(e) of such Act (7 U.S.C. 2276(e)) is amended—

(A) by striking the subsection heading and inserting ''EXCEPTIONS''; and

(B) by inserting '', or as necessary to carry out a program under title XII of this Act as determined by the Secretary'' before the period.

**Subtitle F—Other Programs**

**SEC. 251. PRIVATE GRAZING LAND CONSERVATION ASSISTANCE.**

Section 386(d)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 2005b(d)(1)) is amended—

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

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

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

''(I) encouraging the utilization of sustainable grazing systems, such as year-round, rotational, or managed grazing.''.

**SEC. 252. WILDLIFE HABITAT INCENTIVES PROGRAM.**

Subsection (c) of section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a) is amended to read as follows:

''(c) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make available $25,000,000 for each of fiscal years 2002 through 2011 to carry out this section.''.

**SEC. 253. FARMLAND PROTECTION PROGRAM.**

(a) REMOVAL OF ACREAGE LIMITATION; EXPANSION OF PURPOSES.—Subsection (a) of section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note) is amended—

(1) by striking ''not less than 170,000, nor more than 340,000 acres of''; and

(2) by inserting '', or agricultural land that contains historic or archaeological resources,'' after ''other productive soil''.

(b) FUNDING.—Subsection (c) of such section is amended to read as follows:

''(c) FUNDING.—The Secretary shall use not more than $50,000,000 of the funds of the Commodity Credit Corporation in each of fiscal years 2002 through 2011 to carry out this section.''.

(c) ELIGIBLE ENTITIES.—Such section is further amended—

(1) in subsection (a), by striking ''a State or local government'' and inserting ''an eligible entity''; and

(2) by adding at the end the following:

''(d) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means—

''(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

''(2) any organization that—

''(A) is organized for, and at all times since the formation of the organization has been operated principally for, one or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

''(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

''(C) is described in section 509(a)(2) of that Code; or

''(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.''.

**SEC. 254. RESOURCE CONSERVATION AND DEVELOPMENT PROGRAM.**

(a) PURPOSE.—Section 1528 of the Agriculture and Food Act of 1981 (16 U.S.C. 3451) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1528. It is the purpose'' and inserting the following:

**''SEC. 1528. STATEMENT OF PURPOSE.**

''It is the purpose''; and

(2) by inserting ''through designated RC&D councils'' before ''in rural areas''.

(b) DEFINITIONS.—Section 1529 of such Act (16 U.S.C. 3452) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1529. As used in this subtitle—'' and inserting the following:

**''SEC. 1529. DEFINITIONS.**

''In this title:'';

(2) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting ''RC&D council'' before ''area plan'';

(B) in subparagraph (B), by striking ''through control of nonpoint sources of pollution'';

(C) in subparagraph (C)—

(i) by striking ''natural resources based'' and inserting ''resource-based'';

(ii) by striking ''development of aquaculture,'';

(iii) by striking ''and satisfaction'' and inserting ''satisfaction''; and

(iv) by inserting '', food security, economic development, and education'' before the semicolon; and

(D) in subparagraph (D), by striking ''other'' the 1st place it appears and inserting ''land management'';

(3) in paragraph (3), by striking ''any State, local unit of government, or local nonprofit organization'' and inserting ''the designated RC&D council'';

(4) by striking paragraphs (4) through (6) and inserting the following:

''(4)(A) The term 'financial assistance' means the Secretary may—

''(i) provide funds directly to RC&D councils or associations of RC&D councils through grants, cooperative agreements, and interagency agreements that directly implement RC&D area plans; and

''(ii) may join with other federal agencies through interagency agreements and other arrangements as needed to carry out the program's purpose.

''(B) Funds may be used for such things as—

''(i) technical assistance;

''(ii) financial assistance in the form of grants for planning, analysis and feasibility studies, and business plans;

''(iii) training and education; and

''(iv) all costs associated with making such services available to RC&D councils or RC&D associations.

''(5) The term 'RC&D council' means the responsible leadership of the RC&D area. RC&D councils and associations are nonprofit entities whose members are volunteers and include local civic and elected officials. Affiliations of RC&D councils are formed in states and regions.'';

(5) in paragraph (8), by inserting ''and federally recognized Indian tribes'' before the period;

(6) in paragraph (9), by striking ''works of improvement'' and inserting ''projects'';

(7) by redesignating paragraphs (7) through (9) as paragraphs (6) through (8), respectively; and

(8) by striking paragraph (10) and inserting the following:

''(9) The term 'project' means any action taken by a designated RC&D council that achieves any of the elements identified under paragraph (1).''.

(c) ESTABLISHMENT AND SCOPE.—Section 1530 of such Act (16 U.S.C. 3453) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1530. The Secretary'' and inserting the following:

**''SEC. 1530. ESTABLISHMENT AND SCOPE.**

''The Secretary''; and

(2) by striking ''the technical and financial assistance necessary to permit such States, local units of government, and local nonprofit organizations'' and inserting ''through designated RC&D councils the technical and financial assistance necessary to permit such RC&D Councils''.

(d) SELECTION OF DESIGNATED AREAS.—Section 1531 of such Act (16 U.S.C. 3454) is amended by striking the section heading and all that follows through ''SEC. 1531. The Secretary'' and inserting the following:

**''SEC. 1531. SELECTION OF DESIGNATED AREAS.**

''The Secretary''.

(e) AUTHORITY OF SECRETARY.—Section 1532 of such Act (16 U.S.C. 3455) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1532. In carrying'' and inserting the following:

**''SEC. 1532. AUTHORITY OF SECRETARY.**

''In carrying'';

(2) in each of paragraphs (1) and (3)—

(A) by striking ''State, local unit of government, or local nonprofit organization'' and inserting ''RC&D council''; and

(B) by inserting ''RC&D council'' before ''area plan'';

(3) in paragraph (2), by inserting ''RC&D council'' before ''area plans''; and

(4) in paragraph (4), by striking ''States, local units of government, and local nonprofit organizations'' and inserting ''RC&D councils or affiliations of RC&D councils''.

(f) TECHNICAL AND FINANCIAL ASSISTANCE.—Section 1533 of such Act (16 U.S.C. 3456) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1533. (a) Technical'' and inserting the following:

**''SEC. 1533. TECHNICAL AND FINANCIAL ASSISTANCE.**

''(a) Technical'';

(2) in subsection (a)—

(A) by striking ''State, local unit of government, or local nonprofit organization to assist in carrying out works of improvement specified in an'' and inserting ''RC&D councils or affiliations of RC&D councils to assist in carrying out a project specified in a RC&D council'';

(B) in paragraph (1)—

(i) by striking ''State, local unit of government, or local nonprofit organization'' and inserting ''RC&D council or affiliate''; and

(ii) by striking ''works of improvement'' each place it appears and inserting ''project'';

(C) in paragraph (2)—

(i) by striking ''works of improvement'' and inserting ''project''; and

(ii) by striking ''State, local unit of government, or local nonprofit organization'' and inserting ''RC&D council'';

(D) in paragraph (3), by striking ''works of improvement'' and all that follows and inserting ''project concerned is necessary to accomplish and RC&D council area plan objective;'';

(E) in paragraph (4), by striking ''the works of improvement provided for in the'' and inserting ''the project provided for in the RC&D council'';

(F) in paragraph (5), by inserting ''federally recognized Indian tribe'' before ''or local'' each place it appears; and

(G) in paragraph (6), by inserting ''RC&D council'' before ''area plan'';

(3) in subsection (b), by striking ''work of improvement'' and inserting ''project''; and

(4) in subsection (c), by striking ''any State, local unit of government, or local nonprofit organization to carry out any'' and inserting ''RC&D council to carry out any RC&D council''.

(g) RESOURCE CONSERVATION AND DEVELOPMENT POLICY BOARD.—Section 1534 of such Act (16 U.S.C. 3457) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1534. (a) The Secretary'' and inserting the following:

**''SEC. 1534. RESOURCE CONSERVATION AND DEVELOPMENT POLICY BOARD.**

''(a) The Secretary''; and

(2) in subsection (b), by striking ''seven''.

(h) PROGRAM EVALUATION.—Section 1535 of such Act (16 U.S.C. 3458) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1535. The Secretary'' and inserting the following:

**''SEC. 1535. PROGRAM EVALUATION.**

''The Secretary'';

(2) by inserting ''with assistance from RC&D councils'' before ''provided'';

(3) by inserting ''federally recognized Indian tribes,'' before ''local units''; and

(4) by striking ''1986'' and inserting ''2007''.

(i) LIMITATION ON ASSISTANCE.—Section 1536 of such Act (16 U.S.C. 3458) is amended by striking the section heading and all that follows through ''SEC. 1536. The program'' and inserting the following:

**''SEC. 1536. LIMITATION ON ASSISTANCE.**

''The program''.

(j) SUPPLEMENTAL AUTHORITY OF THE SECRETARY.—Section 1537 of such Act (16 U.S.C. 3460) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1537. The authority'' and inserting the following:

**''SEC. 1537. SUPPLEMENTAL AUTHORITY OF SECRETARY.**

''The authority''; and

(2) by striking ''States, local units of government, and local nonprofit organizations'' and inserting ''RC&D councils''.

(i) AUTHORIZATION OF APPROPRIATIONS.—Section 1538 of such Act (16 U.S.C. 3461) is amended—

(1) by striking the section heading and all that follows through ''SEC. 1538. There are'' and inserting the following:

**''SEC. 1538. AUTHORIZATION OF APPROPRIATIONS.**

''There are''; and

(2) by striking ''for each of the fiscal years 1996 through 2002''.

**SEC. 255. GRASSLAND RESERVE PROGRAM.**

(a) IN GENERAL.—Chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830–3837f) is amended by adding at the end the following:

**''Subchapter D—Grassland Reserve Program**

**''SEC. 1238. GRASSLAND RESERVE PROGRAM.**

''(a) ESTABLISHMENT.—The Secretary, acting through the Natural Resource Conservation Service, shall establish a grassland reserve program (referred to in this subchapter as 'the program') to assist owners in restoring and protecting eligible land described in subsection (c).

''(b) ENROLLMENT CONDITIONS.—

''(1) IN GENERAL.—The Secretary shall enroll in the program, from willing owners, not less than—

''(A) 100 contiguous acres of land west of the 90th meridian; or

''(B) 50 contiguous acres of land east of the 90th meridian.

''(2) MAXIMUM ENROLLMENT.—The total number of acres enrolled in the program shall not exceed 1,000,000 acres.

''(3) METHODS OF ENROLLMENT.—The Secretary shall enroll land in the program through—

''(A) permanent easements or 30-year easements;

''(B) in a State that imposes a maximum duration for such an easement, an easement for the maximum duration allowed under State law; or

''(C) a 30-year rental agreement.

''(c) ELIGIBLE LAND.—Land shall be eligible to be enrolled in the program if the Secretary determines that the land is—

''(1) natural grassland or shrubland;

''(2) land that—

''(A) is located in an area that has been historically dominated by natural grassland or shrubland; and

''(B) has potential to serve as habitat for animal or plant populations of significant ecological value if the land is restored to natural grassland or shrubland; or

''(3) land that is incidental to land described in paragraph (1) or (2), if the incidental land is determined by the Secretary to be necessary for the efficient administration of the easement.

**''SEC. 1238A. EASEMENTS AND AGREEMENTS.**

''(a) IN GENERAL.—To be eligible to enroll land in the program, the owner of the land shall enter into an agreement with the Secretary—

''(1) to grant an easement that runs with the land to the Secretary;

''(2) to create and record an appropriate deed restriction in accordance with applicable State law to reflect the easement;

''(3) to provide a written statement of consent to the easement signed by persons holding a security interest or any vested interest in the land;

''(4) to provide proof of unencumbered title to the underlying fee interest in the land that is the subject of the easement; and

''(5) to comply with the terms of the easement and restoration agreement.

''(b) TERMS OF EASEMENT.—An easement under subsection (a) shall—

''(1) permit—

''(A) grazing on the land in a manner that is consistent with maintaining the viability of natural grass and shrub species indigenous to that locality;

''(B) haying (including haying for seed production) or mowing, except during the nesting season for birds in the area that are in significant decline, as determined by the

Natural Resources Conservation Service State conservationist, or are protected Federal or State law; and

''(C) fire rehabilitation, construction of fire breaks, and fences (including placement of the posts necessary for fences);

''(2) prohibit—

''(A) the production of row crops, fruit trees, vineyards, or any other agricultural commodity that requires breaking the soil surface; and

''(B) except as permitted under paragraph (1)(C), the conduct of any other activities that would disturb the surface of the land covered by the easement, including—

''(i) plowing; and

''(ii) disking; and

''(3) include such additional provisions as the Secretary determines are appropriate to carry out this subchapter or to facilitate the administration of this subchapter.

''(c) EVALUATION AND RANKING OF EASEMENT APPLICATIONS.—

''(1) IN GENERAL.—The Secretary, in conjunction with State technical committees, shall establish criteria to evaluate and rank applications for easements under this subchapter.

''(2) CRITERIA.—In establishing the criteria, the Secretary shall emphasize support for grazing operations, plant and animal biodiversity, and grassland and shrubland under the greatest threat of conversion.

''(d) RESTORATION AGREEMENTS.—

''(1) IN GENERAL.—The Secretary shall prescribe the terms by which grassland and shrubland subject to an easement under an agreement entered into under the program shall be restored.

''(2) REQUIREMENTS.—The restoration agreement shall describe the respective duties of the owner and the Secretary (including paying the Federal share of the cost of restoration and the provision of technical assistance).

''(e) VIOLATIONS.—

''(1) IN GENERAL.—On the violation of the terms or conditions of an easement or restoration agreement entered into under this section—

''(A) the easement shall remain in force; and

''(B) the Secretary may require the owner to refund all or part of any payments received by the owner under this subchapter, with interest on the payments as determined appropriate by the Secretary.

''(2) PERIODIC INSPECTIONS.—

''(A) IN GENERAL.—After providing notice to the owner, the Secretary shall conduct periodic inspections of land subject to easements under this subchapter to ensure that the terms of the easement and restoration agreement are being met.

''(B) LIMITATION.—The Secretary may not prohibit the owner, or a representative of the owner, from being present during a periodic inspection.

**''SEC. 1238B. DUTIES OF SECRETARY.**

''(a) IN GENERAL.—In return for the granting of an easement by an owner under this subchapter, the Secretary shall, in accordance with this section—

''(1) make easement payments;

''(2) pay the Federal share of the cost of restoration; and

''(3) provide technical assistance to the owner.

''(b) PAYMENT SCHEDULE.—

''(1) EASEMENT PAYMENTS.—

''(A) AMOUNT.—In return for the granting of an easement by an owner under this subchapter, the Secretary shall make easement payments to the owner in an amount equal to—

''(i) in the case of a permanent easement, the fair market value of the land less the grazing value of the land encumbered by the easement; and

''(ii) in the case of a 30-year easement or an easement for the maximum duration allowed under applicable State law, 30 percent of the fair market value of the land less the grazing value of the land for the period during which the land is encumbered by the easement.

''(B) SCHEDULE.—Easement payments may be provided in not less than 1 payment nor more than 10 annual payments of equal or unequal amount, as agreed to by the Secretary and the owner.

''(2) RENTAL AGREEMENT PAYMENTS.—

''(A) AMOUNT.—If an owner enters into a 30-year rental agreement authorized under section 1238(b)(3)(C), the Secretary shall make 30 annual rental payments to the owner in an amount that equals, to the maximum extent practicable, the 30-year easement payment amount under paragraph (1)(A)(ii).

''(B) ASSESSMENT.—Not less than once every 5 years throughout the 30-year rental period, the Secretary shall assess whether the value of the rental payments under subparagraph (A) equals, to the maximum extent practicable, the 30-year easement payments as of the date of the assessment.

''(C) ADJUSTMENT.—If on completion of the assessment under subparagraph (B), the Secretary determines that the rental payments do not equal, to the maximum extent practicable, the value of payments under a 30-year easement, the Secretary shall adjust the amount of the remaining payments to equal, to the maximum extent practicable, the value of a 30-year easement over the entire 30-year rental period.

''(c) FEDERAL SHARE OF COST OF RESTORATION.—The Secretary shall make payments to the owner of not more than 75 percent of the cost of carrying out measures and practices necessary to restore grassland and shrubland functions and values.

''(d) TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall provide owners with technical assistance to execute easement documents and restore the grassland and shrubland.

''(2) REIMBURSEMENT BY COMMODITY CREDIT CORPORATION.—The Commodity Credit Corporation shall reimburse the Secretary, acting through the Natural Resources Conservation Service, for not more than 10 percent of the cost of acquisition of the easement and the Federal share of the cost of restoration obligated for that fiscal year.

''(e) PAYMENTS TO OTHERS.—If an owner that is entitled to a payment under this subchapter dies, becomes incompetent, is otherwise unable to receive the payment, or is succeeded by another person who renders or completes the required performance, the Secretary shall make the payment, in accordance with regulations promulgated by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all the circumstances.

''(f) OTHER PAYMENTS.—Easement payments received by an owner under this subchapter shall be in addition to, and not affect, the total amount of payments that the owner is otherwise eligible to receive under other Federal laws.

**''SEC. 1238C. ADMINISTRATION.**

''(a) DELEGATION TO PRIVATE ORGANIZATIONS.—

''(1) IN GENERAL.—The Secretary shall permit a private conservation or land trust organization or a State agency to hold and enforce an easement under this subchapter, in lieu of the Secretary, if—

''(A) the Secretary determines that granting such permission is likely to promote grassland and shrubland protection; and

''(B) the owner authorizes the private conservation or land trust or a State agency to hold and enforce the easement.

''(2) APPLICATION.—An organization that desires to hold an easement under this subchapter shall apply to the Secretary for approval.

''(3) APPROVAL BY SECRETARY.—The Secretary shall approve an organization under this subchapter that is constituted for conservation or ranching purposes and is competent to administer grassland and shrubland easements.

''(4) REASSIGNMENT.—If an organization holding an easement on land under this subchapter terminates—

''(A) the owner of the land shall reassign the easement to another organization described in paragraph (1) or to the Secretary; and

''(B) the owner and the new organization shall notify the Secretary in writing that a reassignment for termination has been made.

''(b) REGULATIONS.—Not later than 180 days after the date of enactment of this subchapter, the Secretary shall issue such regulations as are necessary to carry out this subchapter.''.

(b) FUNDING.—Section 1241(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(2)) is amended by striking ''subchapter C'' and inserting ''subchapters C and D''.

**SEC. 256. FARMLAND STEWARDSHIP PROGRAM.**

Subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830–3839bb) is amended by inserting after chapter 1 (and the matter added by section 255 of this Act) the following:

**''CHAPTER 2—FARMLAND STEWARDSHIP PROGRAM**

**''SEC. 1238. DEFINITIONS.**

''In this chapter:

''(1) AGREEMENT.—The term 'agreement' means a service contract authorized by this chapter.

''(2) BIOFUEL.—

''(A) IN GENERAL.—The term 'biofuel' means an energy source derived from living organisms.

''(B) INCLUSIONS.—The term 'biofuel' includes—

''(i) plant residue that is harvested, dried, and burned, or further processed into a solid, liquid, or gaseous fuel;

''(ii) agricultural waste (such as cereal straw, seed hulls, corn stalks and cobs);

''(iii) native shrubs and herbaceous plants (such as some varieties of willows and prairie switchgrass); and

''(iv) animal waste (including methane gas that is produced as a byproduct of animal waste).

''(3) BIOPRODUCT.—The term 'bioproduct' means a product that is manufactured or produced—

''(A) by using plant material and plant byproduct (such as glucose, starch, and protein); and

''(B) to replace a petroleum-based product, additive, or activator used in the production of a solvent, paint, adhesive, chemical, or other product (such as tires or Styrofoam cups).

''(4) CARBON SEQUESTRATION.—The term 'carbon sequestration' means the process of providing plant cover to avoid contributing to the greenhouse effect by—

''(A) removing carbon dioxide from the air; and

''(B) developing a 'carbon sink' to retain that carbon dioxide.

''(5) CONTRACTING AGENCY.—The term 'contracting agency' means a local conservation district, resource conservation and development council, extension service office, state-chartered stewardship entity, nonprofit organization, local office of the Department, or

other participating government agency that is authorized by the Secretary to enter into farmland stewardship agreements on behalf of the Secretary.

''(6) ELIGIBLE AGRICULTURAL LAND.—The term 'eligible agricultural land' means private land that is in primarily native or natural condition, or that is classified by the Secretary as cropland, pastureland, grazing land, timberland, or another similar type of land, that—

''(A) contains wildlife habitat, wetland, or other natural resources; or

''(B) provides 1 or more benefits to the public, such as—

''(i) conservation of soil, water, and related resources;

''(ii) water quality protection or improvement;

''(iii) control of invasive and exotic species;

''(iv) wetland restoration, development, and protection;

''(v) wildlife habitat development and protection;

''(vi) survival and recovery of listed species or candidate species;

''(vii) preservation of open spaces or prime, unique, or other productive farm land;

''(viii) increased participation in Federal agricultural or forestry programs in an area or region that has traditional under-representation in those programs;

''(ix) provision of a structure for interstate cooperation to address ecosystem challenges that affect an area involving 1 or more States;

''(x) improvements in the ecological integrity of the area, region or corridor;

''(xi) carbon sequestration;

''(xii) phytoremediation;

''(xiii) improvements in the economic viability of agriculture;

''(xiv) production of biofuels and bioproducts;

''(xv) establishment of experimental or innovative crops;

''(xvi) use of existing crops or crop byproducts in experimental or innovative ways;

''(xvii) installation of equipment to produce materials that may be used for biofuels or other bioproducts;

''(xviii) maintenance of experimental or innovative crops until the earlier of the date on which—

''(I) a viable market is established for those crops; or

''(II) an agreement terminates; and

''(xix) other similar conservation purposes identified by the Secretary.

''(7) GERMPLASM.—The term 'germplasm' means the genetic material of a germ cell of any life form that is important for food or agricultural production.

''(8) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(9) PROGRAM.—The term 'program' means the farmland stewardship program established by this chapter.

''(10) PYTOREMEDIATION.—The term 'pytoremediation' means the use of green living plant material (including plants that may be harvested and used to produce biofuel or other bioproduces) to remove contaminants from water and soil.

''(11) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture, acting—

''(A) through the Natural Resources Conservation Service; and

''(B) in cooperation with any applicable agricultural or other agencies of a State.

''(12) SERVICE CONTRACT.—The term 'service contract' means a legally binding agreement between 2 parties under which—

''(A) 1 party agrees to render 1 or more services in accordance with the terms of the contract; and

''(B) the second party agrees to pay the first party for the each service rendered.

**"SEC. 1238A. ESTABLISHMENT AND PURPOSE OF PROGRAM.**

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Secretary shall establish within the Department a program to be known as the 'farmland stewardship program'.

''(2) PURPOSE.—The purpose of the program shall be to modify and more effectively target conservation programs administered by the Secretary to the specific conservation needs of, and opportunities presented by, individual parcels of eligible agricultural land.

''(b) RELATION TO OTHER CONSERVATION PROGRAMS.—Under the program, the Secretary may implement, alone or in combination, the features of—

''(1) any conservation program administered by the Secretary; or

''(2) any conservation program administered by another Federal agency or a State or local government, if implementation by the Secretary—

''(A) is feasible; and

''(B) is carried out with the consent of the applicable administering agency or government.

''(3) CONSERVATION ENHANCEMENT PROGRAMS.—

''(A) IN GENERAL.—States, local governments, Indian tribes, or any combination of those entities may submit, and the Secretary may approve, a conservation enhancement program that integrates 1 or more Federal agriculture and forestry conservation programs and 1 or more State, local, or private efforts to address, in critical areas and corridors, in a manner that enhances the conservation benefits of the individual programs and modifies programs to more effectively address State and local needs—

''(i) water quality;

''(ii) wildlife;

''(iii) farm preservation; and

''(iv) any other conservation need.

''(B) REQUIREMENT.—

''(i) IN GENERAL.—A conservation enhancement program submitted under subparagraph (A) shall be designed to provide benefits greater than benefits that, by reason of any factor described in clause (ii), would be provided through the individual application of a conservation program administered by the Secretary.

''(ii) FACTORS.—Factors referred to in clause (i) include—

''(I) conservation commitments of greater duration;

''(II) more intensive conservation benefits;

''(III) integrated treatment of special natural resource problems (such as preservation and enhancement of natural resource corridors); and

''(IV) improved economic viability for agriculture.

''(C) APPROVAL.—

''(i) DEFINITION OF RESOURCES.—In this subparagraph, the term 'resources' means, with respect to any conservation program administered by the Secretary—

''(I) acreage enrolled under the conservation program; and

''(II) funding made available to the Secretary to carry out the conservation program with respect to acreage described in subclause (I).

''(ii) DETERMINATION.—If the Secretary determines that a plan submitted under subparagraph (A) meets the requirements of subparagraph (B), the Secretary, in accordance with an agreement, may use not more than 20 percent of the resources of any conservation program administered by the Secretary to implement the plan.

''(D) CRP ACREAGE.—Acreage enrolled under an approved conservation reserve enhancement program shall be considered acreage of conservation reserve program that is committed to conservation reserve enhancement program.

''(c) FUNDING.—

''(1) IN GENERAL.—The program and agreements shall be funded by the Secretary using—

''(A) the funding authorities of the conservation programs that are implemented through the use of Farmland Stewardship Agreements for the conservation purposes listed in Sec. 1238(4)(A) and (B)(i through x);

''(B) technical assistance in accordance with Sec. 1243(d); and

''(C) such other funds as are appropriated to carry out the Farmland Stewardship Program.

''(2) COST SHARING.—It shall be a requirement of the Farmland Stewardship Program that the majority of the funds to carry out the Program must come from existing conservation programs, which may be Federal, State, regional, local, or private, that are combined into and made a part of an agreement, with the balance made up from matching funding contributions made by State, regional, or local agencies and divisions of government or from private funding sources. Funds from existing programs may be used only to carry out the purposes and intents of those programs to the degree that those programs are made a part of a Farmland Stewardship Agreement. Funding for other purposes or intents must come from the funds provided under paragraphs (1)(B) and (1)(C) of subsection (c) or from the matching funding contributions made by State, regional, or local agencies and divisions of government or from private funding sources.

''(d) PERSONNEL COSTS.—The Secretary shall use the Natural Resources Conservation Service to carry out the Farmland Stewardship Program in cooperation with the state department of agriculture or other designated agency within the state. The role of the Natural Resources Conservation Services shall be limited to federal oversight of the program. The Natural Resources Conservation Service shall perform its normal functions with respect to the conservation programs that it administers. However, it shall play no role in the assembly of programs administered by other federal agencies into Farmland Stewardship Agreements.

''(e) STATE LEVEL ADMINISTRATION.—The state departments of agriculture shall have primary responsibility for operating the Farmland Stewardship Program. A state department of agriculture may choose to operate the program on its own, may collaborate with another local, state or federal agency, conservation district or tribe in operating the program, or may delegate responsibility to another state agency, such as the state department of natural resources or the state conservation district agency. The state department of agriculture or designated state agency shall consult with the agencies with management authority and responsibility for the resources affected on properties on which Farmland Stewardship Agreements are negotiated and assembled.

''(1) A state department of agriculture shall submit an application to the Secretary requesting designation as the 'designated state agency' to operate the Farmland Stewardship Program. If the state department of agriculture chooses to delegate responsibility to another state agency, the department of agriculture shall ask the governor to designate another agency for this purpose and that agency shall submit application to the Secretary.

''(2) The Secretary shall approve the request for designation as the 'designated state agency' if the agency demonstrates that it has the capability to implement the Farmland Stewardship Program and attests that it shall conform with the confidentiality requirements in Sec. 1238B(g). Upon approval of the request, the Secretary shall enter into a memorandum of understanding with the designated state agency specifying the state's responsibilities in carrying out the program and the amount of technical assistance funds that shall be provided to the state on an annual basis to operate the program, in accordance with paragraphs (1)(C), (1)(E) and (1)(F) of subsection (g).

''(f) ANNUAL REPORTS.—The designated state agency shall annually submit to the Secretary and make publicly available a report that describes—

''(1) The progress achieved, the funds expended, the purposes for which funds were expended and monitoring and evaluating results obtained by local contracting agencies, and

''(2) The plans and objectives of the State for future activities under the program.

''(g) TECHNICAL ASSISTANCE.—

''(1) Of the funds used from other programs and of funds made available to carry out the Farmland Stewardship Program for a fiscal year, the Secretary shall reserve not more than twenty-five percent for the provision of technical assistance under the Program. Of the funds made available—

''(A) not more than 1.5% shall be reserved for administration, coordination and oversight through the Natural Resources Conservation Service headquarters office;

''(B) not more than 1.5% shall be reserved for the Farmland Stewardship Council to carry out its duties in cooperation with the State Technical Committees, as provided under section 1238E;

''(C) not more than 2.0% shall be reserved for administration and coordination through the designated state agency in the state where the property is located;

''(D) not more than 1.0% shall be reserved for administration and coordination through the Natural Resources Conservation Service state office, in the state where property is located;

''(E) not more than 1.0% shall be reserved for administration and coordination through the state conservation district agency, unless such agency is the designated state agency for administering this program, in which case these funds shall be added to the funds in the next paragraph; and

''(F) not less than 18% shall be reserved for local technical assistance, carried out through a designated 'contracting agency' and subcontractors chosen by and working with the contracting agency for preparing and executing agreements and monitoring, evaluating and administering agreements for their full term.

''(2) An owner or operator who is receiving a benefit under this chapter shall be eligible to receive technical assistance in accordance with section 1243(d) to assist the owner or operator in carrying out a contract entered into under this chapter.

''(h) ENSURING AVAILABILITY OF FUNDS.—All amounts required for preparing, executing, carrying out, monitoring, evaluating and administering an agreement for its entire term shall be made available by the Federal, State, and local agencies and private sector entities involved in funding the agreement upon execution of the agreement.

**''SEC. 1238B. USE OF FARMLAND STEWARDSHIP AGREEMENTS.**

''(a) AGREEMENTS AUTHORIZED.—The Secretary shall carry out the Farmland Stewardship Program by entering into service contracts as determined by the Secretary, to be known as farmland stewardship agreements, with the owners or operators of eligible agricultural land to maintain and protect the natural and agricultural resources on the land.

''(b) LEGAL BASIS.—An agreement shall operate in all respects as a service contract and, as such, provides the Secretary with the opportunity to hire the owner or operator of eligible agricultural land as a vendor to perform one or more specific services for an equitable fee for each service rendered. Any agency participating in the Farmland Stewardship Program that has the authority to enter into service contracts and to expend public funds under such contracts may enter into or participate in the funding of an agreement.

''(c) BASIC PURPOSES.—An agreement with the owner or operator of eligible agricultural land shall be used—

''(1) to negotiate a mutually agreeable set of guidelines, practices, and procedures under which conservation practices will be provided by the owner or operator to protect, maintain, and, where possible, improve, the natural resources on the land covered by the agreement in return for annual payments to the owner or operator;

''(2) to enable an owner or operator to participate in one or more of the conservation programs offered through agencies at all levels of government and the private sector and, where possible and feasible, comply with permit requirements and regulations, through a one-stop, one-application process.

''(3) to implement a conservation program or series of programs where there is no such program or to implement conservation management activities where there is no such activity;

''(4) to expand or maintain conservation practices and resource management activities to a property where it is not possible at the present time to negotiate or reach agreement on a public purchase of a fee-simple or less-than-fee interest in the property for conservation purposes; and

''(5) to negotiate and develop agreements with private owners and operators to expand or maintain their participation in conservation activities and programs; to enable them to install or maintain best management practices (BMPs) and other recommended practices to improve the compatibility of agriculture, horticulture, silviculture, aquaculture and equine activities with the environment; and improve compliance with public health, safety and environmental regulations.

''(d) MODIFICATION OF OTHER CONSERVATION PROGRAM ELEMENTS.—If most, but not all, of the limitations, conditions, policies and requirements of a conservation program that is implemented in whole, or in part, through the Farmland Stewardship Program are met with respect to a parcel of eligible agricultural land, and the purposes to be achieved by the agreement to be entered into for such land are consistent with the purposes of the conservation program, then the Secretary may waive any remaining limitations, conditions, policies or requirements of the conservation program that would otherwise prohibit or limit the agreement. The Secretary may also grant requests to—

''(1) establish different or automatic enrollment criteria than otherwise established by regulation or policy;

''(2) establish different compensation rates to the extent the parties to the agreement consider justified;

''(3) establish different conservation practice criteria if doing so will achieve greater conservation benefits;

''(4) provide more streamlined and integrated paperwork requirements;

''(5) provide for the transfer of conservation program funds to states with flexible incentives accounts; and

''(6) provide funds for an adaptive management process to monitor the effectiveness of the Program for wildlife, the protection of natural resources, economic effectiveness and sustaining the agricultural economy.

''(7) For a waiver or exception to be considered, a contracting agency or the designated state agency must—

''(A) Submit a request for a waiver to the Secretary or Administrator who has responsibility for the program for which a waiver or exception is being requested. Requests for waivers or exceptions in programs administered by the United States Department of Agriculture shall be submitted to the Secretary of Agriculture, while requests for waivers or exceptions in programs administered by the United States Department of Interior shall be submitted to the Secretary of Interior and requests for waivers or exceptions in programs administered by the United States Environmental Protection Agency shall be submitted to the Administrator of that Agency, and so forth.

''(B) The request shall—

''(i) explain why the property qualifies for participation in the program;

''(ii) explain why it is necessary or desirable to make an exception to or waive one or more program limitations, conditions, policies or requirements;

''(iii) if possible, suggest alternative methods or approaches to satisfying these limitations, conditions, policies or requirements that are appropriate for the property in question;

''(iv) request that the Secretary or Administrator grant the exception or waiver, based on the documentation submitted.

''(C) The Secretary or Administrator may request additional documentation, or may suggest alternative methods of overcoming program limitations or obstacles on the property in question, prior to deciding whether or not to grant a request for an exception or waiver.

''(D) Waivers and exceptions may be granted by a Secretary or Administrator to allow additional flexibility in tailoring conservation programs to the specific needs, opportunities and challenges offered by individual parcels of land, and to remove administrative and regulatory obstacles that previously may have limited the use of these programs on eligible agricultural land, or would prevent these programs from being combined together through a Farmland Stewardship Agreement. Waivers and exceptions may be granted only if the purposes to be achieved by the program after the waiver or exception is granted remain consistent with the purposes for which the program was established.

''(E) The Secretaries and Administrators who receive requests for waivers or exceptions under this chapter shall respond to these requests within sixty (60) days of receipt. Decisions on whether to grant a request shall be rendered within one hundred eighty (180) days of receipt.

''(e) PROVISIONAL CONTRACTS.—Provisional contracts shall be used to provide payments to private landowners or operators, and to the organization or agency that will oversee the agreement, while baseline data is gathered, documents are prepared and the formal agreement is being negotiated. Provisional contracts shall pay for all technical services required to establish an agreement. Provisional contracts may be used to establish a Farmland Stewardship Agreement, or any other type of conservation program, permit or agreement on private land. Provisional contracts shall be used during a two-year planning period, which may be extended for up to two additional periods of six months

each by mutual agreement between the Secretary, the contracting agency and the owner or operator.

''(f) PAYMENTS.—Payments to owners and operators shall be made as provided in the programs that are combined as part of a Farmland Stewardship Agreement. At the election of the owner or operator, payments may be collected and combined together by the designated state agency and issued to the owner or operator in equal annual payments over the term of the agreement. Payments for other services rendered by the owner or operator shall be made as follows—

''(1) IN GENERAL.—Programs that contain term or permanent easements may be combined into a Farmland Stewardship Agreement. Except for portions of a property affected by easements, Farmland Stewardship Agreements shall provide no interest in property and shall be solely contracts for specific services. The fees paid shall be based on the services provided. Compensation shall include—

''(A) ANNUAL BASE PAYMENT.—All owners or operators enrolled in a Farmland Stewardship Agreement shall receive an annual base payment, at a rate to be determined by the Secretary. The annual base payment shall be considered by the Secretary to be satisfied if the owner or operator receives annual payments from another conservation program that has been incorporated into the Farmland Stewardship Agreement. In addition, owners and operators shall receive—

''(B) DIRECT FEES FOR SERVICES.—These fees shall be based on the cost of providing each service. These fees may be set by adopting private sector market prices for the performance of similar services or by competitive bidding. Or, alternatively—

''(C) ANNUAL PER-ACRE STEWARDSHIP FEES.—These fees shall be based on the services provided, or the quantity of benefits provided, with higher fees for greater benefits that can be quantified. Such values shall be determined and set by the Secretary. Or, alternatively—

''(D) OTHER INCENTIVES.—Other forms of compensation acceptable to an owner or operator also may be considered. These other forms of compensation may include federal, state or local tax waivers, credits, reductions or exclusions; priority processing of permits from state and local agencies; consolidation of permits from state and local agencies into a single operating plan; extended-duration permits from state and local agencies; enhanced eligibility and priority listing for participation in cost-share programs, loan programs, conservation programs and permanent conservation easement or public purchase programs; and priority access to technical assistance services provided by federal and, where possible, local, regional and state agencies.

''(g) CONFIDENTIALITY OF DATA.—All information or data provided to, obtained by or developed by the Secretary, or any contractor to the Secretary or the designated state agency, for the purpose of providing technical or financial assistance to owners or operators in connection with the United States Department of Agriculture's conservation programs, or in connection with the Farmland Stewardship Program, shall be—

''(1) Kept confidential by all officers and employees of the Department and the designated state agency;

''(2) Not released, disclosed, made public or in any manner communicated to any agency, state or person outside the Department and the designated state agency; and

''(3) Not subject to any other law that would require the information or data to be released, disclosed, made public or in any way communicated to any agency, state or person outside the Department and designated state agency.

''(4) Any information or data related to an individual farm owner or operator may be reported only in an anonymous, aggregated form as currently provided under the Department's National Agricultural Statistic Services.

''(h) STATE AND LOCAL CONSERVATION PRIORITIES.—To the maximum extent practicable, agreements shall address the conservation priorities established by the State and locality in which the eligible agricultural land are located. The Secretary may adopt for this purpose a pre-existing state or regional conservation plan or strategy that maps economically and ecologically important land, including a plan developed pursuant to planning requirements under Title VIII of the 2001 Interior Appropriations Act and Title IX of the 2001 Commerce, Justice, State Appropriations Act.

''(i) WATERSHED ENHANCEMENT.—To the extent practicable, the Secretary shall encourage the development of Farmland Stewardship Program applications on a watershed basis.

**"SEC. 1238C. PARTNERSHIP APPROACH TO PROGRAM.**

''(a) AUTHORITY OF SECRETARY EXERCISED THROUGH PARTNERSHIPS.—The Secretary may administer agreements under the Farmland Stewardship Program in partnership with other Federal, State, and local agencies whose programs are incorporated into the Program under section 1238A, and in partnership with state departments of agriculture or other designated state agencies.

''(b) DESIGNATION AND USE OF CONTRACTING AGENCIES.—Subject to subsection (c), the Secretary may authorize a local conservation district, resource conservation and development council, extension service office, state-chartered stewardship entity, nonprofit organization, local office of the Department of Agriculture, or other participating government agency to enter into and administer agreements under the Program as a contracting agency on behalf of the Secretary.

''(c) CONDITIONS OF DESIGNATION.—The Secretary may designate an eligible district or office as a contracting agency under subsection (b) only if the district or office—

''(1) submits a written request for such designation to the Secretary;

''(2) affirms that it is willing to follow all guidelines for executing and administering an agreement, as promulgated by the Secretary;

''(3) demonstrates to the satisfaction of the Secretary that it has established working relationships with owners and operators of eligible agricultural land, and based on the history of these working relationships, demonstrates that it has the ability to work with owners and operators of eligible agricultural land in a cooperative manner;

''(4) affirms its responsibility for preparing all documentation for the agreement, negotiating its terms with an owner or operator, monitoring compliance, making annual reports to the Secretary, and administering the agreement throughout its full term; and

''(5) demonstrates to the satisfaction of the Secretary that it has or will have the necessary staff resources and expertise to carry out its responsibilities under paragraphs (3) and (4).

''(d) DELEGATION OF RESPONSIBILITY.—The Secretary may delegate responsibility for reviewing and approving applications from local contracting agencies to the state department of agriculture or other designated state agency in the state in which the property is located, provided that the designated agency follows the criteria for reviewing and approving applications as established by the Secretary and consults with the agencies with management authority and responsibility for the resources affected on properties on which Farmland Stewardship Agreements are negotiated and assembled.

**"SEC. 1238D. PARTICIPATION OF OWNERS AND OPERATORS OF ELIGIBLE AGRICULTURAL LAND.**

''(a) APPLICATION AND APPROVAL PROCESS.—To participate in the Farmland Stewardship Program, an owner or operator of eligible agricultural land shall—

''(1) submit to the Secretary an application indicating interest in the Program and describing the owner's or operator's property, its resources, and their ecological and agricultural values;

''(2) submit to the Secretary the purpose and objectives of the proposed agreement and a list of services to be provided, or a management plan to be implemented, or both, under the proposed agreement;

''(3) if the application and list are accepted by the Secretary, enter into an agreement that details the purpose and objectives of the agreement and the services to be provided, or management plan to be implemented, or both, and requires compliance with the other terms of the agreement.

''(b) APPLICATION ON BEHALF OF AN OWNER OR OPERATOR.—A designated contracting agency may submit the application required by subsection (a) on behalf of an owner or operator if the contracting agency has secured the consent of the owner or operator to enter into an agreement.

''(c) DELEGATION OF RESPONSIBILITY.—The Secretary may delegate responsibility for reviewing and approving applications from or on behalf of an owner or operator to the state department of agriculture or other designated agency in the state in which the property is located, provided that the designated agency follows the criteria for reviewing and approving applications as established by the Secretary and consults with the agencies with management authority and responsibility for the resources affected on properties on which Farmland Stewardship Agreements are negotiated and assembled.

**"SEC. 1238E. CREATION OF A FARMLAND STEWARDSHIP COUNCIL REGARDING PROGRAM.**

''(a) APPOINTMENT.—The Secretary shall appoint an advisory committee to assist the Secretary in carrying out the Farmland Stewardship Program.

''(b) IN GENERAL.—The Committee shall be known as the Farmland Stewardship Council and shall operate on the federal level in the same manner, with the same roles and responsibilities and the same membership requirements as provided in the policies and guidelines governing State Technical Committees in Subpart B of Part 501 of the United States Department of Agriculture's directives to the Natural Resources Conservation Service regarding Conservation Program Delivery.

''(c) DUTIES.—The Farmland Stewardship Council shall cooperate in all respects with the State Technical Committees and Resource Advisory Committees in each state. In addition to the roles and responsibilities set forth for these committees, the Farmland Stewardship Council shall assist the Secretary in—

''(1) drafting such regulations as are necessary to carry out the Program;

''(2) developing the documents necessary for executing farmland stewardship agreements;

''(3) developing procedures and guidelines to facilitate partnerships with other levels of government and nonprofit organizations and assist contracting agencies in gathering data and negotiating agreements;

''(4) designing criteria to consider applications submitted under sections 1238C and 1238D;

''(5) providing assistance and training to designated state agencies, project partners and contracting agencies;

''(6) assisting designated state agencies, project partners and contracting agencies in combining together other conservation programs into agreements;

''(7) tailoring the agreements to each individual property;

''(8) developing agreements that are highly flexible and can be used to respond to and fit in with the conservation needs and opportunities on any property in the United States;

''(9) developing a methodology for determining a fair market price in each state for each service rendered by a private owner or operator under a Farmland Stewardship Agreement;

''(10) developing guidelines for administering the Farmland Stewardship Program on a national basis that respond to the conservation needs and opportunities in each state and in each rural community in which Farmland Stewardship Agreements may be implemented;

''(11) monitoring progress under the agreements; and

''(12) reviewing and recommending possible modifications, additions, adaptations, improvements, enhancements, or other changes to the Program to improve the way in which the program operates.

''(d) MEMBERSHIP.—The Farmland Stewardship Council shall have the same membership requirements as the State Technical Committees, except that C

''(1) All participating members must have offices located in the Washington, D.C. metropolitan area;

''(2) The list of members representing 'Federal Agencies and Other Groups Required by Law' shall be expanded to include all federal agencies whose programs might be included in Farmland Stewardship Program;

''(3) State agency representation shall be provided by the organizations located in the Washington, D.C. metropolitan area representing state agencies and shall include individuals from organizations representing wetland managers, environmental councils, fish and wildlife agencies, counties, resource and conservation development councils, state conservation agencies, state departments of agriculture, state foresters, and governors; and

''(4) Private Interest Membership shall be comprised of 21 members representing the principal agricultural commodity groups, farm organizations, national forestry associations, woodland owners, conservation districts, rural stewardship organizations, and up to a maximum of six (6) conservation and environment organizations, including organizations with an emphasis on wildlife, rangeland management and soil and water conservation.

''(5) The Secretary shall appoint one of the Private Interest Members to serve as chair. The Private Interest Members shall appoint another member to serve as co-chair.

''(6) The Secretary shall follow equal opportunity practices in making appointments to the Farmland Stewardship Council. To ensure that recommendations of the Council take into account the needs of the diverse groups served by the United States Department of Agriculture, membership will include, to the extent practicable, individuals with demonstrated ability to represent minorities, women, and persons with disabilities.

''(e) PERSONNEL COSTS.—The technical assistance funds designated in Sec. 1238A(g)(1)(B) may be used to provide staff positions and support for the Farmland Stewardship Council to—

''(1) carry out its duties as provided in subsection (c);

''(2) ensure communication and coordination with all federal agencies, state organizations and Private Interest Members on the council, and the constituencies represented by these agencies, organizations and members;

''(3) ensure communication and coordination with the State Technical Committees and Resource Advisory Committees in each state;

''(4) solicit input from agricultural producers and owners and operators of private forestry operations and woodland through the organizations represented on the council and other organizations, as necessary; and

''(5) take into consideration the needs and interests of producers of different agricultural commodities and forest products in different regions of the nation.

''(6) Representatives of federal agencies and state organizations shall serve without additional compensation, except for reimbursement of travel expenses and per diem costs which are incurred as a result of their Council responsibilities and service.

''(7) Payments may be made to the organizations serving as Private Interest Members for the purposes of providing staff and support to carry out paragraphs (1) through (5). The amounts and duration of these payments and the number of staff positions to be created within Private Interest Member organizations to carry out these duties shall be determined by the Secretary.

''(f) REPORTS.—The Farmland Stewardship Council shall annually submit to the Secretary and make publicly available a report that describes—

''(1) The progress achieved, the funds expended, the purposes for which funds were expended and results obtained by the council; and

''(2) The plans and objectives for future activities.

''(g) TERMINATION.—The Farmland Stewardship Council shall remain in force for as long as the Secretary administers the Farmland Stewardship Program, except that the council will terminate in 2011 unless renewed by Congress in the next Farm Bill.

**''SEC. 1238F. STATE BLOCK GRANT PROGRAM.**

''(a) IN GENERAL.—The Secretary of Agriculture may provide agricultural stewardship block grants on an annual basis to state departments of agriculture as a means of providing assistance and support, cost-share payments, incentive payments, technical assistance or education to agricultural producers and owners and operators of agriculture, silviculture, aquaculture, horticulture or equine operations for environmental enhancements, best management practices, or air and water quality improvements addressing resource concerns. Under the block grant program, states shall have maximum flexibility to—

''(1) Address threats to soil, air, water and related natural resources including grazing land, wetland and wildlife habitats;

''(2) Comply with state and federal environmental laws;

''(3) Make beneficial, cost-effective changes to cropping systems; grazing management; nutrient, pest, or irrigation management; land uses; or other measures needed to conserve and improve soil, water, and related natural resources; and

''(4) Implement other practices or obtain other services to benefit the public through Farmland Stewardship Agreements.

''(b) PROGRAM APPLICATION.—A state department of agriculture, in collaboration with other state and local agencies, conservation districts, tribes, partners or organizations, may submit an application to the Secretary requesting approval for an agricultural stewardship block grant program. The Secretary shall approve the grant request if the program proposed by the state maintains or improves the state's natural resources, and the state has the capability to implement the agricultural stewardship program. Upon approval of a stewardship program submitted by a state department of agriculture, the Secretary shall—

''(1) Allocate funds to the state for administration of the program, and

''(2) Enter into a memorandum of understanding with the state department of agriculture specifying the state's responsibilities in carrying out the program and the amount of the block grant that shall be provided to the state on an annual basis.

''(c) PARTICIPATION.—A state department of agriculture may choose to operate the block grant program, may collaborate with another local, state or federal agency, conservation district or tribe in operating the program, or may delegate responsibility for the program to another local, state or federal agency, such as the state office of the United States Department of Agriculture, Natural Resources Conservation Service, or the state conservation district agency.

''(d) COORDINATION.—A state department of agriculture may establish an agricultural stewardship planning committee, or other advisory body, or expand the authority of an existing body, to design, develop and implement the state's agricultural stewardship block grant program. Such planning committee or advisory committee shall cooperate fully with the Farmland Stewardship Council established in Sec. 1238E and the State Technical Committee and Resource Advisory Committee in the state.

''(e) DELIVERY.—The state department of agriculture, or other designated agency, shall administer the stewardship block grants through existing delivery systems, infrastructure or processes, including contracts, cooperative agreements, and grants with local, state and federal agencies that address resource concerns and were prioritized and developed in cooperation with locally-led advisory groups.

''(f) STRATEGIC PLANS.—The state department of agriculture may collaborate with a local advisory or planning committee to develop a state strategic plan for the enhancement and protection of land, air, water and wildlife through resource planning. The state strategic plan shall be submitted to the Secretary annually in a report on the implementation of projects, activities, and other measures under the block grant program. In general, state strategic plans shall include—

''(1) A description of goals and objectives, including outcome-related goals for designated program activities;

''(2) A description of how the goals and objectives are to be achieved, including a description of the operational processes, skills and technologies, and the human capital, information and other resources required to meet the goals and objectives;

''(3) A description of performance indicators to be used in measuring or assessing the relevant output service levels and outcomes of the program activities; and

''(4) A description of the program evaluation to be used in comparing actual results with established goals and objectives.

''(g) ANNUAL REPORTS.—The state department of agriculture shall annually submit to the Secretary and make publicly available a report that describes—

''(1) The progress achieved, the funds expended, the purposes for which funds were expended and monitoring results obtained by

the agricultural stewardship planning committee or local advisory group, where applicable; and

''(2) The plans and objectives of the State for future activities under the program.

''(h) COORDINATION WITH FEDERAL AGENCIES.—To the maximum extent possible, the Secretary shall coordinate with other federal departments and agencies to acknowledge and ensure that the block grant program is consistent with and is meeting the needs and desired public benefits of other federal programs on a state-by-state basis.

''(i) PAYMENTS.—The agricultural stewardship program may be used as a means of providing compensation to owners and operators for implementing on-farm practices that enhance environmental goals. The type of financial assistance may be in the form of cost-share payments, incentive payments or Farmland Stewardship Agreements, as determined by guidelines established by the state department of agriculture and the agricultural stewardship planning committee.

''(j) PROGRAM EXPENDITURES.—States shall have flexibility to target resources where needed, including the ability to allocate dollars between payments to owners and operators or technical assistance based upon needs and priorities.

''(k) METHOD OF PAYMENT.—A state department of agriculture may collaborate with the agricultural stewardship planning committee or other local advisory group to determine payment levels and methods for individual program activities and projects, including any conditions, limitations or restrictions. Payments may be made—

''(1) To compensate for a verifiable or measurable loss;

''(2) Under a binding agreement providing for payments to carry out specific activities, measures, practices or services prioritized by the state department of agriculture, the agricultural stewardship planning committee or a local advisory board; or

''(3) To fund portions of projects and measures to complement other federal programs, including the Conservation Reserve Program, the Environmental Quality Incentives Program, the Wetlands Reserve Program, the Forestry Incentives Program, the Farmland Protection Program, and the Wildlife Habitat Incentives Program.''.

**SEC. 257. SMALL WATERSHED REHABILITATION PROGRAM.**

Section 14(h) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)) is amended—

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

(2) by striking all that follows paragraph (1) and inserting the following:

''(2) $15,000,000 for fiscal year 2002 and each succeeding fiscal year.''.

**SEC. 258. PROVISION OF ASSISTANCE FOR REPAUPO CREEK TIDE GATE AND DIKE RESTORATION PROJECT, NEW JERSEY.**

Notwithstanding section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203), the Secretary of Agriculture, acting through the Natural Resources Conservation Service, shall provide assistance for planning and implementation of the Repaupo Creek Tide Gate and Dike Restoration Project in the State of New Jersey.

**SEC. 259. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.**

Section 1256 of the Food Security Act of 1985 (16 U.S.C. 2101 note) is amended to read as follows:

**''SEC. 1256. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.**

''(a) IN GENERAL.—The Secretary shall establish a national grassroots water protection program to more effectively use onsite technical assistance capabilities of each State rural water association that, as of the date of enactment of the Farm Security Act of 2001, operates a wellhead or groundwater protection program in the State.

''(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each fiscal year.''.

**Subtitle G—Repeals**

**SEC. 261. PROVISIONS OF THE FOOD SECURITY ACT OF 1985.**

(a) WETLANDS MITIGATION BANKING PROGRAM.—Section 1222 of the Food Security Act of 1985 (16 U.S.C. 3822) is amended by striking subsection (k).

(b) CONSERVATION RESERVE PROGRAM.—

(1) REPEALS.—(A) Section 1234(f) of such Act (16 U.S.C. 3834(f)) is amended by striking paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(B) Section 1236 of such Act (16 U.S.C. 3836) is repealed.

(2) CONFORMING AMENDMENTS.—(A) Section 1232(a)(5) of such Act (16 U.S.C. 3832(a)(5)) is amended by striking ''in addition to the remedies provided under section 1236(d),''.

(B) Section 1234(d)(4) of such Act (16 U.S.C. 3834(d)(4)) is amended by striking ''subsection (f)(4)'' and inserting ''subsection (f)(3)''.

(c) WETLANDS RESERVE PROGRAM.—Section 1237D(c) of such Act (16 U.S.C. 3837d(c)) is amended by striking paragraph (3).

(d) ENVIRONMENTAL EASEMENT PROGRAM.—

(1) REPEAL.—Chapter 3 of subtitle D of title XII of such Act (16 U.S.C. 3839–3839d) is repealed.

(2) CONFORMING AMENDMENT.—Section 1243(b)(3) of such Act (16 U.S.C. 3843(b)(3)) is amended by striking ''or 3''.

(e) CONSERVATION FARM OPTION.—Chapter 5 of subtitle D of title XII of such Act (16 U.S.C. 3839bb) is repealed.

**SEC. 262. NATIONAL NATURAL RESOURCES CONSERVATION FOUNDATION ACT.**

Subtitle F of title III of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 5801–5809) is repealed.

**TITLE III—TRADE**

**SEC. 301. MARKET ACCESS PROGRAM.**

Section 211(c)(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641(c)(1)) is amended—

(1) by striking ''and not more'' and inserting ''not more'';

(2) by inserting ''and not more than $200,000,000 for each of fiscal years 2002 through 2011,'' after ''2002,''; and

(3) by striking ''2002'' and inserting ''2001''.

**SEC. 302. FOOD FOR PROGRESS.**

(a) IN GENERAL.—Subsections (f)(3), (g), (k), and (l)(1) of section 1110 of the Food Security Act of 1985 (7 U.S.C. 1736o) are each amended by striking ''2002'' and inserting ''2011''.

(b) INCREASE IN FUNDING.—Section 1110(l)(1) of the Food Security Act of 1985 (7 U.S.C.1736o(l)(1)) is amended—

(1) by striking ''2002'' and inserting ''2011''; and

(2) by striking ''$10,000,000'' and inserting ''$15,000,000.

(c) EXCLUSION FROM LIMITATION.—Section 1110(e)(2) of the Food Security Act of 1985 (7 U.S.C. 1736o(e)(2)) is amended by inserting '', and subsection (g) does not apply to such commodities furnished on a grant basis or on credit terms under title I of the Agricultural Trade Development Act of 1954'' before the final period.

(d) TRANSPORTATION COSTS.—Section 1110(f)(3) of the Food Security Act of 1985 (7 U.S.C. 1736o(f)(3)) is amended by striking ''$30,000,000'' and inserting ''$40,000,000''.

(e) AMOUNTS OF COMMODITIES.—Section 1110(g) of the Food Security Act of 1985 (7 U.S.C. 1736o(g)) is amended by striking ''500,000'' and inserting ''1,000,000''.

(f) MULTIYEAR BASIS.—Section 1110(j) of the Food Security Act of 1985 (7 U.S.C. 1736o(j)) is amended—

(1) by striking ''may'' and inserting ''is encouraged''; and

(2) by inserting ''to'' before ''approve''.

(g) MONETIZATION.—Section 1110(l)(3) of the Food Security Act of 1985 (7 U.S.C. 1736o(l)(3)) is amended by striking ''local currencies'' and inserting ''proceeds''.

(h) NEW PROVISIONS.—Section 1110 of the Food Security Act of 1985 (7 U.S.C. 1736o) is amended by adding at the end the following:

''(p) The Secretary is encouraged to finalize program agreements and resource requests for programs under this section before the beginning of the relevant fiscal year. By November 1 of the relevant fiscal year, the Secretary shall provide to the Committee on Agriculture and the Committee on International Relations of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a list of approved programs, countries, and commodities, and the total amounts of funds approved for transportation and administrative costs, under this section.''.

**SEC. 303. SURPLUS COMMODITIES FOR DEVELOPING OR FRIENDLY COUNTRIES.**

(a) USE OF CURRENCIES.—Section 416(b)(7)(D) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)(7)(D)) is amended—

(1) in clauses (i) and (iii), by striking ''foreign currency'' each place it appears;

(2) in clause (ii)—

(A) by striking ''Foreign currencies'' and inserting ''Proceeds''; and

(B) by striking ''foreign currency''; and

(3) in clause (iv)—

(A) by striking ''Foreign currency proceeds'' and inserting ''Proceeds'';

(B) by striking ''country of origin'' the second place it appears and all that follows through ''as necessary to expedite'' and inserting ''country of origin as necessary to expedite'';

(C) by striking ''; or'' and inserting a period; and

(D) by striking subclause (II).

(b) IMPLEMENTATION OF AGREEMENTS.—Section 416(b)(8)(A) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)(8)(A)) is amended—

(1) by inserting ''(i)'' after ''(A)''; and

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

''(ii) The Secretary shall publish in the Federal Register, not later than October 31 of each fiscal year, an estimate of the commodities that shall be available under this section for that fiscal year.

''(iii) The Secretary is encouraged to finalize program agreements under this section not later than December 31 of each fiscal year.''.

**SEC. 304. EXPORT ENHANCEMENT PROGRAM.**

Section 301(e)(1)(G) of the Agricultural Trade Act of 1978 (7 U.S.C. 5651(e)(1)(G)) is amended by inserting ''and for each fiscal year thereafter through fiscal year 2011'' after ''2002''.

**SEC. 305. FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.**

(a) IN GENERAL.—Section 703 of the Agricultural Trade Act of 1978 (7 U.S.C.5723) is amended—

(1) by inserting ''(a) PRIOR YEARS.—'' before ''There'';

(2) by striking ''2002'' and inserting ''2001''; and

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

''(b) FISCAL 2002 AND LATER.—For each of fiscal years 2002 through 2011 there are authorized to be appropriated such sums as may be necessary to carry out this title, and, in addition to any sums so appropriated, the Secretary shall use $37,000,000 of the funds of,

or an equal value of the commodities of, the Commodity Credit Corporation to carry out this title.''.

(b) VALUE ADDED PRODUCTS.—

(1) IN GENERAL.—Section 702(a) of the Agricultural Trade Act of 1978 (7 U.S.C. 5721 et seq.) is amended by inserting '', with a significant emphasis on the importance of the export of value-added United States agricultural products into emerging markets'' after ''products''.

(2) REPORT TO CONGRESS.—Section 702 of the Agricultural Trade Act of 1978 (7 U.S.C. 5722) is amended by adding at the end the following:

''(c) REPORT TO CONGRESS.—

''(1) IN GENERAL.—The Secretary shall report annually to appropriate congressional committees the amount of funding provided, types of programs funded, the value added products that have been targeted, and the foreign markets for those products that have been developed.

''(2) DEFINITION.—In this subsection, the term 'appropriate congressional committees' means—

''(A) the Committee on Agriculture and the Committee on International Relations of the House of Representatives; and

''(B) the Committee on Agriculture, Nutrition and Forestry and the Committee on Foreign Relations of the Senate.''.

**SEC. 306. EXPORT CREDIT GUARANTEE PROGRAM.**

(a) REAUTHORIZATION.—Section 211(b)(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641(b)(1)) is amended by striking ''2002'' and inserting ''2011''.

(b) PROCESSED AND HIGH VALUE PRODUCTS.—Section 202(k)(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5622(k)(1)) is amended by striking '', 2001, and 2002'' and inserting ''through 2011''.

**SEC. 307. FOOD FOR PEACE (PUBLIC LAW 480).**

The Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.) is amended—

(1) in section 2 (7 U.S.C. 1691), by striking paragraph (2) and inserting the following:

''(2) promote broad-based, equitable, and sustainable development, including agricultural development as well as conflict prevention;'';

(2) in section 202(e)(1) (7 U.S.C. 1722(e)(1)), by striking ''not less than $10,000,000, and not more than $28,000,000'' and inserting ''not less than 5 percent and not more than 10 percent of such funds'';

(3) in section 203(a) (7 U.S.C. 1723(a)), by striking ''the recipient country, or in a country'' and inserting ''one or more recipient countries, or one or more countries'';

(4) in section 203(c) (7 U.S.C. 1723(c))—

(A) by striking ''foreign currency''; and

(B) by striking ''the recipient country, or in a country'' and inserting ''one or more recipient countries, or one or more countries'';

(5) in section 203(d) (7 U.S.C. 1723(d))—

(A) by striking ''Foreign currencies'' and inserting ''Proceeds'';

(B) in paragraph (2)—

(i) by striking ''income generating'' and inserting ''income-generating''; and

(ii) by striking ''the recipient country or within a country'' and inserting ''one or more recipient countries, or one or more countries''; and

(C) in paragraph (3), by inserting a comma after ''invested'' and ''used'';

(6) in section 204(a) (7 U.S.C. 1724(a))—

(A) by striking ''1996 through 2002'' and inserting ''2002 through 2011''; and

(B) by striking ''2,025,000'' and inserting ''2,250,000'';

(7) in section 205(f) (7 U.S.C. 1725(f)), by striking ''2002'' and inserting ''2011'';

(8) by striking section 206 (7 U.S.C. 1726);

(9) in section 207(a) (7 U.S.C. 1726a(a))—

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

(B) by striking paragraph (1) and inserting the following:

''(1) RECIPIENT COUNTRIES.—A proposal to enter into a non-emergency food assistance agreement under this title shall identify the recipient country or countries subject to the agreement.

''(2) TIME FOR DECISION.—Not later than 120 days after receipt by the Administrator of a proposal submitted by an eligible organization under this title, the Administrator shall make a decision concerning such proposal.'';

(10) in section 208(f), by striking ''2002'' and inserting ''2011'';

(11) in section 403 (7 U.S.C. 1733), by inserting after subsection (k) the following:

''(l) SALES PROCEDURES.—Subsections (b) and (h) shall apply to sales of commodities to generate proceeds for titles II and III of this Act, section 416(b) of the Agricultural Act of 1949, and section 1110 of the Food and Security Act of 1985. Such sales transactions may be in United States dollars and other currencies.'';

(12) in section 407(c)(4), by striking ''2001 and 2002'' and inserting ''2001 through 2011'';

(13) in section 407(c)(1) (7 U.S.C. 1736a(c)(1))—

(A) by striking ''The Administrator'' and inserting ''(A) The Administrator''; and

(B) by adding at the end the following:

''(B) In the case of commodities made available for nonemergency assistance under title II for least developed countries that meet the poverty and other eligibility criteria established by the International Bank for Reconstruction and Development for financing under the International Development Association, the Administrator may pay the transportation costs incurred in moving the commodities from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs.''.

(14) in section 408, by striking ''2002'' and inserting ''2011''; and

(15) in section 501(c), by striking ''2002'' and inserting ''2011''.

**SEC. 308. EMERGING MARKETS.**

Section 1542 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5622 note) is amended—

(1) in subsections (a) and (d)(1)(A)(i), by striking ''2002'' and inserting ''2011''; and

(2) in subsection (d)(1)(H), by striking ''$10,000,000 in any fiscal year'' and inserting ''$13,000,000 for each of fiscal years 2002 through 2011''.

**SEC. 309. BILL EMERSON HUMANITARIAN TRUST.**

Subsections (b)(2)(B)(i), (h)(1), and (h)(2) of section 302 of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1) are each amended by striking ''2002'' and inserting ''2011''.

**SEC. 310. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.**

(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish an export assistance program (referred to in this section as the ''program'') to address unique barriers that prohibit or threaten the export of United States specialty crops.

(b) PURPOSE.—The program shall provide direct assistance through public and private sector projects and technical assistance to remove, resolve, or mitigate sanitary and phytosanitary and related barriers to trade.

(c) PRIORITY.—The program shall address time sensitive and strategic market access projects based on—

(1) trade effect on market retention, market access, and market expansion; and

(2) trade impact.

(d) FUNDING.—The Secretary shall make available $3,000,000 for each of fiscal years 2002 through 2011 of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation.

**SEC. 311. FARMERS FOR AFRICA AND CARIBBEAN BASIN PROGRAM.**

(a) FINDINGS.—Congress finds the following:

(1) Many African farmers and farmers in Caribbean Basin countries use antiquated techniques to produce their crops, which result in poor crop quality and low crop yields.

(2) Many of these farmers are losing business to farmers in European and Asian countries who use advanced planting and production techniques and are supplying agricultural produce to restaurants, resorts, tourists, grocery stores, and other consumers in Africa and Caribbean Basin countries.

(3) A need exists for the training of African farmers and farmers in Caribbean Basin countries and other developing countries in farming techniques that are appropriate for the majority of eligible farmers in African or Caribbean countries, including standard growing practices, insecticide and sanitation procedures, and other farming methods that will produce increased yields of more nutritious and healthful crops.

(4) African-American and other American farmers, as well as banking and insurance professionals, are a ready source of agribusiness expertise that would be invaluable for African farmers and farmers in Caribbean Basin countries.

(5) A United States commitment is appropriate to support the development of a comprehensive agricultural skills training program for these farmers that focuses on—

(A) improving knowledge of insecticide and sanitation procedures to prevent crop destruction;

(B) teaching modern farming techniques, including the identification and development of standard growing practices and the establishment of systems for recordkeeping, that would facilitate a continual analysis of crop production;

(C) the use and maintenance of farming equipment that is appropriate for the majority of eligible farmers in African or Caribbean Basin countries;

(D) expansion of small farming operations into agribusiness enterprises through the development and use of village banking systems and the use of agricultural risk insurance pilot products, resulting in increased access to credit for these farmers; and

(E) marketing crop yields to prospective purchasers (businesses and individuals) for local needs and export.

(6) The participation of African-American and other American farmers and American agricultural farming specialists in such a training program promises the added benefit of improving access to African and Caribbean Basin markets for American farmers and United States farm equipment and products and business linkages for United States insurance providers offering technical assistance on, among other things, agricultural risk insurance products.

(7) Existing programs that promote the exchange of agricultural knowledge and expertise through the exchange of American and foreign farmers have been effective in promoting improved agricultural techniques and food security, and, thus, the extension of additional resources to such farmer-to- farmer exchanges is warranted.

(b) DEFINITIONS.—In this section:

(1) AGRICULTURAL FARMING SPECIALIST.—The term ''agricultural farming specialist'' means an individual trained to transfer information and technical support relating to agribusiness, food security, the mitigation and alleviation of hunger, the mitigation of agricultural and farm risk, maximization of crop yields, agricultural trade, and other

needs specific to a geographical location as determined by the President.

(2) CARIBBEAN BASIN COUNTRY.—The term ''Caribbean Basin country'' means a country eligible for designation as a beneficiary country under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702).

(3) ELIGIBLE FARMER.—The term ''eligible farmer'' means an individual owning or working on farm land (as defined by a particular country's laws relating to property) in the sub-Saharan region of the continent of Africa, in a Caribbean Basin country, or in any other developing country in which the President determines there is a need for farming expertise or for information or technical support described in paragraph (1).

(4) PROGRAM.—The term ''Program'' means the Farmers for Africa and Caribbean Basin Program established under this section.

(c) ESTABLISHMENT OF PROGRAM.—The President shall establish a grant program, to be known as the ''Farmers for Africa and Caribbean Basin Program'', to assist eligible organizations in carrying out bilateral exchange programs whereby African-American and other American farmers and American agricultural farming specialists share technical knowledge with eligible farmers regarding—

(1) maximization of crop yields;

(2) use of agricultural risk insurance as financial tools and a means of risk management (as allowed by Annex II of the World Trade Organization rules);

(3) expansion of trade in agricultural products;

(4) enhancement of local food security;

(5) the mitigation and alleviation of hunger;

(6) marketing agricultural products in local, regional, and international markets; and

(7) other ways to improve farming in countries in which there are eligible farmers.

(d) ELIGIBLE GRANTEES.—The President may make a grant under the Program to—

(1) a college or university, including a historically black college or university, or a foundation maintained by a college or university; and

(2) a private organization or corporation, including grassroots organizations, with an established and demonstrated capacity to carry out such a bilateral exchange program.

(e) TERMS OF PROGRAM.—(1) It is the goal of the Program that at least 1,000 farmers participate in the training program by December 31, 2005, of which 80 percent of the total number of participating farmers will be African farmers or farmers in Caribbean Basin countries and 20 percent of the total number of participating farmers will be American farmers.

(2) Training under the Program will be provided to eligible farmers in groups to ensure that information is shared and passed on to other eligible farmers. Eligible farmers will be trained to be specialists in their home communities and will be encouraged not to retain enhanced farming technology for their own personal enrichment.

(3) Through partnerships with American businesses, the Program will utilize the commercial industrial capability of businesses dealing in agriculture to train eligible farmers on farming equipment that is appropriate for the majority of eligible farmers in African or Caribbean Basin countries and to introduce eligible farmers to the use of insurance as a risk management tool.

(f) SELECTION OF PARTICIPANTS.—(1) The selection of eligible farmers, as well as African-American and other American farmers and agricultural farming specialists, to participate in the Program shall be made by grant recipients using an application process approved by the President.

(2) Participating farmers must have sufficient farm or agribusiness experience and have obtained certain targets regarding the productivity of their farm or agribusiness.

(g) GRANT PERIOD.—The President may make grants under the Program during a period of 5 years beginning on October 1 of the first fiscal year for which funds are made available to carry out the Program.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2002 through 2011.

**SEC. 312. GEORGE MCGOVERN-ROBERT DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM.**

(a) IN GENERAL.—The President may, subject to subsection (j), direct the procurement of commodities and the provision of financial and technical assistance to carry out—

(1) preschool and school feeding programs in foreign countries to improve food security, reduce the incidence of hunger, and improve literacy and primary education, particularly with respect to girls; and

(2) maternal, infant, and child nutrition programs for pregnant women, nursing mothers, infants, and children who are 5 years of age or younger.

(b) ELIGIBLE COMMODITIES AND COST ITEMS.—Notwithstanding any other provision of law—

(1) any agricultural commodity is eligible for distribution under this section;

(2) as necessary to achieve the purposes of this section—

(A) funds may be used to pay the transportation costs incurred in moving commodities (including prepositioned commodities) provided under this section from the designated points of entry or ports of entry of one or more recipient countries to storage and distribution sites in these countries, and associated storage and distribution costs;

(B) funds may be used to pay the costs of activities conducted in the recipient countries by a nonprofit voluntary organization, cooperative, or intergovernmental agency or organization that would enhance the effectiveness of the activities implemented by such entities under this section; and

(C) funds may be provided to meet the allowable administrative expenses of private voluntary organizations, cooperatives, or intergovernmental organizations which are implementing activities under this section; and

(3) for the purposes of this section, the term ''agricultural commodities'' includes any agricultural commodity, or the products thereof, produced in the United States.

(c) GENERAL AUTHORITIES.—The President shall designate one or more Federal agencies to—

(1) implement the program established under this section;

(2) ensure that the program established under this section is consistent with the foreign policy and development assistance objectives of the United States; and

(3) consider, in determining whether a country should receive assistance under this section, whether the government of the country is taking concrete steps to improve the preschool and school systems in its country.

(d) ELIGIBLE RECIPIENTS.—Assistance may be provided under this section to private voluntary organizations, cooperatives, intergovernmental organizations, governments and their agencies, and other organizations.

(e) PROCEDURES.—

(1) IN GENERAL.—In carrying out subsection (a) the President shall assure that procedures are established that—

(A) provide for the submission of proposals by eligible recipients, each of which may include one or more recipient countries, for commodities and other assistance under this section;

(B) provide for eligible commodities and assistance on a multi-year basis;

(C) ensure eligible recipients demonstrate the organizational capacity and the ability to develop, implement, monitor, report on, and provide accountability for activities conducted under this section;

(D) provide for the expedited development, review, and approval of proposals submitted in accordance with this section;

(E) ensure monitoring and reporting by eligible recipients on the use of commodities and other assistance provided under this section; and

(F) allow for the sale or barter of commodities by eligible recipients to acquire funds to implement activities that improve the food security of women and children or otherwise enhance the effectiveness of programs and activities authorized under this section.

(2) PRIORITIES FOR PROGRAM FUNDING.—In carrying out paragraph (1) with respect to criteria for determining the use of commodities and other assistance provided for programs and activities authorized under this section, the implementing agency may consider the ability of eligible recipients to—

(A) identify and assess the needs of beneficiaries, especially malnourished or undernourished mothers and their children who are 5 years of age or younger, and school-age children who are malnourished, undernourished, or do not regularly attend school;

(B)(i) in the case of preschool and school-age children, target low-income areas where children's enrollment and attendance in school is low or girls' enrollment and participation in preschool or school is low, and incorporate developmental objectives for improving literacy and primary education, particularly with respect to girls; and

(ii) in the case of programs to benefit mothers and children who are 5 years of age or younger, coordinate supplementary feeding and nutrition programs with existing or newly-established maternal, infant, and children programs that provide health-needs interventions, and which may include maternal, prenatal, and postnatal and newborn care;

(C) involve indigenous institutions as well as local communities and governments in the development and implementation to foster local capacity building and leadership; and

(D) carry out multiyear programs that foster local self-sufficiency and ensure the longevity of recipient country programs.

(f) USE OF FOOD AND NUTRITION SERVICE.—The Food and Nutrition Service of the Department of Agriculture may provide technical advice on the establishment of programs under subsection (a)(1) and on their implementation in the field in recipient countries.

(g) MULTILATERAL INVOLVEMENT.—The President is urged to engage existing international food aid coordinating mechanisms to ensure multilateral commitments to, and participation in, programs like those supported under this section. The President shall report annually to the Committee on International Relations and the Committee on Agriculture of the United States House of Representatives and the Committee on Foreign Relations and the Committee on Agriculture, Nutrition, and Forestry of the United States Senate on the commitments and activities of governments, including the United States government, in the global effort to reduce child hunger and increase school attendance.

(h) PRIVATE SECTOR INVOLVEMENT.—The President is urged to encourage the support and active involvement of the private sector,

foundations, and other individuals and organizations in programs assisted under this section.

(i) REQUIREMENT TO SAFEGUARD LOCAL PRODUCTION AND USUAL MARKETING.—The requirement of section 403(a) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1733(a) and 1733(h)) applies with respect to the availability of commodities under this section.

(j) FUNDING.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary to carry out this section for each of fiscal years 2002 through 2011. Nothing in this section shall be interpreted to preclude the use of authorities in effect before the date of the enactment of this Act to carry out the ongoing Global Food for Education Initiative.

(2) ADMINISTRATIVE EXPENSES.—Funds made available to carry out the purposes of this section may be used to pay the administrative expenses of any agency of the Federal Government implementing or assisting in the implementation of this section.

**SEC. 313. STUDY ON FEE FOR SERVICES.**

(a) STUDY.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall provide a report to the designated congressional committees on the feasibility of instituting a program which would charge and retain a fee to cover the costs for providing persons with commercial services performed abroad on matters within the authority of the Department of Agriculture administered through the Foreign Agriculture Service or any successor agency.

(b) DEFINITION.—In this section, the term ''designated congressional committees'' means the Committee on Agriculture and the Committee on International Relations of the House of Representatives and the Committee on Agriculture, Nutrition and Forestry of the Senate.

**SEC. 314. NATIONAL EXPORT STRATEGY REPORT.**

(a) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Agriculture shall provide to the designated congressional committees a report on the policies and programs that the Department of Agriculture has undertaken to implement the National Export Strategy Report. The report shall contain a description of the effective coordination of these policies and programs through all other appropriate Federal agencies participating in the Trade Promotion Coordinating Committee and the steps the Department of Agriculture is taking to reduce the level of protectionism in agricultural trade, to foster market growth, and to improve the commercial potential of markets in both developed and developing countries for United States agricultural commodities.

(b) DEFINITION.—In this section, the term ''designated congressional committees'' means the Committee on Agriculture and the Committee on International Relations of the House of Representatives and the Committee on Agriculture, Nutrition and Forestry of the Senate.

## TITLE IV—NUTRITION PROGRAMS

### Subtitle A—Food Stamp Program

**SEC. 401. SIMPLIFIED DEFINITION OF INCOME.**

Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended—

(1) in paragraph (3)—

(A) by striking ''and (C)'' and inserting ''(C)''; and

(B) by inserting after ''premiums,'' the following:

''and (D) to the extent that any other educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, and the like, are required to be excluded under title XIX of the Social Security Act, the state agency may exclude it under this subsection,'';

(2) by striking ''and (15)'' and inserting ''(15)'';

(3) by inserting before the period at the end the following:

'', (16) any state complementary assistance program payments that are excluded pursuant to subsections (a) and (b) of section 1931 of title XIX of the Social Security Act, and (17) at the option of the State agency, any types of income that the State agency does not consider when determining eligibility for cash assistance under a program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or medical assistance under section 1931 of the Social Security Act (42 U.S.C. 1396u–1), except that this paragraph shall not authorize a State agency to exclude earned income, payments under title I, II, IV, X, XIV, or XVI of the Social Security Act, or such other types of income whose consideration the Secretary determines essential to equitable determinations of eligibility and benefit levels except to the extent that those types of income may be excluded under other paragraphs of this subsection''.

**SEC. 402. STANDARD DEDUCTION.**

Section 5(e)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(1)) is amended—

(1) by striking ''of $134, $229, $189, $269, and $118'' and inserting ''equal to 9.7 percent of the eligibility limit established under section 5(c)(1) for fiscal year 2002 but not more than 9.7 percent of the eligibility limit established under section 5(c)(1) for a household of six for fiscal year 2002 nor less than $134, $229, $189, $269, and $118''; and

(2) by inserting before the period at the end the following:

'', except that the standard deduction for Guam shall be determined with reference to 2 times the eligibility limits under section 5(c)(1) for fiscal year 2002 for the 48 contiguous states and the District of Columbia''.

**SEC. 403. TRANSITIONAL FOOD STAMPS FOR FAMILIES MOVING FROM WELFARE.**

(a) IN GENERAL.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended by adding at the end the following:

''(s) TRANSITIONAL BENEFITS OPTION.—

''(1) IN GENERAL.—A State may provide transitional food stamp benefits to a household that is no longer eligible to receive cash assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

''(2) TRANSITIONAL BENEFITS PERIOD.—Under paragraph (1), a household may continue to receive food stamp benefits for a period of not more than 6 months after the date on which cash assistance is terminated.

''(3) AMOUNT.—During the transitional benefits period under paragraph (2), a household shall receive an amount equal to the allotment received in the month immediately preceding the date on which cash assistance is terminated. A household receiving benefits under this subsection may apply for recertification at any time during the transitional benefit period. If a household reapplies, its allotment shall be determined without regard to this subsection for all subsequent months.

''(4) DETERMINATION OF FUTURE ELIGIBILITY.—In the final month of the transitional benefits period under paragraph (2), the State agency may—

''(A) require a household to cooperate in a redetermination of eligibility to receive an authorization card; and

''(B) renew eligibility for a new certification period for the household without regard to whether the previous certification period has expired.

''(5) LIMITATION.—A household sanctioned under section 6, or for a failure to perform an action required by Federal, State, or local law relating to such cash assistance program, shall not be eligible for transitional benefits under this subsection.''.

(b) CONFORMING AMENDMENTS.—(1) Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended by adding at the end the following: ''The limits in this section may be extended until the end of any transitional benefit period established under section 11(s).''.

(2) Section 6(c) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)) is amended by striking ''No household'' and inserting ''Except in a case in which a household is receiving transitional benefits during the transitional benefits period under section 11(s), no household''.

**SEC. 404. QUALITY CONTROL SYSTEMS.**

(a) TARGETED QUALITY CONTROL SYSTEM.—Section 16(c) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)) is amended—

(1) in paragraph (1)(C)—

(A) in the matter preceding clause (i), by inserting ''the Secretary determines that a 95 percent statistical probability exists that for the 3d consecutive year'' after ''year in which''; and

(B) in clause (i)(II)(aa)(bbb) by striking ''the national performance measure for the fiscal year'' and inserting ''10 percent'';

(2) in the 1st sentence of paragraph (4)—

(A) by striking ''or claim'' and inserting ''claim''; and

(B) by inserting ''or performance under the measures established under paragraph (10),'' after ''for payment error,'';

(3) in paragraph (5), by inserting ''to comply with paragraph (10) and'' before ''to establish'';

(4) in the 1st sentence of paragraph (6), by inserting ''one percentage point more than'' after ''measure that shall be''; and

(5) by inserting at the end the following:

''(10)(A) In addition to the measures established under paragraph (1), the Secretary shall measure the performance of State agencies in each of the following regards—

''(i) compliance with the deadlines established under paragraphs (3) and (9) of section 11(e); and

''(ii) the percentage of negative eligibility decisions that are made correctly.

''(B) For each fiscal year, the Secretary shall make excellence bonus payments of $1,000,000 each to the 5 States with the highest combined performance in the 2 measures in subparagraph (A) and to the 5 States whose combined performance under the 2 measures in subparagraph (A) most improved in such fiscal year.

''(C) For any fiscal year in which the Secretary determines that a 95 percent statistical probability exists that a State agency's performance with respect to any of the 2 performance measures established in subparagraph (A) is substantially worse than a level the Secretary deems reasonable, other than for good cause shown, the Secretary shall investigate that State agency's administration of the food stamp program. If this investigation determines that the State's administration has been deficient, the Secretary shall require the State agency to take prompt corrective action.''.

(b) IMPLEMENTATION.—The amendment made by subsection (a)(5) shall apply to all fiscal years beginning on or after October 1, 2001, and ending before October 1, 2007. All other amendments made by this section shall apply to all fiscal years beginning on or after October 1, 1999.

**SEC. 405. SIMPLIFIED APPLICATION AND ELIGIBILITY DETERMINATION SYSTEMS.**

Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended by inserting at the end the following:

''(1) SIMPLIFICATION OF SYSTEMS.—The Secretary shall expend up to $9,500,000 million in each fiscal year to pay 100 percent of the costs of State agencies to develop and implement simple application and eligibility determination systems.''.

**SEC. 406. AUTHORIZATION OF APPROPRIATIONS.**

(a) EMPLOYMENT AND TRAINING PROGRAMS.—Section 16(h)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(1)) is amended—

(1) in subparagraph (A)(vii) by striking ''fiscal year 2002'' and inserting ''each of the fiscal years 2003 through 2011''; and

(2) in subparagraph (B) by striking ''2002'' and inserting ''2011''.

(b) COST ALLOCATION.—Section 16(k)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(k)(3)) is amended—

(1) in subparagraph (A) by striking ''2002'' and inserting ''2011''; and

(2) in subparagraph (B)(ii) by striking ''2002'' and inserting ''2011''.

(c) CASH PAYMENT PILOT PROJECTS.—Section 17(b)(1)(B)(vi) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)(B)(vi)) is amended by striking ''2002'' and inserting ''2011''.

(d) OUTREACH DEMONSTRATION PROJECTS.—Section 17(i)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2026(i)(1)(A)) is amended by striking ''1992 through 2002'' and inserting ''2003 through 2011''.

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended by striking ''1996 through 2002'' and inserting ''2003 through 2011''.

(f) PUERTO RICO.—Section 19(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2028(a)(1)) is amended—

(1) in subparagraph (A)—

(A) in clause (ii) by striking ''and'' at the end;

(B) in clause (iii) by adding ''and'' at the end; and

(C) by inserting after clause (iii) the following:

''(iv) for each of fiscal years 2003 through 2011, the amount equal to the amount required to be paid under this subparagraph for the preceding fiscal year, as adjusted by the percentage by which the thrifty food plan is adjusted under section 3(o)(4) for the current fiscal year for which the amount is determined under this clause;''; and

(2) in subparagraph (B)—

(A) by inserting ''(i)'' after ''(B)''; and

(B) by adding at the end the following:

''(ii) Notwithstanding subparagraph (A) and clause (i), the Commonwealth may spend up to $6,000,000 of the amount required under subparagraph (A) to be paid for fiscal year 2002 to pay 100 percent of the cost to upgrade and modernize the electronic data processing system used to provide such food assistance and to implement systems to simplify the determination of eligibility to receive such assistance.''.

(g) TERRITORY OF AMERICAN SAMOA.—Section 24 of the Food Stamp Act of 1977 (7 U.S.C. 2033) is amended—

(1) by striking ''Effective October 1, 1995, from'' and inserting ''From''; and

(2) by striking ''$5,300,000 for each of fiscal years 1996 through 2002'' and inserting ''$5,750,000 for fiscal year 2002 and $5,800,000 for each of fiscal years 2003 though 2011''.

(h) ASSISTANCE FOR COMMUNITY FOOD PROJECTS.—Section 25(b)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2034(b)(2)) is amended—

(1) in subparagraph (A) by striking ''and'' at the end;

(2) in subparagraph (B)—

(A) by striking ''2002'' and inserting ''2001''; and

(B) by striking the period at the end and inserting ''; and''; and

(3) by inserting after subparagraph (B) the following:

''(C) $7,500,000 for each of the fiscal years 2002 through 2011.''.

(i) AVAILABILITY OF COMMODITIES FOR THE EMERGENCY FOOD ASSISTANCE PROGRAM.—Section 27 of the Food Stamp Act of 1977 (7 U.S.C. 2036) is amended—

(1) in subsection (a)—

(A) by striking ''1997 through 2002'' and inserting ''2002 through 2011''; and

(B) by striking ''$100,000,000'' and inserting ''$140,000,000''; and

(2) by adding at the end the following:

''(c) USE OF FUNDS FOR RELATED COSTS.—For each of the fiscal years 2002 through 2011, the Secretary shall use $10,000,000 of the funds made available under subsection (a) to pay for the direct and indirect costs of the States related to the processing, storing, transporting, and distributing to eligible recipient agencies of commodities purchased by the Secretary under such subsection and commodities secured from other sources, including commodities secured by gleaning (as defined in section 111 of the Hunger Prevention Act of 1988 (7 U.S.C. 612c note)).''.

(j) SPECIAL EFFECTIVE DATE.—The amendments made by subsections (g), (h), and (i) shall take effect on October 1, 2001.

**Subtitle B—Commodity Distribution**

**SEC. 441. DISTRIBUTION OF SURPLUS COMMODITIES TO SPECIAL NUTRITION PROJECTS.**

Section 1114(a) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 442. COMMODITY SUPPLEMENTAL FOOD PROGRAM.**

The Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) is amended—

(1) in section 4(a) by striking ''1991 through 2002'' and inserting ''2003 through 2011''; and

(2) in subsections (a)(2) and (d)(2) of section 5 by striking ''1991 through 2002'' and inserting ''2003 through 2011''.

**SEC. 443. EMERGENCY FOOD ASSISTANCE.**

The 1st sentence of section 204(a)(1) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)(1)) is amended—

(1) by striking ''1991 through 2002'' and inserting ''2003 through 2011'';

(2) by striking ''administrative''; and

(3) by inserting ''storage,'' after ''processing,''.

**Subtitle C—Miscellaneous Provisions**

**SEC. 461. HUNGER FELLOWSHIP PROGRAM.**

(a) SHORT TITLE; FINDINGS.—

(1) SHORT TITLE.—This section may be cited as the ''Congressional Hunger Fellows Act of 2001''.

(2) FINDINGS.—The Congress finds as follows:

(A) There is a critical need for compassionate individuals who are committed to assisting people who suffer from hunger as well as a need for such individuals to initiate and administer solutions to the hunger problem.

(B) Bill Emerson, the distinguished late Representative from the 8th District of Missouri, demonstrated his commitment to solving the problem of hunger in a bipartisan manner, his commitment to public service, and his great affection for the institution and the ideals of the United States Congress.

(C) George T. (Mickey) Leland, the distinguished late Representative from the 18th District of Texas, demonstrated his compassion for those in need, his high regard for public service, and his lively exercise of political talents.

(D) The special concern that Mr. Emerson and Mr. Leland demonstrated during their lives for the hungry and poor was an inspiration for others to work toward the goals of equality and justice for all.

(E) These two outstanding leaders maintained a special bond of friendship regardless of political affiliation and worked together to encourage future leaders to recognize and provide service to others, and therefore it is especially appropriate to honor the memory of Mr. Emerson and Mr. Leland by creating a fellowship program to develop and train the future leaders of the United States to pursue careers in humanitarian service.

(b) ESTABLISHMENT.—There is established as an independent entity of the legislative branch of the United States Government the Congressional Hunger Fellows Program (hereinafter in this section referred to as the ''Program'').

(c) BOARD OF TRUSTEES.—

(1) IN GENERAL.—The Program shall be subject to the supervision and direction of a Board of Trustees.

(2) MEMBERS OF THE BOARD OF TRUSTEES.—

(A) APPOINTMENT.—The Board shall be composed of 6 voting members appointed under clause (i) and one nonvoting ex officio member designated in clause (ii) as follows:

(i) VOTING MEMBERS.—(I) The Speaker of the House of Representatives shall appoint two members.

(II) The minority leader of the House of Representatives shall appoint one member.

(III) The majority leader of the Senate shall appoint two members.

(IV) The minority leader of the Senate shall appoint one member.

(ii) NONVOTING MEMBER.—The Executive Director of the program shall serve as a nonvoting ex officio member of the Board.

(B) TERMS.—Members of the Board shall serve a term of 4 years.

(C) VACANCY.—

(i) AUTHORITY OF BOARD.—A vacancy in the membership of the Board does not affect the power of the remaining members to carry out this section.

(ii) APPOINTMENT OF SUCCESSORS.—A vacancy in the membership of the Board shall be filled in the same manner in which the original appointment was made.

(iii) INCOMPLETE TERM.—If a member of the Board does not serve the full term applicable to the member, the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

(D) CHAIRPERSON.—As the first order of business of the first meeting of the Board, the members shall elect a Chairperson.

(E) COMPENSATION.—

(i) IN GENERAL.—Subject to clause (ii), members of the Board may not receive compensation for service on the Board.

(ii) TRAVEL.—Members of the Board may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the program.

(3) DUTIES.—

(A) BYLAWS.—

(i) ESTABLISHMENT.—The Board shall establish such bylaws and other regulations as may be appropriate to enable the Board to carry out this section, including the duties described in this paragraph.

(ii) CONTENTS.—Such bylaws and other regulations shall include provisions—

(I) for appropriate fiscal control, funds accountability, and operating principles;

(II) to prevent any conflict of interest, or the appearance of any conflict of interest, in the procurement and employment actions taken by the Board or by any officer or employee of the Board and in the selection and placement of individuals in the fellowships developed under the program;

(III) for the resolution of a tie vote of the members of the Board; and

(IV) for authorization of travel for members of the Board.

(iii) TRANSMITTAL TO CONGRESS.—Not later than 90 days after the date of the first meeting of the Board, the Chairperson of the Board shall transmit to the appropriate congressional committees a copy of such bylaws.

(B) BUDGET.—For each fiscal year the program is in operation, the Board shall determine a budget for the program for that fiscal year. All spending by the program shall be pursuant to such budget unless a change is approved by the Board.

(C) PROCESS FOR SELECTION AND PLACEMENT OF FELLOWS.—The Board shall review and approve the process established by the Executive Director for the selection and placement of individuals in the fellowships developed under the program.

(D) ALLOCATION OF FUNDS TO FELLOWSHIPS.—The Board of Trustees shall determine the priority of the programs to be carried out under this section and the amount of funds to be allocated for the Emerson and Leland fellowships.

(d) PURPOSES; AUTHORITY OF PROGRAM.—

(1) PURPOSES.—The purposes of the program are—

(A) to encourage future leaders of the United States to pursue careers in humanitarian service, to recognize the needs of people who are hungry and poor, and to provide assistance and compassion for those in need;

(B) to increase awareness of the importance of public service; and

(C) to provide training and development opportunities for such leaders through placement in programs operated by appropriate organizations or entities.

(2) AUTHORITY.—The program is authorized to develop such fellowships to carry out the purposes of this section, including the fellowships described in paragraph (3).

(3) FELLOWSHIPS.—

(A) IN GENERAL.—The program shall establish and carry out the Bill Emerson Hunger Fellowship and the Mickey Leland Hunger Fellowship.

(B) CURRICULUM.—

(i) IN GENERAL.—The fellowships established under subparagraph (A) shall provide experience and training to develop the skills and understanding necessary to improve the humanitarian conditions and the lives of individuals who suffer from hunger, including—

(I) training in direct service to the hungry in conjunction with community-based organizations through a program of field placement; and

(II) experience in policy development through placement in a governmental entity or nonprofit organization.

(ii) FOCUS OF BILL EMERSON HUNGER FELLOWSHIP.—The Bill Emerson Hunger Fellowship shall address hunger and other humanitarian needs in the United States.

(iii) FOCUS OF MICKEY LELAND HUNGER FELLOWSHIP.—The Mickey Leland Hunger Fellowship shall address international hunger and other humanitarian needs.

(iv) WORKPLAN.—To carry out clause (i) and to assist in the evaluation of the fellowships under paragraph (4), the program shall, for each fellow, approve a work plan that identifies the target objectives for the fellow in the fellowship, including specific duties and responsibilities related to those objectives.

(C) PERIOD OF FELLOWSHIP.—

(i) EMERSON FELLOW.—A Bill Emerson Hunger Fellowship awarded under this paragraph shall be for no more than 1 year.

(ii) LELAND FELLOW.—A Mickey Leland Hunger Fellowship awarded under this paragraph shall be for no more than 2 years. Not less than 1 year of the fellowship shall be dedicated to fulfilling the requirement of subparagraph (B)(i)(I).

(D) SELECTION OF FELLOWS.—

(i) IN GENERAL.—A fellowship shall be awarded pursuant to a nationwide competition established by the program.

(ii) QUALIFICATION.—A successful applicant shall be an individual who has demonstrated—

(I) an intent to pursue a career in humanitarian service and outstanding potential for such a career;

(II) a commitment to social change;

(III) leadership potential or actual leadership experience;

(IV) diverse life experience;

(V) proficient writing and speaking skills;

(VI) an ability to live in poor or diverse communities; and

(VII) such other attributes as determined to be appropriate by the Board.

(iii) AMOUNT OF AWARD.—

(I) IN GENERAL.—Each individual awarded a fellowship under this paragraph shall receive a living allowance and, subject to subclause (II), an end-of-service award as determined by the program.

(II) REQUIREMENT FOR SUCCESSFUL COMPLETION OF FELLOWSHIP.—Each individual awarded a fellowship under this paragraph shall be entitled to receive an end-of-service award at an appropriate rate for each month of satisfactory service as determined by the Executive Director.

(iv) RECOGNITION OF FELLOWSHIP AWARD.—

(I) EMERSON FELLOW.—An individual awarded a fellowship from the Bill Emerson Hunger Fellowship shall be known as an ''Emerson Fellow''.

(II) LELAND FELLOW.—An individual awarded a fellowship from the Mickey Leland Hunger Fellowship shall be known as a ''Leland Fellow''.

(4) EVALUATION.—The program shall conduct periodic evaluations of the Bill Emerson and Mickey Leland Hunger Fellowships. Such evaluations shall include the following:

(A) An assessment of the successful completion of the work plan of the fellow.

(B) An assessment of the impact of the fellowship on the fellows.

(C) An assessment of the accomplishment of the purposes of the program.

(D) An assessment of the impact of the fellow on the community.

(e) TRUST FUND.—

(1) ESTABLISHMENT.—There is established the Congressional Hunger Fellows Trust Fund (hereinafter in this section referred to as the ''Fund'') in the Treasury of the United States, consisting of amounts appropriated to the Fund under subsection (i), amounts credited to it under paragraph (3), and amounts received under subsection (g)(3)(A).

(2) INVESTMENT OF FUNDS.—The Secretary of the Treasury shall invest the full amount of the Fund. Each investment shall be made in an interest bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States that, as determined by the Secretary in consultation with the Board, has a maturity suitable for the Fund.

(3) RETURN ON INVESTMENT.—Except as provided in subsection (f)(2), the Secretary of the Treasury shall credit to the Fund the interest on, and the proceeds from the sale or redemption of, obligations held in the Fund.

(f) EXPENDITURES; AUDITS.—

(1) IN GENERAL.—The Secretary of the Treasury shall transfer to the program from the amounts described in subsection (e)(3) and subsection (g)(3)(A) such sums as the Board determines are necessary to enable the program to carry out the provisions of this section.

(2) LIMITATION.—The Secretary may not transfer to the program the amounts appropriated to the Fund under subsection (i).

(3) USE OF FUNDS.—Funds transferred to the program under paragraph (1) shall be used for the following purposes:

(A) STIPENDS FOR FELLOWS.—To provide for a living allowance for the fellows.

(B) TRAVEL OF FELLOWS.—To defray the costs of transportation of the fellows to the fellowship placement sites.

(C) INSURANCE.—To defray the costs of appropriate insurance of the fellows, the program, and the Board.

(D) TRAINING OF FELLOWS.—To defray the costs of preservice and midservice education and training of fellows.

(E) SUPPORT STAFF.—Staff described in subsection (g).

(F) AWARDS.—End-of-service awards under subsection (d)(3)(D)(iii)(II).

(G) ADDITIONAL APPROVED USES.—For such other purposes that the Board determines appropriate to carry out the program.

(4) AUDIT BY GAO.—

(A) IN GENERAL.—The Comptroller General of the United States shall conduct an annual audit of the accounts of the program.

(B) BOOKS.—The program shall make available to the Comptroller General all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the program and necessary to facilitate such audit.

(C) REPORT TO CONGRESS.—The Comptroller General shall submit a copy of the results of each such audit to the appropriate congressional committees.

(g) STAFF; POWERS OF PROGRAM.—

(1) EXECUTIVE DIRECTOR.—

(A) IN GENERAL.—The Board shall appoint an Executive Director of the program who shall administer the program. The Executive Director shall carry out such other functions consistent with the provisions of this section as the Board shall prescribe.

(B) RESTRICTION.—The Executive Director may not serve as Chairperson of the Board.

(C) COMPENSATION.—The Executive Director shall be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(2) STAFF.—

(A) IN GENERAL.—With the approval of a majority of the Board, the Executive Director may appoint and fix the pay of additional personnel as the Executive Director considers necessary and appropriate to carry out the functions of the provisions of this section.

(B) COMPENSATION.—An individual appointed under subparagraph (A) shall be paid at a rate not to exceed the rate of basic pay payable for level GS–15 of the General Schedule.

(3) POWERS.—In order to carry out the provisions of this section, the program may perform the following functions:

(A) GIFTS.—The program may solicit, accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the program. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Fund and shall be available for disbursement upon order of the Board.

(B) EXPERTS AND CONSULTANTS.—The program may procure temporary and intermittent services under section 3109 of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS–15 of the General Schedule.

(C) CONTRACT AUTHORITY.—The program may contract, with the approval of a majority of the members of the Board, with and

compensate Government and private agencies or persons without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

(D) OTHER NECESSARY EXPENDITURES.—The program shall make such other expenditures which the program considers necessary to carry out the provisions of this section, but excluding project development.

(h) REPORT.—Not later than December 31 of each year, the Board shall submit to the appropriate congressional committees a report on the activities of the program carried out during the previous fiscal year, and shall include the following:

(1) An analysis of the evaluations conducted under subsection (d)(4) (relating to evaluations of the Emerson and Leland fellowships and accomplishment of the program purposes) during that fiscal year.

(2) A statement of the total amount of funds attributable to gifts received by the program in that fiscal year (as authorized under subsection (g)(3)(A)), and the total amount of such funds that were expended to carry out the program that fiscal year.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $18,000,000 to carry out the provisions of this section.

(j) DEFINITION.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committee on Agriculture and the Committee on International Relations of the House of Representatives; and

(2) the Committee on Agriculture, Nutrition and Forestry and the Committee on Foreign Relations of the Senate.

**SEC. 462. GENERAL EFFECTIVE DATE.**

Except as otherwise provided in this title, the amendments made by this title shall take effect on October 1, 2002.

## TITLE V—CREDIT

### Subtitle A—Farm Ownership Loans

**SEC. 501. DIRECT LOANS.**

Section 302(b)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922(b)(1)) is amended by striking ''operated'' and inserting ''participated in the business operations of''.

**SEC. 502. FINANCING OF BRIDGE LOANS.**

Section 303(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1923(a)(1)) is amended—

(1) in subparagraph (C), by striking ''or'' at the end;

(2) in subparagraph (D), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(E) refinancing, during a fiscal year, a short-term, temporary bridge loan made by a commercial or cooperative lender to a beginning farmer or rancher for the acquisition of land for a farm or ranch, if—

''(i) the Secretary approved an application for a direct farm ownership loan to the beginning farmer or rancher for acquisition of the land; and

''(ii) funds for direct farm ownership loans under section 346(b) were not available at the time at which the application was approved.''.

**SEC. 503. LIMITATIONS ON AMOUNT OF FARM OWNERSHIP LOANS.**

Section 305 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1925) is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—The Secretary shall not make or insure a loan under section 302, 303, 304, 310D, or 310E that would cause the unpaid indebtedness under those sections of any 1 borrower to exceed the lesser of—

''(1) the value of the farm or other security; or

''(2)(A) in the case of a loan made by the Secretary—

''(i) to a beginning farmer or rancher, $250,000, as adjusted (beginning with fiscal year 2003) by the inflation percentage applicable to the fiscal year in which the loan is made; or

''(ii) to a borrower other than a beginning farmer or rancher, $200,000; or

''(B) in the case of a loan guaranteed by the Secretary, $700,000, as—

''(i) adjusted (beginning with fiscal year 2000) by the inflation percentage applicable to the fiscal year in which the loan is guaranteed; and

''(ii) reduced by the amount of any unpaid indebtedness of the borrower on loans under subtitle B that are guaranteed by the Secretary.''.

**SEC. 504. JOINT FINANCING ARRANGEMENTS.**

Section 307(a)(3)(D) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927(a)(3)(D)) is amended—

(1) by striking ''If'' and inserting the following:

''(i) IN GENERAL.—Subject to clause (ii), if''; and

(2) by adding at the end the following:

''(ii) BEGINNING FARMERS AND RANCHERS.—The interest rate charged a beginning farmer or rancher for a loan described in clause (i) shall be 50 basis points less than the rate charged farmers and ranchers that are not beginning farmers or ranchers.''.

**SEC. 505. GUARANTEE PERCENTAGE FOR BEGINNING FARMERS AND RANCHERS.**

Section 309(h)(6) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929(h)(6)) is amended by striking ''GUARANTEED UP'' and all that follows through ''more than'' and inserting ''GUARANTEED AT 95 PERCENT.—The Secretary shall guarantee''.

**SEC. 506. GUARANTEE OF LOANS MADE UNDER STATE BEGINNING FARMER OR RANCHER PROGRAMS.**

Section 309 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929) is amended by adding at the end the following:

''(j) GUARANTEE OF LOANS MADE UNDER STATE BEGINNING FARMER OR RANCHER PROGRAMS.—The Secretary may guarantee under this title a loan made under a State beginning farmer or rancher program, including a loan financed by the net proceeds of a qualified small issue agricultural bond for land or property described in section 144(a)(12)(B)(ii) of the Internal Revenue Code of 1986.''.

**SEC. 507. DOWN PAYMENT LOAN PROGRAM.**

Section 310E of the Consolidated Farm and Rural Development Act (7 U.S.C. 1935) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking ''30 percent'' and inserting ''40 percent''; and

(B) in paragraph (3), by striking ''10 years'' and inserting ''20 years''; and

(2) in subsection (c)(3)(B), by striking ''10-year'' and inserting ''20-year''.

**SEC. 508. BEGINNING FARMER AND RANCHER CONTRACT LAND SALES PROGRAM.**

(a) IN GENERAL.—Subtitle A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922 et seq.) is amended by adding at the end the following:

**''SEC. 310F. BEGINNING FARMER AND RANCHER CONTRACT LAND SALES PROGRAM.**

''(a) IN GENERAL.—Not later than October 1, 2002, the Secretary shall carry out a pilot program in not fewer than 10 geographically dispersed States, as determined by the Secretary, to guarantee up to 5 loans per State in each of fiscal years 2003 through 2006 made by a private seller of a farm or ranch to a qualified beginning farmer or rancher on a contract land sale basis, if the loan meets applicable underwriting criteria and a commercial lending institution agrees to serve as escrow agent.

''(b) DATE OF COMMENCEMENT OF PROGRAM.—The Secretary shall commence the pilot program on making a determination that guarantees of contract land sales present a risk that is comparable with the risk presented in the case of guarantees to commercial lenders.''.

(b) REGULATIONS.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to implement the amendment made by subsection (a).

(2) PROCEDURE.—The promulgation of the regulations and administration of the amendment made by subsection (a) shall be made without regard to—

(A) the notice and comment provisions of section 553 of title 5, United States Code;

(B) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(C) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'').

(3) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out the amendment made by subsection (a), the Secretary shall use the authority provided under section 808 of title 5, United States Code.

### Subtitle B—Operating Loans

**SEC. 511. DIRECT LOANS.**

Section 311(c)(1)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941(c)(1)(A)) is amended by striking ''who has not'' and all that follows through ''5 years''.

**SEC. 512. AMOUNT OF GUARANTEE OF LOANS FOR TRIBAL FARM OPERATIONS; WAIVER OF LIMITATIONS FOR TRIBAL OPERATIONS AND OTHER OPERATIONS.**

(a) AMOUNT OF GUARANTEE OF LOANS FOR TRIBAL OPERATIONS.—Section 309(h) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929(h)) is amended—

(1) in paragraph (4), by striking ''paragraphs (5) and (6)'' and inserting ''paragraphs (5), (6), and (7)''; and

(2) by adding at the end the following:

''(7) AMOUNT OF GUARANTEE OF LOANS FOR TRIBAL OPERATIONS.—In the case of an operating loan made to a Native American farmer or rancher whose farm or ranch is within an Indian reservation (as defined in section 335(e)(1)(A)(ii)), the Secretary shall guarantee 95 percent of the loan.''.

(b) WAIVER OF LIMITATIONS.—Section 311(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941(c)) is amended—

(1) in paragraph (1), by striking ''paragraph (3)'' and inserting ''paragraphs (3) and (4)''; and

(2) by adding at the end the following:

''(4) WAIVERS.—

''(A) TRIBAL FARM AND RANCH OPERATIONS.—The Secretary shall waive the limitation under paragraph (1)(C) for a direct loan made under this subtitle to a Native American farmer or rancher whose farm or ranch is within an Indian reservation (as defined in section 335(e)(1)(A)(ii)) if the Secretary determines that commercial credit is not generally available for such farm or ranch operations.

''(B) OTHER FARM AND RANCH OPERATIONS.—On a case-by-case determination not subject to administrative appeal, the Secretary may grant a borrower a waiver, 1 time only for a period of 2 years, of the limitation under paragraph (1)(C) for a direct operating loan if the borrower demonstrates to the satisfaction of the Secretary that—

''(i) the borrower has a viable farm or ranch operation;

''(ii) the borrower applied for commercial credit from at least 2 commercial lenders;

''(iii) the borrower was unable to obtain a commercial loan (including a loan guaranteed by the Secretary); and

''(iv) the borrower successfully has completed, or will complete within 1 year, borrower training under section 359 (from which requirement the Secretary shall not grant a waiver under section 359(f)).''.

**Subtitle C—Administrative Provisions**

**SEC. 521. ELIGIBILITY OF LIMITED LIABILITY COMPANIES FOR FARM OWNERSHIP LOANS, FARM OPERATING LOANS, AND EMERGENCY LOANS.**

(a) IN GENERAL.—Sections 302(a), 311(a), and 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922(a), 1941(a), 1961(a)) are amended by striking ''and joint operations'' each place it appears and inserting ''joint operations, and limited liability companies''.

(b) CONFORMING AMENDMENT.—Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended by striking ''or joint operations'' each place it appears and inserting ''joint operations, or limited liability companies''.

**SEC. 522. DEBT SETTLEMENT.**

Section 331(b)(4) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981(b)(4)) is amended by striking ''carried out—'' and all that follows through ''(B) after'' and inserting ''carried out after''.

**SEC. 523. TEMPORARY AUTHORITY TO ENTER INTO CONTRACTS; PRIVATE COLLECTION AGENCIES.**

(a) IN GENERAL.—Section 331 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981) is amended by striking subsections (d) and (e).

(b) APPLICATION.—The amendment made by subsection (a) shall not apply to a contract entered into before the effective date of this Act.

**SEC. 524. INTEREST RATE OPTIONS FOR LOANS IN SERVICING.**

Section 331B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981b) is amended—

(1) by striking ''lower of (1) the'' and inserting the following: ''lowest of—

''(1) the''; and

(2) by striking ''original loan or (2) the'' and inserting the following: ''original loan;

''(2) the rate being charged by the Secretary for loans, other than guaranteed loans, of the same type at the time at which the borrower applies for a deferral, consolidation, rescheduling, or reamortization; or

''(3) the''.

**SEC. 525. ANNUAL REVIEW OF BORROWERS.**

Section 333 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983) is amended by striking paragraph (2) and inserting the following:

''(2) except with respect to a loan under section 306, 310B, or 314—

''(A) an annual review of the credit history and business operation of the borrower; and

''(B) an annual review of the continued eligibility of the borrower for the loan;''.

**SEC. 526. SIMPLIFIED LOAN APPLICATIONS.**

Section 333A(g)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983a(g)(1)) is amended by striking ''of loans the principal amount of which is $50,000 or less'' and inserting ''of farmer program loans the principal amount of which is $100,000 or less''.

**SEC. 527. INVENTORY PROPERTY.**

Section 335(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(c)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) in clause (i), by striking ''75 days'' and inserting ''135 days''; and

(ii) by adding at the end the following:

''(iv) COMBINING AND DIVIDING OF PROPERTY.—To the maximum extent practicable, the Secretary shall maximize the opportunity for beginning farmers and ranchers to purchase real property acquired by the Secretary under this title by combining or dividing inventory parcels of the property in such manner as the Secretary determines to be appropriate.''; and

(B) in subparagraph (C)—

(i) by striking ''75 days'' and inserting ''135 days''; and

(ii) by striking ''75-day period'' and inserting ''135-day period'';

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

''(2) PREVIOUS LEASE.—In the case of real property acquired before April 4, 1996, that the Secretary leased before April 4, 1996, not later than 60 days after the lease expires, the Secretary shall offer to sell the property in accordance with paragraph (1).''; and

(3) in paragraph (3)—

(A) in subparagraph (A), by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (C)''; and

(B) by adding at the end the following:

''(C) OFFER TO SELL OR GRANT FOR FARMLAND PRESERVATION.—For the purpose of farmland preservation, the Secretary shall—

''(i) in consultation with the State Conservationist of each State in which inventory property is located, identify each parcel of inventory property in the State that should be preserved for agricultural use; and

''(ii) offer to sell or grant an easement, restriction, development right, or similar legal right to each parcel identified under clause (i) to a State, a political subdivision of a State, or a private nonprofit organization separately from the underlying fee or other rights to the property owned by the United States.''.

**SEC. 528. DEFINITIONS.**

(a) QUALIFIED BEGINNING FARMER OR RANCHER.—Section 343(a)(11)(F) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(11)(F)) is amended by striking ''25 percent'' and inserting ''30 percent''.

(b) DEBT FORGIVENESS.—Section 343(a)(12) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(12)) is amended by striking subparagraph (B) and inserting the following:

''(B) EXCEPTIONS.—The term 'debt forgiveness' does not include—

''(i) consolidation, rescheduling, reamortization, or deferral of a loan; or

''(ii) any write-down provided as part of a resolution of a discrimination complaint against the Secretary.''.

**SEC. 529. LOAN AUTHORIZATION LEVELS.**

Section 346 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994) is amended—

(1) in subsection (b)—

(A) by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—The Secretary may make or guarantee loans under subtitles A and B from the Agricultural Credit Insurance Fund provided for in section 309 for not more than $3,750,000,000 for each of fiscal years 2002 through 2006, of which, for each fiscal year—

''(A) $750,000,000 shall be for direct loans, of which—

''(i) $200,000,000 shall be for farm ownership loans under subtitle A; and

''(ii) $550,000,000 shall be for operating loans under subtitle B; and

''(B) $3,000,000,000 shall be for guaranteed loans, of which—

''(i) $1,000,000,000 shall be for guarantees of farm ownership loans under subtitle A; and

''(ii) $2,000,000,000 shall be for guarantees of operating loans under subtitle B.''; and

(B) in paragraph (2)(A)(ii), by striking ''farmers and ranchers'' and all that follows and inserting ''farmers and ranchers 35 percent for each of fiscal years 2002 through 2006.''; and

(2) in subsection (c), by striking the last sentence.

**SEC. 530. INTEREST RATE REDUCTION PROGRAM.**

Section 351 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1999) is amended—

(1) in subsection (a)—

(A) by striking ''PROGRAM.—'' and all that follows through ''The Secretary'' and inserting ''PROGRAM.—The Secretary''; and

(B) by striking paragraph (2);

(2) by striking subsection (c) and inserting the following:

''(c) AMOUNT OF INTEREST RATE REDUCTION.—

''(1) IN GENERAL.—In return for a contract entered into by a lender under subsection (b) for the reduction of the interest rate paid on a loan, the Secretary shall make payments to the lender in an amount equal to not more than 100 percent of the cost of reducing the annual rate of interest payable on the loan, except that such payments shall not exceed the cost of reducing the rate by more than—

''(A) in the case of a borrower other than a beginning farmer or rancher, 3 percent; and

''(B) in the case of a beginning farmer or rancher, 4 percent.

''(2) BEGINNING FARMERS AND RANCHERS.—The percentage reduction of the interest rate for which payments are authorized to be made for a beginning farmer or rancher under paragraph (1) shall be 1 percent more than the percentage reduction for farmers and ranchers that are not beginning farmers or ranchers.''; and

(3) in subsection (e), by striking paragraph (2) and inserting the following:

''(2) MAXIMUM AMOUNT OF FUNDS.—

''(A) IN GENERAL.—The total amount of funds used by the Secretary to carry out this section for a fiscal year shall not exceed $750,000,000.

''(B) BEGINNING FARMERS AND RANCHERS.—

''(i) IN GENERAL.—The Secretary shall reserve not less than 25 percent of the funds used by the Secretary under subparagraph (A) to make payments for guaranteed loans made to beginning farmers and ranchers.

''(ii) DURATION OF RESERVATION OF FUNDS.—Funds reserved for beginning farmers or ranchers under clause (i) for a fiscal year shall be reserved only until April 1 of the fiscal year.''.

**SEC. 531. OPTIONS FOR SATISFACTION OF OBLIGATION TO PAY RECAPTURE AMOUNT FOR SHARED APPRECIATION AGREEMENTS.**

(a) IN GENERAL.—Section 353(e)(7) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2001(e)(7)) is amended—

(1) in subparagraph (C), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and adjusting the margins appropriately;

(2) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively, and adjusting the margins appropriately;

(3) by striking the paragraph heading and inserting the following:

''(7) OPTIONS FOR SATISFACTION OF OBLIGATION TO PAY RECAPTURE AMOUNT.—

''(A) IN GENERAL.—As an alternative to repaying the full recapture amount at the end of the term of the agreement (as determined by the Secretary in accordance with this section), a borrower may satisfy the obligation to pay the amount of recapture by—

''(i) financing the recapture payment in accordance with subparagraph (B); or

''(ii) granting the Secretary an agricultural use protection and conservation easement on the property subject to the shared appreciation agreement in accordance with subparagraph (C).

''(B) FINANCING OF RECAPTURE PAYMENT.—''; and

(4) by adding at the end the following:

''(C) AGRICULTURAL USE PROTECTION AND CONSERVATION EASEMENT.—

''(i) IN GENERAL.—Subject to clause (iii), the Secretary shall accept an agricultural use protection and conservation easement from the borrower for all of the real security property subject to the shared appreciation agreement in lieu of payment of the recapture amount.

''(ii) TERM.—The term of an easement accepted by the Secretary under this subparagraph shall be 25 years.

''(iii) CONDITIONS.—The easement shall require that the property subject to the easement shall continue to be used or conserved for agricultural and conservation uses in accordance with sound farming and conservation practices, as determined by the Secretary.

''(iv) REPLACEMENT OF METHOD OF SATISFYING OBLIGATION.—A borrower that has begun financing of a recapture payment under subparagraph (B) may replace that financing with an agricultural use protection and conservation easement under this subparagraph.''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to a shared appreciation agreement that—

(1) matures on or after the date of enactment of this Act; or

(2) matured before the date of enactment of this Act, if—

(A) the recapture amount was reamortized under section 353(e)(7) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2001(e)(7)) (as in effect on the day before the date of enactment of this Act); or

(B)(i) the recapture amount had not been paid before the date of enactment of this Act because of circumstances beyond the control of the borrower; and

(ii) the borrower acted in good faith (as determined by the Secretary) in attempting to repay the recapture amount.

**SEC. 532. WAIVER OF BORROWER TRAINING CERTIFICATION REQUIREMENT.**

Section 359 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2006a) is amended by striking subsection (f) and inserting the following:

''(f) WAIVERS.—

''(1) IN GENERAL.—The Secretary may waive the requirements of this section for an individual borrower if the Secretary determines that the borrower demonstrates adequate knowledge in areas described in this section.

''(2) CRITERIA.—The Secretary shall establish criteria providing for the application of paragraph (1) consistently in all counties nationwide.''.

**SEC. 533. ANNUAL REVIEW OF BORROWERS.**

Section 360(d)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2006b(d)(1)) is amended by striking ''biannual'' and inserting ''annual''.

## Subtitle D—Farm Credit

**SEC. 541. REPEAL OF BURDENSOME APPROVAL REQUIREMENTS.**

(a) BANKS FOR COOPERATIVES.—Section 3.1(11)(B) of the Farm Credit Act of 1971 (12 U.S.C. 2122(11)(B)) is amended—

(1) by striking clause (iii); and

(2) by redesignating clause (iv) as clause (iii).

(b) OTHER SYSTEM BANKS; ASSOCIATIONS.—Section 4.18A of the Farm Credit Act of 1971 (12 U.S.C. 2206a) is amended—

(1) in subsection (a)(1), by striking ''3.11(11)(B)(iv)'' and inserting ''3.11(11)(B)(iii)''; and

(2) by striking subsection (c).

**SEC. 542. BANKS FOR COOPERATIVES.**

Section 3.7(b) of the Farm Credit Act of 1971 (12 U.S.C. 2128(b)) is amended—

(1) in paragraphs (1) and (2)(A)(i), by striking ''farm supplies'' each place it appears and inserting ''agricultural supplies''; and

(2) by adding at the end the following:

''(4) DEFINITION OF AGRICULTURAL SUPPLY.—In this subsection, the term 'agricultural supply' includes—

''(A) a farm supply; and

''(B)(i) agriculture-related processing equipment;

''(ii) agriculture-related machinery; and

''(iii) other capital-related goods related to the storage or handling of agricultural commodities or products.''.

**SEC. 543. INSURANCE CORPORATION PREMIUMS.**

(a) REDUCTION IN PREMIUMS FOR GSE-GUARANTEED LOANS.—

(1) IN GENERAL.—Section 5.55 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4) is amended—

(A) in subsection (a)—

(i) in paragraph (1)—

(I) in subparagraph (A), by striking ''government-guaranteed loans provided for in subparagraph (C)'' and inserting ''loans provided for in subparagraphs (C) and (D)'';

(II) in subparagraph (B), by striking ''and'' at the end;

(III) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(IV) by adding at the end the following:

''(D) the annual average principal outstanding for such year on the guaranteed portions of Government Sponsored Enterprise-guaranteed loans made by the bank that are in accrual status, multiplied by a factor, not to exceed 0.0015, determined by the Corporation at the sole discretion of the Corporation.''; and

(ii) by adding at the end the following:

''(4) DEFINITION OF GOVERNMENT SPONSORED ENTERPRISE-GUARANTEED LOAN.—In this section and sections 1.12(b) and 5.56(a), the term 'Government Sponsored Enterprise-guaranteed loan' means a loan or credit, or portion of a loan or credit, that is guaranteed by an entity that is chartered by Congress to serve a public purpose and the debt obligations of which are not explicitly guaranteed by the United States, including the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank System, and the Federal Agricultural Mortgage Corporation, but not including any other institution of the Farm Credit System.''; and

(B) in subsection (e)(4)(B), by striking ''government-guaranteed loans described in subsection (a)(1)(C)'' and inserting ''loans described in subparagraph (C) or (D) of subsection (a)(1)''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1.12(b) of the Farm Credit Act of 1971 (12 U.S.C. 2020(b)) is amended—

(i) in paragraph (1), by inserting ''and Government Sponsored Enterprise-guaranteed loans (as defined in section 5.55(a)(4)) provided for in paragraph (4)'' after ''government-guaranteed loans (as defined in section 5.55(a)(3)) provided for in paragraph (3)'';

(ii) in paragraph (2), by striking ''and'' at the end;

(iii) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(iv) by adding at the end the following:

''(4) the annual average principal outstanding for such year on the guaranteed portions of Government Sponsored Enterprise-guaranteed loans (as so defined) made by the association, or by the other financing institution and funded by or discounted with the Farm Credit Bank, that are in accrual status, multiplied by the factor, not to exceed 0.0015, determined by the Corporation for the purpose of setting the premium for such guaranteed portions of loans under section 5.55(a)(1)(D).''.

(B) Section 5.56(a) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–5(a)) is amended—

(i) in paragraph (1), by inserting ''and Government Sponsored Enterprise-guaranteed loans (as defined in section 5.55(a)(4))'' after ''government-guaranteed loans'';

(ii) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(iii) by inserting after paragraph (3) the following:

''(4) the annual average principal outstanding on the guaranteed portions of Government Sponsored Enterprise-guaranteed loans (as defined in section 5.55(a)(4)) that are in accrual status;''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect on the date on which Farm Credit System Insurance Corporation premiums are due from insured Farm Credit System banks under section 5.55 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4) for calendar year 2001.

**SEC. 544. BOARD OF DIRECTORS OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION.**

Section 8.2(b) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–2(b)) is amended—

(1) in paragraph (2)—

(A) by striking ''15'' and inserting ''17'';

(B) in subparagraph (A), by striking ''common stock'' and all that follows and inserting ''Class A voting common stock;'';

(C) in subparagraph (B), by striking ''common stock'' and all that follows and inserting ''Class B voting common stock;'';

(D) by redesignating subparagraph (C) as subparagraph (D); and

(E) by inserting after subparagraph (B) the following:

''(C) 2 members shall be elected by holders of Class A voting common stock and Class B voting common stock, 1 of whom shall be the chief executive officer of the Corporation and 1 of whom shall be another executive officer of the Corporation; and'';

(2) in paragraph (3), by striking ''(2)(C)'' and inserting ''(2)(D)'';

(3) in paragraph (4)—

(A) in subparagraph (A), by striking ''(A) or (B)'' and inserting ''(A), (B), or (C)''; and

(B) in subparagraph (B), by striking ''(2)(C)'' and inserting ''(2)(D)'';

(4) in paragraph (5)(A)—

(A) by inserting ''executive officers of the Corporation or'' after ''from among persons who are''; and

(B) by striking ''such a representative'' and inserting ''such an executive officer or representative'';

(5) in paragraph (6)(B), by striking ''(A) and (B)'' and inserting ''(A), (B), and (C)'';

(6) in paragraph (7), by striking ''8 members'' and inserting ''Nine members'';

(7) in paragraph (8)—

(A) in the paragraph heading, by inserting ''OR EXECUTIVE OFFICERS OF THE CORPORATION'' after ''EMPLOYEES''; and

(B) by inserting ''or executive officers of the Corporation'' after ''United States''; and

(8) by striking paragraph (9) and inserting the following:

''(9) CHAIRPERSON.—

''(A) ELECTION.—The permanent board shall annually elect a chairperson from among the members of the permanent board.

''(B) TERM.—The term of the chairperson shall coincide with the term served by elected members of the permanent board under paragraph (6)(B).''.

**Subtitle E—General Provisions**

**SEC. 551. INAPPLICABILITY OF FINALITY RULE.**

Section 281(a)(1) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7001(a)(1)) is amended—

(1) by striking ''This subsection'' and inserting the following:

''(A) IN GENERAL.—Except as provided in subparagraph (B), this subsection''; and

(2) by adding at the end the following:

''(B) AGRICULTURAL CREDIT DECISIONS.—This subsection shall not apply with respect to an agricultural credit decision made by such a State, county, or area committee, or employee of such a committee, under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).''.

**SEC. 552. TECHNICAL AMENDMENTS.**

(a) Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended by striking ''Disaster Relief and Emergency Assistance Act'' each place it appears and inserting ''Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.)''.

(b) Section 336(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1986(b)) is amended in the second sentence by striking ''provided for in section 332 of this title''.

(c) Section 359(c)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2006a(c)(1)) is amended by striking ''established pursuant to section 332,''.

(d) Section 360(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2006b(a)) is amended by striking ''established pursuant to section 332''.

**SEC. 553. EFFECT OF AMENDMENTS.**

(a) IN GENERAL.—Except as otherwise specifically provided in this title and notwithstanding any other provision of law, this title and the amendments made by this title shall not affect the authority of the Secretary of Agriculture to carry out a farm credit program for any of the 1996 through 2001 fiscal years under a provision of law in effect immediately before the enactment of this Act.

(b) LIABILITY.—A provision of this title or an amendment made by this title shall not affect the liability of any person under any provision of law as in effect immediately before the enactment of this Act.

**SEC. 554. EFFECTIVE DATE.**

(a) IN GENERAL.—Except as provided in subsection (b) and section 543(b), this title and the amendments made by this title take effect on October 1, 2001.

(b) BOARD OF DIRECTORS OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION.—The amendments made by section 544 take effect on the date of enactment of this Act.

## TITLE VI—RURAL DEVELOPMENT

**SEC. 601. FUNDING FOR RURAL LOCAL TELEVISION BROADCAST SIGNAL LOAN GUARANTEES.**

Section 1011(a) of the Launching Our Communities' Access to Local Television Act of 2000 (title X of H.R. 5548, as enacted by section 1(a)(2) of Public Law 106–553) is amended by adding at the end the following: ''In addition, a total of $200,000,000 of the funds of the Commodity Credit Corporation shall be available during fiscal years 2002 through 2006, without fiscal year limitation, for loan guarantees under this title.''.

**SEC. 602. EXPANDED ELIGIBILITY FOR VALUE-ADDED AGRICULTURAL PRODUCT MARKET DEVELOPMENT GRANTS.**

Section 231(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) ESTABLISHMENT AND PURPOSES.—

''(A) IN GENERAL.—In each of fiscal years 2002 through 2011, the Secretary shall award competitive grants—

''(i) to eligible independent producers (as determined by the Secretary) of value-added agricultural commodities and products of agricultural commodities to assist an eligible producer—

''(I) to develop a business plan for viable marketing opportunities for a value-added agricultural commodity or product of an agricultural commodity; or

''(II) to develop strategies for the ventures that are intended to create marketing opportunities for the producers; and

''(ii) to public bodies, institutions of higher learning, and trade associations to assist such entities—

''(I) to develop a business plan for viable marketing opportunities in emerging markets for a value-added agricultural commodity or product of an agricultural commodity; or

''(II) to develop strategies for the ventures that are intended to create marketing opportunities in emerging markets for the producers.

''(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $50,000,000 for each of fiscal years 2002 through 2011.'';

(2) by striking ''producer'' each place it appears thereafter and inserting ''grantee''; and

(3) in the heading for paragraph (3), by striking ''PRODUCER'' and inserting ''GRANTEE''.

**SEC. 603. AGRICULTURE INNOVATION CENTER DEMONSTRATION PROGRAM.**

(a) PURPOSES.—The purposes of this section are to carry out a demonstration program under which agricultural producers are provided—

(1) technical assistance, including engineering services, applied research, scale production, and similar services to enable the producers to establish businesses for further processing of agricultural products;

(2) marketing, market development, and business planning; and

(3) overall organizational, outreach, and development assistance to increase the viability, growth, and sustainability of value-added agricultural businesses.

(b) NATURE OF PROGRAM.—The Secretary of Agriculture (in this section referred to as the ''Secretary'') shall—

(1) make grants to eligible applicants for the purposes of enabling the applicants to obtain the assistance described in subsection (a); and

(2) provide assistance to eligible applicants through the research and technical services of the Department of Agriculture.

(c) ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—An applicant shall be eligible for a grant and assistance described in subsection (b) to establish an Agriculture Innovation Center if—

(A) the applicant—

(i) has provided services similar to those described in subsection (a); or

(ii) shows the capability of providing the services;

(B) the application of the applicant for the grant and assistance sets forth a plan, in accordance with regulations which shall be prescribed by the Secretary, outlining support of the applicant in the agricultural community, the technical and other expertise of the applicant, and the goals of the applicant for increasing and improving the ability of local producers to develop markets and processes for value-added agricultural products;

(C) the applicant demonstrates that resources (in cash or in kind) of definite value are available, or have been committed to be made available, to the applicant, to increase and improve the ability of local producers to develop markets and processes for value-added agricultural products; and

(D) the applicant meets the requirement of paragraph (2).

(2) BOARD OF DIRECTORS.—The requirement of this paragraph is that the applicant shall have a board of directors comprised of representatives of the following groups:

(A) The 2 general agricultural organizations with the greatest number of members in the State in which the applicant is located.

(B) The Department of Agriculture or similar State organization or department, for the State.

(C) Organizations representing the 4 highest grossing commodities produced in the State, according to annual gross cash sales.

(d) GRANTS AND ASSISTANCE.—

(1) IN GENERAL.—Subject to subsection (g), the Secretary shall make annual grants to eligible applicants under this section, each of which grants shall not exceed the lesser of—

(A) $1,000,000; or

(B) twice the dollar value of the resources (in cash or in kind) that the applicant has demonstrated are available, or have been committed to be made available, to the applicant in accordance with subsection (c)(1)(C).

(2) INITIAL LIMITATION.—In the first year of the demonstration program under this section, the Secretary shall make grants under this section, on a competitive basis, to not more than 5 eligible applicants.

(3) EXPANSION OF DEMONSTRATION PROGRAM.—In the second year of the demonstration program under this section, the Secretary may make grants under this section to not more than 10 eligible applicants, in addition to any entities to which grants are made under paragraph (2) for such year.

(4) STATE LIMITATION.—In the first 3 years of the demonstration program under this section, the Secretary shall not make an Agricultural Innovation Center Demonstration Program grant under this section to more than 1 entity in a single State.

(e) USE OF FUNDS.—An entity to which a grant is made under this section may use the grant only for the following purposes, but only to the extent that the use is not described in section 231(d) of the Agricultural Risk Protection Act of 2000:

(1) Applied research.

(2) Consulting services.

(3) Hiring of employees, at the discretion of the board of directors of the entity.

(4) The making of matching grants, each of which shall be not more than $5,000, to agricultural producers, so long as the aggregate amount of all such matching grants shall be not more than $50,000.

(5) Legal services.

(f) RULE OF INTERPRETATION.—This section shall not be construed to prevent a recipient of a grant under this section from collaborating with any other institution with respect to activities conducted using the grant.

(g) AVAILABILITY OF FUNDS.—Of the amount made available under section 231(a)(1) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1621 note), the Secretary shall use to carry out this section—

(1) not less than $5,000,000 for fiscal year 2002; and

(2) not less than $10,000,000 for each of the fiscal years 2003 and 2004.

(h) REPORT ON BEST PRACTICES.—

(1) EFFECTS ON THE AGRICULTURAL SECTOR.—The Secretary shall utilize $300,000 per year of the funds made available pursuant to this section to support research at any university into the effects of value-added projects on agricultural producers and the

commodity markets. The research should systematically examine possible effects on demand for agricultural commodities, market prices, farm income, and Federal outlays on commodity programs using linked, long-term, global projections of the agricultural sector.

(2) DEPARTMENT OF AGRICULTURE.—Not later than 3 years after the first 10 grants are made under this section, the Secretary shall prepare and submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and to the Committee on Agriculture of the House of Representatives a written report on the effectiveness of the demonstration program conducted under this section at improving the production of value-added agricultural products and on the effects of the program on the economic viability of the producers, which shall include the best practices and innovations found at each of the Agriculture Innovation Centers established under the demonstration program under this section, and detail the number and type of agricultural projects assisted, and the type of assistance provided, under this section.

**SEC. 604. FUNDING OF COMMUNITY WATER ASSISTANCE GRANT PROGRAM.**

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out section 306A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926a) $30,000,000 for each of fiscal years 2002 though 2011.

(b) EXTENSION OF PROGRAM.—Section 306A(i) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926a(i)) is amended by striking ''2002'' and inserting ''2011''.

(c) MISCELLANEOUS AMENDMENTS.—Section 306A of such Act (7 U.S.C. 1926a) is amended—

(1) in the heading by striking ''**emergency**'';

(2) in subsection (a)(1)—

(A) by striking ''after'' and inserting ''when''; and

(B) by inserting ''is imminent'' after ''communities''; and

(3) in subsection (c), by striking ''shall—'' and all that follows and inserting ''shall be a public or private nonprofit entity.''.

**SEC. 605. LOAN GUARANTEES FOR THE FINANCING OF THE PURCHASE OF RENEWABLE ENERGY SYSTEMS.**

Section 4 of the Rural Electrification Act of 1936 (7 U.S.C. 904) is amended—

(1) by inserting ''(a)'' before ''The Secretary''; and

(2) by adding after and below the end the following:

''(b) LOAN GUARANTEES FOR THE FINANCING OF THE PURCHASE OF RENEWABLE ENERGY SYSTEMS.—The Secretary may provide a loan guarantee, on such terms and conditions as the Secretary deems appropriate, for the purpose of financing the purchase of a renewable energy system, including a wind energy system and anaerobic digestors for the purpose of energy generation, by any person or individual who is a farmer, a rancher, or an owner of a small business (as defined by the Secretary) that is located in a rural area (as defined by the Secretary). In providing guarantees under this subsection, the Secretary shall give priority to loans used primarily for power generation on a farm, ranch, or small business (as so defined).''.

**SEC. 606. LOANS AND LOAN GUARANTEES FOR RENEWABLE ENERGY SYSTEMS.**

Section 310B(a)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)(3)) is amended by inserting ''and other renewable energy systems including wind energy systems and anaerobic digestors for the purpose of energy generation'' after ''solar energy systems''.

**SEC. 607. RURAL BUSINESS OPPORTUNITY GRANTS.**

Section 306(a)(11)(D) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)(D)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 608. GRANTS FOR WATER SYSTEMS FOR RURAL AND NATIVE VILLAGES IN ALASKA.**

Section 306D(d)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d(d)(1)) is amended by striking ''and 2002'' and inserting ''through 2011''.

**SEC. 609. RURAL COOPERATIVE DEVELOPMENT GRANTS.**

Section 310B(e)(9) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)(9)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 610. NATIONAL RESERVE ACCOUNT OF RURAL DEVELOPMENT TRUST FUND.**

Section 381E(e)(3)(F) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009d(e)(3)(F)) is amended by striking ''fiscal year 2002'' and inserting ''each of the fiscal years 2002 through 2011''.

**SEC. 611. RURAL VENTURE CAPITAL DEMONSTRATION PROGRAM.**

Section 381O(b)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009n(b)(3)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 612. INCREASE IN LIMIT ON CERTAIN LOANS FOR RURAL DEVELOPMENT.**

Section 310B(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)) is amended by striking ''$25,000,000'' and inserting ''$100,000,000''.

**SEC. 613. PILOT PROGRAM FOR DEVELOPMENT AND IMPLEMENTATION OF STRATEGIC REGIONAL DEVELOPMENT PLANS.**

(a) DEVELOPMENT.—

(1) SELECTION OF STATES.—The Secretary of Agriculture (in this section referred to as the ''Secretary'') shall, on a competitive basis, select States in which to implement strategic regional development plans developed under this subsection.

(2) GRANTS.—

(A) AUTHORITY.—

(i) IN GENERAL.—From the funds made available to carry out this subsection, the Secretary shall make a matching grant to 1 or more entities in each State selected under subsection (a), to develop a strategic regional development plan that provides for rural economic development in a region in the State in which the entity is located.

(ii) PRIORITY.—In making grants under this subsection, the Secretary shall give priority to entities that represent a regional coalition of community-based planning, development, governmental, and business organizations.

(B) TERMS OF MATCH.—In order for an entity to be eligible for a matching grant under this subsection, the entity shall make a commitment to the Secretary to provide funds for the development of a strategic regional development plan of the kind referred to in subparagraph (A) in an amount that is not less than the amount of the matching grant.

(C) LIMITATION.—The Secretary shall not make a grant under this subsection in an amount that exceeds $150,000.

(3) FUNDING.—

(A) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section for each of fiscal years 2002 through 2011 the total obtained by adding—

(i) $2,000,000; and

(ii) 2/13 of the amounts made available by section 943 of the Farm Security Act of 2001 for grants under this section.

(B) AVAILABILITY.—Funds made available pursuant to subparagraph (A) shall remain available without fiscal year limitation.

(b) STRATEGIC PLANNING IMPLEMENTATION.—

(1) The Secretary shall use the authorities provided in the provisions of law specified in section 793(c)(1)(A)(ii) of the Federal Agriculture Improvement and Reform Act of 1996 to implement the strategic regional development plans developed pursuant to subsection (a) of this section.

(2) FUNDING.—

(A) IN GENERAL.—The Secretary shall use $13,000,000 of the funds of the Commodity Credit Corporation, plus 11/13 of the amounts made available by section 943 of the Farm Security Act of 2001 for grants under this section, in each of fiscal years 2002 through 2011 to carry out this subsection.

(B) AVAILABILITY.—Funds made available pursuant to subparagraph (A) shall remain available without fiscal year limitation.

(c) USE OF FUNDS.—The amounts made available under subsections (a) and (b) may be used as the Secretary deems appropriate to carry out any provision of this section.

**SEC. 614. GRANTS TO NONPROFIT ORGANIZATIONS TO FINANCE THE CONSTRUCTION, REFURBISHING, AND SERVICING OF INDIVIDUALLY-OWNED HOUSEHOLD WATER WELL SYSTEMS IN RURAL AREAS FOR INDIVIDUALS WITH LOW OR MODERATE INCOMES.**

(a) IN GENERAL.—Subtitle A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922–1949) is amended by inserting after section 306D the following:

**''SEC. 306E. GRANTS TO NONPROFIT ORGANIZATIONS TO FINANCE THE CONSTRUCTION, REFURBISHING, AND SERVICING OF INDIVIDUALLY-OWNED HOUSEHOLD WATER WELL SYSTEMS IN RURAL AREAS FOR INDIVIDUALS WITH LOW OR MODERATE INCOMES.**

''(a) DEFINITION OF ELIGIBLE INDIVIDUAL.—In this section, the term 'eligible individual' means an individual who is a member of a household, the combined income of whose members for the most recent 12-month period for which the information is available, is not more than 100 percent of the median nonmetropolitan household income for the State or territory in which the individual resides, according to the most recent decennial census of the United States.

''(b) GRANTS.—The Secretary may make grants to private nonprofit organizations for the purpose of assisting eligible individuals in obtaining financing for the construction, refurbishing, and servicing of individual household water well systems in rural areas that are owned (or to be owned) by the eligible individuals.

''(c) USE OF FUNDS.—A grant made under this section may be—

''(1) used, or invested to provide income to be used, to carry out subsection (b); and

''(2) used to pay administrative expenses associated with providing the assistance described in subsection (b).

''(d) PRIORITY IN AWARDING GRANTS.—In awarding grants under this section, the Secretary shall give priority to an applicant that has substantial expertise and experience in promoting the safe and productive use of individually-owned household water well systems and ground water.''.

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on October 1, 2001.

**SEC. 615. NATIONAL RURAL DEVELOPMENT PARTNERSHIP.**

Subtitle E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009–2009n) is amended by adding at the end the following:

**''SEC. 381P. NATIONAL RURAL DEVELOPMENT PARTNERSHIP.**

''(a) RURAL AREA DEFINED.—In this section, the term 'rural area' means such areas as the Secretary may determine.

''(b) ESTABLISHMENT.—There is established a National Rural Development Partnership

(in this section referred to as the 'Partnership'), which shall be composed of—

''(1) the National Rural Development Coordinating Committee established in accordance with subsection (c); and

''(2) State rural development councils established in accordance with subsection (d).

''(c) NATIONAL RURAL DEVELOPMENT COORDINATING COMMITTEE.—

''(1) COMPOSITION.—The National Rural Development Coordinating Committee (in this section referred to as the 'Coordinating Committee') may be composed of—

''(A) representatives of all Federal departments and agencies with policies and programs that affect or benefit rural areas;

''(B) representatives of national associations of State, regional, local, and tribal governments and intergovernmental and multijurisdictional agencies and organizations;

''(C) national public interest groups; and

''(D) other national nonprofit organizations that elect to participate in the activities of the Coordinating Committee.

''(2) FUNCTIONS.—The Coordinating Committee may—

''(A) provide support for the work of the State rural development councils established in accordance with subsection (d); and

''(B) develop and facilitate strategies to reduce or eliminate conflicting or duplicative administrative and regulatory impediments confronting rural areas.

''(d) STATE RURAL DEVELOPMENT COUNCILS.—

''(1) COMPOSITION.—A State rural development council may—

''(A) be composed of representatives of Federal, State, local, and tribal governments, and nonprofit organizations, the private sector, and other entities committed to rural advancement; and

''(B) have a nonpartisan and nondiscriminatory membership that is broad and representative of the economic, social, and political diversity of the State.

''(2) FUNCTIONS.—A State rural development council may—

''(A) facilitate collaboration among Federal, State, local, and tribal governments and the private and non-profit sectors in the planning and implementation of programs and policies that affect the rural areas of the State, and to do so in such a way that provides the greatest degree of flexibility and innovation in responding to the unique needs of the State and the rural areas; and

''(B) in conjunction with the Coordinating Committee, develop and facilitate strategies to reduce or eliminate conflicting or duplicative administrative and regulatory impediments confronting the rural areas of the State.

''(e) ADMINISTRATION OF THE PARTNERSHIP.—The Secretary may provide for any additional support staff to the Partnership as the Secretary determines to be necessary to carry out the duties of the Partnership.

''(f) TERMINATION.—The authority provided by this section shall terminate on the date that is 5 years after the date of the enactment of this section.''.

**SEC. 616. ELIGIBILITY OF RURAL EMPOWERMENT ZONES, RURAL ENTERPRISE COMMUNITIES, AND CHAMPION COMMUNITIES FOR DIRECT AND GUARANTEED LOANS FOR ESSENTIAL COMMUNITY FACILITIES.**

Section 306(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(1)) is amended by inserting after the 1st sentence the following: ''The Secretary may also make or insure loans to communities that have been designated as rural empowerment zones or rural enterprise communities pursuant to part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986, as rural enterprise communities pursuant to section 766 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999, or as champion communities (as determined by the Secretary), to provide for the installation or improvement of essential community facilities including necessary related equipment, and to furnish financial assistance or other aid in planning projects for such purposes.''.

**SEC. 617. GRANTS TO TRAIN FARM WORKERS IN NEW TECHNOLOGIES AND TO TRAIN FARM WORKERS IN SPECIALIZED SKILLS NECESSARY FOR HIGHER VALUE CROPS.**

(a) IN GENERAL.—The Secretary of Agriculture may make a grant to a nonprofit organization with the capacity to train farm workers, or to a consortium of non-profit organizations, agribusinesses, State and local governments, agricultural labor organizations, and community-based organizations with that capacity.

(b) USE OF FUNDS.—An entity to which a grant is made under this section shall use the grant to train farm workers to use new technologies and develop specialized skills for agricultural development.

(c) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For grants under this section, there are authorized to be appropriated to the Secretary of Agriculture not more than $10,000,000 for each of fiscal years 2002 through 2011.

**SEC. 618. LOAN GUARANTEES FOR THE PURCHASE OF STOCK IN A FARMER COOPERATIVE SEEKING TO MODERNIZE OR EXPAND.**

Section 310B(g)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(g)(2)) is amended by striking ''start-up'' and all that follows and inserting ''capital stock of a farmer cooperative established for an agricultural purpose.''.

**SEC. 619. INTANGIBLE ASSETS AND SUBORDINATED UNSECURED DEBT REQUIRED TO BE CONSIDERED IN DETERMINING ELIGIBILITY OF FARMER-OWNED COOPERATIVE FOR BUSINESS AND INDUSTRY GUARANTEED LOAN.**

Section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) is amended by adding at the end the following:

''(h) INTANGIBLE ASSETS AND SUBORDINATED UNSECURED DEBT REQUIRED TO BE CONSIDERED IN DETERMINING ELIGIBILITY OF FARMER-OWNED COOPERATIVE FOR BUSINESS AND INDUSTRY GUARANTEED LOAN.—In determining whether a cooperative organization owned by farmers is eligible for a guaranteed loan under subsection (a)(1), the Secretary may consider the value of the intangible assets and subordinated unsecured debt of the cooperative organization.''.

**SEC. 620. BAN ON LIMITING ELIGIBILITY OF FARMER COOPERATIVE FOR BUSINESS AND INDUSTRY LOAN GUARANTEE BASED ON POPULATION OF AREA IN WHICH COOPERATIVE IS LOCATED; REFINANCING.**

Section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) is further amended by adding at the end of the following:

''(i) SPECIAL RULES APPLICABLE TO FARMER COOPERATIVES UNDER THE BUSINESS AND INDUSTRY LOAN PROGRAM.—In determining whether a cooperative organization owned by farmers is eligible for a guaranteed loan under subsection (a)(1), the Secretary shall not apply any lending restriction based on population to the area in which the cooperative organization is located.

''(j) REFINANCING.—A cooperative organization owned by farmers that is eligible to receive a business or industry guaranteed loan under subsection (a) shall be eligible to refinance an existing loan with the same lender or a new lender if—

''(1) the original loan—

''(A) is current and performing; and

''(B) is not in default; and

''(2) the cooperative organization has adequate security or collateral (including tangible and intangible assets).''.

**SEC. 621. RURAL WATER AND WASTE FACILITY GRANTS.**

Section 306(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)) is amended by striking ''aggregating not to exceed $590,000,000 in any fiscal year''.

**SEC. 622. RURAL WATER CIRCUIT RIDER PROGRAM.**

(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish a national rural water and wastewater circuit rider grant program that shall be modeled after the National Rural Water Association Rural Water Circuit Rider Program that receives funding from the Rural Utilities Service.

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—To carry out subsection (a), there are authorized to be appropriated to the Secretary of Agriculture $15,000,000 for each fiscal year.

**SEC. 623. RURAL WATER GRASSROOTS SOURCE WATER PROTECTION PROGRAM.**

(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish a national grassroots source water protection program that will utilize the on-site technical assistance capabilities of State rural water associations that are operating wellhead or ground water protection programs in each State.

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—To carry out subsection (a), there are authorized to be appropriated to the Secretary of Agriculture $5,000,000 for each fiscal year.

**SEC. 624. DELTA REGIONAL AUTHORITY.**

Section 382N of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa–13) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 625. PREDEVELOPMENT AND SMALL CAPITALIZATION LOAN FUND.**

The Secretary of Agriculture may make grants to private, nonprofit, multi-State rural community assistance programs to capitalize revolving funds for the purpose of financing eligible projects of predevelopment, repair, and improvement costs of existing water and wastewater systems. Financing provided using funds appropriated to carry out this program may not exceed $300,000.

**SEC. 626. RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM.**

The Secretary of Agriculture may use an additional source of funding for economic development programs administered by the Department of Agriculture through guaranteeing fees on guarantees of bonds and notes issued by cooperative lenders for electricity and telecommunications purposes.

## TITLE VII—RESEARCH AND RELATED MATTERS

### Subtitle A—Extensions

**SEC. 700. MARKET EXPANSION RESEARCH.**

Section 1436(b)(3)(C) of the Food Security Act of 1985 (7 U.S.C. 1632(b)(3)(C)) is amended by striking ''1990'' and inserting ''2011''.

**SEC. 701. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.**

Section 2381(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3125b(e)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 702. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURAL SCIENCES EDUCATION.**

Section 1417(l) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(l)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 703. POLICY RESEARCH CENTERS.**

Section 1419A(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3155(d)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 704. HUMAN NUTRITION INTERVENTION AND HEALTH PROMOTION RESEARCH PROGRAM.**

Section 1424(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3174(d)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 705. PILOT RESEARCH PROGRAM TO COMBINE MEDICAL AND AGRICULTURAL RESEARCH.**

Section 1424A(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3174a(d)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 706. NUTRITION EDUCATION PROGRAM.**

Section 1425(c)(3) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175(c)(3)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 707. CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.**

Section 1433(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3195(a)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 708. APPROPRIATIONS FOR RESEARCH ON NATIONAL OR REGIONAL PROBLEMS.**

Section 1434(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3196(a)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 709. GRANTS TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.**

Section 1447(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b(b)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 710. NATIONAL RESEARCH AND TRAINING CENTENNIAL CENTERS AT 1890 LAND-GRANT INSTITUTIONS.**

Sections 1448(a)(1) and (f) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222c(a)(1) and (f)) are amended by striking ''2002'' each place it appears and inserting ''2011''.

**SEC. 711. HISPANIC-SERVING INSTITUTIONS.**

Section 1455(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3241(c)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 712. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.**

Section 1459A(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b(c)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 713. UNIVERSITY RESEARCH.**

Subsections (a) and (b) of section 1463 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3311(a) and (b)) are amended by striking ''2002'' each place it appears and inserting ''2011''.

**SEC. 714. EXTENSION SERVICE.**

Section 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3312) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 715. SUPPLEMENTAL AND ALTERNATIVE CROPS.**

Section 1473D(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d(a)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 716. AGRICULTURE RESEARCH FACILITIES.**

The first sentence of section 1477 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3324) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 717. RANGELAND RESEARCH.**

Section 1483(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3336(a)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 718. NATIONAL GENETICS RESOURCES PROGRAM.**

Section 1635(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5844(b)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 719. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.**

Section 1672(h) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925(h)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 720. NUTRIENT MANAGEMENT RESEARCH AND EXTENSION INITIATIVE.**

Section 1672A(g) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925a(g)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 721. AGRICULTURAL TELECOMMUNICATIONS PROGRAM.**

Section 1673(h) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5926(h)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 722. ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION REVOLVING FUND.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 1664(g)(1) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5908(g)(1)) is amended by striking ''2002'' and inserting ''2011''.

(b) CAPITALIZATION.—Section 1664(g)(2) of such Act (7 U.S.C. 5908(g)(2)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 723. ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.**

Section 1680(c)(1) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933(c)(1)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 724. PARTNERSHIPS FOR HIGH-VALUE AGRICULTURAL PRODUCT QUALITY RESEARCH.**

Section 402(g) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7622(g)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 725. BIOBASED PRODUCTS.**

(a) PILOT PROJECT.—Section 404(e)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7624(e)(2)) is amended by striking ''2001'' and inserting ''2011''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 404(h) of such Act (7 U.S.C. 7624(h)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 726. INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.**

Section 406(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626(e)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 727. INSTITUTIONAL CAPACITY BUILDING GRANTS.**

(a) GENERALLY.—Section 535(b)(1) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note) is amended by striking ''2000'' and inserting ''2011''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 535(c) of such Act is amended by striking ''2000'' and inserting ''2011''.

**SEC. 728. 1994 INSTITUTION RESEARCH GRANTS.**

Section 536(c) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 729. ENDOWMENT FOR 1994 INSTITUTIONS.**

The first sentence of section 533(b) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note) is amended by striking ''$4,600,000'' and all that follows through the period and inserting ''such sums as are necessary to carry out this section for each of fiscal years 1996 through 2011.''.

**SEC. 730. PRECISION AGRICULTURE.**

Section 403(i) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7623(i)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 731. THOMAS JEFFERSON INITIATIVE FOR CROP DIVERSIFICATION.**

Section 405(h) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(h)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 732. SUPPORT FOR RESEARCH REGARDING DISEASES OF WHEAT, TRITICALE, AND BARLEY CAUSED BY FUSARIUM GRAMINEARUM OR BY TILLETIA INDICA.**

Section 408(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7628(e)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 733. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE PROGRAM.**

Section 604 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7642) is amended by adding at the end the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,000,000 for each of fiscal years 2002 through 2006.''.

**SEC. 734. OFFICE OF PEST MANAGEMENT POLICY.**

Section 614(f) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7653(f)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 735. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.**

Section 1408(h) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(h)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 736. GRANTS FOR RESEARCH ON PRODUCTION AND MARKETING OF ALCOHOLS AND INDUSTRIAL HYDROCARBONS FROM AGRICULTURAL COMMODITIES AND FOREST PRODUCTS.**

Section 1419(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3154(d)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 737. BIOMASS RESEARCH AND DEVELOPMENT.**

Title III of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 7624 note) is amended—

(1) in section 307(f), by striking ''2005'' and inserting ''2011''; and

(2) in section 310, by striking ''2005'' and inserting ''2011''.

**SEC. 738. AGRICULTURAL EXPERIMENT STATIONS RESEARCH FACILITIES.**

Section 6(a) of the Research Facilities Act (7 U.S.C. 390d(a)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 739. COMPETITIVE, SPECIAL, AND FACILITIES RESEARCH GRANTS NATIONAL RESEARCH INITIATIVE.**

Section 2(b)(10) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(10)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 740. FEDERAL AGRICULTURAL RESEARCH FACILITIES AUTHORIZATION OF APPROPRIATIONS.**

Section 1431 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1985 (Public Law 99–198; 99 Stat. 1556) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 740A. COTTON CLASSIFICATION SERVICES.**

The first sentence of section 3a of the Act of March 3, 1927 (commonly known as the ''Cotton Statistics and Estimates Act''; 7 U.S.C. 473a) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 740B. CRITICAL AGRICULTURAL MATERIALS RESEARCH.**

Section 16(a) of the Critical Agricultural Materials Act (7 U.S.C. 178n(a)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 740C. PRIVATE NONINDUSTRIAL HARDWOOD RESEARCH PROGRAM.**

(a) IN GENERAL.—The Secretary shall establish a program to provide competitive grants to producers to be used for basic hardwood research projects directed at—

(1) improving timber management techniques;

(2) increasing timber production;

(3) expanding genetic research; and

(4) addressing invasive and endangered species.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2002 through 2011.

**Subtitle B—Modifications**

**SEC. 741. EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 534(a)(1)(A) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note) is amended by striking ''$50,000'' and inserting ''$100,000''.

(b) WITHDRAWALS AND EXPENDITURES.—Section 533(c)(4)(A) of such Act is amended by striking ''section 390(3)'' and all that follows through ''1998)'' and inserting ''section 2(a)(7) of the Tribally Controlled College or University Assistance Act of 1978)''.

(c) ACCREDITATION.—Section 533(a)(3) of such Act is amended by striking ''under sections 534 and 535'' and inserting ''under sections 534, 535, and 536''.

(d) 1994 INSTITUTIONS.—Section 532 of such Act is amended by striking paragraphs (1) through (30) and inserting the following:

''(1) Bay Mills Community College.

''(2) Blackfeet Community College.

''(3) Cankdeska Cikana Community College.

''(4) College of Menominee Nation.

''(5) Crownpoint Institute of Technology.

''(6) D–Q University.

''(7) Diné College.

''(8) Dull Knife Memorial College.

''(9) Fond du Lac Tribal and Community College.

''(10) Fort Belknap College.

''(11) Fort Berthold Community College.

''(12) Fort Peck Community College.

''(13) Haskell Indian Nations University.

''(14) Institute of American Indian and Alaska Native Culture and Arts Development.

''(15) Lac Courte Oreilles Ojibwa Community College.

''(16) Leech Lake Tribal College.

''(17) Little Big Horn College.

''(18) Little Priest Tribal College.

''(19) Nebraska Indian Community College.

''(20) Northwest Indian College.

''(21) Oglala Lakota College.

''(22) Salish Kootenai College.

''(23) Sinte Gleska University.

''(24) Sisseton Wahpeton Community College.

''(25) Si Tanka/Huron University.

''(26) Sitting Bull College.

''(27) Southwestern Indian Polytechnic Institute.

''(28) Stone Child College.

''(29) Turtle Mountain Community College.

''(30) United Tribes Technical College.''.

**SEC. 742. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977.**

Section 1404(4) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(4)) is amended—

(1) by striking the period at the end of subparagraph (E) and inserting '', or''; and

(2) by adding at the end the following: ''(F) is one of the 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994).''.

**SEC. 743. AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REFORM ACT OF 1998.**

(a) PRIORITY MISSION AREAS.—Section 401(c)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(c)(2)) is amended—

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

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

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

''(G) alternative fuels and renewable energy sources.''.

(b) PRECISION AGRICULTURE.—Section 403 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7623) is amended—

(1) in subsection (a)(5)(F), by inserting ''(including improved use of energy inputs)'' after ''farm production efficiencies''; and

(2) in subsection (d)—

(A) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

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

''(4) Improve on farm energy use efficiencies.''.

(c) THOMAS JEFFERSON INITIATIVE FOR CROP DIVERSIFICATION.—Section 405(a) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(a)) is amended by striking ''and marketing'' and inserting '', marketing, and efficient use''.

(d) COORDINATED PROGRAM OF RESEARCH, EXTENSION, AND EDUCATION TO IMPROVE VIABILITY OF SMALL- AND MEDIUM-SIZE DAIRY, LIVESTOCK, AND POULTRY OPERATIONS.—Section 407(b)(3) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7627(b)(3)) is amended by inserting ''(including improved use of energy inputs)'' after ''poultry systems that increase efficiencies''.

(e) SUPPORT FOR RESEARCH REGARDING DISEASES OF WHEAT, TRITICALE, AND BARLEY CAUSED BY FUSARIUM GRAMINEARUM OR BY TILLETIA INDICA.—

(1) RESEARCH GRANT AUTHORIZED.—Section 408(a) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7628(a)) is amended to read as follows:

''(a) RESEARCH GRANT AUTHORIZED.—The Secretary of Agriculture may make grants to consortia of land-grant colleges and universities to enhance the ability of the consortia to carry out multi-State research projects aimed at understanding and combating diseases of wheat, triticale, and barley caused by Fusarium graminearum and related fungi (referred to in this section as 'wheat scab') or by Tilletia indica and related fungi (referred to in this section as 'Karnal bunt').''.

(2) RESEARCH COMPONENTS.—Section 408(b) of such Act (7 U.S.C. 7628(b)) is amended—

(A) in paragraph (1), by inserting ''or of Karnal bunt,'' after ''epidemiology of wheat scab'';

(B) in paragraph (1), by inserting '', triticale,'' after ''occurring in wheat'';

(C) in paragraph (2), by inserting ''or Karnal bunt'' after ''wheat scab'';

(D) in paragraph (3)(A), by striking ''and barley for the presence of'' and inserting '', triticale, and barley for the presence of Karnal bunt or of'';

(E) in paragraph (3)(B), by striking ''and barley infected with wheat scab'' and inserting '', triticale, and barley infected with wheat scab or with Karnal bunt'';

(F) in paragraph (3)(C), by inserting ''wheat scab'' after ''to render'';

(G) in paragraph (4), by striking ''and barley to wheat scab'' and inserting '', triticale, and barley to wheat scab and to Karnal bunt''; and

(H) in paragraph (5)—

(i) by inserting ''and Karnal bunt'' after ''wheat scab''; and

(ii) by inserting '', triticale,'' after ''resistant wheat''.

(3) COMMUNICATIONS NETWORKS.—Section 408(c) of such Act (7 U.S.C. 7628(c)) is amended by inserting ''or Karnal bunt'' after ''wheat scab''.

(4) TECHNICAL AMENDMENTS.—(A) The section heading for section 408 of such Act is amended by striking ''**AND BARLEY CAUSED BY FUSARIUM GRAMINEARUM**'' and inserting ''**, TRITICALE, AND BARLEY CAUSED BY FUSARIUM GRAMINEARUM OR BY TILLETIA INDICA**''.

(B) The table of sections for such Act is amended by striking ''and barley caused by fusarium graminearum'' in the item relating to section 408 and inserting '', triticale, and barley caused by Fusarium graminearum or by Tilletia indica''.

(f) PROGRAM TO CONTROL JOHNE'S DISEASE.—Title IV of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621 et seq.) is amended by adding at the end the following new section:

**''SEC. 409. BOVINE JOHNE'S DISEASE CONTROL PROGRAM.**

''(a) ESTABLISHMENT.—The Secretary of Agriculture, in coordination with State veterinarians and other appropriate State animal health professionals, may establish a program to conduct research, testing, and evaluation of programs for the control and management of Johne's disease in livestock.

''(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary such sums as may be necessary to carry out this section for each of fiscal years 2003 through 2011.''.

**SEC. 744. FOOD, AGRICULTURE, CONSERVATION, AND TRADE ACT OF 1990.**

(a) AGRICULTURAL GENOME INITIATIVE.—Section 1671(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924(b)) is amended—

(1) in paragraph (3), by inserting ''pathogens and'' before ''diseases causing economic hardship'';

(2) in paragraph (6), by striking ''and'' at the end;

(3) by redesignating paragraph (7) as paragraph (8); and

(4) by inserting after paragraph (6) the following new paragraph:

''(7) reducing the economic impact of plant pathogens on commercially important crop plants; and''.

(b) HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.—Section 1672(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925) is amended by adding at the end the following new paragraphs:

''(25) RESEARCH TO PROTECT THE UNITED STATES FOOD SUPPLY AND AGRICULTURE FROM BIOTERRORISM.—Research grants may be made under this section for the purpose of developing technologies, which support the

capability to deal with the threat of agricultural bioterrorism.

''(26) WIND EROSION RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of validating wind erosion models.

''(27) CROP LOSS RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of validating crop loss models.

''(28) LAND USE MANAGEMENT RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purposes of evaluating the environmental benefits of land use management tools such as those provided in the Farmland Protection Program.

''(29) WATER AND AIR QUALITY RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of better understanding agricultural impacts to air and water quality and means to address them.

''(30) REVENUE AND INSURANCE TOOLS RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purposes of better understanding the impact of revenue and insurance tools on farm income.

''(31) AGROTOURISM RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of better understanding the economic, environmental, and food systems impacts on agrotourism.

''(32) HARVESTING PRODUCTIVITY FOR FRUITS AND VEGETABLES.—Research and extension grants may be made under this section for the purpose of improving harvesting productivity for fruits and vegetables (including citrus), including the development of mechanical harvesting technologies and effective, economical, and safe abscission compounds.

''(33) NITROGEN-FIXATION BY PLANTS.—Research and extension grants may be made under this section for the purpose of enhancing the nitrogen-fixing ability and efficiency of legumes, developing new varieties of legumes that fix nitrogen more efficiently, and developing new varieties of other commercially important crops that potentially are able to fix nitrogen.

''(34) AGRICULTURAL MARKETING.—Extension grants may be made under this section for the purpose of providing education materials, information, and outreach programs regarding commodity and livestock marketing strategies for agricultural producers and for cooperatives and other marketers of any agricultural commodity, including livestock.

''(35) ENVIRONMENT AND PRIVATE LANDS RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of researching the use of computer models to aid in assessment of best management practices on a watershed basis, working with government, industry, and private landowners to help craft industry-led solutions to identified environmental issues, researching and monitoring water, air, or soil environmental quality to aid in the development of new approaches to local environmental concerns, and working with local, State, and federal officials to help craft effective environmental solutions that respect private property rights and agricultural production realities.

''(36) LIVESTOCK DISEASE RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of identifying possible livestock disease threats, educating the public regarding livestock disease threats, training persons to deal with such threats, and conducting related research.

''(37) PLANT GENE EXPRESSION.—Research and development grants may be made under this section for the purpose of plant gene expression research to accelerate the application of basic plant genomic science to the development and testing of new varieties of enhanced food crops, crops that can be used as renewable energy sources, and other alternative uses of agricultural crops.''.

**SEC. 745. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977.**

(a) NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMIC ADVISORY BOARD.—Section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123) is amended—

(1) in subsection (b)(3)—

(A) by redesignating subparagraphs (R) through (DD) as subparagraphs (S) through (EE), respectively; and

(B) by inserting after subparagraph (Q) the following new subparagraph:

''(R) 1 member representing a nonland grant college or university with a historic commitment to research in the food and agricultural sciences.'';

(2) in subsection (c)(1), by striking ''and land-grant colleges and universities'' and inserting '', land-grant colleges and universities, and the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, the Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies of the Committee on Appropriations of the House of Representatives, and the Subcommittee on Agriculture, Rural Development and Related Agencies of the Committee on Appropriations of the Senate'';

(3) in subsection (d)(1), inserting ''consult with any appropriate agencies of the Department of Agriculture and'' after ''the Advisory Board shall''; and

(4) in subsection (b)(1), by striking ''30 members'' and inserting ''31 members''.

(b) GRANTS FOR RESEARCH ON PRODUCTION AND MARKETING OF ALCOHOLS AND INDUSTRIAL HYDROCARBONS FROM AGRICULTURAL COMMODITIES AND FOREST PRODUCTS.—Section 1419 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3154) is amended—

(1) in subsection (a)(2), by inserting ''and animal fats and oils'' after ''industrial oilseed crops''; and

(2) in subsection (a)(4), by inserting ''or triglycerides'' after ''other industrial hydrocarbons''.

(c) FAS OVERSEAS INTERN PROGRAM.—Section 1458(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291(a)) is amended—

(1) by striking ''and'' at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting ''; and''; and

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

''(10) establish a program, to be coordinated by the Cooperative State Research, Education, and Extension Service and the Foreign Agricultural Service, to place interns from United States colleges and universities at Foreign Agricultural Service field offices overseas.''.

**SEC. 746. BIOMASS RESEARCH AND DEVELOPMENT.**

Title III of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 7624 note) is amended—

(1) in section 302(3), by inserting ''or biodiesel'' after ''such as ethanol'';

(2) in section 303(3), by inserting ''animal byproducts,'' after ''fibers,''; and

(3) in section 306(b)(1)—

(A) by redesignating subparagraphs (E) through (J) as subparagraphs (F) through (K), respectively; and

(B) by inserting after subparagraph (D) the following new subparagraph:

''(E) an individual affiliated with a livestock trade association;''.

**SEC. 747. BIOTECHNOLOGY RISK ASSESSMENT RESEARCH.**

Section 1668 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5921) is amended to read as follows:

**''SEC. 1668. BIOTECHNOLOGY RISK ASSESSMENT RESEARCH.**

''(a) PURPOSE.—It is the purpose of this section—

''(1) to authorize and support environmental assessment research to help identify and analyze environmental effects of biotechnology; and

''(2) to authorize research to help regulators develop long-term policies concerning the introduction of such technology.

''(b) GRANT PROGRAM.—The Secretary of Agriculture shall establish a grant program within the Cooperative State Research, Education, and Extension Service and the Agricultural Research Service to provide the necessary funding for environmental assessment research concerning the introduction of genetically engineered plants and animals into the environment.

''(c) TYPES OF RESEARCH.—Types of research for which grants may be made under this section shall include the following:

''(1) Research designed to identify and develop appropriate management practices to minimize physical and biological risks associated with genetically engineered animals and plants once they are introduced into the environment.

''(2) Research designed to develop methods to monitor the dispersal of genetically engineered animals and plants.

''(3) Research designed to further existing knowledge with respect to the characteristics, rates and methods of gene transfer that may occur between genetically engineered plants and animals and related wild and agricultural organisms.

''(4) Environmental assessment research designed to provide analysis, which compares the relative impacts of plants and animals modified through genetic engineering to other types of production systems.

''(5) Other areas of research designed to further the purposes of this section.

''(d) ELIGIBILITY REQUIREMENTS.—Grants under this section shall be—

''(1) made on the basis of the quality of the proposed research project; and

''(2) available to any public or private research or educational institution or organization.

''(e) CONSULTATION.—In considering specific areas of research for funding under this section, the Secretary of Agriculture shall consult with the Administrator of the Animal and Plant Health Inspection Service and the National Agricultural Research, Extension, Education, and Economics Advisory Board.

''(f) PROGRAM COORDINATION.—The Secretary of Agriculture shall coordinate research funded under this section with the Office of Research and Development of the Environmental Protection Agency in order to avoid duplication of research activities.

''(g) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated such sums as necessary to carry out this section.

''(2) WITHHOLDINGS FROM BIOTECHNOLOGY OUTLAYS.—The Secretary of Agriculture shall withhold from outlays of the Department of Agriculture for research on biotechnology, as defined and determined by the Secretary, at least 3 percent of such amount

for the purpose of making grants under this section for research on biotechnology risk assessment. Except that, funding from this authorization should be collected and applied to the maximum extent practicable to risk assessment research on all categories identified as biotechnology by the Secretary.''.

**SEC. 748. COMPETITIVE, SPECIAL, AND FACILITIES RESEARCH GRANTS.**

Section 2(a) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(a)) is amended by adding at the end the following new paragraph:

''(3) DETERMINATION OF HIGH PRIORITY RESEARCH.—Research priorities shall be determined by the Secretary on an annual basis, taking into account input as gathered by the Secretary through the National Agricultural Research, Extension, Education, and Economics Advisory Board.''.

**SEC. 749. MATCHING FUNDS REQUIREMENT FOR RESEARCH AND EXTENSION ACTIVITIES OF 1890 INSTITUTIONS.**

Section 1449 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222d) is amended—

(1) by amending subsection (c) to read as follows:

''(c) MATCHING FORMULA.—For each of fiscal years 2003 through 2011, the State shall provide matching funds from non-Federal sources. Such matching funds shall be for an amount equal to not less than 60 percent of the formula funds to be distributed to the eligible institution, and shall increase by 10 percent each fiscal year thereafter until fiscal year 2007.''; and

(2) by amending subsection (d) to read as follows:

''(d) WAIVER AUTHORITY.—Notwithstanding subsection (f), the Secretary may waive the matching funds requirement under subsection (c) above the 50 percent level for fiscal years 2003 through 2011 for an eligible institution of a State if the Secretary determines that the State will be unlikely to satisfy the matching requirement.''.

**SEC. 749A. MATCHING FUNDS REQUIREMENT FOR RESEARCH AND EXTENSION ACTIVITIES FOR THE UNITED STATES TERRITORIES.**

(a) RESEARCH MATCHING REQUIREMENT.—Section 3(d)(4) of the Hatch Act of 1887 (7 U.S.C. 361c(d)(4)) is amended by striking ''the same matching funds'' and all that follows through the end of the sentence and inserting ''matching funds requirements from non-Federal sources for fiscal years 2003 through 2011 in an amount equal to not less than 50 percent of the formula funds to be distributed to the Territory. The Secretary may waive the matching funds requirements for a Territory for any of the fiscal years 2003 through 2011 if the Secretary determines that the Territory will be unlikely to satisfy the matching funds requirement for that fiscal year.''.

(b) EXTENSION MATCHING REQUIREMENT.—Section 3(e)(4) of the Smith-Lever Act (7 U.S.C. 343(e)(4)) is amended by striking ''the same matching funds'' and all that follows through the end of the sentence and inserting ''matching funds requirements from non-Federal sources for fiscal years 2003 through 2011 in an amount equal to not less than 50 percent of the formula funds to be distributed to the Territory. The Secretary may waive the matching funds requirements for a Territory for any of the fiscal years 2003 through 2011 if the Secretary determines that the Territory will be unlikely to satisfy the matching funds requirement for that fiscal year.''.

**SEC. 750. INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS.**

(a) FUNDING.—Section 401(b)(1) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(b)(1)) is amended to read as follows:

''(1) IN GENERAL.—

''(A) TOTAL AMOUNT TO BE TRANSFERRED.—On October 1, 2003, and each October 1 thereafter through September 30, 2011, the Secretary of Agriculture shall deposit funds of the Commodity Credit Corporation into the Account. The total amount of Commodity Credit Corporation funds deposited into the Account under this subparagraph shall equal $1,160,000,000.

''(B) EQUAL AMOUNTS.—To the maximum extent practicable, the amounts deposited into the Account pursuant to subparagraph (A) shall be deposited in equal amounts for each fiscal year.

''(C) AVAILABILITY OF FUNDS.—Amounts deposited into the Account pursuant to subparagraph (A) shall remain available until expended.''.

(b) AVAILABILITY OF FUNDS.—Section 401(f)(6) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(f)(6)) is amended to read as follows:

''(6) AVAILABILITY OF FUNDS.—Funds made available under this section to the Secretary prior to October 1, 2003, for grants under this section shall be available to the Secretary for a 2-year period.''.

**SEC. 751. CARBON CYCLE RESEARCH.**

Section 221 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 114 Stat. 407) is amended—

(1) in subsection (a), by striking ''Of the amount'' and all that follows through ''to provide'' and inserting ''To the extent funds are made available for this purpose, the Secretary shall provide'';

(2) in subsection (d), by striking ''under subsection (a)'' and inserting ''for this section''; and

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

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal years 2002 through 2011 such sums as may be necessary to carry out this section.''.

**SEC. 752. DEFINITION OF FOOD AND AGRICULTURAL SCIENCES.**

Section 2(3) of the Research Facilities Act (7 U.S.C. 390(2)(3)) is amended to read as follows:

''(3) FOOD AND AGRICULTURAL SCIENCES.—The term 'food and agricultural sciences' has the meaning given that term in section 1404(8) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(8)).''.

**SEC. 753. FEDERAL EXTENSION SERVICE.**

Section 3(b)(3) of the Smith-Lever Act (7 U.S.C. 343(b)(3)) is amended by striking ''$5,000,000'' and inserting ''such sums as are necessary''.

**SEC. 754. POLICY RESEARCH CENTERS.**

Section 1419A(c)(3) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3155(c)(3)) is amended by striking ''collect and analyze data'' and inserting ''collect, analyze, and disseminate data''.

**SEC. 755. ANIMALS USED IN RESEARCH.**

Section 2(g) of the Animal Welfare Act (7 U.S.C. 2132(g)) is amended by inserting ''birds, rats of the genus *Rattus*, and mice of the genus *Mus*, that are bred for use in research, and'' after ''excludes''.

## Subtitle C—Related Matters

**SEC. 761. RESIDENT INSTRUCTION AT LAND-GRANT COLLEGES IN UNITED STATES TERRITORIES.**

(a) PURPOSE.—It is the purpose of this section to promote and strengthen higher education in the food and agricultural sciences at agricultural and mechanical colleges located in the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, or the Republic of Palau (hereinafter referred to in this section as ''eligible institutions'') by formulating and administering programs to enhance teaching programs in agriculture, natural resources, forestry, veterinary medicine, home economics, and disciplines closely allied to the food and agriculture production and delivery system.

(b) GRANTS.—The Secretary of Agriculture shall make competitive grants to those eligible institutions having a demonstrable capacity to carry out the teaching of food and agricultural sciences.

(c) USE OF GRANT FUNDS.—Grants made under subsection (b) shall be used to—

(1) strengthen institutional educational capacities, including libraries, curriculum, faculty, scientific instrumentation, instruction delivery systems, and student recruitment and retention, in order to respond to identified State, regional, national, or international education needs in the food and agricultural sciences;

(2) attract and support undergraduate and graduate students in order to educate them in identified areas of national need to the food and agriculture sciences;

(3) facilitate cooperative initiatives between two or more eligible institutions or between eligible institutions and units of State Government, organizational in the private sector, to maximize the development and use of resources such as faculty, facilities, and equipment to improve food and agricultural sciences teaching programs; and

(4) conduct undergraduate scholarship programs to assist in meeting national needs for training food and agricultural scientists.

(d) GRANT REQUIREMENTS.—

(1) The Secretary of Agriculture shall ensure that each eligible institution, prior to receiving grant funds under subsection (b), shall have a significant demonstrable commitment to higher education programs in the food and agricultural sciences and to each specific subject area for which grant funds under this subsection are to be used.

(2) The Secretary of Agriculture may require that any grant awarded under this section contain provisions that require funds to be targeted to meet the needs identified in section 1402 of the National Agriculture Research, Extension, and Teaching Policy Act of 1977.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary for each of the fiscal years 2002 through 2011 to carry out this section.

**SEC. 762. DECLARATION OF EXTRAORDINARY EMERGENCY AND RESULTING AUTHORITIES.**

(a) REVIEW OF PAYMENT OF COMPENSATION.—Section 415(e) of the Plant Protection Act (7 U.S.C. 7715(e)) is amended by inserting before the final period the following: ''or review by any officer of the Government other than the Secretary or the designee of the Secretary''.

(b) REVIEW OF CERTAIN DECISIONS.—

(1) PLANT PROTECTION ACT.—Section 442 of the Plant Protection Act (7 U.S.C. 7772) is amended by adding at the end following new subsection:

''(f) SECRETARIAL DISCRETION.—The action of any officer, employee, or agent of the Secretary in carrying out this section, including determining the amount of and making any payment authorized to be made under this section, shall not be subject to review by any officer of the Government other than the Secretary or the designee of the Secretary.''.

(2) OTHER PLANT AND ANIMAL PEST AND DISEASE LAWS.—Section 11 of the Act of May 29, 1884 (21 U.S.C. 114a; commonly known as the ''Animal Industry Act'') and the first section of the Act of September 25, 1981 (7 U.S.C. 147b), are each amended by adding at the end the following new sentence: ''The action of any officer, employee, or agent of the Secretary in carrying out this section, including determining the amount of and making any payment authorized to be made under this section, shall not be subject to review by any officer of the Government other than the Secretary or the designee of the Secretary.''.

(c) METHYL BROMIDE.—The Plant Protection Act (7 U.S.C. 7701 et seq.) is amended by inserting after section 418 the following new section:

**''SEC. 419. METHYL BROMIDE.**

''(a) IN GENERAL.—The Secretary, upon request of State, local, or tribal authorities, shall determine whether methyl bromide treatments or applications required by State, local, or tribal authorities to prevent the introduction, establishment, or spread of plant pests (including diseases) or noxious weeds should be authorized as an official control or official requirement.

''(b) ADMINISTRATION.—

''(1) TIMELINE FOR DETERMINATION.—The Secretary shall make the determination required by subsection (a) not later than 90 days after receiving the request for such a determination.

''(2) REGULATIONS.—The promulgation of regulations for and the administration of this section shall be made without regard to—

''(A) the notice and comment provisions of section 553 of title 5, United States Code;

''(B) the Statement of Policy of the Secretary of Agriculture, effective July 24, 1971 (36 Fed. Reg. 13804; relating to notices of proposed rulemaking and public participation in rulemaking); and

''(C) chapter 35 of title 44, United States Code (commonly known as the 'Paperwork Reduction Act').

''(c) REGISTRY.—Not later than 180 days after the date of the enactment of this section, the Secretary shall publish, and thereafter maintain, a registry of State, local, and tribal requirements authorized by the Secretary under this section.''.

**SEC. 763. AGRICULTURAL BIOTECHNOLOGY RESEARCH AND DEVELOPMENT FOR THE DEVELOPING WORLD.**

(a) GRANT PROGRAM.—The Secretary of Agriculture shall establish a program to award grants to entities described in subsection (b) for the development of agricultural biotechnology with respect to the developing world. The Secretary shall administer and oversee the program through the Foreign Agricultural Service of the Department of Agriculture.

(b) PARTNERSHIPS.—(1) In order to be eligible to receive a grant under this section, the grantee must be a participating institution of higher education, a nonprofit organization, or consortium of for profit institutions with in-country agricultural research institutions.

(2) A participating institution of higher education shall be an historically black or land-grant college or university, an Hispanic serving institution, or a tribal college or university that has agriculture or the biosciences in its curricula.

(c) COMPETITIVE AWARD.—Grants shall be awarded under this section on a merit-reviewed competitive basis.

(d) USE OF FUNDS.—The activities for which the grant funds may be expended include the following:

(1) Enhancing the nutritional content of agricultural products that can be grown in the developing world to address malnutrition through biotechnology.

(2) Increasing the yield and safety of agricultural products that can be grown in the developing world through biotechnology.

(3) Increasing through biotechnology the yield of agricultural products that can be grown in the developing world that are drought and stress-resistant.

(4) Extending the growing range of crops that can be grown in the developing world through biotechnology.

(5) Enhancing the shelf-life of fruits and vegetables grown in the developing world through biotechnology.

(6) Developing environmentally sustainable agricultural products through biotechnology.

(7) Developing vaccines to immunize against life-threatening illnesses and other medications that can be administered by consuming genetically engineered agricultural products.

(e) FUNDING SOURCE.—Of the funds deposited in the Treasury account known as the Initiative for Future Agriculture and Food Systems on October 1, 2003, and each October 1 thereafter through October 1, 2007, the Secretary of Agriculture shall use $5,000,000 during each of fiscal years 2004 through 2008 to carry out this section.

## Subtitle D—Repeal of Certain Activities and Authorities

**SEC. 771. FOOD SAFETY RESEARCH INFORMATION OFFICE AND NATIONAL CONFERENCE.**

(a) REPEAL.—Subsections (b) and (c) of section 615 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7654(b) and (c)) are repealed.

(b) CONFORMING AMENDMENTS.—

(1) GENERALLY.—Section 615 of such Act is amended—

(A) in the section heading, by striking ''**AND NATIONAL CONFERENCE**'';

(B) by striking ''(a) FOOD SAFETY RESEARCH INFORMATION OFFICE.—'';

(C) by redesignating paragraphs (1), (2), and (3) as subsections (a), (b), and (c), respectively, and moving the margins 2 ems to the left;

(D) in subsection (b) (as so redesignated), by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and moving the margins 2 ems to the left; and

(E) in subsection (c) (as so redesignated), by striking ''this subsection'' and inserting ''this section''.

(2) TABLE OF SECTIONS.—The table of sections for such Act is amended by striking ''and National Conference'' in the item relating to section 615.

**SEC. 772. REIMBURSEMENT OF EXPENSES UNDER SHEEP PROMOTION, RESEARCH, AND INFORMATION ACT OF 1994.**

Section 617 of the Agricultural Research, Extension, and Education Reform Act of 1998 (Public Law 105–185; 112 Stat. 607) is repealed.

**SEC. 773. NATIONAL GENETIC RESOURCES PROGRAM.**

Section 1634 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5843) is repealed.

**SEC. 774. NATIONAL ADVISORY BOARD ON AGRICULTURAL WEATHER.**

(a) REPEAL.—Section 1639 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5853) is repealed.

(b) CONFORMING AMENDMENT.—Section 1640(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5854(b)) is amended by striking ''take into'' and all that follows through ''Weather and''.

**SEC. 775. AGRICULTURAL INFORMATION EXCHANGE WITH IRELAND.**

Section 1420 of the National Agricultural Research, Extension and Teaching Policy Act Amendments of 1985 (Public Law 99–198; 99 Stat. 1551) is repealed.

**SEC. 776. PESTICIDE RESISTANCE STUDY.**

Section 1437 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1985 (Public Law 99–198; 99 Stat. 1558) is repealed.

**SEC. 777. EXPANSION OF EDUCATION STUDY.**

Section 1438 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1985 (Public Law 99–198; 99 Stat. 1559) is repealed.

**SEC. 778. SUPPORT FOR ADVISORY BOARD.**

(a) REPEAL.—Section 1412 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3127) is repealed.

(b) CONFORMING AMENDMENT.—Section 1413(c) of such Act (7 U.S.C. 3128(c)) is amended by striking ''section 1412 of this title and''.

**SEC. 779. TASK FORCE ON 10-YEAR STRATEGIC PLAN FOR AGRICULTURAL RESEARCH FACILITIES.**

(a) REPEAL.—Section 4 of the Research Facilities Act (7 U.S.C. 390b) is repealed.

(b) CONFORMING AMENDMENT.—Section 2 of such Act (7 U.S.C. 390) is amended by striking paragraph (5).

## Subtitle E—Agriculture Facility Protection

**SEC. 790. ADDITIONAL PROTECTIONS FOR ANIMAL OR AGRICULTURAL ENTERPRISES, RESEARCH FACILITIES, AND OTHER ENTITIES.**

(a) DEFINITIONS.—The Research Facilities Act (7 U.S.C. 390 et seq.) is amended—

(1) by redesignating section 6 as section 7; and

(2) by inserting after section 5 the following new section:

**''SEC. 6. ADDITIONAL PROTECTIONS FOR ANIMAL OR AGRICULTURAL ENTERPRISES, RESEARCH FACILITIES, AND OTHER ENTITIES AGAINST DISRUPTION.**

''(a) DEFINITIONS.—For the purposes of this section, the following definitions apply:

''(1) ANIMAL OR AGRICULTURAL ENTERPRISE.—The term 'animal or agricultural enterprise' means any of the following:

''(A) A commercial, governmental, or academic enterprise that uses animals, plants, or other biological materials for food or fiber production, breeding, processing, research, or testing.

''(B) A zoo, aquarium, circus, rodeo, or other entity that exhibits or uses animals, plants, or other biological materials for educational or entertainment purposes.

''(C) A fair or similar event intended to advance agricultural arts and sciences.

''(D) A facility managed or occupied by an association, federation, foundation, council, or other group or entity of food or fiber producers, processors, or agricultural or biomedical researchers intended to advance agricultural or biomedical arts and sciences.

''(2) ECONOMIC DAMAGE.—The term 'economic damage' means the replacement of the following:

''(A) The cost of lost or damaged property (including all real and personal property) of an animal or agricultural enterprise.

''(B) The cost of repeating an interrupted or invalidated experiment.

''(C) The loss of revenue (including costs related to business recovery) directly related to the disruption of an animal or agricultural enterprise.

''(D) The cost of the tuition and expenses of any student to complete an academic program that was disrupted, or to complete a replacement program, when the tuition and expenses are incurred as a result of the damage or loss of the property of an animal or agricultural enterprise.

''(3) PROPERTY OF AN ANIMAL OR AGRICULTURAL ENTERPRISE.—The term 'property of

an animal or agricultural enterprise' means real and personal property of or used by any of the following:

''(A) An animal or agricultural enterprise.

''(B) An employee of an animal or agricultural enterprise.

''(C) A student attending an academic animal or agricultural enterprise.

''(4) DISRUPTION.—The term 'disruption' does not include any lawful disruption that results from lawful public, governmental, or animal or agricultural enterprise employee reaction to the disclosure of information about an animal or agricultural enterprise.

''(b) VIOLATION.—A person may not recklessly, knowingly, or intentionally cause, or contribute to, the disruption of the functioning of an animal or agricultural enterprise by damaging or causing the loss of any property of the animal or agricultural enterprise that results in economic damage, as determined by the Secretary.

''(c) ASSESSMENT OF CIVIL PENALTY.—

''(1) IN GENERAL.—The Secretary may impose on any person that the Secretary determines violates subsection (b) a civil penalty in an amount determined under paragraphs (2) and (3). The civil penalty may be assessed only on the record after an opportunity for a hearing.

''(2) RECOVERY OF DEPARTMENT COSTS.—The civil penalty assessed by the Secretary against a person for a violation of subsection (b) shall be not less than the total cost incurred by the Secretary for investigation of the violation, conducting any hearing regarding the violation, and assessing the civil penalty.

''(3) RECOVERY OF ECONOMIC DAMAGE.—In addition to the amount determined under paragraph (2), the amount of the civil penalty shall include an amount not less than the total cost (or, in the case of knowing or intentional disruption, not less than 150 percent of the total cost) of the economic damage incurred by the animal or agricultural enterprise, any employee of the animal or agricultural enterprise, or any student attending an academic animal or agricultural enterprise as a result of the damage or loss of the property of an animal or agricultural enterprise.

''(d) IDENTIFICATION.—The Secretary shall identify for each civil penalty assessed under subsection (c), the portion of the amount of the civil penalty that represents the recovery of Department costs and the portion that represents the recovery of economic losses.

''(e) OTHER FACTORS IN DETERMINING PENALTY.— In determining the amount of a civil penalty under subsection (c), the Secretary shall consider the following:

''(1) The nature, circumstance, extent, and gravity of the violation or violations.

''(2) The ability of the injured animal or agricultural enterprise to continue to operate, costs incurred by the animal or agricultural enterprise to recover lost business, and the effect of the violation on earnings of employees of the animal or agricultural enterprise.

''(3) The interruptions experienced by students attending an academic animal or agricultural enterprise.

''(4) Whether the violator has previously violated subsection (a).

''(5) The violator's degree of culpability.

''(f) FUND TO ASSIST VICTIMS OF DISRUPTION.—

''(1) FUND ESTABLISHED.—There is established in the Treasury a fund which shall consist of that portion of each civil penalty collected under subsection (c) that represents the recovery of economic damages.

''(2) USE OF AMOUNTS IN FUND.—The Secretary of Agriculture shall use amounts in the fund to compensate animal or agricultural enterprises, employees of an animal or agricultural enterprise, and student attending an academic animal or agricultural enterprise for economic losses incurred as a result of the disruption of the functioning of an animal or agricultural enterprise in violation of subsection (b).''.

## TITLE VIII—FORESTRY INITIATIVES

### SEC. 801. REPEAL OF FORESTRY INCENTIVES PROGRAM AND STEWARDSHIP INCENTIVE PROGRAM.

The Cooperative Forestry Assistance Act of 1978 is amended by striking section 4 (16 U.S.C. 2103) and section 6 (16 U.S.C. 2103b).

### SEC. 802. ESTABLISHMENT OF FOREST LAND ENHANCEMENT PROGRAM.

(a) FINDINGS.—Congress finds the following:

(1) There is a growing dependence on private nonindustrial forest lands to supply the necessary market commodities and nonmarket values, such as habitat for fish and wildlife, aesthetics, outdoor recreation opportunities, and other forest resources, required by a growing population.

(2) There is a strong demand for expanded assistance programs for owners of nonindustrial private forest land since the majority of the wood supply of the United States comes from nonindustrial private forest land.

(3) The soil, carbon stores, water and air quality of the United States can be maintained and improved through good stewardship of nonindustrial private forest lands.

(4) The products and services resulting from stewardship of nonindustrial private forest lands provide income and employment that contribute to the economic health and diversity of rural communities.

(5) Wildfires threaten human lives, property, forests, and other resources, and Federal and State cooperation in forest fire prevention and control has proven effective and valuable, in that properly managed forest stands are less susceptible to catastrophic fire, as dramatized by the catastrophic fire seasons of 1998 and 2000.

(6) Owners of private nonindustrial forest lands are being faced with increased pressure to convert their forestland to development and other uses.

(7) Complex, long-rotation forest investments, including sustainable hardwood management, are often the most difficult commitment for small, nonindustrial private forest landowners and, thus, should receive equal consideration under cost-share programs.

(8) The investment of one Federal dollar in State and private forestry programs is estimated to leverage $9 on average from State, local, and private sources.

(b) PURPOSE.—It is the purpose of this section to strengthen the commitment of the Department of Agriculture to sustainable forestry and to establish a coordinated and cooperative Federal, State, and local sustainable forest program for the establishment, management, maintenance, enhancement, and restoration of forests on nonindustrial private forest lands in the United States.

(c) FOREST LAND ENHANCEMENT PROGRAM.—The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 3 (16 U.S.C. 2102) the following new section 4:

### ''SEC. 4. FOREST LAND ENHANCEMENT PROGRAM.

''(a) ESTABLISHMENT.—

''(1) ESTABLISHMENT; PURPOSE.—The Secretary shall establish a Forest Land Enhancement Program (in this section referred to as the 'Program') for the purpose of providing financial, technical, educational, and related assistance to State foresters to encourage the long-term sustainability of nonindustrial private forest lands in the United States by assisting the owners of such lands in more actively managing their forest and related resources by utilizing existing State, Federal, and private sector resource management expertise, financial assistance, and educational programs.

''(2) ADMINISTRATION.—The Secretary shall carry out the Program within, and administer the Program through, the Natural Resources Conservation Service.

''(3) COORDINATION.—The Secretary shall implement the Program in coordination with State foresters.

''(b) PROGRAM OBJECTIVES.—In implementing the Program, the Secretary shall target resources to achieve the following objectives:

''(1) Investment in practices to establish, restore, protect, manage, maintain, and enhance the health and productivity of the nonindustrial private forest lands in the United States for timber, habitat for flora and fauna, water quality, and wetlands.

''(2) Ensuring that afforestation, reforestation, improvement of poorly stocked stands, timber stand improvement, practices necessary to improve seedling growth and survival, and growth enhancement practices occur where needed to enhance and sustain the long-term productivity of timber and nontimber forest resources to help meet future public demand for all forest resources and provide environmental benefits.

''(3) Reduce the risks and help restore, recover, and mitigate the damage to forests caused by fire, insects, invasive species, disease, and damaging weather.

''(4) Increase and enhance carbon sequestration opportunities.

''(5) Enhance implementation of agroforestry practices.

''(6) Maintain and enhance the forest landbase and leverage State and local financial and technical assistance to owners that promote the same conservation and environmental values.

''(c) ELIGIBILITY.—

''(1) IN GENERAL.—An owner of nonindustrial private forest land is eligible for cost-sharing assistance under the Program if the owner—

''(A) agrees to develop and implement an individual stewardship, forest, or stand management plan addressing site specific activities and practices in cooperation with, and approved by, the State forester, state official, or private sector program in consultation with the State forester;

''(B) agrees to implement approved activities in accordance with the plan for a period of not less than 10 years, unless the State forester approves a modification to such plan; and

''(C) meets the acreage restrictions as determined by the State forester in conjunction with the State Forest Stewardship Coordinating Committee established under section 19.

''(2) STATE PRIORITIES.—The Secretary, in consultation with the State forester and the State Forest Stewardship Coordinating Committee may develop State priorities for cost sharing under the Program that will promote forest management objectives in that State.

''(3) DEVELOPMENT OF PLAN.—An owner shall be eligible for cost-share assistance for the development of the individual stewardship, forest, or stand management plan required by paragraph (1).

''(d) APPROVED ACTIVITIES.—

''(1) DEVELOPMENT.—The Secretary, in consultation with the State forester and the State Forest Stewardship Coordinating Committee, shall develop a list of approved forest activities and practices that will be eligible for cost-share assistance under the Program within each State.

''(2) TYPE OF ACTIVITIES.—In developing a list of approved activities and practices under paragraph (1), the Secretary shall attempt to achieve the establishment, restoration, management, maintenance, and enhancement of forests and trees for the following:

''(A) The sustainable growth and management of forests for timber production.

''(B) The restoration, use, and enhancement of forest wetlands and riparian areas.

''(C) The protection of water quality and watersheds through the application of State-developed forestry best management practices.

''(D) Energy conservation and carbon sequestration purposes.

''(E) Habitat for flora and fauna.

''(F) The control, detection, and monitoring of invasive species on forestlands as well as preventing the spread and providing for the restoration of lands affected by invasive species.

''(G) Hazardous fuels reduction and other management activities that reduce the risks and help restore, recover, and mitigate the damage to forests caused by fire.

''(H) The development of forest or stand management plans.

''(I) Other activities approved by the Secretary, in coordination with the State forester and the State Forest Stewardship Coordinating Committee.

''(e) COOPERATION.—In implementing the Program, the Secretary shall cooperate with other Federal, State, and local natural resource management agencies, institutions of higher education, and the private sector.

''(f) REIMBURSEMENT OF ELIGIBLE ACTIVITIES.—

''(1) IN GENERAL.—The Secretary shall share the cost of implementing the approved activities that the Secretary determines are appropriate, in the case of an owner that has entered into an agreement to place nonindustrial private forest lands of the owner in the Program.

''(2) RATE.—The Secretary shall determine the appropriate reimbursement rate for cost-share payments under paragraph (1) and the schedule for making such payments.

''(3) MAXIMUM.—The Secretary shall not make cost-share payments under this subsection to an owner in an amount in excess of 75 percent of the total cost, or a lower percentage as determined by the State forester, to such owner for implementing the practices under an approved plan. The maximum payments to any one owner shall be determined by the Secretary.

''(4) CONSULTATION.—The Secretary shall make determinations under this subsection in consultation with the State forester.

''(g) RECAPTURE.—

''(1) IN GENERAL.—The Secretary shall establish and implement a mechanism to recapture payments made to an owner in the event that the owner fails to implement any approved activity specified in the individual stewardship, forest, or stand management plan for which such owner received cost-share payments.

''(2) ADDITIONAL REMEDY.—The remedy provided in paragraph (1) is in addition to any other remedy available to the Secretary.

''(h) DISTRIBUTION.—The Secretary shall distribute funds available for cost sharing under the Program among the States only after giving appropriate consideration to—

''(1) the total acreage of nonindustrial private forest land in each State;

''(2) the potential productivity of such land;

''(3) the number of owners eligible for cost sharing in each State;

''(4) the opportunities to enhance non-timber resources on such forest lands;

''(5) the anticipated demand for timber and nontimber resources in each State;

''(6) the need to improve forest health to minimize the damaging effects of catastrophic fire, insects, disease, or weather; and

''(7) the need and demand for agroforestry practices in each State.

''(i) DEFINITIONS.—In this section:

''(1) NONINDUSTRIAL PRIVATE FOREST LANDS.—The term 'nonindustrial private forest lands' means rural lands, as determined by the Secretary, that—

''(A) have existing tree cover or are suitable for growing trees; and

''(B) are owned or controlled by any nonindustrial private individual, group, association, corporation, Indian tribe, or other private legal entity (other than a nonprofit private legal entity) so long as the individual, group, association, corporation, tribe, or entity has definitive decision-making authority over the lands, including through long-term leases and other land tenure systems, for a period of time long enough to ensure compliance with the Program.

''(2) OWNER.—The term 'owner' includes a private individual, group, association, corporation, Indian tribe, or other private legal entity (other than a nonprofit private legal entity) that has definitive decision-making authority over nonindustrial private forest lands through a long-term lease or other land tenure systems.

''(3) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

''(4) STATE FORESTER.—The term 'State forester' means the director or other head of a State Forestry Agency or equivalent State official.

''(j) AVAILABILITY OF FUNDS.—The Secretary shall use $200,000,000 of funds of the Commodity Credit Corporation to carry out the Program during the period beginning on October 1, 2001, and ending on September 30, 2011.''.

(d) CONFORMING AMENDMENT.—Section 246(b)(2) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962(b)(2)) is amended by striking ''forestry incentive program'' and inserting ''Forest Land Enhancement Program''.

**SEC. 803. RENEWABLE RESOURCES EXTENSION ACTIVITIES.**

(a) EXTENSION AND AUTHORIZATION INCREASE.—Section 6 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1675) is amended—

(1) by striking ''$15,000,000'' and inserting ''$30,000,000''; and

(2) by striking ''2002'' and inserting ''2011''.

(b) SUSTAINABLE FORESTRY OUTREACH INITIATIVE.—The Renewable Resources Extension Act of 1978 is amended by inserting after section 5A (16 U.S.C. 1674a) the following new section:

**''SEC. 5B. SUSTAINABLE FORESTRY OUTREACH INITIATIVE.**

''The Secretary shall establish a program to be known as the 'Sustainable Forestry Outreach Initiative' for the purpose of educating landowners regarding the following:

''(1) The value and benefits of practicing sustainable forestry.

''(2) The importance of professional forestry advice in achieving their sustainable forestry objectives.

''(3) The variety of public and private sector resources available to assist them in planning for and practicing sustainable forestry.''.

**SEC. 804. ENHANCED COMMUNITY FIRE PROTECTION.**

(a) FINDINGS.—Congress finds the following:

(1) The severity and intensity of wildland fires has increased dramatically over the past few decades as a result of past fire and land management policies.

(2) The record 2000 fire season is a prime example of what can be expected if action is not taken.

(3) These wildfires threaten not only the nation's forested resources, but the thousands of communities intermingled with the wildlands in the wildland-urban interface.

(4) The National Fire Plan developed in response to the 2000 fire season is the proper, coordinated, and most effective means to address this wildfire issue.

(5) Whereas adequate authorities exist to tackle the wildfire issues at the landscape level on Federal lands, there is limited authority to take action on most private lands where the largest threat to life and property lies.

(6) There is a significant Federal interest in enhancing community protection from wildfire.

(b) ENHANCED PROTECTION.—The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 10 (16 U.S.C. 2106) the following new section:

**''SEC. 10A. ENHANCED COMMUNITY FIRE PROTECTION.**

''(a) COOPERATIVE MANAGEMENT RELATED TO WILDFIRE THREATS.—The Secretary may cooperate with State foresters and equivalent State officials in the management of lands in the United States for the following purposes:

''(1) Aid in wildfire prevention and control.

''(2) Protect communities from wildfire threats.

''(3) Enhance the growth and maintenance of trees and forests that promote overall forest health.

''(4) Ensure the continued production of all forest resources, including timber, outdoor recreation opportunities, wildlife habitat, and clean water, through conservation of forest cover on watersheds, shelterbelts, and windbreaks.

''(b) COMMUNITY AND PRIVATE LAND FIRE ASSISTANCE PROGRAM.—

''(1) ESTABLISHMENT; PURPOSE.—The Secretary shall establish a Community and Private Land Fire Assistance program (in this section referred to as the 'Program')—

''(A) to focus the Federal role in promoting optimal firefighting efficiency at the Federal, State, and local levels;

''(B) to augment Federal projects that establish landscape level protection from wildfires;

''(C) to expand outreach and education programs to homeowners and communities about fire prevention; and

''(D) to establish defensible space around private landowners homes and property against wildfires.

''(2) ADMINISTRATION AND IMPLEMENTATION.—The Program shall be administered by the Forest Service and implemented through the State forester or equivalent State official.

''(3) COMPONENTS.—In coordination with existing authorities under this Act, the Secretary may undertake on both Federal and non-Federal lands—

''(A) fuel hazard mitigation and prevention;

''(B) invasive species management;

''(C) multi-resource wildfire planning;

''(D) community protection planning;

''(E) community and landowner education enterprises, including the program known as FIREWISE;

''(F) market development and expansion;

''(G) improved wood utilization;

''(H) special restoration projects.

''(4) CONSIDERATIONS.—The Secretary shall use local contract personnel wherever possible to carry out projects under the Program.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Secretary $35,000,000 for each of fiscal years 2002 through 2011, and such sums as may be necessary thereafter, to carry out this section.''.

**SEC. 805. INTERNATIONAL FORESTRY PROGRAM.**

Section 2405(d) of the Global Climate Change Prevention Act of 1990 (title XXIV of Public Law 101–624; 7 U.S.C. 6704(d)) is amended by striking ''2002'' and inserting ''2011''.

**SEC. 806. WILDFIRE PREVENTION AND HAZARDOUS FUEL PURCHASE PROGRAM.**

(a) FINDINGS.—Congress finds that—

(1) the damage caused by wildfire disasters has been equivalent in magnitude to the damage resulting from the Northridge earthquake, Hurricane Andrew, and the recent flooding of the Mississippi River and the Red River;

(2) more than 20,000 communities in the United States are at risk from wildfire and approximately 11,000 of those communities are located near Federal land;

(3) the accumulation of heavy forest fuel loads continues to increase as a result of disease, insect infestations, and drought, further increasing the risk of fire each year;

(4) modification of forest fuel load conditions through the removal of hazardous fuels would—

(A) minimize catastrophic damage from wildfires;

(B) reduce the need for emergency funding to respond to wildfires; and

(C) protect lives, communities, watersheds, and wildlife habitat;

(5) the hazardous fuels removed from forest land represent an abundant renewable resource, as well as a significant supply of biomass for biomass-to-energy facilities;

(6) the United States should invest in technologies that promote economic and entrepreneurial opportunities in processing forest products removed through hazardous fuel reduction activities; and

(7) the United States should—

(A) develop and expand markets for traditionally underused wood and other biomass as a value-added outlet for excessive forest fuels; and

(B) commit resources to support planning, assessments, and project reviews to ensure that hazardous fuels management is accomplished expeditiously and in an environmentally sound manner.

(b) DEFINITIONS.—In this section:

(1) BIOMASS-TO-ENERGY FACILITY.—The term ''biomass-to-energy facility'' means a facility that uses biomass as a raw material to produce electric energy, useful heat, or a transportation fuel.

(2) ELIGIBLE COMMUNITY.—The term ''eligible community'' means—

(A) any town, township, municipality, or other similar unit of local government (as determined by the Secretary), or any area represented by a nonprofit corporation or institution organized under Federal or State law to promote broad-based economic development, that—

(i) has a population of not more than 10,000 individuals;

(ii) is located within a county in which at least 15 percent of the total primary and secondary labor and proprietor income is derived from forestry, wood products, and forest-related industries, such as recreation, forage production, and tourism; and

(iii) is located near forest land, the condition of which land the Secretary determines poses a substantial present or potential hazard to the safety of—

(I) a forest ecosystem;

(II) wildlife; or

(III) in the case of a wildfire, human, community, or firefighter safety, in a year in which drought conditions are present; and

(B) any county that is not contained within a metropolitan statistical area that meets the conditions described in clauses (ii) and (iii) of subparagraph (A).

(3) FOREST BIOMASS.—The term ''forest biomass'' means fuel and biomass accumulation from precommercial thinnings, slash, and brush on forest land of the United States.

(4) HAZARDOUS FUEL.—

(A) IN GENERAL.—The term ''hazardous fuel'' means any excessive accumulation of organic material on public and private forest land (especially land in an urban-wildland interface area or in an area that is located near an eligible community and designated as condition class 2 under the report of the Forest Service entitled 'Protecting People and Sustainable Resources in Fire-Adapted Ecosystems', dated October 13, 2000, or that is designated as condition class 3 under that report) that the Secretary determines poses a substantial present or potential hazard to the safety of—

(i) a forest ecosystem;

(ii) wildlife; or

(iii) in the case of wildfire, human, community, or firefighter safety, in a year in which drought conditions are present.

(B) EXCLUSION.—The term ''hazardous fuel'' does not include forest biomass.

(5) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(6) SECRETARY.—The term ''Secretary'' means—

(A) the Secretary of Agriculture (or a designee), with respect to National Forest System land and private land in the United States; and

(B) the Secretary of the Interior (or a designee) with respect to Federal land under the jurisdiction of the Secretary of the Interior or an Indian tribe.

(c) HAZARDOUS FUEL GRANT PROGRAM.—

(1) GRANTS.—

(A) IN GENERAL.—Subject to the availability of appropriations, the Secretary may make grants to persons that operate biomass-to-energy facilities to offset the costs incurred by those persons in purchasing hazardous fuels derived from public and private forest land adjacent to eligible communities.

(B) SELECTION CRITERIA.—The Secretary shall select recipients for grants under subparagraph (A) based on—

(i) planned purchases by the recipients of hazardous fuels, as demonstrated by the recipient through the submission to the Secretary of such assurances as the Secretary may require; and

(ii) the level of anticipated benefits of those purchases in reducing the risk of wildfires.

(2) GRANT AMOUNTS.—

(A) IN GENERAL.—A grant under this subsection shall—

(i) be based on—

(I) the distance required to transport hazardous fuels to a biomass-to-energy facility; and

(II) the cost of removal of hazardous fuels; and

(ii) be in an amount that is at least equal to the product obtained by multiplying—

(I) the number of tons of hazardous fuels delivered to a grant recipient; by

(II) an amount that is at least $5 but not more than $10 per ton of hazardous fuels, as determined by the Secretary taking into consideration the factors described in clause (i).

(B) LIMITATION ON INDIVIDUAL GRANTS.—

(i) IN GENERAL.—Except as provided in clause (ii), a grant under subparagraph (A) shall not exceed $1,500,000 for any biomass-to-energy facility for any year.

(ii) SMALL BIOMASS-TO-ENERGY FACILITIES.—A biomass-to-energy facility that has an annual production of 5 megawatts or less shall not be subject to the limitation under clause (i).

(3) MONITORING OF GRANT RECIPIENT ACTIVITIES.—

(A) IN GENERAL.—As a condition of receipt of a grant under this subsection, a grant recipient shall keep such records as the Secretary may require, including records that—

(i) completely and accurately disclose the use of grant funds; and

(ii) describe all transactions involved in the purchase of hazardous fuels derived from forest land.

(B) ACCESS.—On notice by the Secretary, the operator of a biomass-to-energy facility that purchases hazardous fuels, or uses hazardous fuels purchased, with funds from a grant under this subsection shall provide the Secretary with—

(i) reasonable access to the biomass-to-facility; and

(ii) an opportunity to examine the inventory and records of the biomass-to-energy facility.

(4) MONITORING OF EFFECT OF TREATMENTS.—The Secretary shall monitor Federal land from which hazardous fuels are removed and sold to a biomass-to-energy facility under this subsection to determine and document the reduction in fire hazards on that land.

(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $50,000,000 for each fiscal year.

(d) LONG-TERM FOREST STEWARDSHIP CONTRACTS FOR HAZARDOUS FUELS REMOVAL.—

(1) ANNUAL ASSESSMENT OF TREATMENT ACREAGE.—

(A) IN GENERAL.—Subject to the availability of appropriations, not later than March 1 of each of fiscal years 2002 through 2006, the Secretary shall submit to Congress an assessment of the number of acres of Federal forest land recommended to be treated during the subsequent fiscal year using stewardship end result contracts authorized by paragraph (3).

(B) COMPONENTS.—The assessment shall—

(i) be based on the treatment schedules contained in the report entitled 'Protecting People and Sustaining Resources in Fire-Adapted Ecosystems', dated October 13, 2000 and incorporated into the National Fire Plan;

(ii) identify the acreage by condition class, type of treatment, and treatment year to achieve the restoration goals outlined in the report within 10-, 15-, and 20-year time periods;

(iii) give priority to condition class 3 areas (as described in subsection (a)(4)(A)), include modifications in the restoration goals based on the effects of—

(I) fire;

(II) hazardous fuel treatments under the National Fire Plan; or

(III) updates in data;

(iv) provide information relating to the type of material and estimated quantities and range of sizes of material that shall be included in the treatments;

(v) describe the land allocation categories in which the contract authorities shall be used; and

(vi) give priority to areas described in subsection (a)(4)(A).

(2) FUNDING RECOMMENDATION.—The Secretary shall include in the annual assessment under paragraph (1) a request for funds sufficient to implement the recommendations contained in the assessment using stewardship end result contracts described in

paragraph (3) in any case in which the Secretary determines that the objectives of the National Fire Plan would best be accomplished through forest stewardship end result contracting.

(3) STEWARDSHIP END RESULT CONTRACTING.—

(A) IN GENERAL.—Subject to the availability of appropriations, the Secretary may enter into stewardship end result contracts to implement the National Fire Plan on National Forest System land based on the stewardship treatment schedules provided in the annual assessments conducted under paragraph (1).

(B) PERIOD OF CONTRACTS.—The contracting goals and authorities described in subsections (b) through (g) of section 347 of the Department of the Interior and Related Agencies Appropriations Act, 1999 (commonly known as the 'Stewardship End Result Contracting Demonstration Project') (16 U.S.C. 2104 note; Public Law 105–277), shall apply to contracts entered into under this paragraph, except that the period of each such contract shall be 10 years.

(C) STATUS REPORT.—Beginning with the assessment required under paragraph (1) for fiscal year 2003, the Secretary shall include in the annual assessment under paragraph (1) a status report of the stewardship end result contracts entered into under this paragraph.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(e) TERMINATION OF AUTHORITY.—The authority provided under this section shall terminate on September 30, 2006.

**SEC. 807. MCINTIRE-STENNIS COOPERATIVE FORESTRY RESEARCH PROGRAM.**

It is the sense of Congress to reaffirm the importance of Public Law 87–88 (16 U.S.C. 582a et seq.), commonly known as the McIntire-Stennis Cooperative Forestry Act.

**TITLE IX—MISCELLANEOUS PROVISIONS**

**Subtitle A—Tree Assistance Program**

**SEC. 901. ELIGIBILITY.**

(a) LOSS.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 902, to eligible orchardists that planted trees for commercial purposes but lost such trees as a result of a natural disaster, as determined by the Secretary.

(b) LIMITATION.—An eligible orchardist shall qualify for assistance under subsection (a) only if such orchardist's tree mortality, as a result of the natural disaster, exceeds 15 percent (adjusted for normal mortality).

**SEC. 902. ASSISTANCE.**

The assistance provided by the Secretary of Agriculture to eligible orchardists for losses described in section 901 shall consist of either—

(1) reimbursement of 75 percent of the cost of replanting trees lost due to a natural disaster, as determined by the Secretary, in excess of 15 percent mortality (adjusted for normal mortality); or

(2) at the discretion of the Secretary, sufficient seedlings to reestablish the stand.

---

**SA 2679.** Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of section 164 and insert a period and the following:

**SEC. 165. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND; FOOD STAMP PROGRAM FUNDING INCREASES.**

(a) RESTRICTION.—Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 110 Stat. 945) is amended to read as follows:

**"SEC. 194. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.**

''(a) DEFINITION OF AGRICULTURAL COMMODITY.—In this section:

''(1) IN GENERAL.—The term 'agricultural commodity' has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

''(2) EXCLUSIONS.—The term 'agricultural commodity' does not include forage, livestock, timber, forest products, or hay.

''(b) COMMODITIES.—

''(1) IN GENERAL.—Notwithstanding any other provision of this title, except as provided in paragraph (2), the Secretary shall not provide a payment, loan, or other benefit under this title to an owner or producer, with respect to land or a loan commodity planted or considered planted on land during a crop year unless the land has been planted, considered planted, or devoted to an agricultural commodity during —

''(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

''(B) at least 3 of the 10 crop years preceding the 2002 crop year.

''(2) CROP ROTATION.—Paragraph (1) shall not apply to an owner or producer, with respect to any agricultural commodity planted or considered planted, on land if the land—

''(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

''(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

''(c) CROP INSURANCE.—Notwithstanding any provision of the Federal Crop Insurance Act (7 U.S.C.1501 et seq.), the Federal Crop Insurance Corporation shall not pay premium subsidies or administrative costs of a reinsured company for insurance regarding a crop insurance policy of a producer under that Act unless, the land that is covered by the insurance policy—

''(1) has been planted, considered planted, or devoted to an agricultural commodity during—

''(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

''(B) at least 3 of the 10 crop years preceding the 2002 crop year; or

''(2)(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

''(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

''(d) CONSERVATION RESERVE LAND.—For purposes of this section, land that is enrolled in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C.3831 et seq.) shall be considered planted to an agricultural commodity.''.

(b) FOOD STAMP PROGRAM.—

(1) EXCLUSION OF LICENSED VEHICLES FROM FINANCIAL RESOURCES.—

(A) IN GENERAL.—Section 5(g)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(2)) is amended by striking subparagraph (C) and inserting the following:

''(C) EXCLUDED VEHICLES.—Financial resources under this paragraph shall not include—

''(i) 1 licensed vehicle per household; and

''(ii) a vehicle (and any other property, real or personal, to the extent that the property is directly related to the maintenance or use of the vehicle) if the vehicle is—

''(I) used to produce earned income;

''(II) necessary for the transportation of a physically disabled household member; or

''(III) depended on by a household to carry fuel for heating or water for home use and provides the primary source of fuel or water, respectively, for the household.''.

(B) CONFORMING AMENDMENT.—Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (h).

(2) NUTRITION ASSISTANCE FOR ELDERLY INDIVIDUALS.—

(A) RESTORATION OF ELIGIBILITY.—Section 402(a)(2)(I) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(I)) is amended by striking ''who'' and all that follows and inserting the following: ''who—

''(i) is lawfully residing in the United States; and

''(ii) is 65 years of age or older.''.

(B) CONFORMING AMENDMENTS.—

(i) Section 421(d)(3) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1631(d)(3)) (as added by section 452(a)(2)(B)) is amended by striking ''section 402(a)(2)(J)'' and inserting ''subparagraph (I) or (J) of section 402(a)(2)''.

(ii) Section 423(d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1183a note; Public Law 104–193) is amended by adding at the end the following:

''(12) Benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).''.

(iii) Section 5(i)(2)(E) of the Food Stamp Act of 1977 (7 U.S.C. 2014(i)(2)(E)) (as amended by section 452(a)(2)(C)) is amended by inserting before the period at the end the following: ''or is 65 years of age or older''.

(C) APPLICABILITY.—The amendments made by this paragraph shall apply to fiscal year 2004 and each fiscal year thereafter.

---

**SA 2680.** Mr. CRAIG submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. 1022. STUDY OF PROPOSAL TO PROHIBIT PACKERS FROM OWNING, FEEDING, OR CONTROLLING LIVESTOCK.**

(a) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Secretary of Agriculture shall complete a study to determine the impact that prohibiting packers described in subsection (b) from owning, feeding, or controlling livestock intended for slaughter more than 14 days prior to slaughter would have on—

(1) livestock producers that market under contract, grid, basis contract, or forward contract;

(2) rural communities and employees of commercial feedlots associated with a packer;

(3) private or cooperative joint ventures in packing facilities;

(4) livestock producers that market feeder livestock to feedlots owned or controlled by packers;

(5) the market price for livestock (both cash and future prices);

(6) the ability of livestock producers to obtain credit from commercial sources;

(7) specialized programs for marketing specific cuts of meat;

(8) the ability of the United States to compete in international livestock markets; and

(9) future investment decisions by packers and the potential location of new livestock packing operations.

(b) PACKERS.—The packers referred to in subsection (a) are packers that slaughter more than 2 percent of the slaughter of a particular type of livestock slaughtered in the United States in any year.

(c) CONSIDERATION.—In conducting the study under subsection (a), the Secretary of Agriculture shall—

(1) consider the legal conditions that have existed in the past regarding the feeding by packers of livestock intended for slaughter; and

(2) determine the impact of those legal conditions.

(d) EFFECTIVENESS OF OTHER PROVISION.—The section entitled '' **PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK**'', amending section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), shall have no effect.

---

**SA 2681.** Mr. CRAIG submitted an amendment intended to be proposed by him to the bill S. 1731 to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ___. STUDY OF PROPOSAL TO PROHIBIT PACKERS FROM OWNING, FEEDING, OR CONTROLLING LIVESTOCK.**

(a) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Secretary of Agriculture shall complete a study to determine the impact that prohibiting packers described in subsection (b) from owning, feeding, or controlling livestock intended for slaughter more than 14 days prior to slaughter would have on—

(1) livestock producers that market under contract, grid, basis contract, or forward contract;

(2) rural communities and employees of commercial feedlots associated with a packer;

(3) private or cooperative joint ventures in packing facilities;

(4) livestock producers that market feeder livestock to feedlots owned or controlled by packers;

(5) the market price for livestock (both cash and future prices);

(6) the ability of livestock producers to obtain credit from commercial sources;

(7) specialized programs for marketing specific cuts of meat;

(8) the ability of the United States to compete in international livestock markets; and

(9) future investment decisions by packers and the potential location of new livestock packing operations.

(b) PACKERS.—The packers referred to in subsection (a) are packers that slaughter more than 2 percent of the slaughter of a particular type of livestock slaughtered in the United States in any year.

(c) CONSIDERATION.—In conducting the study under subsection (a), the Secretary of Agriculture shall—

(1) consider the legal conditions that have existed in the past regarding the feeding by packers of livestock intended for slaughter; and

(2) determine the impact of those legal conditions.

(d) EFFECTIVENESS OF OTHER PROVISION.—The section entitled '' **PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK**'', amending section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), shall have no effect.

---

**SA 2682.** Mr. DORGAN submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 165 and insert the following:

**SEC. 165. PAYMENT AND NET INCOME LIMITATIONS.**

(a) PAYMENT LIMITATIONS.—

(1) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking paragraphs (1) through (4) and inserting the following:

''(1) LIMITATION ON DIRECT PAYMENTS.—The total amount of direct payments made to a person during any fiscal year may not exceed $80,000, with a separate limitation for—

''(A) all contract commodities; and

''(B) peanuts.

''(2) LIMITATION ON COUNTER-CYCLICAL PAYMENTS.—The total amount of counter-cyclical payments made to a person during any fiscal year may not exceed $75,000, with a separate limitation for—

''(A) all contract commodities; and

''(B) peanuts.

''(3) LIMITATION ON MARKETING LOAN GAINS AND LOAN DEFICIENCY PAYMENTS.—

''(A) IN GENERAL.—The total amount of the payments and benefits specified in subparagraph (B) that a person shall be entitled to receive under title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.) for 1 or more loan commodities during any crop year may not exceed $75,000, with a separate limitation for—

''(i) all loan commodities (other than wool and honey);

''(ii) wool;

''(iii) honey; and

''(iv) peanuts.

''(B) DESCRIPTION OF PAYMENTS AND BENEFITS SUBJECT TO LIMITATION.—The payments referred to in subparagraph (A) are the following:

''(i) MARKETING LOAN GAINS.—Any gain realized by a producer from repaying a marketing assistance loan under section 131 or 158G(a) of the Federal Agriculture Improvement and Reform Act of 1996 for a crop of any loan commodity or peanuts, respectively, at a lower level than the original loan rate established for the loan commodity or peanuts under section 132 or 158G(d) of that Act, respectively.

''(ii) LOAN DEFICIENCY PAYMENTS.—Any loan deficiency payment received for a loan commodity or peanuts under section 135 or 158G(e) of that Act, respectively.

''(4) DEFINITIONS.—In paragraphs (1) through (3):

''(A) CONTRACT COMMODITY.—The term 'contract commodity' has the meaning given the term in section 102 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7202).

''(B) COUNTER-CYCLICAL PAYMENT.—The term 'counter-cyclical payment'' means a payment made under section 114 or 158D of that Act.

''(C) DIRECT PAYMENT.—The term 'direct payment' means a payment made under section 113 or 158C of that Act.

''(D) LOAN COMMODITY.—The term 'loan commodity' has the meaning given the term in section 102 of that Act.

''(E) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.''.

(2) TRANSITION.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308), as in effect on the day before the date of the enactment of this Act, shall continue to apply with respect to fiscal year 2001 and the 2001 crop of any contract commodity or loan commodity (as defined in section 102 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7202)).

(b) NET INCOME LIMITATION.—The Food Security Act of 1985 is amended by inserting after section 1001E (7 U.S.C. 1308–5) the following:

**''SEC. 1001F. NET INCOME LIMITATION.**

''(a) DEFINITIONS.—In this section:

''(1) ADJUSTED GROSS AGRICULTURAL INCOME.—The term 'adjusted gross agricultural income' means the adjusted gross income for all agricultural enterprises of an owner or producer in a year, excluding revenue earned from nonagricultural sources, as determined by the Secretary—

''(A) by taking into account gross receipts from the sale of crops and livestock on all agricultural enterprises of the owner or producer, including insurance indemnities resulting from losses in the agricultural enterprises;

''(B) by including all farm payments paid by the Secretary for all agricultural enterprises of the owner or producer, including payments and benefits described in section 1001(2)(B);

''(C) by deducting the cost or basis of livestock or other items purchased for resale, such as feeder livestock, on all agricultural enterprises of the owner or producer; and

''(D) as represented on a schedule F of the Federal income tax returns of the owner or producer or a comparable tax form related to the agricultural enterprises of the owner or producer, as approved by the Secretary.

''(2) ADJUSTED GROSS INCOME.—The term 'adjusted gross income' has the meaning given the term in section 62 of the Internal Revenue Code of 1986.

''(b) LIMITATION.—Notwithstanding any other provision of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.), an owner or producer shall not be eligible for a payment or benefit described in paragraphs (1) or (2) of section 1001 for a fiscal or crop year (as appropriate) if—

''(1) the average adjusted gross income of the owner or producer for each of the preceding 3 taxable years exceeds $2,500,000; and

''(2) less than 75 percent of the adjusted gross income of the owner or producer is adjusted gross agricultural income.''.

(c) LOAN DEFICIENCY PAYMENTS.—

(1) ELIGIBILITY.—Section 135 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235) (as amended by section 126(1)) is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—The Secretary may make loan deficiency payments available to—

''(1) producers on a farm that, although eligible to obtain a marketing assistance loan

under section 131 with respect to a loan commodity, agree to forgo obtaining the loan for the covered commodity in return for payments under this section; and

''(2) effective only for the 2000 and 2001 crop years, producers that, although not eligible to obtain such a marketing assistance loan under section 131, produce a loan commodity.''.

(2) BENEFICIAL INTEREST.—Section 135(e)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235(e)) (as amended by section 126(2)) is amended by striking ''A producer'' and inserting ''Effective for the 2001 crop, a producer''.

(d) PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.—Subtitle C of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7231 et seq.) is amended by adding at the end the following:

**''SEC. 138. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.**

''(a) IN GENERAL.—For each of the 2002 through 2006 crops of wheat, grain sorghum, barley, and oats, in the case of the producers on a farm that would be eligible for a loan deficiency payment under section 135 for wheat, grain sorghum, barley, or oats, but that elects to use acreage planted to the wheat, grain sorghum, barley, or oats for the grazing of livestock, the Secretary shall make a payment to the producers on the farm under this section if the producers on the farm enter into an agreement with the Secretary to forgo any other harvesting of the wheat, grain sorghum, barley, or oats on the acreage.

''(b) PAYMENT AMOUNT.—The amount of a payment made to the producers on a farm under this section shall be equal to the amount obtained by multiplying—

''(1) the loan deficiency payment rate determined under section 135(c) in effect, as of the date of the agreement, for the county in which the farm is located; by

''(2) the payment quantity obtained by multiplying—

''(A) the quantity of the grazed acreage on the farm with respect to which the producers on the farm elect to forgo harvesting of wheat, grain sorghum, barley, or oats; and

''(B) the payment yield for that contract commodity on the farm.

''(c) TIME, MANNER, AND AVAILABILITY OF PAYMENT.—

''(1) TIME AND MANNER.—A payment under this section shall be made at the same time and in the same manner as loan deficiency payments are made under section 135.

''(2) AVAILABILITY.—The Secretary shall establish an availability period for the payment authorized by this section that is consistent with the availability period for wheat, grain sorghum, barley, and oats established by the Secretary for marketing assistance loans authorized by this subtitle.

''(d) PROHIBITION ON CROP INSURANCE OR NONINSURED CROP ASSISTANCE.—The producers on a farm shall not be eligible for insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance under section 196 with respect to a 2002 through 2006 crop of wheat, grain sorghum, barley, or oats planted on acreage that the producers on the farm elect, in the agreement required by subsection (a), to use for the grazing of livestock in lieu of any other harvesting of the crop.''.

---

**SA 2683.** Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 2568 submitted by Mr. HELMS and intended to be proposed to the amendment SA 2471 proposed by Mr. DASCHLE to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, in amendment No. 2568, insert the following:

**SEC. 1___. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.**

Title III of the Packers and Stockyards Act, 1921, (7 U.S.C. 201 et seq.) is amended by adding at the end the following:

**''SEC. 318. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.**

''(a) DEFINITIONS.—In this section:

''(1) HUMANELY EUTHANIZE.—The term 'humanely euthanize' means to kill an animal by mechanical, chemical, or other means that immediately render the animal unconscious, with this state remaining until the animal's death.

''(2) NONAMBULATORY LIVESTOCK.—The term 'nonambulatory livestock' means any livestock that is unable to stand and walk unassisted.

''(b) UNLAWFUL PRACTICES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any stockyard owner, market agency, or dealer to buy, sell, give, receive, transfer, market, hold, or drag any nonambulatory livestock unless the nonambulatory livestock has been humanely euthanized.

''(2) EXCEPTIONS.—

''(A) NON-GIPSA FARMS.—Paragraph (1) shall not apply to any farm the animal care practices of which are not subject to the authority of the Grain Inspection, Packers, and Stockyards Administration.

''(B) VETERINARY CARE.—Paragraph (1) shall not apply in a case in which nonambulatory livestock receive veterinary care intended to render the livestock ambulatory.

''(c) APPLICATION OF PROHIBITION.—Subsection (b) shall apply beginning one year after the date of the enactment of the Agriculture, Conservation, and Rural Enhancement Act of 2001. By the end of such period, the Secretary shall promulgate regulations to carry out this section.''.

---

**SA 2684.** Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of subtitle C of title X and insert a period and the following:

**SEC. 1033. IMPORTATION OF MUNICIPAL SOLID WASTE.**

(a) DEFINITION OF MUNICIPAL SOLID WASTE.—

(1) IN GENERAL.—In this section, the term ''municipal solid waste'' means waste material generated by—

(A) a household (including a single family or multifamily residence); and

(B) a commercial, industrial, or institutional entity, to the extent that the waste material—

(i) is essentially the same as waste normally generated by a household;

(ii) is collected and disposed of with other municipal solid waste as part of normal municipal solid waste collection services; and

(iii) contains a relative quantity of hazardous substances no greater than the relative quantity of hazardous substances contained in waste material generated by a typical single-family household.

(2) INCLUSIONS.—The term ''municipal solid waste'' includes—

(A) food and yard waste;

(B) paper;

(C) clothing;

(D) appliances;

(E) consumer product packaging;

(F) disposable diapers;

(G) office supplies;

(H) cosmetics;

(I) glass and metal food containers;

(J) elementary or secondary school science laboratory waste; and

(K) household hazardous waste.

(3) EXCLUSIONS.—The term ''municipal solid waste'' does not include—

(A) combustion ash generated by resource recovery facilities or municipal incinerators; or

(B) waste material from manufacturing or processing operations (including pollution control operations) that is not essentially the same as waste normally generated by households.

(b) IMPLEMENTATION OF AGREEMENTS.—As soon as practicable after the date of enactment of this Act, the President shall implement the agreement entitled ''Agreement Between the Government of the United States and the Government of Canada Concerning the Transboundary Movement of Hazardous Waste, Ottawa, 1986'', done at Ottawa on October 28, 1986 (TIAS 11099), as amended at Washington on November 4 and 25, 1992.

---

**SA 2685.** Mr. ALLARD submitted an amendment intended to be proposed by him to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ___. AGRICULTURAL RESEARCH AND TECHNOLOGY.**

(a) FIELD STUDIES.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall conduct field studies on—

(A) the transmission of spongiform encephalopathy in deer, elk, and moose; and

(B) chronic wasting disease (including the risks that chronic wasting disease poses to livestock).

(2) REPORT.—Not later than February 1, 2002, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the results of the field studies.

(b) RESEARCH AND EXTENSION GRANT PROGRAM.—As soon as practicable after the date of enactment of this Act, the Secretary shall establish a program to provide research and extension grants to eligible entities (as determined by the Secretary) to develop, for livestock production—

(1) prevention and control methodologies for infectious animal diseases that affect trade, including—

(A) vesicular stomatitis;

(B) bovine tuberculosis;

(C) transmissible spongiform encephalopathy;

(D) burcellosis; and

(E) E. coli 0157:H7 infection;

(2) laboratory tests to expedite detection of—

(A) infected livestock; and

(B) the presence of diseases within herds or flocks of livestock; and

(3) prevention strategies, including vaccination programs, for infectious diseases that affect livestock.

(c) OFFICE OF SCIENCE AND TECHNOLOGY POLICY.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the President shall—

(A) establish within the Office of Science and Technology Policy a noncareer, senior executive service appointment position for a Veterinary Advisor; and

(B) appoint an individual to the position.

(2) QUALIFICATIONS; DUTIES.—The individual appointed to the position described in paragraph (1) shall—

(A) hold the degree of Doctor of Veterinary Medicine from an accredited college of veterinary medicine in the United States; and

(B) provide to the science advisor of the President expertise in—

(i) exotic animal disease detection, prevention, and control;

(ii) food safety; and

(iii) animal agriculture.

(3) EXECUTIVE SCHEDULE PAY RATES.—Section 5313 of title 5, United States Code, is amended by adding at the end the following:

''Veterinary Advisor, Office of Science and Technology Policy.''.

(d) VACCINES.—

(1) VACCINE STORAGE STUDY.—Not later than December 1, 2001, the Secretary shall—

(A) conduct a study to determine the number of doses of livestock disease vaccines that should be available to protect against livestock diseases that could be introduced into the United States; and

(B) compare that number with the number of doses of the livestock disease vaccines that are available as of that date.

(2) STOCKPILING OF VACCINES.—If, after conducting the study and comparison described in paragraph (1), the Secretary determines that there is an insufficient number of doses of a particular vaccine referred to in that paragraph, the Secretary shall take such actions as are necessary to obtain the required additional doses of the vaccine.

(e) VETERINARY TRAINING.—Not later than December 1, 2001, the Secretary shall develop a plan to ensure that, during the 2-year period beginning on that date, veterinarians representing all regions of the United States, especially regions in which livestock production is a major industry, are trained to identify highly infectious livestock diseases.

(f) FUNDING FOR FISCAL YEAR 2002.—

(1) IN GENERAL.—On October 1, 2002, out of any moneys in the Treasury not otherwise appropriated, the Secretary of the Treasury shall provide to the Secretary $15,000,000 to carry out this section, to remain available until expended.

(2) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive the funds and shall accept the funds provided under paragraph (1), without further appropriation.

---

**SA 2686.** Mr. GRASSLEY (for himself, Mr. HAGEL, Mr. LUGAR, and Mr. JOHNSON) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter to be inserted, insert:

Notwithstanding any other provision of this act, the payment limitation provisions shall be:

**SEC. . PAYMENT LIMITATIONS; NUTRITION AND COMMODITY PROGRAMS.**

(a) PAYMENT LIMITATIONS.—

(1) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking paragraphs (1) through (6) and inserting the following:

''(1) LIMITATIONS ON DIRECT AND COUNTER-CYCLICAL PAYMENTS.—Subject to paragraph (5)(A), the total amount of direct payments and counter-cyclical payments made directly or indirectly to an individual or entity during any fiscal year may not exceed $75,000.

''(2) LIMITATIONS ON MARKETING LOAN GAINS, LOAN DEFICIENCY PAYMENTS, AND COMMODITY CERTIFICATE TRANSACTIONS.—

''(A) IN GENERAL.—Subject to paragraph (5)(A), the total amount of the payments and benefits described in subparagraph (B) that an individual or entity may directly or indirectly receive during any crop year may not exceed $150,000.

''(B) PAYMENTS AND BENEFITS.—Subparagraph (A) shall apply to the following payments and benefits:

''(i) MARKETING LOAN GAINS.—

''(I) REPAYMENT GAINS.—Any gain realized by a producer from repaying a marketing assistance loan under section 131 or 158G(a) of the Federal Agriculture Improvement and Reform Act of 1996 for a crop of any loan commodity or peanuts, respectively, at a lower level than the original loan rate established for the loan commodity or peanuts under section 132 or 158G(d) of that Act, respectively.

''(II) FORFEITURE GAINS.—In the case of settlement of a marketing assistance loan under section 131 or 158G(a) of that Act for a crop of any loan commodity or peanuts, respectively, by forfeiture, the amount by which the loan amount exceeds the repayment amount for the loan if the loan had been settled by repayment instead of forfeiture.

''(ii) LOAN DEFICIENCY PAYMENTS.—Any loan deficiency payment received for a loan commodity or peanuts under section 135 or 158G(e) of that Act, respectively.

''(iii) COMMODITY CERTIFICATES.—Any gain realized from the use of a commodity certificate issued by the Commodity Credit Corporation, as determined by the Secretary, including the use of a certificate for the settlement of a marketing assistance loan made under section 131 or 158G(a) of that Act.

''(3) SETTLEMENT OF CERTAIN LOANS.—Notwithstanding subtitle C and section 158G of the Federal Agriculture Improvement and Reform Act of 1996, if the amount of payments and benefits described in paragraph (2)(B) attributed directly or indirectly to an individual or entity for a crop year reaches the limitation described in paragraph (2)(A), the portion of any unsettled marketing assistance loan made under section 131 or 158G(a) of that Act attributed directly or indirectly to the individual or entity shall be settled through the repayment of the total loan principal, plus applicable interest.

''(4) DEFINITIONS.—In this section and sections 1001A through 1001F:

''(A) COUNTER-CYCLICAL PAYMENT.—The term 'counter-cyclical payment'' means a payment made under section 114 or 158D of the Federal Agriculture Improvement and Reform Act of 1996.

''(B) DIRECT PAYMENT.—The term 'direct payment' means a payment made under section 113 or 158C of that Act.

''(C) LOAN COMMODITY.—The term 'loan commodity' has the meaning given the term in section 102 of that Act.

''(D) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

''(5) APPLICATION OF LIMITATION.—

''(A) MARRIED COUPLES.—The total amount of payments and benefits described paragraphs (1) and (2) that a married couple may receive directly or indirectly may not exceed $275,000 during the fiscal or crop year (as appropriate).

''(B) TENANT RULE.—

''(i) IN GENERAL.—Any individual or entity that conducts a farming operation to produce a crop subject to the limitations established under this section as a tenant shall be ineligible to receive any payment or benefit described in paragraph (1) or (2), or subtitle D of title XII, with respect to the land unless the individual or entity makes a contribution of active personal labor to the operation that is at least equal to the lesser of—

''(I) 1000 hours; or

''(II) 40 percent of the minimum number of labor hours required to produce each commodity by the operation (as described in clause (ii)).

''(ii) MINIMUM NUMBER OF LABOR HOURS.—For the purpose of clause (i)(II), the minimum number of labor hours required to produce each commodity shall be equal to the number of hours that would be necessary to conduct a farming operation for the production of each commodity that is comparable in size to an individual or entity's commensurate share in the farming operation for the production of the commodity, based on the minimum number of hours per acre required to produce the commodity in the State where the farming operation is located, as determined by the Secretary.

''(6) PUBLIC SCHOOLS.—The provisions of this section that limit payments to any individual or entity shall not be applicable to land owned by a public school district or land owned by a State that is used to maintain a public school.''.

(2) SUBSTANTIVE CHANGE.—Section 1001A(a) of the Food Security Act of 1985 (7 U.S.C. 1308–1(a)) is amended—

(A) in the section heading, by striking ''**PREVENTION OF CREATION OF ENTITIES TO QUALITY AS SEPARATE PERSONS;'' AND INSERTING ''SUBSTANTIVE CHANGE;**'';

(B) by striking ''(a) PREVENTION'' and all that follows through the end of paragraph (2) and inserting the following:

''(a) SUBSTANTIVE CHANGE.—

''(1) IN GENERAL.—The Secretary may not approve (for purposes of the application of the limitations under this section) any change in a farming operation that otherwise will increase the number of individuals or entities to which the limitations under this section are applied unless the Secretary determines that the change is bona fide and substantive.

''(2) FAMILY MEMBERS.—For the purpose of paragraph (1), the addition of a family member to a farming operation under the criteria established under subsection (b)(1)(B) shall be considered a bona fide and substantive change in the farming operation.'';

(C) in the first sentence of paragraph (3)—

(i) by striking ''as a separate person''; and

(ii) by inserting '', as determined by the Secretary'' before the period at the end; and

(D) by striking paragraph (4).

(3) ACTIVELY ENGAGED IN FARMING.—Section 1001A(b) of the Food Security Act of 1985 (7 U.S.C. 1308–1(b)) is amended—

(A) by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—To be eligible to receive, directly or indirectly, payments (as described in paragraphs (1) and (2) of section 1001 as being subject to limitation) with respect to a particular farming operation an individual or entity shall be actively engaged in farming with respect to the operation, as provided under paragraphs (2), (3), and (4).'';

(B) in paragraph (2), by adding at the end the following:

''(E) ACTIVE PERSONAL MANAGEMENT.—For an individual to be considered to be providing active personal management under this paragraph on behalf of the individual or a corporation or entity, the management provided by the individual shall be personally provided on a regular, substantial, and continuous basis through the direction supervision and direction of—

''(i) activities and labor involved in the farming operation; and

''(ii) on-site services that are directly related and necessary to the farming operation.'';

(C) in paragraph (3)—

(i) by striking subparagraph (A) and inserting the following:

''(A) LANDOWNERS.—An individual or entity that is a landowner contributing the owned land to the farming operation and that meets the standard provided in clauses (ii) and (iii) of paragraph (2)(A), if the landowner—

''(i) share rents the land; or

''(ii) makes a significant contribution of active personal management.''; and

(ii) in subparagraph (B), by striking ''persons'' and inserting ''individuals and entities''; and

(D) in paragraph (4)—

(i) in the paragraph heading, by striking ''PERSONS'' and inserting ''INDIVIDUALS AND ENTITIES'';

(ii) in the matter preceding subparagraph (A), by striking ''persons'' and inserting ''individuals and entities''; and

(iii) in subparagraph (B)—

(I) in the subparagraph heading, by striking ''PERSONS'' and inserting ''INDIVIDUALS AND ENTITIES''; and

(II) by striking ''person, or class of persons'' and inserting ''individual or entity, or class of individuals or entities'';

(E) by striking paragraph (5);

(F) in paragraph (6), by striking ''a person'' and inserting ''an individual or entity''; and

(G) by redesignating paragraph (6) as paragraph (5).

(4) ADMINISTRATION.—Section 1001A of the Food Security Act of 1985 (7 U.S.C. 1308–1) is amended by adding at the end the following:

''(c) ADMINISTRATION.—

''(1) REVIEWS.—

''(A) IN GENERAL.—During each of fiscal years 2002 through 2006, the Office of Inspector General for the Department of Agriculture shall conduct a review of the administration of the requirements of this section and sections 1001, 1001B, 1001C, and 1001E in at least 6 States.

''(B) MINIMUM NUMBER OF COUNTIES.—Each State review described in subparagraph (A) shall cover at least 5 counties in the State.

''(C) REPORT.—Not later than 90 days after completing a review described in subparagraph (A), the Inspector General for the Department of Agriculture shall issue a final report to the Secretary of the findings of the Inspector General.

''(2) EFFECT OF REPORT.—If a report issued under paragraph (1) reveals that significant problems exist in the implementation of payment limitation requirements of this section and sections 1001, 1001B, 1001C, and 1001E in a State and the Secretary agrees that the problems exist, the Secretary—

''(A) shall initiate a training program regarding the payment limitation requirements; and

''(B) may require that all payment limitation determinations regarding farming operations in the State be issued from the headquarters of the Farm Service Agency.''.

(5) SCHEME OR DEVICE.—Section 1001B of the Food Security Act of 1985 (7 U.S.C. 1308–2) is amended by striking ''person'' each place it appears and inserting ''individual or entity''.

(6) FOREIGN INDIVIDUALS AND ENTITIES.—Section 1001C(b) of the Food Security Act of 1985 (7 U.S.C. 1308–3(b)) is amended in the first sentence by striking ''considered a person that is''.

(7) EDUCATION PROGRAM.—Section 1001D(c) of the Food Security Act of 1985 (7 U.S.C. 1308–4(c)) is amended by striking ''5 persons'' and inserting ''5 individuals or entities''.

(8) REPORT TO CONGRESS.—No later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall provide a report to and to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that describes—

(A) how State and county office employees are trained regarding the payment limitation requirements of section 1001 through 1001E of the Food Security Act of 1985 (7 U.S.C. 1308 through 1308–5);

(B) the general procedures used by State and county office employees to identify potential violations of the payment limitation requirements;

(C) the requirements for State and county office employees to report serious violations of the payment limitation requirements, including violations of section 1001B of that Act to the county committee, higher level officials of the Farm Service Agency, and to the Office of Inspector General; and

(D) the sanctions imposed against State and county office employees who fail to report or investigate potential violations of the payment limitation requirements.

(b) NET INCOME LIMITATION.—The Food Security Act of 1985 is amended by inserting after section 1001E (7 U.S.C. 1308–5) the following:

**''SEC. 1001F. NET INCOME LIMITATION.**

''Notwithstanding any other provision of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.), an owner or producer shall not be eligible for a payment or benefit described in paragraphs (1) or (2) of section 1001 for a fiscal or crop year (as appropriate) if the average adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) of the owner or producer for each of the preceding 3 taxable years exceeds $2,500,000.''.

(c) FOOD STAMP PROGRAM.—

(1) INCREASE IN BENEFITS TO HOUSEHOLDS WITH CHILDREN.—Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

''(1) STANDARD DEDUCTION.—

''(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall allow for each household a standard deduction that is equal to the greater of—

''(i) the applicable percentage specified in subparagraph (D) of the applicable income standard of eligibility established under subsection (c)(1); or

''(ii) the minimum deduction specified in subparagraph (E).

''(B) GUAM.—The Secretary shall allow for each household in Guam a standard deduction that is—

''(i) equal to the applicable percentage specified in subparagraph (D) of twice the income standard of eligibility established under subsection (c)(1) for the 48 contiguous States and the District of Columbia; but

''(ii) not less than the minimum deduction for Guam specified in subparagraph (E).

''(C) HOUSEHOLDS OF 6 OR MORE MEMBERS.—The income standard of eligibility established under subsection (c)(1) for a household of 6 members shall be used to calculate the standard deduction for each household of 6 or more members.

''(D) APPLICABLE PERCENTAGE.—For the purpose of subparagraph (A), the applicable percentage shall be—

''(i) 8 percent for each of fiscal years 2002 through 2004;

''(ii) 8.25 percent for each of fiscal years 2005 and 2006;

''(iii) 8.5 percent for each of fiscal years 2007 and 2008;

''(iv) 8.75 percent for fiscal year 2009; and

''(v) 9 percent for each of fiscal years 2010 and 2011.

''(E) MINIMUM DEDUCTION.—The minimum deduction shall be $134, $229, $189, $269, and $118 for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, respectively.''.

(2) PARTICIPANT EXPENSES.—Section 6(d)(4)(I)(i)(I) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)(I)(i)(I)) is amended by striking '', except that the State agency may limit such reimbursement to each participant to $25 per month''.

(3) FEDERAL REIMBURSEMENT.—Section 16(h)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(3)) is amended by striking ''such total amount shall not exceed an amount representing $25 per participant per month for costs of transportation and other actual costs (other than dependent care costs) and'' and inserting ''the amount of the reimbursement for dependent care expenses shall not exceed''.

(4) EFFECTIVENESS OF CERTAIN PROVISIONS.—Section 413 and subsections (c) and (d) of section 433, and the amendments made by section 413 and subsections (c) and (d) of section 433, shall have no effect.

(d) EXCLUSION OF RETIREMENT ACCOUNTS FROM FINANCIAL RESOURCES.—SECTION 5(G)(2)(B) OF THE FOOD STAMP ACT OF 1977 (7 U.S.C. 2014(G)(2)(B)) (AS AMENDED BY SECTION 423(A)(1)) IS AMENDED BY STRIKING CLAUSE (IV) AND INSERTING THE FOLLOWING:

''(iv) any savings account (other than a retirement account (including an individual account)).''.

(e) LOAN DEFICIENCY PAYMENTS.—

(1) ELIGIBILITY.—Section 135 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235) (as amended by section 126(1)) is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—The Secretary may make loan deficiency payments available to—

''(1) producers on a farm that, although eligible to obtain a marketing assistance loan under section 131 with respect to a loan commodity, agree to forgo obtaining the loan for the covered commodity in return for payments under this section; and

''(2) effective only for the 2000 and 2001 crop years, producers that, although not eligible to obtain such a marketing assistance loan under section 131, produce a loan commodity.''.

(2) BENEFICIAL INTEREST.—Section 135(e)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235(e)) (as amended by section 126(2)) is amended by striking ''A producer'' and inserting ''Effective for the 2001 through 2006 crops, a producer''.

(f) INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS.—Section 401(b)(1) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(b)(1)) (as amended by section 741) is amended—

(1) in subparagraph (A), by striking ''$120,000,000'' and inserting ''$130,000,000''; and

(2) in subparagraph (B), by striking ''$145,000,000'' and inserting ''$225,000,000''.

---

**SA 2687.** Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill H.R. 3210, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

Strike out all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the ''National Terrorism Reinsurance Loan and Grant Act''.

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

Sec. 1. Short title; table of contents.

TITLE I—GENERAL PROVISIONS

Sec. 101. Loan and grant programs.
Sec. 102. Credit for reinsurance.
Sec. 103. Mandatory coverage by property and casualty insurers for acts of terrorism.
Sec. 104. Monitoring and enforcement.
Sec. 105. Administrative provisions.
Sec. 106. Termination of programs.
Sec. 107. Definitions.

TITLE II—LOAN PROGRAM

Sec. 201. National terrorism reinsurance loan program.
Sec. 202. Repayment of loans.
Sec. 203. Reports by insurers.
Sec. 204. Rates; rate-making methodology and data.

TITLE III—GRANT PROGRAM

Sec. 301. National terrorism insurance loss grant program.
Sec. 302. Coverage provided.
Sec. 303. Authorization of appropriations.

TITLE IV—LITIGATION

Sec. 401. Procedures for civil actions.
Sec. 402. Punitive damages against insurers.

## TITLE I—GENERAL PROVISIONS

**SEC. 101. LOAN AND GRANT PROGRAMS.**

(a) IN GENERAL.—If the Secretary determines that there are losses from terrorism on covered lines in calendar year 2002 then the Secretary shall—

(1) make loans to insurers under title II, to the extent that the aggregate amount of such losses does not exceed $10,000,000,000; and

(2) make grants under title III, to the extent that the aggregate amount of such losses exceeds $10,000,000,000.

(b) DETERMINATION.—

(1) INITIAL DETERMINATION.—The Secretary shall make an initial determination as to whether the losses were caused by an act of terrorism.

(2) NOTICE AND HEARING.—The Secretary shall give public notice of the initial determination and afford all interested parties an opportunity to be heard on the question of whether the losses were caused by an act of terrorism.

(3) FINAL DETERMINATION.—Within 30 days after the Secretary's initial determination, the Secretary shall make a final determination as to whether the losses were caused by an act of terrorism.

(4) STANDARD OF REVIEW.—The Secretary's determination shall be upheld upon judicial review if based upon substantial evidence.

**SEC. 102. CREDIT FOR REINSURANCE.**

Each State shall afford an insurer credit on the same basis and to the same extent that credit for reinsurance would be available to that insurer under applicable State law when reinsurance is obtained from an assuming insurer licensed or accredited in that State that is economically equivalent to that insurer's eligibility for loans under title II and grants under title III.

**SEC. 103. MANDATORY COVERAGE BY PROPERTY AND CASUALTY INSURERS FOR ACTS OF TERRORISM.**

(a) IN GENERAL.—An insurer that provides lines of coverage described in section 107(1)(A) or (B) may not—

(1) exclude or limit coverage in those lines for losses from acts of terrorism in the United States, its territories, and possessions in property and casualty insurance policy forms; or

(2) deny or cancel coverage solely due to the risk of losses from acts of terrorism in the United States.

(b) TERMS AND CONDITIONS.—Insurance against losses from acts of terrorism in the United States shall be covered with the same deductibles, limits, terms, and conditions as the standard provisions of the policy for noncatastrophic perils.

**SEC. 104. MONITORING AND ENFORCEMENT.**

(a) FTC ANALYSIS AND ENFORCEMENT.—The Federal Trade Commission shall review reports submitted by insurers under title II or III treating any proprietary data, privileged data, or trade or business secret information contained in the reports as privileged and confidential, for the purpose of determining whether any insurer is engaged in unfair methods of competition or unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5 of the Federal Trade Commission Act (15 U.S.C. 45)).

(b) GAO REVIEW OF REPORTS AND STATE REGULATORS.—The Comptroller General shall—

(1) provide for review and analysis of the reports submitted under titles II and III;

(2) review the efforts of State insurance regulatory authorities to keep premium rates for insurance against losses from acts of terrorism on covered lines reasonable:

(3) if the Secretary makes any loans under this title, provide for the audit of loan claims filed by insurers as requested by the Secretary; and

(4) on a timely basis, make any recommendations the Comptroller General may deem appropriate to the Congress for improvements in the programs established by this title before its termination.

(c) APPLICATION OF CERTAIN LAWS.—Notwithstanding any limitation in the McCarran-Ferguson Act (15 U.S.C. 1011 et seq.) or section 6 of the Federal Trade Commission Act (15 U.S.C. 46), the Federal Trade Commission Act (15 U.S.C. 41 et seq.) shall apply to insurers receiving a loan or grant under this Act. In determining whether any such insurer has been, or is, using any unfair method of competition, or unfair or deceptive act or practice, in violation of section 5 of that Act (15 U.S.C. 45), the Federal Trade Commission shall consider relevant information provided in reports submitted under this Act.

**SEC. 105. ADMINISTRATIVE PROVISIONS.**

In carrying out this Act, the Secretary may—

(1) issue such rules and regulations as may be necessary to administer this Act;

(2) make loans and grants and carry out the activities necessary to implement this Act;

(3) take appropriate action to collect premiums or assessments under this Act; and

(4) audit the reports, claims, books, and records of insurers to which the Secretary has made loans or grants under this Act.

**SEC. 106. TERMINATION OF PROGRAMS.**

(a) LOAN PROGRAM.

(1) IN GENERAL.—The authority of the Secretary to make loans under title II terminates on December 31, 2002, except to the extent necessary—

(A) to provide loans for losses from acts of terrorism occurring during calendar year 2002; and

(B) to recover the amount of any loans made under this title.

(2) ASSESSMENT AND COLLECTION OF LOAN REPAYMENTS.—The Secretary shall continue assessment and collection operations under title II as long as loans from the Secretary under that title are outstanding.

(3) REPORTING AND ENFORCEMENT.—The provisions of sections 202, 203, and 204 shall terminate when the authority of the Secretary to make loans under this title terminates.

(b) GRANT PROGRAM.—The authority of the Secretary to make grants under title III terminates on December 31, 2002.

**SEC. 107. DEFINITIONS.**

In this Act:

(1) COVERED LINE.

(A) IN GENERAL.—The term ''covered line'' means any one or a combination of the following, written on a direct basis, as reported by property and casualty insurers in required financial reports on Statutory Page 14 of the NAIC Annual Statement Blank:

(i) Fire.
(ii) Allied lines.
(iii) Commercial multiple peril.
(iv) Ocean marine.
(v) Inland marine.
(vi) Workers compensation.
(vii) Products liability.
(viii) Commercial auto no-fault (personal injury protection), other commercial auto liability, or commercial auto physical damage.
(ix) Aircraft (all peril).
(x) Fidelity and surety.
(xi) Burglary and theft.
(xii) Boiler and machinery.
(xiii) Any other line of insurance that is reported by property and casualty insurers in required financial reports on Statutory Page 14 of the NAIC Annual Statement Blank which is voluntarily elected by an insurer to be included in its terrorism coverage.

(B) OTHER LINES.—For purposes of clause (xiii), the lines of business that may be voluntarily selected are the following:

(i) Farmowners multiple peril.
(ii) Homeowners multiple peril.
(iii) Mortgage guaranty.
(iv) Financial guaranty.
(v) Private passenger automobile insurance

(C) ELECTION.—The election to voluntarily include another line of insurance, if made, must apply to all affiliated insurers that are members of an insurer group. Any voluntary election is on a one-time basis and is irrevocable.

(2) INSURER.

(A) IN GENERAL.—The term ''insurer'' means an entity writing covered lines on a direct basis and licensed as a property and casualty insurer, risk retention group, or other entity authorized by law as a residual market mechanism providing property or casualty coverage in at least one jurisdiction of the United States, its territories, or possessions and includes residual market insurers.

(B) VOLUNTARY PARTICIPATION.—A State workers' compensation, auto, or property insurance fund may voluntarily participate as an insurer.

(C) GROUP LIFE INSURERS.—The Secretary shall provide, by rule, for—

(i) the term ''insurer'' to include entities writing group life insurance on a direct basis and licensed as group life insurers; and

(ii) the term ''covered line'' to include group life insurance written on a direct basis, as reported by group life insurers in required financial reports on the appropriate NAIC Annual Statement Blank.

(3) LOSSES.—The term ''losses'' means direct incurred losses from an act of terrorism for covered lines, plus defense and cost containment expenses.

(4) NAIC.—The term ''NAIC'' means the National Association of Insurance Commissioners.

(5) SECRETARY.—Except where otherwise specifically provided, the term ''Secretary'' means the Secretary of Commerce.

(6) TERRORISM; ACT OF TERRORISM.

(A) IN GENERAL.—The terms ''terrorism'' and ''act of terrorism'' mean any act, certified by the Secretary in concurrence with the Secretary of State and the Attorney General, as a violent act or act dangerous to human life, property or infrastructure, within the United States, its territories and possessions, that is committed by an individual or individuals acting on behalf of foreign agents or foreign government) as part of an effort to coerce or intimidate the civilian population of the United States or to influence the policy or affect the conduct of the United States government.

(B) ACTS OF WAR.—No act shall be certified as an act of terrorism if the act is committed in the course of a war declared by the Congress of the United States or by a foreign government.

(C) FINALITY OF CERTIFICATION.—Any certification, or determination not to certify, by the Secretary under subparagraph (A) is final and not subject to judicial review.

## TITLE II—LOAN PROGRAM

### SEC. 201. NATIONAL TERRORISM REINSURANCE LOAN PROGRAM.

(a) IN GENERAL.—The Secretary of Commerce shall establish and administer a program to provide loans to insurers for claims for losses due to acts of terrorism.

(b) 80 PERCENT COVERAGE.—If the Secretary makes the determination described in section 101(a), then the Secretary shall provide a loan to any insurer for losses on covered lines from acts of terrorism occurring in calendar 2002 equal to 80 percent of the aggregate amount of claims on covered lines.

(c) $800 MILLION LOAN LIMIT.—Notwithstanding any other provision of this title, the total amount of loans outstanding at any time to insurers from the Secretary under this title may not exceed $800,000,000.

(d) 7.5 PERCENT RETENTION MUST BE PAID BEFORE LOAN RECEIVED.—The Secretary may not make a loan under subsection (b) to an insurer until that insurer has paid claims on covered lines for losses from acts of terrorism occurring in calendar year 2002 equal to at least 7.5 percent of that insurer's aggregate liability for such losses.

(e) TERM AND INTEREST RATE.—The Secretary, after consultation with the Secretary of the Treasury and after taking into account market rates of interest, credit ratings of the borrowers, risk factors, and the purpose of this title, shall establish the term, repayment schedule, and the rate of interest for any loan made under subsection (a).

### SEC. 202. REPAYMENT OF LOANS.

If the Secretary makes loans to insurers under section 201, the Secretary shall assess all insurers an annual assessment of not more than 3 percent of the direct written premium for covered lines. The annual assessment may be recovered by an insurer from its covered lines policyholders as a direct surcharge calculated as a uniform percentage of premium.

### SEC. 203. REPORTS BY INSURERS.

(a) COVERAGE AND CAPACITY.

(1) REPORTING TERRORISM COVERAGE.—An insurer shall—

(A) report the amount of its terrorism insurance coverage to the insurance regulatory authority for each State in which it does business; and

(B) obtain a certification from the State that it is not providing terrorism insurance coverage in excess of its capacity under State solvency requirements.

(2) REPORTS TO SECRETARY.—The State regulator shall furnish a copy of the certification received under paragraph (1) to the Secretary.

(b) ADDITIONAL REPORTS.—Insurers receiving loans under this title shall submit reports on a quarterly or other basis (as required by the Secretary) to the Secretary, the Federal Trade Commission, and the General Accounting Office setting forth rates, premiums, risk analysis, coverage, reserves, claims made for loans from the Secretary, and such additional financial and actuarial information as the Secretary may require regarding lines of coverage described in section 107(1)(A) or (B). The information in these reports shall be treated as confidential by the recipient.

### SEC. 204. RATES; RATE-MAKING METHODOLOGY AND DATA.

(a) PREMIUM MUST BE SEPARATELY STATED.—Each insurer offering insurance against losses from acts of terrorism in the United States on covered lines during calendar year 2002 shall state the premium for that insurance separately in any invoice, proposal, or other written communication to policyholders and prospective policyholders.

(b) RATE-MAKING METHODS AND DATA MUST BE PUBLICLY DISCLOSED.

(1) 45-DAY NOTICE.—Not less than 45 days before the date on which an insurer establishes or increases the premium rate for any covered line of insurance described in section 107(1) based, in whole or in part, on risk associated with insurance against losses due to acts of terrorism during calendar year 2002, the insurer shall file a report with the State insurance regulatory authority for the State in which the premium is effective that—

(A) sets forth the methodology and data used to determine the premium; and

(B) identifies the portion of the premium properly attributable to risk associated with insurance offered by that insurer against losses due to acts of terrorism; and

(C) demonstrates, by substantial evidence, why that premium is actuarially justified.

(2) COPY TO FEDERAL TRADE COMMISSION AND GENERAL ACCOUNTING OFFICE.—Each insurer filing a report under paragraph (1) shall file a duplicate of the report with the Federal Trade Commission and the General Accounting Office at the same time as it is submitted to the State regulatory authority.

(3) REPORTS BY STATE REGULATORS.—Within 15 days after a State insurance regulatory authority receives a report from an insurer required by paragraph (1), the authority—

(A) shall submit a report to the Secretary of Commerce, the Federal Trade Commission, and the General Accounting Office;

(B) shall include in that report a determination with respect to whether an insurer has met the requirement of paragraph (1)(C);

(C) shall certify that—

(i) the methodology and data used by the insurer to determine the premium or increase are reasonable and adequate; and

(ii) the premium or increase is not excessive;

(D) shall disclose the methodology used by the authority to analyze the report and the methodology on which the authority based its certification; and

(E) may include with the report any commentary or analysis it deems appropriate.

(c) BASELINE DATA REPORTS.—Each insurer required to file a report under subsection (b) that provided insurance on covered lines against risk of loss from acts of terrorism in the United States on September 11, 2001, shall file a report with a report with the State insurance regulatory authority for the State in which that insurance was provided, the Federal Trade Commission, and the General Accounting Office that sets forth the methodology and data used to determine the premium for, or portion of the premium properly attributable to, insurance against risk of loss due to acts of terrorism in the United States under its insurance policies in effect on that date.

(d) SPECIAL RULE FOR INITIAL PERIOD.

(1) SEPARATE STATEMENT OF PREMIUM.—An insurer offering insurance against losses from acts of terrorism in the United States on covered lines after the date of enactment of this Act and before March 15, 2002, shall notify each policyholder in writing as soon as possible, but no later than March 1, 2002, of the premium, or portion of the premium, attributable to that insurance, stated separately from any premium or increase in premium attributable to insurance against losses from other risks. Each such insurer shall file a copy of each such policyholder notice with the State insurance regulatory authority for the State in which the premium is effective.

(2) JUSTIFICATION OF PREMIUM; BASELINE DATA.—As soon as possible after the date of enactment of this Act, but no later than March 1, 2002, each such insurer shall comply with—

(A) the requirements of subsection (b)(1) and (2), with respect to the premium or portion of the premium attributable to such insurance; and

(B) the requirements of subsection (c).

## TITLE III—GRANT PROGRAM

### SEC. 301. NATIONAL TERRORISM INSURANCE LOSS GRANT PROGRAM.

If the Secretary determines under section 101(a) that losses from terrorism on covered lines in calendar year 2002 exceed $10,000,000,000 in the aggregate, then the Secretary shall establish and administer a program under this title to provide grants to insurers for losses to the extent that the aggregate amount of such losses exceeds $10,000,000,000.

### SEC. 302. GRANT AMOUNTS.

(a) IN GENERAL.—The Secretary shall make grants to insurers for 90 percent of losses in excess, in the aggregate, of $10,000,000,000 in calendar year 2002.

(b) $50,000,000,000 LIMIT.—Except as provided in subsection (c), the Secretary may not make grants in excess of a total amount for all insurers of $50,000,000,000.

(c) REPORTS TO STATE REGULATOR; CERTIFICATION.

(1) REPORTING TERRORISM COVERAGE.—An insurer shall—

(A) report the amount of its terrorism insurance coverage to the insurance regulatory authority for each State in which it does business; and

(B) obtain a certification from the State that it is not providing terrorism insurance coverage in excess of its capacity under State solvency requirements.

(2) REPORTS TO SECRETARY.—The State regulator shall furnish a copyof the certification received under paragraph (1) to the Secretary.

### SEC. 303. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out this title.

## TITLE IV—LITIGATION

### SEC. 401. PROCEDURES FOR CIVIL ACTIONS.

(a) FEDERAL CAUSE OF ACTION.—There shall exist a Federal cause of action for property

damage, personal injury, or death arising out of or resulting from an act of terrorism, which shall be the exclusive cause of action and remedy for claims for property damage, personal injury, or death arising out of or resulting from an act of terrorism. All State causes of action of any kind for property damage, personal injury, or death otherwise available arising out of or resulting from an act of terrorism, are hereby preempted, except as provided in subsection (c).

(b) GOVERNING LAW.—The substantive law for decision in an action for property damage, personal injury, or death arising out of or resulting from an act of terrorism under this section shall be derived from the law, including applicable choice of law principles, of the State, or States determined to be required by the district court having jurisdiction over the action, unless such law is inconsistent with or otherwise preempted by Federal law.

(c) CLAIMS AGAINST TERRORISTS.—Nothing in this section shall in any way limit the ability of any plaintiff to seek any form of recovery from any person, government, or other entity that was a participant in, or aider and abettor of, any act of terrorism.

(d) EFFECTIVE PERIOD.—This section shall apply only to actions for property damage, personal injury, or death arising out of or resulting from acts of terrorism that occur during the period in which the Secretary is authorized to make loans and grants under this Act, including, if applicable, any extension of that period.

**SEC. 402. PUNITIVE DAMAGES AGAINST INSURERS.**

No punitive damages may be awarded in an action brought under section 401(a) against an insurer.

---

**SA 2688.** Mr. DODD (for himself, Mr. MCCONNELL, Mr. SCHUMER, Mr. BOND, Mr. TORRICELLI, Mr. MCCAIN, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the ''Equal Protection of Voting Rights Act of 2001''.

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

Sec. 1. Short title; table of contents.
TITLE I—UNIFORM AND NONDISCRIMINATORY ELECTION TECHNOLOGY AND ADMINISTRATION REQUIREMENTS
Sec. 101. Voting systems standards.
Sec. 102. Provisional voting and voting information requirements.
Sec. 103. Computerized statewide voter registration list requirements and requirements for voters who register by mail.
Sec. 104. Enforcement by the Civil Rights Division of the Department of Justice.
TITLE II—GRANT PROGRAMS
Subtitle A—Uniform and Nondiscriminatory Election Technology and Administration Requirements Grant Program
Sec. 201. Establishment of the Uniform and Nondiscriminatory Election Technology and Administration Requirements Grant Program.
Sec. 202. State plans.
Sec. 203. Application.
Sec. 204. Approval of applications.
Sec. 205. Authorized activities.
Sec. 206. Payments.
Sec. 207. Audits and examinations of States and localities.
Sec. 208. Reports to Congress and the Attorney General.
Sec. 209. Authorization of appropriations.
Sec. 210. Effective date.
Subtitle B—Federal Election Reform Incentive Grant Program
Sec. 211. Establishment of the Federal Election Reform Incentive Grant Program.
Sec. 212. Application.
Sec. 213. Approval of applications.
Sec. 214. Authorized activities.
Sec. 215. Payments; Federal share.
Sec. 216. Audits and examinations of States and localities.
Sec. 217. Reports to Congress and the Attorney General.
Sec. 218. Authorization of appropriations.
Sec. 219. Effective date.
Subtitle C—Federal Election Accessibility Grant Program
Sec. 221. Establishment of the Federal Election Accessibility Grant Program.
Sec. 222. Application.
Sec. 223. Approval of applications.
Sec. 224. Authorized activities.
Sec. 225. Payments; Federal share.
Sec. 226. Audits and examinations of States and localities.
Sec. 227. Reports to Congress and the Attorney General.
Sec. 228. Authorization of appropriations.
Sec. 229. Effective date.
TITLE III—ADMINISTRATION
Subtitle A—Election Administration Commission
Sec. 301. Establishment of the Election Administration Commission.
Sec. 302. Membership of the Commission.
Sec. 303. Duties of the Commission.
Sec. 304. Meetings of the Commission.
Sec. 305. Powers of the Commission.
Sec. 306. Commission personnel matters.
Sec. 307. Authorization of appropriations.
Subtitle B—Transition Provisions
Sec. 311. Equal Protection of Voting Rights Act of 2001.
Sec. 312. Federal Election Campaign Act of 1971.
Sec. 313. National Voter Registration Act of 1993.
Sec. 314. Transfer of property, records, and personnel.
Sec. 315. Coverage of Election Administration Commission under certain laws and programs.
Sec. 316. Effective date; transition.
TITLE IV—MISCELLANEOUS
Sec. 401. Criminal penalties.
Sec. 402. Relationship to other laws.

**TITLE I—UNIFORM AND NONDISCRIMINATORY ELECTION TECHNOLOGY AND ADMINISTRATION REQUIREMENTS**

**SEC. 101. VOTING SYSTEMS STANDARDS.**

(a) REQUIREMENTS.—Each voting system used in an election for Federal office shall meet the following requirements:

(1) IN GENERAL.—

(A) Except as provided in subparagraph (B), the voting system (including any lever voting system, optical scanning voting system, or direct recording electronic system) shall—

(i) permit the voter to verify the votes selected by the voter on the ballot before the ballot is cast and counted;

(ii) provide the voter with the opportunity to change the ballot or correct any error before the ballot is cast and counted (including the opportunity to correct the error through the issuance of a replacement ballot if the voter was otherwise unable to change the ballot or correct any error); and

(iii) if the voter selects votes for more than 1 candidate for a single office, the voting system shall—

(I) notify the voter that the voter has selected more than 1 candidate for a single office on the ballot;

(II) notify the voter before the ballot is cast and counted of the effect of casting multiple votes for the office; and

(III) provide the voter with the opportunity to correct the ballot before the ballot is cast and counted.

(B) A State or locality that uses a paper ballot voting system or a punchcard voting system may meet the requirement of subparagraph (A) by—

(i) establishing a voter education program specific to that voting system that notifies each voter of the effect of casting multiple votes for an office; and

(ii) providing the voter with the opportunity to correct the ballot before it is cast and counted.

(C) The voting system shall ensure that any notification required under this paragraph preserves the privacy of the voter and the confidentiality of the ballot.

(2) AUDIT CAPACITY.—The voting system shall produce a record with an audit capacity for such system.

(3) ACCESSIBILITY FOR INDIVIDUALS WITH DISABILITIES.—The voting system shall—

(A) be accessible for individuals with disabilities, including nonvisual accessibility for the blind and visually impaired, in a manner that provides the same opportunity for access and participation (including privacy and independence) as for other voters;

(B) satisfy the requirement of subparagraph (A) through the use of at least 1 direct recording electronic voting system or other voting system equipped for individuals with disabilities at each polling place; and

(C) meet the voting system standards for disability access if purchased with funds made available under title II on or after January 1, 2007.

(4) MULTILINGUAL VOTING MATERIALS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the voting system shall provide alternative language accessibility—

(i) with respect to a language other than English in a State or jurisdiction if, as determined by the Director of the Bureau of the Census—

(I)(aa) at least 5 percent of the total number of voting-age citizens who reside in such State or jurisdiction speak that language as their first language and who are limited-English proficient; or

(bb) there are at least 10,000 voting-age citizens who reside in that jurisdiction who speak that language as their first language and who are limited-English proficient; and

(II) the illiteracy rate of the group of citizens who speak that language is higher than the national illiteracy rate; or

(ii) with respect to a language other than English that is spoken by Native American or Alaskan native citizens in a jurisdiction that contains all or any part of an Indian reservation if, as determined by the Director of the Bureau of the Census—

(I) at least 5 percent of the total number of citizens on the reservation are voting-age Native American or Alaskan native citizens who speak that language as their first language and who are limited-English proficient; and

(II) the illiteracy rate of the group of citizens who speak that language is higher than the national illiteracy rate.

(B) EXCEPTION.—If a State meets the criteria of item (aa) of subparagraph (A)(i)(I) with respect to a language, a jurisdiction of that State shall not be required to provide alternative language accessibility under this paragraph with respect to that language if—

(i) less than 5 percent of the total number of voting age citizens who reside in that jurisdiction speak that language as their first language and are limited-English proficient; and

(ii) the jurisdiction does not meet the criteria of item (bb) of such subparagraph with respect to that language.

(5) ERROR RATES.—The error rate of the voting system in counting ballots (determined by taking into account only those errors which are attributable to the voting system and not attributable to an act of the voter) shall not exceed the error rate standards established under the voting systems standards issued and maintained by the Director of the Office of Election Administration of the Federal Election Commission (as revised by the Director of such Office under subsection (c)).

(b) VOTING SYSTEM DEFINED.—In this section, the term ''voting system'' means—

(1) the total combination of mechanical, electromechanical, or electronic equipment (including the software, firmware, and documentation required to program, control, and support the equipment) that is used—

(A) to define ballots;

(B) to cast and count votes;

(C) to report or display election results; and

(D) to maintain and produce any audit trail information;

(2) the practices and associated documentation used—

(A) to identify system components and versions of such components;

(B) to test the system during its development and maintenance;

(C) to maintain records of system errors and defects;

(D) to determine specific system changes to be made to a system after the initial qualification of the system; and

(E) to make available any materials to the voter (such as notices, instructions, forms, or paper ballots).

(c) ADMINISTRATION BY THE OFFICE OF ELECTION ADMINISTRATION.—

(1) IN GENERAL.—Not later than January 1, 2004, the Director of the Office of Election Administration of the Federal Election Commission, in consultation with the Architectural and Transportation Barriers Compliance Board (as established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792)), shall promulgate standards revising the voting systems standards issued and maintained by the Director of such Office so that such standards meet the requirements established under subsection (a).

(2) QUADRENNIAL REVIEW.—The Director of the Office of Election Administration of the Federal Election Commission shall review the voting systems standards revised under paragraph (1) no less frequently than once every 4 years.

(d) CONSTRUCTION.—Nothing in this section shall require a jurisdiction to change the voting system or systems (including paper balloting systems, including in-person, absentee, and mail-in paper balloting systems, lever machine systems, punchcard systems, optical scanning systems, and direct recording electronic systems) used in an election in order to be in compliance with this Act.

(e) EFFECTIVE DATE.—Each State and locality shall be required to comply with the requirements of this section on and after January 1, 2006.

**SEC. 102. PROVISIONAL VOTING AND VOTING INFORMATION REQUIREMENTS.**

(a) REQUIREMENTS.—If an individual declares that such individual is a registered voter in the jurisdiction in which the individual desires to vote and that the individual is eligible to vote in an election for Federal office, but the name of the individual does not appear on the official list of eligible voters for the polling place, or an election official asserts that the individual is not eligible to vote, such individual shall be permitted to cast a provisional ballot as follows:

(1) An election official at the polling place shall notify the individual that the individual may cast a provisional ballot in that election.

(2) The individual shall be permitted to cast a provisional ballot at that polling place upon the execution of a written affirmation by the individual before an election official at the polling place stating that the individual is—

(A) a registered voter in the jurisdiction in which the individual desires to vote; and

(B) eligible to vote in that election.

(3) An election official at the polling place shall transmit the ballot cast by the individual to an appropriate State or local election official for prompt verification of the written affirmation executed by the individual under paragraph (2).

(4) If the appropriate State or local election official to whom the ballot is transmitted under paragraph (3) determines that the individual is eligible under State law to vote in the jurisdiction, the individual's provisional ballot shall be counted as a vote in that election.

(5) At the time that an individual casts a provisional ballot, the appropriate State or local election official shall give the individual written information that states that—

(A) the individual will not receive any further notification if the individual's vote is counted;

(B) if the individual's vote is not counted, the individual will be notified not later than the date that is 30 days after the date of the election that the vote was not counted; and

(C) regardless of whether the individual's vote was counted, any individual casting a provisional ballot will be able to ascertain through a free access system (such as a toll-free telephone number or an Internet website) whether the vote was counted, and if the vote was not counted, the reason that the vote was not counted.

(6) The appropriate State or local election official shall—

(A) notify the individual who cast the ballot in writing not later than the date that is 30 days after the date of the election if a provisional ballot that is cast under this subsection is not counted; and

(B) establish a free access system (such as a toll-free telephone number or an Internet website) that any individual casting a provisional ballot may access to discover the reason that such vote was not counted.

(b) VOTING INFORMATION REQUIREMENTS.—

(1) PUBLIC POSTING ON ELECTION DAY.—The appropriate State or local election official shall cause voting information to be publicly posted at each polling place on the day of each election for Federal office.

(2) VOTING INFORMATION DEFINED.—In this section, the term ''voting information'' means—

(A) a sample version of the ballot that will be used for that election;

(B) information regarding the date of the election and the hours during which polling places will be open;

(C) instructions on how to vote, including how to cast a vote and how to cast a provisional ballot;

(D) instructions for mail-in registrants and first-time voters under section 103(b); and

(E) general information on voting rights under applicable Federal and State laws, including information on the right of an individual to cast a provisional ballot and instructions on how to contact the appropriate officials if these rights are alleged to have been violated.

(c) ADMINISTRATION BY THE CIVIL RIGHTS DIVISION.—Not later than January 1, 2003, the Assistant Attorney General in charge of the Civil Rights Division of the Department of Justice shall promulgate such guidelines as are necessary to implement the requirements of subsection (a).

(d) EFFECTIVE DATE.—

(1) PROVISIONAL VOTING.—Each State and locality shall be required to comply with the requirements of subsection (a) on and after January 1, 2004.

(2) VOTING INFORMATION.—Each State and locality shall be required to comply with the requirements of subsection (b) on and after the date of enactment of this Act.

**SEC. 103. COMPUTERIZED STATEWIDE VOTER REGISTRATION LIST REQUIREMENTS AND REQUIREMENTS FOR VOTERS WHO REGISTER BY MAIL.**

(a) COMPUTERIZED STATEWIDE VOTER REGISTRATION LIST REQUIREMENTS.—

(1) IMPLEMENTATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each State, acting through the chief State election official, shall implement an interactive computerized statewide voter registration list that contains the name and registration information of every legally registered voter in the State and assigns a unique identifier to each legally registered voter in the State (in this subsection referred to as the ''computerized list'').

(B) EXCEPTION.—The requirement under subparagraph (A) shall not apply to a State in which, under a State law in effect continuously on and after the date of enactment of this Act, there is no voter registration requirement for individuals in the State with respect to elections for Federal office.

(2) ACCESS.—The computerized list shall be accessible to each State and local election official in the State.

(3) COMPUTERIZED LIST MAINTENANCE.—

(A) IN GENERAL.—The appropriate State or local election official shall perform list maintenance with respect to the computerized list on a regular basis as follows:

(i) If an individual is to be removed from the computerized list, such individual shall be removed in accordance with the provisions of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.), including subsections (a)(4), (c)(2), (d), and (e) of section 8 of such Act (42 U.S.C. 1973gg–6).

(ii) For purposes of removing names of ineligible voters from the official list of eligible voters—

(I) under section 8(a)(3)(B) of such Act (42 U.S.C. 1973gg–6(a)(3)(B)), the State shall coordinate the computerized list with State agency records on felony status; and

(II) by reason of the death of the registrant under section 8(a)(4)(A) of such Act (42 U.S.C. 1973gg–6(a)(4)(A)), the State shall coordinate the computerized list with State agency records on death.

(B) CONDUCT.—The list maintenance performed under subparagraph (A) shall be conducted in a manner that ensures that—

(i) the name of each registered voter appears in the computerized list;

(ii) only voters who are not registered or who are not eligible to vote are removed from the computerized list; and

(iii) duplicate names are eliminated from the computerized list.

(b) REQUIREMENTS FOR VOTERS WHO REGISTER BY MAIL.—

(1) IN GENERAL.—Notwithstanding section 6(c) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–4(c)) and subject to paragraph (3), a State shall require an individual to meet the requirements of paragraph (2) if—

(A) the individual registered to vote in a jurisdiction by mail; and

(B) the individual has not previously voted in an election for Federal office in that jurisdiction.

(2) REQUIREMENTS.—

(A) IN GENERAL.—An individual meets the requirements of this paragraph if the individual—

(i) in the case of an individual who votes in person—

(I) presents to the appropriate State or local election official a current and valid photo identification; or

(II) presents to the appropriate State or local election official a copy of a current utility bill, bank statement, Government check, paycheck, or other Government document that shows the name and address of the voter; or

(ii) in the case of an individual who votes by mail, submits with the ballot—

(I) a copy of a current and valid photo identification; or

(II) a copy of a current utility bill, bank statement, Government check, paycheck, or other Government document that shows the name and address of the voter.

(B) PROVISIONAL VOTING.—An individual who desires to vote in person, but who does not meet the requirements of subparagraph (A)(i), may cast a provisional ballot under section 102(a).

(3) INAPPLICABILITY.—Paragraph (1) shall not apply in the case of a person—

(A) who registers to vote by mail under section 6 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–4) and submits as part of such registration either—

(i) a copy of a current valid photo identification; or

(ii) a copy of a current utility bill, bank statement, Government check, paycheck, or Government document that shows the name and address of the voter; or

(B) who is described in a subparagraph of section 6(c)(2) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–4(c)(2)).

(4) CONTENTS OF MAIL-IN REGISTRATION FORM.—The mail voter registration form developed under section 6 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–4) shall include:

(A) The question ''Are you a citizen of the United States of America?'' and boxes for the applicant to check to indicate whether the applicant is or is not a citizen of the United States.

(B) The question ''Will you be 18 years of age on or before election day?'' and boxes for the applicant to check to indicate whether or not the applicant will be 18 or older on election day.

(C) The statement ''If you checked 'no' in response to either of these questions, do not complete this form''.

(c) ADMINISTRATION BY THE CIVIL RIGHTS DIVISION.—Not later than October 1, 2003, the Assistant Attorney General in charge of the Civil Rights Division of the Department of Justice shall promulgate such guidelines as are necessary to implement the requirements of subsection (a).

(d) EFFECTIVE DATE.—

(1) COMPUTERIZED STATEWIDE VOTER REGISTRATION LIST REQUIREMENTS.—Each State and locality shall be required to comply with the requirements of subsection (a) on and after January 1, 2004.

(2) REQUIREMENTS FOR VOTERS WHO REGISTER BY MAIL.—Each State and locality shall be required to comply with the requirements of subsection (b) on and after the date of enactment of this Act.

**SEC. 104. ENFORCEMENT BY THE CIVIL RIGHTS DIVISION OF THE DEPARTMENT OF JUSTICE.**

(a) IN GENERAL.—Subject to subsection (b), the Attorney General, acting through the Assistant Attorney General in charge of the Civil Rights Division of the Department of Justice, may bring a civil action in an appropriate district court for such declaratory or injunctive relief as may be necessary to carry out this title.

(b) SAFE HARBOR.—

(1) IN GENERAL.—Except as provided in paragraph (2), if a State or locality receives funds under a grant program under subtitle A or B of title II for the purpose of meeting a requirement under section 101, 102, or 103, such State or locality shall be deemed to be in compliance with such requirement until January 1, 2010, and no action may be brought against such State or locality on the basis that the State or locality is not in compliance with such requirement before such date.

(2) EXCEPTION.—The safe harbor provision under paragraph (1) shall not apply with respect to the requirement described in section 101(a)(3).

(c) RELATION TO OTHER LAWS.—The remedies established by this section are in addition to all other rights and remedies provided by law.

## TITLE II—GRANT PROGRAMS

### Subtitle A—Uniform and Nondiscriminatory Election Technology and Administration Requirements Grant Program

**SEC. 201. ESTABLISHMENT OF THE UNIFORM AND NONDISCRIMINATORY ELECTION TECHNOLOGY AND ADMINISTRATION REQUIREMENTS GRANT PROGRAM.**

(a) IN GENERAL.—There is established a Uniform and Nondiscriminatory Election Technology and Administration Requirements Grant Program under which the Attorney General, subject to the general policies and criteria for the approval of applications established under section 204 and in consultation with the Federal Election Commission and the Architectural and Transportation Barriers Compliance Board (as established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792)), is authorized to make grants to States and localities to pay the costs of the activities described in section 205.

(b) ACTION THROUGH OFFICE OF JUSTICE PROGRAMS AND CIVIL RIGHTS DIVISION.—In carrying out this subtitle, the Attorney General shall act through the Assistant Attorney General in charge of the Office of Justice Programs of the Department of Justice and the Assistant Attorney General in charge of the Civil Rights Division of that Department.

**SEC. 202. STATE PLANS.**

(a) IN GENERAL.—Each State that desires to receive a grant under this subtitle shall develop a State plan, in consultation with State and local election officials of that State, that provides for each of the following:

(1) UNIFORM AND NONDISCRIMINATORY ELECTION TECHNOLOGY AND ADMINISTRATION REQUIREMENTS.—A description of how the State will use the funds made available under this subtitle to meet each of the following requirements:

(A) The voting system standards under section 101.

(B) The provisional voting requirements under section 102.

(C) The computerized statewide voter registration list requirements under section 103(a), including a description of—

(i) how State and local election officials will ensure the accuracy of the list of eligible voters in the State to ensure that only registered voters appear in such list; and

(ii) the precautions that the State will take to prevent the removal of eligible voters from the list.

(D) The requirements for voters who register by mail under section 103(b), including the steps that the State will take to ensure—

(i) the accuracy of mail-in and absentee ballots; and

(ii) that the use of mail-in and absentee ballots does not result in duplicate votes.

(2) IDENTIFICATION, DETERRENCE, AND INVESTIGATION OF VOTING FRAUD.—An assessment of the susceptibility of elections for Federal office in the State to voting fraud and a description of how the State intends to identify, deter, and investigate such fraud.

(3) COMPLIANCE WITH EXISTING FEDERAL LAW.—Assurances that the State will comply with existing Federal laws, including the following:

(A) The Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.), including sections 4(f)(4) and 203 of such Act (42 U.S.C. 1973b(f)(4) and 1973aa–1a).

(B) The Voting Accessibility for the Elderly and Handicapped Act (42 U.S.C. 1973ee et seq.).

(C) The Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.).

(D) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.).

(E) The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

(4) TIMETABLE.—A timetable for meeting the elements of the State plan.

(b) AVAILABILITY OF STATE PLANS FOR REVIEW AND COMMENT.—A State shall make the State plan developed under subsection (a) available for public review and comment before the submission of an application under section 203(a).

**SEC. 203. APPLICATION.**

(a) IN GENERAL.—Each State or locality that desires to receive a grant under this subtitle shall submit an application to the Attorney General at such time and in such manner as the Attorney General may require, and containing the information required under subsection (b) and such other information as the Attorney General may require.

(b) CONTENTS.—

(1) STATES.—Each application submitted by a State shall contain the State plan developed under section 202 and a description of how the State proposes to use funds made available under this subtitle to implement such State plan.

(2) LOCALITIES.—Each application submitted by a locality shall contain a description of how the locality proposes to use the funds made available under this subtitle in a manner that is consistent with the State plan developed under section 202.

(c) SAFE HARBOR.—No action may be brought against a State or locality on the basis of any information contained in the application submitted under subsection (a), including any information contained in the State plan developed under section 202.

**SEC. 204. APPROVAL OF APPLICATIONS.**

The Attorney General shall establish general policies and criteria with respect to the approval of applications submitted by States

and localities under section 203(a) (including a review of State plans developed under section 202), the awarding of grants under this subtitle, and the use of assistance made available under this subtitle.

**SEC. 205. AUTHORIZED ACTIVITIES.**

A State or locality may use grant payments received under this subtitle for any of the following purposes:

(1) To implement voting system standards that meet the requirements of section 101.

(2) To provide for provisional voting that meets the requirements of section 102(a) and to meet the voting information requirements under section 102(b).

(3) To establish a computerized statewide voter registration list that meets the requirements of section 103(a) and to meet the requirements for voters who register by mail under section 103(b).

**SEC. 206. PAYMENTS.**

(a) IN GENERAL.—The Attorney General shall pay to each State or locality having an application approved under section 203 the cost of the activities described in that application.

(b) RETROACTIVE PAYMENTS.—The Attorney General may make retroactive payments to States and localities having an application approved under section 203 for any costs for election technology or administration that meets a requirement of section 101, 102, or 103 that were incurred during the period beginning on January 1, 2001, and ending on the date on which such application was approved under such section.

**SEC. 207. AUDITS AND EXAMINATIONS OF STATES AND LOCALITIES.**

(a) RECORDKEEPING REQUIREMENT.—Each recipient of a grant under this subtitle shall keep such records as the Attorney General, in consultation with the Federal Election Commission, shall prescribe.

(b) AUDITS AND EXAMINATIONS.—The Attorney General and the Comptroller General, or any authorized representative of the Attorney General or the Comptroller General, may audit or examine any recipient of a grant under this subtitle and shall, for the purpose of conducting an audit or examination, have access to any record of a recipient of a grant under this subtitle that the Attorney General or the Comptroller General determines may be related to the grant.

**SEC. 208. REPORTS TO CONGRESS AND THE ATTORNEY GENERAL.**

(a) REPORTS TO CONGRESS.—

(1) IN GENERAL.—Not later than January 31, 2003, and each year thereafter, the Attorney General shall submit to the President and Congress a report on the grant program established under this subtitle for the preceding year.

(2) CONTENTS.—Each report submitted under paragraph (1) shall contain the following:

(A) A description and analysis of any activities funded by a grant awarded under this subtitle.

(B) Any recommendation for legislative or administrative action that the Attorney General considers appropriate.

(b) REPORTS TO THE ATTORNEY GENERAL.—The Attorney General shall require each recipient of a grant under this subtitle to submit reports to the Attorney General at such time, in such manner, and containing such information as the Attorney General considers appropriate.

**SEC. 209. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of this subtitle the following amounts:

(1) For fiscal year 2003, $1,000,000,000.

(2) For fiscal year 2004, $1,300,000,000.

(3) For fiscal year 2005, $500,000,000.

(4) For fiscal year 2006, $200,000,000.

(5) For each subsequent fiscal year, such sums as may be necessary.

(b) AVAILABILITY.—Any amounts appropriated pursuant to the authority of subsection (a) shall remain available until expended.

**SEC. 210. EFFECTIVE DATE.**

The Attorney General shall establish the general policies and criteria for the approval of applications under section 204 in a manner that ensures that the Attorney General is able to approve applications not later than October 1, 2002.

**Subtitle B—Federal Election Reform Incentive Grant Program**

**SEC. 211. ESTABLISHMENT OF THE FEDERAL ELECTION REFORM INCENTIVE GRANT PROGRAM.**

(a) IN GENERAL.—There is established a Federal Election Reform Incentive Grant Program under which the Attorney General, subject to the general policies and criteria for the approval of applications established under section 213(a) and in consultation with the Federal Election Commission and the Architectural and Transportation Barriers Compliance Board (as established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792)), is authorized to make grants to States and localities to pay the costs of the activities described in section 214.

(b) ACTION THROUGH OFFICE OF JUSTICE PROGRAMS AND CIVIL RIGHTS DIVISION.—In carrying out this subtitle, the Attorney General shall act through—

(1) the Assistant Attorney General in charge of the Office of Justice Programs of the Department of Justice; and

(2) the Assistant Attorney General in charge of the Civil Rights Division of the Department of Justice (in this subtitle referred to as the ''Assistant Attorney General for Civil Rights'').

**SEC. 212. APPLICATION.**

(a) IN GENERAL.—Each State or locality that desires to receive a grant under this subtitle shall submit an application to the Attorney General at such time, in such manner, and containing such information as the Attorney General shall require, consistent with the provisions of this section.

(b) CONTENTS.—Each application submitted under subsection (a) shall—

(1) describe the activities for which assistance under this section is sought;

(2) contain a request for certification by the Assistant Attorney General for Civil Rights described in subsection (c);

(3) provide assurances that the State or locality will pay the non-Federal share of the cost of the activities for which assistance is sought from non-Federal sources; and

(4) provide such additional assurances as the Attorney General determines to be essential to ensure compliance with the requirements of this subtitle.

(c) REQUEST FOR CERTIFICATION BY THE CIVIL RIGHTS DIVISION.—

(1) COMPLIANCE WITH CURRENT FEDERAL ELECTION LAW.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each request for certification described in subsection (b)(2) shall contain a specific and detailed demonstration that the State or locality is in compliance with each of the following laws:

(i) The Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.), including sections 4(f)(4) and 203 of such Act (42 U.S.C. 1973b(f)(4) and 1973aa–1a).

(ii) The Voting Accessibility for the Elderly and Handicapped Act (42 U.S.C. 1973ee et seq.).

(iii) The Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.).

(iv) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.).

(v) The Americans with Disabilities Act of 1990 (42 U.S.C. 1994 et seq.).

(vi) The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

(B) APPLICANTS UNABLE TO MEET REQUIREMENTS.—Each State or locality that, at the time it applies for a grant under this subtitle, does not demonstrate that it meets each requirement described in subparagraph (A), shall submit to the Attorney General a detailed and specific demonstration of how the State or locality intends to use grant funds to meet each such requirement.

(2) UNIFORM AND NONDISCRIMINATORY REQUIREMENTS FOR ELECTION TECHNOLOGY AND ADMINISTRATION.—In addition to the demonstration required under paragraph (1), each request for certification described in subsection (b)(2) shall contain a specific and detailed demonstration that the proposed use of grant funds by the State or locality is not inconsistent with the requirements under section 101, 102, or 103.

(d) SAFE HARBOR.—No action may be brought against a State or locality on the basis of any information contained in the application submitted under subsection (a), including any information contained in the request for certification described in subsection (c).

**SEC. 213. APPROVAL OF APPLICATIONS.**

(a) IN GENERAL.—Subject to subsection (b), the Attorney General shall establish general policies and criteria for the approval of applications submitted under section 212(a).

(b) CERTIFICATION PROCEDURE.—

(1) IN GENERAL.—The Attorney General may not approve an application of a State or locality submitted under section 212(a) unless the Attorney General has received a certification from the Assistant Attorney General for Civil Rights under paragraph (4) with respect to such State or locality.

(2) TRANSMITTAL OF REQUEST.—Upon receipt of the request for certification submitted under section 212(b)(2), the Attorney General shall transmit such request to the Assistant Attorney General for Civil Rights.

(3) CERTIFICATION; NONCERTIFICATION.—

(A) CERTIFICATION.—If the Assistant Attorney General for Civil Rights finds that the request for certification demonstrates that—

(i) a State or locality meets the requirements of subparagraph (A) of section 212(c)(1), or that a State or locality has provided a detailed and specific demonstration of how it will use funds received under this section to meet such requirements under subparagraph (B) of such section; and

(ii) the proposed use of grant funds by the State or locality meets the requirements of section 212(c)(2),

the Assistant Attorney General for Civil Rights shall certify that the State or locality is eligible to receive a grant under this subtitle.

(B) NONCERTIFICATION.—If the Assistant Attorney General for Civil Rights finds that the request for certification does not demonstrate that a State or locality meets the requirements described in subparagraph (A), the Assistant Attorney General for Civil Rights shall not certify that the State or locality is eligible to receive a grant under this subtitle.

(4) TRANSMITTAL OF CERTIFICATION.—The Assistant Attorney General for Civil Rights shall transmit to the Attorney General either—

(A) a certification under subparagraph (A) of paragraph (3); or

(B) a notice of noncertification under subparagraph (B) of such paragraph, together with a report identifying the relevant deficiencies in the State's or locality's system for voting or administering elections for Federal office or in the request for certification submitted by the State or locality.

**SEC. 214. AUTHORIZED ACTIVITIES.**

A State or locality may use grant payments received under this subtitle—

(1) to improve, acquire, lease, modify, or replace voting systems and technology and to improve the accessibility of polling places, including providing physical access for individuals with disabilities, providing nonvisual access for individuals with visual impairments, and providing assistance to individuals with limited proficiency in the English language;

(2) to implement new election administration procedures to increase voter participation and to reduce disenfranchisement, such as ''same-day'' voter registration procedures;

(3) to educate voters concerning voting procedures, voting rights or voting technology, and to train election officials, poll workers, and election volunteers;

(4) to implement new election administration procedures such as requiring individuals to present identification at the polls and programs to identify, to deter, and to investigate voting fraud and to refer allegations of voting fraud to the appropriate authority;

(5) to meet the requirements of current Federal election law in accordance with the demonstration submitted under section 212(c)(1)(B) of such section; or

(6) to meet the requirements under section 101, 102, or 103.

**SEC. 215. PAYMENTS; FEDERAL SHARE.**

(a) PAYMENTS.—

(1) IN GENERAL.—The Attorney General shall pay to each State or locality having an application approved under section 213 the Federal share of the costs of the activities described in that application.

(2) RETROACTIVE PAYMENTS.—The Attorney General may make retroactive payments to States and localities having an application approved under section 213 for the Federal share of any costs for election technology or administration that meets the requirements of sections 101, 102, and 103 that were incurred during the period beginning on January 1, 2001, and ending on the date on which such application was approved under such section.

(b) FEDERAL SHARE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Federal share of the costs shall be a percentage determined by the Attorney General that does not exceed 80 percent.

(2) EXCEPTION.—The Attorney General may provide for a Federal share of greater than 80 percent of the costs for a State or locality if the Attorney General determines that such greater percentage is necessary due to the lack of resources of the State or locality.

**SEC. 216. AUDITS AND EXAMINATIONS OF STATES AND LOCALITIES.**

(a) RECORDKEEPING REQUIREMENT.—Each recipient of a grant under this subtitle shall keep such records as the Attorney General, in consultation with the Federal Election Commission, shall prescribe.

(b) AUDITS AND EXAMINATIONS.—The Attorney General and the Comptroller General, or any authorized representative of the Attorney General or the Comptroller General, may audit or examine any recipient of a grant under this subtitle and shall, for the purpose of conducting an audit or examination, have access to any record of a recipient of a grant under this subtitle that the Attorney General or the Comptroller General determines may be related to the grant.

(c) OTHER AUDITS.—If the Assistant Attorney General for Civil Rights has certified a State or locality as eligible to receive a grant under this subtitle in order to meet a certification requirement described in section 212(c)(1)(A) (as permitted under section 214(5)) and such State or locality is a recipient of such a grant, such Assistant Attorney General, in consultation with the Federal Election Commission shall—

(1) audit such recipient to ensure that the recipient has achieved, or is achieving, compliance with the certification requirements described in section 212(c)(1)(A); and

(2) have access to any record of the recipient that the Attorney General determines may be related to such a grant for the purpose of conducting such an audit.

**SEC. 217. REPORTS TO CONGRESS AND THE ATTORNEY GENERAL.**

(a) REPORTS TO CONGRESS.—

(1) IN GENERAL.—Not later than January 31, 2003, and each year thereafter, the Attorney General shall submit to the President and Congress a report on the grant program established under this subtitle for the preceding year.

(2) CONTENTS.—Each report submitted under paragraph (1) shall contain the following:

(A) A description and analysis of any activities funded by a grant awarded under this subtitle.

(B) Any recommendation for legislative or administrative action that the Attorney General considers appropriate.

(b) REPORTS TO THE ATTORNEY GENERAL.—The Attorney General shall require each recipient of a grant under this subtitle to submit reports to the Attorney General at such time, in such manner, and containing such information as the Attorney General considers appropriate.

**SEC. 218. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—There are authorized to be appropriated $400,000,000 for fiscal year 2002 to carry out the provisions of this subtitle.

(b) AVAILABILITY.—Any amounts appropriated pursuant to the authority of subsection (a) shall remain available without fiscal year limitation until expended.

**SEC. 219. EFFECTIVE DATE.**

The Attorney General shall establish the general policies and criteria for the approval of applications under section 213(a) in a manner that ensures that the Attorney General is able to approve applications not later than October 1, 2002.

**Subtitle C—Federal Election Accessibility Grant Program**

**SEC. 221. ESTABLISHMENT OF THE FEDERAL ELECTION ACCESSIBILITY GRANT PROGRAM.**

(a) IN GENERAL.—There is established a Federal Election Accessibility Grant Program under which the Attorney General, subject to the general policies and criteria for the approval of applications established under section 223 by the Architectural and Transportation Barriers Compliance Board (as established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792)) (in this subtitle referred to as the ''Access Board''), is authorized to make grants to States and localities to pay the costs of the activities described in section 224.

(b) ACTION THROUGH OFFICE OF JUSTICE PROGRAMS AND CIVIL RIGHTS DIVISION.—In carrying out this subtitle, the Attorney General shall act through—

(1) the Assistant Attorney General in charge of the Office of Justice Programs of the Department of Justice; and

(2) the Assistant Attorney General in charge of the Civil Rights Division of that Department.

**SEC. 222. APPLICATION.**

(a) IN GENERAL.—Each State or locality that desires to receive a grant under this subtitle shall submit an application to the Attorney General at such time, in such manner, and containing such information as the Attorney General shall require, consistent with the provisions of this section.

(b) CONTENTS.—Each application submitted under subsection (a) shall—

(1) describe the activities for which assistance under this section is sought;

(2) provide assurances that the State or locality will pay the non-Federal share of the cost of the activities for which assistance is sought from non-Federal sources; and

(3) provide such additional assurances as the Attorney General determines to be essential to ensure compliance with the requirements of this subtitle.

(c) RELATION TO FEDERAL ELECTION REFORM INCENTIVE GRANT PROGRAM.—A State or locality that desires to do so may submit an application under this section as part of any application submitted under section 212(a).

(d) SAFE HARBOR.—No action may be brought against a State or locality on the basis of any information contained in the application submitted under subsection (a).

**SEC. 223. APPROVAL OF APPLICATIONS.**

The Access Board shall establish general policies and criteria for the approval of applications submitted under section 222(a).

**SEC. 224. AUTHORIZED ACTIVITIES.**

A State or locality may use grant payments received under this subtitle—

(1) to make polling places, including the path of travel, entrances, exits, and voting areas of each polling facility, accessible to individuals with disabilities, including the blind and visually impaired, in a manner that provides the same opportunity for access and participation (including privacy and independence) as for other voters; and

(2) to provide individuals with disabilities and the other individuals described in paragraph (1) with information about the accessibility of polling places, including outreach programs to inform the individuals about the availability of accessible polling places and to train election officials, poll workers, and election volunteers on how best to promote the access and participation of the individuals in elections for Federal office.

**SEC. 225. PAYMENTS; FEDERAL SHARE.**

(a) PAYMENTS.—The Attorney General shall pay to each State or locality having an application approved under section 223 the Federal share of the costs of the activities described in that application.

(b) FEDERAL SHARE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Federal share of the costs shall be a percentage determined by the Attorney General that does not exceed 80 percent.

(2) EXCEPTION.—The Attorney General may provide for a Federal share of greater than 80 percent of the costs for a State or locality if the Attorney General determines that such greater percentage is necessary due to the lack of resources of the State or locality.

**SEC. 226. AUDITS AND EXAMINATIONS OF STATES AND LOCALITIES.**

(a) RECORDKEEPING REQUIREMENT.—Each recipient of a grant under this subtitle shall keep such records as the Attorney General, in consultation with the Access Board, shall prescribe.

(b) AUDITS AND EXAMINATIONS.—The Attorney General and the Comptroller General, or any authorized representative of the Attorney General or the Comptroller General, may audit or examine any recipient of a grant under this subtitle and shall, for the purpose of conducting an audit or examination, have access to any record of a recipient of a grant under this subtitle that the Attorney General or the Comptroller General determines may be related to the grant.

**SEC. 227. REPORTS TO CONGRESS AND THE ATTORNEY GENERAL.**

(a) REPORTS TO CONGRESS.—

(1) IN GENERAL.—Not later than January 31, 2003, and each year thereafter, the Attorney General shall submit to the President and Congress a report on the grant program established under this subtitle for the preceding year.

(2) CONTENTS.—Each report submitted under paragraph (1) shall contain the following:

(A) A description and analysis of any activities funded by a grant awarded under this subtitle.

(B) Any recommendation for legislative or administrative action that the Attorney General considers appropriate.

(b) REPORTS TO THE ATTORNEY GENERAL.—The Attorney General shall require each recipient of a grant under this subtitle to submit reports to the Attorney General at such time, in such manner, and containing such information as the Attorney General considers appropriate.

**SEC. 228. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—There are authorized to be appropriated $100,000,000 for fiscal year 2002 to carry out the provisions of this subtitle.

(b) AVAILABILITY.—Any amounts appropriated pursuant to the authority of subsection (a) shall remain available without fiscal year limitation until expended.

**SEC. 229. EFFECTIVE DATE.**

The Access Board shall establish the general policies and criteria for the approval of applications under section 223 in a manner that ensures that the Attorney General is able to approve applications not later than October 1, 2002.

## TITLE III—ADMINISTRATION

### Subtitle A—Election Administration Commission

**SEC. 301. ESTABLISHMENT OF THE ELECTION ADMINISTRATION COMMISSION.**

There is established the Election Administration Commission (in this subtitle referred to as the ''Commission'') as an independent establishment (as defined in section 104 of title 5, United States Code).

**SEC. 302. MEMBERSHIP OF THE COMMISSION.**

(a) NUMBER AND APPOINTMENT.—

(1) COMPOSITION.—The Commission shall be composed of 4 members appointed by the President, by and with the advice and consent of the Senate.

(2) RECOMMENDATIONS.—Before the initial appointment of the members of the Commission and before the appointment of any individual to fill a vacancy on the Commission, the Majority Leader of the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate, and the Minority Leader of the House of Representatives shall each submit to the President a candidate recommendation with respect to each vacancy on the Commission affiliated with the political party of the officer involved.

(b) QUALIFICATIONS.—

(1) IN GENERAL.—Each member appointed under subsection (a) shall be appointed on the basis of—

(A) knowledge of—

(i) and experience with, election law;

(ii) and experience with, election technology;

(iii) and experience with, Federal, State, or local election administration;

(iv) the Constitution; or

(v) the history of the United States; and

(B) integrity, impartiality, and good judgment.

(2) PARTY AFFILIATION.—Not more than 2 of the 4 members appointed under subsection (a) may be affiliated with the same political party.

(3) FEDERAL OFFICERS AND EMPLOYEES.—Members appointed under subsection (a) shall be individuals who, at the time appointed to the Commission, are not elected or appointed officers or employees of the Federal Government.

(4) OTHER ACTIVITIES.—No member appointed to the Commission under subsection (a) may engage in any other business, vocation, or employment while serving as a member of the Commission and shall terminate or liquidate such business, vocation, or employment not later than the date on which the Commission first meets.

(c) DATE OF APPOINTMENT.—The appointments of the members of the Commission shall be made not later than the date that is 90 days after the date of enactment of this Act.

(d) PERIOD OF APPOINTMENT; VACANCIES.—

(1) PERIOD OF APPOINTMENT.—Members shall be appointed for a term of 6 years, except that, of the members first appointed, 2 of the members who are not affiliated with the same political party shall be appointed for a term of 4 years. Except as provided in paragraph (2), a member may only serve 1 term.

(2) VACANCIES.—

(A) IN GENERAL.—A vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made. The appointment made to fill the vacancy shall be subject to any conditions which applied with respect to the original appointment.

(B) EXPIRED TERMS.—A member of the Commission may serve on the Commission after the expiration of the member's term until the successor of such member has taken office as a member of the Commission.

(C) UNEXPIRED TERMS.—An individual appointed to fill a vacancy on the Commission occurring before the expiration of the term for which the individual's predecessor was appointed shall be appointed for the unexpired term of the member replaced. Such individual may be appointed to a full term in addition to the unexpired term for which that individual is appointed.

(e) CHAIRPERSON; VICE CHAIRPERSON.—

(1) IN GENERAL.—The Commission shall elect a chairperson and vice chairperson from among its members for a term of 1 year.

(2) NUMBER OF TERMS.—A member of the Commission may serve as the chairperson only twice during the term of office to which such member is appointed.

(3) POLITICAL AFFILIATION.—The chairperson and vice chairperson may not be affiliated with the same political party.

**SEC. 303. DUTIES OF THE COMMISSION.**

(a) IN GENERAL.—The Commission—

(1) shall serve as a clearinghouse, gather information, conduct studies, and issue reports concerning issues relating to elections for Federal office;

(2) shall carry out the provisions of section 9 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–7);

(3) shall make available information regarding the Federal election system to the public and media;

(4) shall compile and make available to the public the official certified results of elections for Federal office and statistics regarding national voter registration and turnout;

(5) shall establish an Internet website to facilitate public access, public comment, and public participation in the activities of the Commission, and shall make all information on such website available in print;

(6) shall conduct the study on election technology and administration under subsection (b)(1) and submit the report under subsection (b)(2); and

(7) beginning on the transition date (as defined in section 316(a)(2)), shall administer—

(A) the voting systems standards under section 101;

(B) the provisional voting requirements under section 102;

(C) the computerized statewide voter registration list requirements and requirements for voters who register by mail under section 103;

(D) the Uniform and Nondiscriminatory Election Technology and Administration Requirements Grant Program under subtitle A of title II;

(E) the Federal Election Reform Incentive Grant Program under subtitle C of title II; and

(F) the Federal Election Accessibility Grant Program under subtitle B of title II.

(b) STUDIES AND REPORTS ON ELECTION TECHNOLOGY AND ADMINISTRATION.—

(1) STUDIES.—The Commission shall conduct periodic studies of—

(A) methods of election technology and voting systems in elections for Federal office, including the over-vote and under-vote notification capabilities of such technology and systems;

(B) ballot designs for elections for Federal office;

(C) methods of ensuring the accessibility of voting, registration, polling places, and voting equipment to all voters, including blind and disabled voters, and voters with limited proficiency in the English language;

(D) nationwide statistics and methods of identifying, deterring, and investigating voting fraud in elections for Federal office;

(E) methods of voter intimidation;

(F) the recruitment and training of poll workers;

(G) the feasibility and advisability of conducting elections for Federal office on different days, at different places, and during different hours, including the advisability of establishing a uniform poll closing time and establishing election day as a Federal holiday;

(H) ways that the Federal Government can best assist State and local authorities to improve the administration of elections for Federal office and what levels of funding would be necessary to provide such assistance; and

(I) such other matters as the Commission determines are appropriate.

(2) REPORTS.—The Commission shall submit to the President and Congress a report on each study conducted under paragraph (1) together with such recommendations for administrative and legislative action as the Commission determines is appropriate.

**SEC. 304. MEETINGS OF THE COMMISSION.**

The Commission shall meet at the call of any member of the Commission, but may not meet less often than monthly.

**SEC. 305. POWERS OF THE COMMISSION.**

(a) HEARINGS.—The Commission or, at its direction, any subcommittee or member of the Commission, may, for the purpose of carrying out this subtitle hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, administer such oaths as the Commission or such subcommittee or member considers advisable.

(b) VOTING.—

(1) IN GENERAL.—Each action of the Commission shall be approved by a majority vote of the members of the Commission and each member of the Commission shall have 1 vote.

(2) SPECIAL RULES.—

(A) UNIFORM AND NONDISCRIMINATORY ELECTION TECHNOLOGY AND ADMINISTRATION REQUIREMENTS.—

(i) ADOPTION OR REVISION OF STANDARDS AND GUIDELINES.—If standards or guidelines have been promulgated under section 101, 102, or 103 as of the transition date (as defined in section 316(a)(2)), not later than 30

days after the transition date, the Commission shall—

(I) adopt such standards or guidelines by a majority vote of the members of the Commission; or

(II) promulgate revisions to such standards or guidelines and such revisions shall take effect only upon the approval of a majority of the members of the Commission.

(ii) ESTABLISHMENT OF STANDARDS AND GUIDELINES.—

(I) If standards or guidelines have not been promulgated under section 101, 102, or 103 as of the transition date (as defined in section 316(a)(2)), the Commission shall promulgate such standards or guidelines not later than the date described in subclause (II) and such standards or guidelines shall take effect only upon the approval of a majority of the members of the Commission.

(II) The date described this subclause is the later of—

(aa) the date described in section 101(c)(1), 102(c), or 103(c) (as applicable); or

(bb) the date that is 30 days after the transition date (as defined in section 316(a)(2)).

(B) GRANT PROGRAMS.—

(i) APPROVAL OR DENIAL.—The grants shall be approved or denied under sections 204, 213, and 223 by a majority vote of the members of the Commission not later than the date that is 30 days after the date on which the application is submitted to the Commission under section 203, 212, or 222.

(ii) ADOPTION OR REVISION OF GENERAL POLICIES AND CRITERIA.—If general policies and criteria for the approval of applications have been established under section 204, 213, or 223 as of the transition date (as defined in section 316(a)(2)), not later than 30 days after the transition date, the Commission shall—

(I) adopt such general policies and criteria by a majority vote of the members of the Commission; or

(II) promulgate revisions to such general policies and criteria and such revisions shall take effect only upon the approval of a majority of the members of the Commission.

(iii) ESTABLISHMENT OF GENERAL POLICIES AND CRITERIA.—

(I) If general policies and criteria for the approval of applications have been established under section 204, 213, or 223 as of the transition date (as defined in section 316(a)(2)), the Commission shall promulgate such general policies and criteria not later than the date described in subclause (II) and such general policies and criteria shall take effect only upon the approval of a majority of the members of the Commission.

(II) The date described this subclause is the later of—

(aa) the date described in section 101(c)(1), 102(c), or 103(c) (as applicable); or

(bb) the date that is 30 days after the transition date (as defined in section 316(a)(2)).

(c) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out this subtitle. Upon request of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

**SEC. 306. COMMISSION PERSONNEL MATTERS.**

(a) COMPENSATION OF MEMBERS.—Each member of the Commission shall be compensated at the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) STAFF.—

(1) APPOINTMENT AND TERMINATION.—Subject to paragraph (2), the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint and terminate an Executive Director, a General Counsel, and such other personnel as may be necessary to enable the Commission to perform its duties.

(2) EXECUTIVE DIRECTOR; GENERAL COUNSEL.—

(A) APPOINTMENT AND TERMINATION.—The appointment and termination of the Executive Director and General Counsel under paragraph (1) shall be approved by a majority of the members of the Commission.

(B) INITIAL APPOINTMENT.—Beginning on the transition date (as defined in section 316(a)(2)), the Director of the Office of Election Administration of the Federal Election Commission shall serve as the Executive Director of the Commission until such date as a successor is appointed under paragraph (1).

(C) TERM.—The term of the Executive Director and the General Counsel shall be for a period of 6 years. An individual may not serve for more than 2 terms as the Executive Director or the General Counsel. The appointment of an individual with respect to each term shall be approved by a majority of the members of the Commission.

(D) CONTINUANCE IN OFFICE.—Notwithstanding subparagraph (C), the Executive Director and General Counsel shall continue in office until a successor is appointed under paragraph (1).

(3) COMPENSATION.—The Commission may fix the compensation of the Executive Director, General Counsel, and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the Executive Director, General Counsel, and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(c) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(d) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

**SEC. 307. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this subtitle.

## Subtitle B—Transition Provisions

**SEC. 311. EQUAL PROTECTION OF VOTING RIGHTS ACT OF 2001.**

(a) TRANSFER OF CERTAIN FUNCTIONS OF FEDERAL ELECTION COMMISSION.—There are transferred to the Election Administration Commission established under section 301 all functions of the Federal Election Commission under section 101 and under subtitles A and B of title II before the transition date (as defined in section 316(a)(2)).

(b) TRANSFER OF CERTAIN FUNCTIONS OF THE ATTORNEY GENERAL.—

(1) TITLE I FUNCTIONS.—There are transferred to the Election Administration Commission established under section 301 all functions of the Assistant Attorney General in charge of the Civil Rights Division of the Department of Justice under sections 102 and 103 before the transition date (as defined in section 316(a)(2)).

(2) GRANTMAKING FUNCTIONS.—

(A) IN GENERAL.—Except as provided in paragraph (2), there are transferred to the Election Administration Commission established under section 301 all functions of the Attorney General, the Assistant Attorney General in charge of the Office of Justice Programs of the Department of Justice, and the Assistant Attorney General in charge of the Civil Rights Division of the Department of Justice under subtitles A, B, and C of title II before the transition date (as defined in section 316(a)(2)).

(B) EXCEPTION.—The functions of the Attorney General relating to the review of State plans under section 204 and the certification requirements under section 213 shall not be transferred under paragraph (1).

(3) ENFORCEMENT.—The Attorney General shall remain responsible for any enforcement action required under this Act, including the enforcement of the voting systems standards through the Assistant Attorney General in charge of the Civil Rights Division of the Department of Justice under section 104 and the criminal penalties under section 401.

(c) TRANSFER OF CERTAIN FUNCTIONS OF THE ACCESS BOARD.—There are transferred to the Election Administration Commission established under section 301 all functions of the Architectural and Transportation Barriers Compliance Board (as established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792)) under section 101 and under subtitles A, B, and C of title II before the transition date (as defined in section 316(a)(2)).

**SEC. 312. FEDERAL ELECTION CAMPAIGN ACT OF 1971.**

(a) TRANSFER OF FUNCTIONS OF OFFICE OF ELECTION ADMINISTRATION.—There are transferred to the Election Administration Commission established under section 301 all functions of the Director of the Office of the Election Administration of the Federal Election Commission before the transition date (as defined in section 316(a)(2)).

(b) CONFORMING AMENDMENT.—Section 311(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(a)) is amended—

(1) in paragraph (8), by inserting ''and'' at the end;

(2) in paragraph (9), by striking ''; and'' and inserting a period; and

(3) by striking paragraph (10) and the second and third sentences.

**SEC. 313. NATIONAL VOTER REGISTRATION ACT OF 1993.**

(a) TRANSFER OF FUNCTIONS.—There are transferred to the Election Administration Commission established under section 301 all functions of the Federal Election Commission under the National Voter Registration Act of 1993 before the transition date (as defined in section 316(a)(2)).

(b) CONFORMING AMENDMENT.—For purposes of section 9(a) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–7(a)), the reference to the Federal Election Commission shall be deemed to be a reference to the Election Administration Commission.

**SEC. 314. TRANSFER OF PROPERTY, RECORDS, AND PERSONNEL.**

(a) PROPERTY AND RECORDS.—The contracts, liabilities, records, property, and other assets and interests of, or made available in connection with, the offices and functions of the Federal Election Commission which are transferred by this subtitle are transferred to the Election Administration Commission for appropriate allocation.

(b) PERSONNEL.—The personnel employed in connection with the offices and functions of the Federal Election Commission which are transferred by this subtitle are transferred to the Election Administration Commission.

**SEC. 315. COVERAGE OF ELECTION ADMINISTRATION COMMISSION UNDER CERTAIN LAWS AND PROGRAMS.**

(a) TREATMENT OF COMMISSION PERSONNEL UNDER CERTAIN CIVIL SERVICE LAWS.—

(1) COVERAGE UNDER HATCH ACT.—Section 7323(b)(2)(B)(i)(I) of title 5, United States Code, is amended by inserting ''or the Election Administration Commission'' after ''Commission''.

(2) EXCLUSION FROM SENIOR EXECUTIVE SERVICE.—Section 3132(a)(1)(C) of title 5, United States Code, is amended by inserting ''or the Election Administration Commission'' after ''Commission''.

(b) COVERAGE UNDER INSPECTOR GENERAL ACT OF 1978.—Section 8G(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting '', the Election Administration Commission,'' after ''Federal Election Commission,''.

**SEC. 316. EFFECTIVE DATE; TRANSITION.**

(a) EFFECTIVE DATE.—

(1) IN GENERAL.—This subtitle and the amendments made by this subtitle shall take effect on the transition date (as defined in paragraph (2)).

(2) TRANSITION DATE DEFINED.—In this section, the term ''transition date'' means the earlier of—

(A) the date that is 1 year after the date of enactment of this Act; or

(B) the date that is 60 days after the first date on which all of the members of the Election Administration Commission have been appointed under section 302.

(b) TRANSITION.—With the consent of the entity involved, the Election Administration Commission is authorized to utilize the services of such officers, employees, and other personnel of the entities from which functions have been transferred to the Commission under this title or the amendments made by this title for such period of time as may reasonably be needed to facilitate the orderly transfer of such functions.

**TITLE IV—MISCELLANEOUS**

**SEC. 401. CRIMINAL PENALTIES.**

(a) CONSPIRACY TO DEPRIVE VOTERS OF A FAIR ELECTION.—Any individual who gives false information in registering or voting in violation of section 11(c) of the National Voting Rights Act of 1965 (42 U.S.C. 1973i(c)), or conspires with another to violate such section, shall be fined or imprisoned, or both, in accordance with such section.

(b) FALSE INFORMATION IN REGISTERING AND VOTING.—Any individual who commits fraud or makes a false statement with respect to the naturalization, citizenry, or alien registry of such individual in violation of section 1015 of title 18, United States Code, shall be fined or imprisoned, or both, in accordance with such section.

**SEC. 402. RELATIONSHIP TO OTHER LAWS.**

(a) IN GENERAL.—Except as otherwise provided in this Act, nothing in this Act may be construed to authorize or require conduct prohibited under the following laws, or supersede, restrict, or limit such laws:

(1) The Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.).

(2) The Voting Accessibility for the Elderly and Handicapped Act (42 U.S.C. 1973ee et seq.).

(3) The Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.).

(4) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.).

(5) The Americans with Disabilities Act of 1990 (42 U.S.C. 1994 et seq.).

(6) The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

(b) NO EFFECT ON PRECLEARANCE OR OTHER REQUIREMENTS UNDER VOTING RIGHTS ACT.—The approval by the Attorney General of a State's application for a grant under title II, or any other action taken by the Attorney General or a State under such title, shall not be considered to have any effect on requirements for preclearance under section 5 of the Voting Rights Act of 1965 (42 U.S.C. 1973c) or any other requirements of such Act.

## AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, December 19, 2001, immediately following the 1:15 p.m. cloture vote, to conduct a markup on the nominations of Ms. Vickers B. Meadows, of Virginia, to be an Assistant Secretary of Housing and Urban Development; and Ms. Diane L. Tomb, of Virginia, to be an Assistant Secretary of Housing and Urban Development.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, December 19, 2001, at 10 a.m. to consider the nomination of Edward Kingman, Jr. to be Assistant Secretary for Management Budget and Chief Financial Officer, U.S. Department of Treasury.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PRIVILEGE OF THE FLOOR

Mr. DURBIN. Mr. President, I ask unanimous consent that privilege of the floor be granted to Christopher Rhee, a detailee on the Judiciary Committee staff, during the remainder of the first session of the Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXECUTIVE SESSION

## TREATY WITH RUSSIA ON MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Executive Calendar No. 4, Treaty with Russia on Mutual Legal Assistance in Criminal Matters; that the treaty be considered as having advanced through its parliamentary stages up to and including the presentation of the resolution of ratification, and that the conditions be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask for a division vote.

The PRESIDING OFFICER. A division has been requested.

Senators in favor of the ratification of this treaty, please rise. (After a pause.) Those opposed will rise and stand until counted.

On a division vote with two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification, with its conditions, reads as follows:

*Resolved (two thirds of the Senators present concurring therein),*

**SECTION 1. ADVICE AND CONSENT TO RATIFICATION OF THE TREATY WITH THE RUSSIAN FEDERATION ON MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS, SUBJECT TO CONDITIONS.**

The Senate advises and consents to the ratification of the Treaty Between the United States of America and the Russian Federation on Mutual Legal Assistance in Criminal Matters, signed at Washington on June 17, 1999 (Treaty Doc. 106–22; in this resolution referred to as the ''Treaty''), subject to the conditions in section 2.

**SEC. 2. CONDITIONS.**

The advice and consent of the Senate under section 1 is subject to the following conditions:

(1) TREATY INTERPRETATION.—The Senate reaffirms condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe (CFE) of November 19, 1990 (adopted at Vienna on May 31 1996), approved by the Senate on May 14, 1997 (relating to condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988).

(2) LIMITATION ON ASSISTANCE.—Pursuant to the right of the United States under the Treaty to deny legal assistance under the Treaty that would prejudice the essential public policy or interests of the United States, the United States shall deny any request for such assistance if the Central Authority of the United States (as designated in Article 3(2) of the Treaty), after consultation with all appropriate intelligence, antinarcotic, and foreign policy agencies, has specific information that a senior Government official of the requesting party who will have access to information to be provided as part of such assistance is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.

(3) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes the enactment of legislation or the taking of any other action by the United States that is prohibited by the Constitution of the United States as interpreted by the United States.

Mr. REID. Mr. President, I ask unanimous consent that the motion to reconsider be laid upon the table, that any statements thereon be printed in the RECORD, and that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to consider the following nominations: Calendar Nos. 583, 662, and the Air Force and Army promotions on the Secretary's desk; that the nominations be confirmed, the motions to reconsider be laid upon the table, any statements thereon be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C. section 601:

*To be lieutenant general*

Maj. Gen. Dennis D. Cavin, 8558.

AIR FORCE

The following named officers for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

*To be brigadier general*

Colonel Larry D. New, 2557.
Colonel Michael F. Planert, 4078.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

AIR FORCE

PN1273 Air Force nominations (2) beginning Gerard W. Stalnaker, and ending Everett G. Willard, Jr., which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2001.

PN1274 Air Force nominations (6) beginning James A. Barlow, and ending Glenn S. Roberts, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2001.

PN1275 Air Force nominations (8) beginning Cynthia M. Cadet, and ending David G. Young, III, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2001.

ARMY

PN1263 Army nomination of Robert W. Siegert, which was received by the Senate and appeared in the Congressional Record of December 5, 2001.

PN1264 Army nominations (5) beginning Catherine M. Banfield, and ending Jack M. Wedam, which nominations were received by the Senate and appeared in the Congressional Record of December 5, 2001.

PN1265 Army nominations (5) beginning Mary Carstensen, and ending William L. Tozier, which nominations were received by the Senate and appeared in the Congressional Record of December 5, 2001.

PN1276 Army nominations (2) beginning Joseph L. Culver, and ending Charles R. James, Jr., which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2001.

PN1277 Army nominations (2) beginning Barry D. Keeling, and ending Ernesto E. Marra, which nominations were received by the Senate and appeared in the Congressional Record of December 11, 2001.

PN1278 Army nomination of James J. Waldeck, III, which was received by the Senate and appeared in the Congressional Record of December 11, 2001.

## LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

## AUTHORIZING CERTAIN EMPLOYEES OF THE SENATE TO BE PLACED IN A LEAVE WITHOUT PAY STATUS

Mr. REID. Mr. President, I ask consent that the Senate proceed to the consideration of S. Res. 193 submitted earlier today by Senators DASCHLE and LOTT.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 193) authorizing certain employees of the Senate who perform service in the uniformed services to be placed in a leave without pay status, and for other purposes.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements thereon be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 193) was agreed to.

(The resolution is printed in today's RECORD under ''Submitted Resolutions.'')

## MEASURE READ THE FIRST TIME—H.R. 3343

Mr. REID. Mr. President, I understand that H.R. 3343, which was just received from the House, is at the desk, and I now ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3343) to amend title X of the Energy Policy Act of 1992, and for other purposes.

Mr. REID. Mr. President, I now ask for its second reading, and object to my own request on behalf of a number of my colleagues.

The PRESIDING OFFICER. The bill will remain at the desk.

## ORDERS FOR THURSDAY, DECEMBER 20, 2001

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it recess until 9:30 a.m., Thursday, December 20; that immediately following the prayer and Pledge, the Senate begin consideration of the Labor-HHS appropriations conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

## RECESS UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 8:04 p.m., recessed until Thursday, December 20, 2001, at 9:30 a.m.

## NOMINATIONS

Executive nominations received by the Senate December 19, 2001:

THE JUDICIARY

JOHN M. ROGERS, OF KENTUCKY, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SIXTH CIRCUIT, VICE EUGENE E. SILER, JR., RETIRED.

TIMOTHY C. STANCEU, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES COURT OF INTERNATIONAL TRADE, VICE RICHARD W. GOLDBERG, RETIRED.

## CONFIRMATIONS

Executive nominations confirmed by the Senate December 19, 2001:

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be lieutenant general*

MAJ. GEN. DENNIS D. CAVIN

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

*To be brigadier general*

COLONEL LARRY D. NEW
COLONEL MICHAEL F. PLANERT

AIR FORCE NOMINATIONS BEGINNING GERARD W. STALNAKER AND ENDING EVERETT G. WILLARD, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2001.

AIR FORCE NOMINATIONS BEGINNING JAMES A. BARLOW AND ENDING GLENN S. ROBERTS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2001.

AIR FORCE NOMINATIONS BEGINNING CYNTHIA M. CADET AND ENDING DAVID G. YOUNG III, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2001.

ARMY NOMINATION OF ROBERT W. SIEGERT.

ARMY NOMINATIONS BEGINNING CATHERINE M. BANFIELD AND ENDING JACK M. WEDAM, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 5, 2001.

ARMY NOMINATIONS BEGINNING MARY CARSTENSEN AND ENDING WILLIAM L. TOZIER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 5, 2001.

ARMY NOMINATIONS BEGINNING JOSEPH L. CULVER AND ENDING CHARLES R. JAMES, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2001.

ARMY NOMINATIONS BEGINNING BARRY D. KEELING AND ENDING ERNESTO E. MARRA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON DECEMBER 11, 2001.

ARMY NOMINATION OF JAMES J. WALDECK III.

# EXTENSIONS OF REMARKS

## IN RECOGNITION OF BOWIE HIGH SCHOOL

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. HOYER. Mr. Speaker, I rise today to give recognition to the football team of Bowie High School for winning the Maryland State Football Championship. An estimated ten thousand fans were in attendance at Byrd Stadium on the Campus of the University of Maryland to witness Bowie High School's first ever division 4A football championship.

On December 1st, Bowie completed their season with a 23–6 victory over rival and previously unbeaten Eleanor Roosevelt High School. The game was the first All-Prince George's County title game since 1983, and the first time Bowie High School has played for the championship since 1987. The victory capped an outstanding season for Coach Scott Chadwick and his Bulldogs.

The championship culminated an incredible revival of the football program. When athletic director Bob Estes was hired two years ago, the football program had not had a winning record since 1988. The team had a 38–61 record from 1989 to 1997, including six years with less than four wins. Since Head Coach Chadwick took over the team four years ago, they have increased their win total each year, and now have a championship trophy.

Bowie High School's first championship is especially gratifying for the fans that have been vocally and passionately supporting the team throughout the year. Many parents of the team have been actively involved in the school's pep rallies and have stuck with the team throughout some tough years.

I applaud the efforts of the team members, their coaching staff, their fans, the school system and the Bowie Community for a winning season and for being the Maryland State Football Champions.

Mr. Speaker, and colleagues, please join with me in wishing the Bowie High School football team continued success and congratulations on their outstanding achievement.

## STUDENT VISAS

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. GEORGE MILLER of California. Mr. Speaker, I rise in support of the International Student Responsibility Act, which I am introducing today.

Each year, over 500,000 international students enter the United States to study at our colleges, universities, and trade schools. The vast majority of these students contributes to the intellectual achievements of our universities, promotes understanding across cultures, and acquires an appreciation for the American values of freedom and democracy.

I am troubled, however, that the poor administration of the student visa program has become a threat to national security. At least one of the September 11th hijackers entered the country on a student visas, as did one of the 1993 World Trade Center bombers. Last year, a congressional commission on terrorism concluded that national security requires tighter monitoring of the status of foreign students.

On October 31, 2001, two subcommittees of the Committee on Education and the Workforce held a hearing on the student visa program. We discovered some gaping loopholes.

For example, all the information in student visa applications is reported by the international student. There is no due diligence requirement from home countries to ensure that this information is accurate and that the student is trustworthy.

Second, the State Department does not notify the college when a visa is granted, nor does the Immigration and Naturalization Service promptly notify the college when the student enters the country. The last contact the college had with the student may have been granting admission. If the student enters the country but doesn't show up on campus, neither the college nor the INS may know anything went wrong for a year or longer.

Third, the INS is lagging behind schedule implementing the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, which requires data collection on international students' enrollment status and current address. Without that database, the INS does not know when an international student graduates or drops out. Nor has the INS established a database to track foreign visitors' entry and exit from the country, so the INS does not know how many students stay in the country after completing their studies.

I would like to include for the record a recent editorial from the Contra Costa Times, which draws sound, sensible conclusions on this issue. As the editorial notes, ''One of the easiest, albeit illegal, ways to get into the United States and stay here indefinitely is through student visas. . . With America's heightened awareness of the need for secure borders and internal security, we no longer can afford to ignore student visa requirements.''

Like many Americans, I value the attendance of international students at our colleges and universities, but we should make sure they follow the rules. The databases mandated by the 1996 law, but not yet implemented, are a good place to start. The International Student Responsibility Act gives the INS additional resources to implement them as quickly as possible. It also authorizes to funding to ensure that the databases are not a paper exercise, but are used aggressively as the basis for investigations and, if appropriate, deportations.

The Act also adds new procedures to address current law's shortcomings. It requires the INS to notify colleges with 10 days when their students enter the country, and requires colleges to promptly notify the INS is any of their students fail to enroll. It creates an incentive for international students to comply with the law by withholding their transcripts and diplomas until they return home or extend their stay in the U.S. legally.

Finally, the best protection against potential terrorists is to prevent them from entering the U.S. at all. The Act requires the Department of State to ask international students' home countries whether the students are known criminals or terrorists before granting the visas. It also requires heightened scrutiny of students from countries that are state sponsors of terrorism.

We must strive to keep America as open as possible to foreign students, but also to ensure that we have closed the gaping loopholes in the student visa program that make our country more vulnerable to terrorism. I urge my colleagues to join me in supporting this important legislation.

[From the Contra Costa Times, Nov. 23, 2001]

CONTROL STUDENT VISAS

One of the easiest ways, albeit illegal, to get into the United States and stay here in definitely is through student visas. The visas are issued for full-time students for a specified time. Yet students often stay in the country well past the visas' expiration dates with impunity. This situation must not continue for students or anyone else who received a visa to come to the United States.

That does not mean this country has to close its doors to foreign students or other wishing to work in or visit the United States. It certainly does not mean the United States should place a six-month moratorium on all student visas, as Sen. Dianne Feinstein has proposed. It does mean the Immigration and Naturalization Service is going to have to do a far better job of controlling visas and keeping track of everyone with a visa who enters this country.

Those who are here past the expiration dates on their visas should be deported. However, it also should not be such an onerous burden for visa holders, particularly students, to get their visas properly renewed before they expire as long as the person continues full-time studies in this country and is law-abiding.

With America's heightened awareness of the need for secure borders and internal security, we no longer can afford to ignore student visa requirements. Nor can we grant visas to anyone without closer scrutiny of his or her background.

Of particular concern are students from countries with a record of harboring terrorists who are seeking visas. The list of such countries is short, but includes several nations in the Middle East, where much of the world's international terrorism is bred.

It is critical that those seeking visas from such nations receive extensive background checks before they enter the United States. Some may see this as racial profiling. It is actually nation profiling, and it is necessary for public security. Thorough background checks need not prevent the United States from accepting large numbers of foreign students, even from countries where terrorism is a problem.

It simply means that the United States must enforce its visa laws to reduce the chance of terrorism and to get a better grip on controlling its borders.

To accomplish this goal in a humane manner, the INS is going to have to increase its work force so that those wishing to spend extended periods of time in the United States are carefully screened, are easily able to renew visas for legitimate purposes and are deported when they violate the terms of their visas.

## TRIBUTE TO MS. MELINDA DAY

### HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. DUNCAN. Mr. Speaker, I rise today to congratulate Ms. Melinda Day of Lenoir City, Tennessee, in my District. She was recently chosen as Tennessee Teacher of the Year 2002. Ms. Day teaches fifth grade at Lenoir City Elementary School.

This honor is well deserved for Ms. Day, who has been teaching for six years. Even when she was a child, Ms. Day would practice being a teacher in the basement of her parents' home.

Her students enjoy learning in her classroom. she teaches with enthusiasm and a real love for educating children.

Ms. Day has traveled to Japan on two occasions to teach as a part of the Fulbright Memorial Fund Teacher Program and the Fulbright Master Fund Teacher Program.

This Nation would be a much better place and our students would be better educated if there were more people and teachers like Melinda Day.

Mr. Speaker, I would like to congratulate Ms. Day on a job well done. She serves as an inspiration for educators all over the Country. I have included an article from the Knoxville News-Sentinel that highlights the accomplishments of Ms. Day that I would like to call to the attention of my fellow Members and other readers of the RECORD.

[From the Knoxville (TN) News-Sentinel, Nov. 19, 2001]

TENNESSEE'S TOP TEACHER

MELINDA K. DAY IS NOW VYING FOR NATIONAL HONOR

(By Jennifer Lawson)

Lenoir City Elementary School fifth-grader Alexis Lawson thinks she knows why her teacher, Miss Day, was chosen the Tennessee Teacher of the Year 2002.

''She's a good teacher because she listens to people,'' Alexis said as she led a visitor to Melinda K. Day's classroom.

Day was recently chosen to represent Tennessee in the competition for National Teacher of the Year, which will culminate next April in a ceremony at the White House.

At 28, Day's been teaching for six years officially, but she actually started teaching at age 6 when she set up a classroom complete with a row of antique desks in her parents' basement or in the back of the family horse trailer.

''Every day after school I would rush home to 'teach' what I learned that day and model my teacher's actions in my play classroom,'' Day wrote in her state competition essay. ''This love of learning and teaching has always been an integral part of me. My mom and dad instilled the value of education in me at a very early age.''

It only takes a few minutes spent in Day's classroom to feel the enthusiasm and energy she spreads to her students. Her classroom is decorated with fish and palm trees, and a tank of goldfish sits on one counter. She loves things tropical and through her fiancé, Chris Webster, she's become a fan of Jimmy Buffett and his ocean-inspired music.

''Your life is so precious you can't be replaced by anyone,'' is written across the top of the blackboard.

Her age belies her experience, which includes summers teaching in Japan and Wales as well as bachelor's, master's and education specialist's degrees from the University of Tennessee. She also traveled to Japan to teach as part of the Fulbright Memorial Fund Teacher Program in 1998 and again last year as a recipient of the Fulbright Master Teacher Program.

She said spending time in Japan and not speaking the language made her understand the frustration Spanish speaking children feel when they come to Lenoir City Elementary. Over the past few years, the school has taught a growing population of Mexican immigrants.

''She has served as an inspiration to more experienced teachers and helped to change the attitudes of some teachers with less enthusiasm,'' wrote Lenoir City Schools Superintendent Wayne Miller in a letter supporting Day's nomination. ''Another point which makes Ms. Day an exemplary teacher.''

The Alabama native, who grew up in Lenoir City, Iowa and South Carolina, said she's like her father who ''has to have change constantly.'' She channels that need for change into her teaching.

''Teaching to her is 24–7,'' said Lenoir Elementary Principal Patricia Jones. ''She's got a unique quality about her that creates an environment for the children where they feel safe to learn.''

Day credits three elementary teachers for cultivating her natural love of teaching: Melanie Amburn and Donna Langley (now Zukjowski) of Eaton Elementary School in Loudon County and Julia Pratt, who teaches in Marion, Iowa. More than the subject matter she learned, she remembers how the teachers made her feel about learning and her potential.

''Not only did these teachers set high expectations for students (to) learn the basic skills, but (they) also wanted each child to gain confidence and develop a sense of humor to enjoy life,'' she wrote in her essay. ''The small acts of kindness exhibited by these teachers still make me realize the importance of personally knowing all of my students and learning what encouragements they need to make them feel better about themselves each day.''

Her toughest decision after winning the $3,500 prize accompanied by a crystal award and a certificate signed by Gov. Don Sundquist, was deciding whom to take to Washington with her—her mother, her father or her fiancé.

''I'm taking my mom with me.'' Day said. ''She's a big Republican. When I told her, she jumped up and down like a little girl.''

## COMMENDING THE WORK OF THE UNITED STATES COAST GUARD'S MARINE SAFETY OFFICE OF HUNTINGTON, WEST VIRGINIA

### HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. RAHALL. Mr. Speaker, the events of September 11th demanded a great deal from all those involved in ensuring the safety and security of our Nation. Countless individuals and organizations were called upon to aid our country in this time of need, and many answered this call with a great amount of effort and dedication to the American cause.

I would like to take this opportunity to commend the United States Coast Guard's Marine Safety Office of Huntington, West Virginia, the recent recipients of the Commandant's Quality Award for 2001. This honor rewards the leadership, strategic planning, customer focus, information and analysis, human resource focus, process management and business results produced by individual U.S. Coast Guard offices. In addition, the Huntington office was specifically recognized for their development of efficient business practices after the tragedy our Nation suffered on September 11th. Despite the fact that this office is one of the smallest of the 45 marine safety offices nationwide, their newly developed risk assessment plan was praised in Washington for their invaluable contributions to the Coast Guard as a whole in this area.

I would also like to recognize the achievements of United States Coast Guard Auxiliary member James Perry of Huntington, WV. As the communications director for his local office, he was singled out for improving that particular office's pager, cell phone and voice mail systems, all of which have proven to be crucial for operations in the post-September 11th era.

The article in the Herald Dispatch is included on this hero.

COAST GUARD OFFICE HONORED FOR BUSINESS PRACTICES

(By Bob Withers)

HUNTINGTON.—The local U.S. Coast Guard's Marine Safety Office was honored Tuesday for developing efficient business practices that influenced the entire Coast Guard after the terrorist attacks of Sept. 11.

Master Chief Petty Officer Vincent W. Patton III of Washington, D.C., the Coast Guard's highest-ranking enlisted member, presented the unit with the Commandant's Quality Award for 2001 during a ceremony at the local headquarters.

The annual honor—patterned after the Malcolm Baldrige National Quality Award, the nation's premier award for performance in business and industry—recognizes commands and major staff elements that, through commitment to customer and employee satisfaction and continuous improvement, serve as examples for other Coast Guard organizations.

The award encompasses several categories of management—leadership, strategic planning, customer focus, information and analysis, human resources, process management and business results.

Patton said officers in Washington were particularly impressed with the local office's newly developed risk assessment plan.

''We needed that information after 9–11,'' he told the members ''When emergency situations arise, we need a frame of reference to

measure our use of personnel, money and assets. You have no idea what your plan is doing for us back in Washington.''

Patton compared the accomplishments of the local unit—one of the smallest of 45 marine safety offices nationwide—to the heroics of the outmanned and outgunned crew of the ''tiny, dinky'' revenue cutter Eagle, which was driven ashore in Long Island Sound in October 1814 in an encounter with the British brig Dispatch. The crew dragged their few weapons up a bluff and continued the battle, using log books for cartridges and returning the enemy's small shells that had lodged in the Eagle's hull.

Cmdr. Lincoln Stroh, commanding officer of the local office, also honored U.S. Coast Guard Auxiliary member James Perry of Huntington, the local office's communications officer, for improving its pager, cell phone and voice mail systems.

Stroh also praised Perry for working extra hours to help the office meet increased port safety and security responsibilities following the terrorist attacks.

## PAYING TRIBUTE TO GAYLE POTTER'S EIGHTH GRADE CLASS AT DURAND MIDDLE SCHOOL

### HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. ROGERS of Michigan. Mr. Speaker, I rise today to pay tribute to a group of eighth grade students from Durand Middle School in Durand, Michigan. These students along with their teacher, Gayle Potter, have taken the initiative to send to my office their own ideas for helping rebuild vital areas of our economy after the tragic events of September 11th.

The events of September 11th were meant to create fear in every American, especially our children. Yet, the terrorists who carried out those evil acts have succeeded in only strengthening our resolve as Americans. It is also clear, through these students' great example, that our nation's greatest resource, our youth, is as strong, brave, and as bright as they have ever been.

Mr. Speaker, this group of students truly exemplifies the spirit of all Americans at this time in our history. They have set a wonderful example that every American can follow. I ask that my colleagues join with me in saluting their devotion to our country and its continued prosperity.

## WISHING WELL TO MR. NORMAN BRINKER

### HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to salute a great Dallas-Fort Worth resident. Mr. Norman Brinker is a trailblazer and trendsetter. He has been a pioneer in business and a great friend to our community.

There is perhaps no more amazing restaurateur than Mr. Brinker. He revolutionized the combination of good food, reasonable cost and great customer service through his Steak and Ale restaurant chain. He built the chain to 100 units before The Pillsbury Company, of which Mr. Brinker later became Chairman, bought it.

As Chairman of The Pillsbury Company, he oversaw the world's second largest restaurant organization, presiding over sales of $4 billion. Never one to rest on his laurels, Mr. Brinker soon ventured out on his own again, buying Dallas based chain Chili's. Under his leadership, the 23 operating units of Chili's became Brinker International, a world restaurant power with hundreds of operating units and over $2 billion in sales. Brinker International now owns Chili's, On the Border, Macaroni Grill, Cozymel's, Corner Bakery, Big Bowl and Eatzi's restaurant chains.

Brinker International is an extraordinarily important corporate citizen of the Dallas-Fort Worth area, but just as important is Mr. Brinker's leadership in the industry and society. The leaders of Outback Steakhouse, Houston's, Red Lobster and Boston Market all spent time under Mr. Brinker's tutelage. In addition, he has been a trendsetter in philanthropy, encouraging entrepreneurs to pair their financial donations with donations of time, and helping to start the Susan G. Komen Breast Cancer Foundation with his wife Nancy.

Mr. Speaker, Norman Brinker has relinquished his position as Chairman of Brinker International and is engaged in a new challenge—defeating his own cancer ailment. As he approaches this new challenge with the same zeal as the other challenges in his life, Dallas-Fort Worth looks forward to his leadership for years to come. I ask that the Congress and the country join the citizens of Dallas-Fort Worth in wishing him well.

## ECONOMIC STIMULUS BILL

### HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. FRELINGHUYSEN. Mr. Speaker, weeks ago the House acted on President Bush's request for an economic stimulus package. We knew then what has now been confirmed—America is in a recession. And, here in New Jersey, the economic slowdown has been especially acute as many New Jersey residents lost their jobs, many as a result of the tragic events of September 11, and others because our economic slowdown began well before September. First and foremost, we need to help the victims and families of the terrorist attacks and the many workers who have lost their jobs. And, with the $40 billion in emergency assistance already approved by Congress, President Bush and his Administration are doing just that. Under the emergency federal assistance provided to our state, workers who have lost their jobs as a result of the attacks are eligible for unemployment and health insurance for up to 26 weeks—that's through at least March of next year. And these benefits have been extended to the self-employed and others who are not otherwise eligible for this assistance.

After addressing these immediate, emergency needs, the House acted quickly to take steps to get our economy moving again. Those steps focused on helping to restore consumer confidence and encouraging private sector investment and expansion to help replace lost jobs and to add more, new jobs. The House has acted on just such a plan. My colleagues in the other body must act now on an economic security bill to help our economy, and those who have lost their jobs.

While most Americans heard recent news reports that said our nation is now ''officially'' in a recession, it didn't take a headline in the newspaper or ''Breaking News'' on CNN for far too many New Jerseyans to realize that these are hard times in America. Even before September 11 changed our lives forever, layoffs at some of New Jersey's largest, most established companies, like Lucent, AT&T and Honeywell, for example, were taking their toll. Alarmingly, 27,000 jobs were lost in the first nine months of this year in New Jersey. Our state's unemployment rate rose to 4.8 percent in October, up from 4.5 percent in September.

It's time for the other body to act and I call on the other body to reject their plans to expand federal programs and increase federal spending beyond our budget agreement with the Administration. More government spending, to my mind, will not serve to stimulate our economy.

Let's face it—the only answer for job loss is to create new jobs. And with the exception of the newly federalized baggage screeners, the Federal Government does not create jobs or economic activity. In fact, the more we ''grow'' government, the more dollars we take out of the private sector, away from the taxpayer and out of our economy. That is why the House version of the economic stimulus provides rapid tax relief to businesses, large and small, to continue to invest, to purchase equipment, expand production and promote job hiring. While some have criticized the House bill as corporate welfare, we need companies to stop layoffs and hire again! Our proposal is critical to the success of New Jersey business. According to the New Jersey Business and Industry Association, even before the September 11 terror attacks, New Jersey employers as a group had lost their confidence in our economy. Two-thirds of 1,600 employers participating in the Association's 2002 Business Outlook Survey said their industries were already in a recession or heading into one at the time of the attacks. We've got to turn that thinking around and provide the incentives to New Jersey's companies to start growing their businesses again.

The House bill also returns more tax dollars back to working Americans by accelerating the tax rate cuts we passed earlier this year and by including tax rebate checks for those individuals who didn't receive them in the first round. Returning these dollars will give people more dollars to spend and invest. These actions—as opposed to more government spending and more government programs—will better address the underlying weaknesses in our economy, namely consumer confidence, consumer spending, and the need for renewed and sustained business investment and expansion.

And, early next year, when existing unemployment and health benefits may be depleted, I am confident that we will continue to help those who need it most. In fact the House economic security package includes a provision that provides another $9 billion in surplus Federal unemployment funds to the states. This translates into approximately $368 million that will be immediately available for

New Jersey to pay for more or to expand regular unemployment benefits. This is real Federal assistance to lend a helping hand to New Jerseyans who are hurting the most.

Prompt Senate action will help get our fellow Americans back in the workforce, not still standing in the unemployment line next Spring. While not every provision of the House bill is perfect, our economic security package is a better starting point than the legislative paralysis in the other body! To the other body, I say, get your job done, and let's get America back to work.

## CONGRATULATING MITCH LOUIS MANSOUR ON HIS RETIREMENT FROM THE GROCERY BUSINESS

### HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. RAHALL. Mr. Speaker, I rise today to pay tribute to Michael Louis ''Mitch'' Mansour, of Huntington, WV, who, after half a century in the grocery business, retired on November 4, 2001.

For thirty-eight years Mitch owned and operated ''Mansour's Market,'' a family neighborhood grocery market that survived the intense competition brought about by ''superstores'' and continues to thrive today.

Mitch Mansour's entrepreneurial career began almost from birth. The son of Lebanese immigrants, Mitch was born in 1930 next door to his father's modest grocery store. Even before adolescence Mitch worked alongside his father, Elia, cultivating customer relationships and a solid work ethic. Mitch eventually took over this small store in 1954 after returning home from service during the Korean War.

In 1963, Mitch and his bride, Melanie, began ''Mansour's Food Market,'' which has served as a source of quality foods and employment for hundreds of residents from the local community. From loyal employees that have built careers in catering, meat cutting, grocery management, and customer relations to summer and part-time employees who have pursued professions in law and medicine, ''Mansour's'' has been a solid and reassuring pillar in the Huntington community.

An innovator in customer service, Mitch would not just point the customer to the desired aisle, but walk them to the display and personally present the product choices. In the 1960's, ''Mansour's'' began their grocery home delivery service, which continues to be a valuable service today, especially for elderly and disabled residents. If a customer cannot make it to ''Mansour's,'' ''Mansour's'' comes to them.

In today's transient world it's rare to find someone who spends their life so closely entwined in their community. Michael Mansour and ''Mansour's Market'' has been an important part of the Huntington community and will continue to be for a long time.

I ask that my colleagues join me in offering sincere congratulations to Mitch on the event of his retirement and best wishes for the future.

## PRESIDENT BUSH'S WITHDRAWAL FROM THE ABM TREATY

### HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. SCHAFFER. Mr. Speaker, President Bush's decision to withdraw from the 1972 Anti-Ballistic Missile (ABM) deserves the applause of every American. For too many years our country has been left undefended from the threat of a ballistic missile attack because of the ABM Treaty. Even Soviet Premier Kosygin supported a ballistic missile defense when he remarked, ''Defense is moral, aggression is immoral.''

We need to defend our country from ballistic missile attack. Withdrawing from the ABM Treaty with its special prohibition against space-based defenses is a major step toward that goal. The terrorist attacks of September 11 should have taught us that we should not let our guard down.

We need to act decisively to build a ballistic missile defense, especially a space-based defense, taking advantage of the benefits of an orbital defense with its global coverage, multiple opportunities for intercepting a ballistic missile, and boost phase interception capability.

Our lack of a space-based ballistic missile defense reflects a lack of political will to build such a defense. The ABM Treaty limited the United States to an inferior defense using ground-based interceptors. The technology for building a space-based ballistic missile defense has been available for years, even decades, but not the funding.

We need to fully fund our ballistic missile defense programs, particularly for space. This will require an increase in spending. This increase is justified. Our lack of ballistic missile defense is not justified. Freedom has a price. The ballistic missile threat is increasing, whether seen in North Korea's missile program, or China's buildup of its road-mobile DF–31 ICBM and other missiles.

Increased funding, for example, is justified for the Space Based Laser. Instead of being funded annually at between $50 and $150 million, the Space Based Laser should be funded an order of magnitude greater at $500–$1500 million. This will enable the Space Based Laser to be tested and deployed well before 2010, instead of after 2010 as currently scheduled.

Lack of funding, not technology, keeps us from building Space Based Lasers. In 1995, three major aerospace contractors wrote the Chairman of the Senate Armed Services Committee, Senator STROM THURMOND, pointing out how funding of about $1.5 billion over four years could result in a test launch of a Space Based Laser. The Space Based Laser, moreover, with its boost phase interception capability and global coverage, will provide a more effective defense compared to the Mid Course Phase ground-based interceptor currently under development.

We need a robust ballistic missile defense encompassing a variety of technologies and layers. A defense made up of several layers will more easily defend against countermeasures such as China's plan to attack U.S. radar and communication nodes, or Russia's use of ballistic missiles as platforms for launching hypersonic scramjets that travel in the upper atmosphere.

Funding is needed to re-start the Brilliant Pebbles space-based interceptor program that was successfully ground-tested under the elder Bush's administration. Additional spending for research and development into high-energy laser technologies is called for. Nor should high-energy particle beams be neglected, which showed promise as in the 1989 BEAR experiment. Particle beams as well as lasers can provide effective mid-course phase discrimination of decoys from warheads.

With defense spending at one of its lowest levels since before Pearl Harbor, the political will is now needed to ask for an increase in funding for a space-based ballistic missile defense. Do we need to wait for another September 11 using ballistic missiles before we defend our country?

## TRIBUTE TO THE ART STUDENTS AT CLEVELAND HIGH SCHOOL

### HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. DUNCAN. Mr. Speaker, the events of September 11th of this year had a great impact on our Country. While the devastating terrorist attacks have caused us great sorrow for the loss of lives, Americans have pulled together like never before.

Those who carried out the attacks thought that they would destroy the American Spirit, but I can tell they did exactly the opposite.

People have come together to show their support for those lost in New York, the Pentagon and Pennsylvania. Recently, art students at Cleveland High School showed their support by creating a mural that depicts the events of September 11th and our resolve to never let this happen again.

This piece of work has been talked and written about in local newspapers and television.

Cleveland High School Art Teacher, Martha Kidwell, created a collage of images from magazines and newspapers which were used as a base for this mural.

The mural measures 13 by 6 feet. This piece of art shows the attacks on America, but it also portrays the heroic firefighters, a determined President Bush, the Statue of Liberty, the American Flag and the Bald Eagle.

This work of art was created by 22 high school students who have shown their patriotism and care for their fellow Americans.

Mr. Speaker, I believe that Martha Kidwell and her students should be commended for their hard work and determination to show their fellow citizens that we will overcome terrorism.

This mural will serve as an inspiration to anyone who sees it. It is currently on display in Southeast Tennessee, and I encourage anyone traveling through this part of the Country to stop by and see this mural entitled, ''We Will Never Forget''.

## GLOBAL ACCESS TO HIV/AIDS PREVENTION, AWARENESS, EDUCTION, AND TREATMENT ACT OF 2001

SPEECH OF

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 11, 2001*

Mr. RANGEL. Mr. Speaker, I rise today in support of H.R. 2069 the Global Access to HIV/AIDS Prevention, Awareness, Education, and Treatment Act of 2001. The HIV/AIDS pandemic threatens the stability of the modern world, as we know it in both developed and developing countries.

I would first like to thank Chairman HYDE for introducing this important legislation. I also would like to thank Congresswoman BARBARA LEE for her tireless work in the area of AIDS and her efforts to raise the consciousness of her colleagues to combat this horrendous disease.

The devastation of the HIV/AIDS disease does not discriminate, and impacts the lives of us all. Recent reports from the United Nations state that more than 58 million people globally have been infected with HIV/AIDS. This horrendous disease has negatively impacted the economies of Africa, the Caribbean, Asia, and Eastern Europe.

This legislation takes a comprehensive approach to combating HIV/AIDS by providing funding for the prevention, education, testing, treatment, and care of individuals with HIV/AIDS. I support and applaud the substantial increase in funding that H.R. 2069 provides to fight HIV/AIDS around the world. I am happy to see that this bill authorizes $485 million in bilateral funding, $50 million for treatment, and $750 million for multilateral funding for fiscal year 2002. 1 hope that this contribution by the United States is the first of many, and that it will serve as a down payment on the improvement of our global future.

The HIV/AIDS pandemic has erased decades of progress in improving the lives of families in the developing world and has claimed 22,000,000 lives since its inception.

More than 17,000,000 individuals have died from HIV/AIDS in sub-Saharan Africa alone.

Two-thirds of those diagnosed with the AIDS virus in the Caribbean are dead within two years. AIDS is the leading cause of death in the Caribbean for those fifteen to forty-five years of age and these numbers continue to increase.

We as a nation must once again exhibit the strong leadership that is our heritage and do the right thing by addressing this humanitarian and economic crisis head on. H.R. 2069 does just that by exhibiting our commitment in the U.S. Congress to combating this dreaded disease through the authorization of this much needed and necessary funding.—

## CONFERENCE REPORT ON H.R. 1, NO CHILD LEFT BEHIND ACT OF 2001

### HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. FRELINGHUYSEN. Mr. Speaker, on December 13, the House passed H.R. 1, the No Child Left Behind Act of 2001 Conference Report by an overwhelming, bi-partisan majority vote. By doing so, we have deliver (on President Bush's promise and commitment to improve the education of every child in America!

It is our President's number one, domestic priority, other than Homeland Security.

In his Inaugural Address, President Bush in speaking about our responsibilities and values as citizens said ''Together, we will reclaim America's schools, before ignorance and apathy claim more young lives.''

President Bush called upon Congress to achieve that goal by coming up with a plan to reform education in new and bold ways.

Earlier this year, the House responded first by passing the most comprehensive education reform package in almost three decades.

This bill, the No Child Left Behind Act calls for a major increase in federal funds for both states and local school districts. The final agreement with the House and Senate does just that.

It sets aside close to $135 billion for education over the next 5 years alone.

But more importantly, these dollars will ensure accountability by providing the following: unprecedented new flexibility for states and school districts in the use of federal education funds, ensures higher levels of achievement for students to meet and surpass, sets new accountability standards to keep only the most qualified teachers in our classroom and provides more choices for parents in determining the best education possible for their children.

These are important reforms that will replace three and a half decades of increased education spending that have simply not produced the results Americans deserve.

As President Bush rightly put it, ''dollars alone do not always make a difference.''

Today's victory ensures that no child will be left behind. In fact, following the enactment of our reform bill, immediate new options will be available to students in thousands of failing public schools across the United States.

A Department of Education analysis finds that students at nearly 3,000 underachieving public schools nationwide will be eligible for immediate, new options to achieve a better education in a more suitable learning environment.

Mr. Speaker, today I urge my colleagues in the other body to pass H.R. 1 so that we can get it to President's desk and signed into law before the end of the year.

For years, we have been providing critical funds for the education of our children. Now we are taking an extra step to ensure those dollars produce results.

## HONORING NASA ADMINISTRATOR DANIEL GOLDIN

### HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today on behalf of the Congressional Black Caucus to recognize NASA's longest-serving Administrator, Mr. Daniel Saul Goldin, who during his nearly decade-long tenure, starting in 1992, demonstrated a commitment to the educational excellence of minorities in the areas of science, mathematics, engineering and research.

He has demonstrated his commitment to educational excellence for all Americans through NASA's Office of Equal Opportunity Programs', Minority University Research and Education Division. His efforts helped the Agency to focus on establishing Historically Black Colleges and Universities (HBCUS) and Other Minority Universities (OMUS) as model institutions of teaching, learning, research and service, effectively educating diverse populations for NASA and the nation.

During his tenure, NASA's Minority University Research and Education Division's budget realized a 200% increase from about $40 million in FY 1992 to $82 million dollars in FY 2001.

Under his exceptional leadership, NASA's HBCU and Hispanic Education Programs received Presidential citations as models for the federal sector, and the pre-college Science Engineering Mathematics Aerospace Academy (SEMAA) Program, begun in 1993 under the auspices of former Congressman Louis Stokes, has been replicated to more than 17 sites nationwide.

Mr. Goldin also established several programs that were aimed at increasing the number of minority students in the areas of science, engineering, mathematics, and research. Those programs include: the Model of Institutions for Excellence (MIE), which upgrades the quality of science, engineering and mathematics education; the Network Resources and Training Site (NRTS), which provides state-of-the-art computer and information technology to minority institutions; and Project ACCESS (Achieving Competence in Computers, Engineering, Space Science), which provides a NASA-wide intern program for college students with targeted disabilities.

Administrator Goldin encouraged enhanced NASA-related research by faculty at minority institutions through the Faculty Awards Research Program. He also provided sustained funding to 14-multidisciplinary University Research Centers (URCS) at minority institutions, and he facilitated the integration of HBCUs and OMUs into conventional mainstream research programs at NASA.

As led by Administrator Goldin, NASA and the Congressional Black Caucus partnered successfully to expand educational opportunities for minorities in science, mathematics and engineering to increase the presence of minorities in research and technology-related fields.

In addition to initiating the ''faster, better, cheaper'' approach that enabled NASA to deliver programs of high value to the American public without sacrificing safety, his aggressive management reforms helped to produce a 40 billion dollar reduction from prior budget plans.

He reduced NASA's workforce by about a third while reducing the Headquarters' workforce by more than half, without resorting to forced layoffs—all of this with a 40% gain in productivity.

Mr. Goldin implemented a more balanced aeronautics and space program by reducing human space flight from 48% of the Agency's total budget to 38%.

He also played a pivotal role in redesigning the International Space Station and in 1995, he personally visited more than 200 members on Capitol Hill to win support for Space Station.

Defense Business named Mr. Goldin as one of the world's most influential defense-industry leaders saying ''he has tightened the workforce, introduced a stunning array of new missions, including information-gathering journeys to the Moon and Mars, and became the major player in the embryonic International Space Station.''

He has also been named as one of the 100 most influential men and women in Government by the National Journal, which observed that ''most space watchers say that Dan Goldin is a brilliant visionary who brought NASA back from the brink of a black hole.''

Once again, the members of the Congressional Black Caucus, recognize the enduring contributions of Administrator Daniel S. Goldin and appreciate his dedication to the improvement of science, engineering, and mathematics education and research, among minority students in the United States.

## TRIBUTE TO JAMES D. RUTH

### HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. GARY MILLER of California. Mr. Speaker, it is with great pleasure that I rise to honor James D. Ruth who is retiring after 22 years of exemplary service to the City of Anaheim and 45 years in public service.

Mr. Ruth's impressive resume includes numerous noteworthy accomplishments. Under his tenure as city manager, Anaheim became internationally recognized as a hub for entertainment and for its world class convention center. His crowning achievement was the role he played in negotiations for the construction of the 19,500-seat Arrowhead Pond arena, which has affectionately been called ''the house that Ruth built,'' and his work with the Walt Disney Company to bring the Mighty Ducks of the National Hockey League to the Pond.

Mr. Ruth was very instrumental in the $118 million renovation of Edison Field, and thereby the retention of the Anaheim Angels and Major League Baseball in Orange County. He negotiated with the Walt Disney Company to develop in Anaheim their new theme park, California Adventure, at cost of $1.4 billion. In conjunction with the park expansion, the city initiated and began the implementation of a $510 million improvement program to the Anaheim Resort Area and a $1.9 billion renovation of the Santa Ana (I–5) Freeway. Revitalization projects provided low income housing in the Jeffrey-Lynne neighborhood west of Disneyland, a $58.2 million Community Center, and a much needed Senior Center.

Mr. Ruth's vision, outstanding business and governmental acumen, strong leadership skills and dedication to public service have earned the admiration and respect of those who have had the privilege of working with him. I would like to congratulate him on these outstanding accomplishments and sincerely thank him for his exemplary record of service to the City of Anaheim.

## DEFENDING AMERICA FROM BALLISTIC MISSILE ATTACKS

### HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. SCHAFFER. Mr. Speaker, we need to defend our country from ballistic missile attack. President Bush has taken a major step toward that goal by withdrawing from the 1972 ABM Treaty. President Bush has our sincere thanks and congratulations for removing the United States from a treaty that inhibited our defense and was repeatedly violated by Russia.

We need to act decisively to build a ballistic missile defense. The fact that our country is undefended from ballistic missiles is a reflection of our lack of political will to build a defense. The technology for a ballistic missile defense is available, and has been for years and even decades, as noted by the Director of the Strategic Defense Initiative Organization under President George H.W. Bush's administration.

I strongly urge the President to fully fund a robust ballistic missile defense program encompassing a variety of technologies and defenses. A robust defense made up of several layers will more easily guard against countermeasures such as those planned by China to attack U.S. radar and communication nodes, or by Russia to use ballistic missiles for launching hypersonic scramjets.

Full funding for a robust ballistic missile defense will call for increases in spending. This spending is justified. Our lack of ballistic missile defense is not justified. Freedom has a price, including a strong defense, and the ballistic missile threat is increasing, whether measured by North Korea's ballistic missile program, or China's buildup involving its road-mobile DF–31 ICBM.

Funding, for example, needs to be increased for the Space Based Laser program. Instead of being funded annually at between $50–150 million, the Space Based Laser should be funded an order of magnitude greater at $500–1500 million. This increase in funding will enable the Space Based Laser to be tested and deployment begin sooner than after 2010 as currently scheduled.

Lack of funding, not technology, keeps us from building a constellation of Space Based Lasers. In 1995, three major aerospace contractors wrote to the Chairman of the Senate Armed Services Committee, STROM THURMOND, on the Space Based Laser, pointing out how additional funding of approximately $1.5 billion over four years could result in a test launch of a Space Based Laser.

While this estimate for testing the Space Based Laser in space was prepared nearly seven years ago, it clearly illustrates how the level of funding for the Space Based Laser should be on a billion-dollar level rather than $50–150 million. (The Space Based Laser, with its boost phase interception capability and global coverage, will provide a more effective defense compared to the Mid Course Phase ground-based interceptor currently under development.)

Additional money for research and development into other high-energy laser technologies is called for. In October 2001 key defense scientists recommended a substantial cash infusion into laser technology. Over and above funding for the Space Based Laser, additional funding is needed for research into high-energy lasers. These lasers could include chemical gas lasers such as the DF laser (the Space Based Laser uses an HF chemical reaction), excimer and free electron lasers, or even solid-state lasers. Nor should high-energy particle beams be neglected, which showed promise in the 1989 BEAR experiment. (Particle beams as well as lasers can provide effective mid-course phase discrimination of decoys from warheads.) This research into lasers and particle beams would be invaluable, and result in commercial applications. Funding, similar to the Strategic Defense Initiative, should be on a billion-dollar level.

In addition, funding is needed to re-start the Brilliant Pebbles space-based interceptor program that was successfully ground-tested under President George H.W. Bush's administration, and successfully flight-tested in the Clementine lunar mission. Annual funding for this program should be expected at around $500–1500 million to deploy a constellation of at least a thousand interceptors. Brilliant Pebbles can provide a boost phase interception capability, as well as mid-course phase interception. This space-based defense is not far off into the future, but was approved to enter its acquisition phase under the Bush Senior administration in 1992. To supplement the mid-course interception capability of Brilliant Pebbles, funding for the SBIRS-low constellation of missile launch detection and tracking satellites should be accelerated.

The funding increases needed for ballistic missile defense are in line with any other major arms acquisition program. But the political will is now needed to ask for this funding. It is worth noting that current U.S. defense spending is at one of its lowest levels since before Pearl Harbor.

I urgently request that President Bush prepare a ballistic missile defense budget that will enable the United States to exploit its technology in high-energy lasers and hit-to-kill interceptors. Much of this technology should be deployed in orbit where it can provide global coverage, multiple opportunities for interception, and a boost phase interception capability.

## TRIBUTE TO THE DOMINICAN AMERICAN NATIONAL ROUNDTABLE

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. RANGEL. Mr. Speaker, Representatives of the community with a common heritage from the Dominican Republic gathered December 7–9, 2001 for the fourth annual conference of the Dominican American National Roundtable. Each year, this group comes together to reflect on the past year, discuss areas of need within the community, and plan for the upcoming year. This year's conference was especially meaningful in light of the recent tragedies affecting the Dominican American community and I extend my most sincere congratulations to the DANR and its president Adriano Espaillat for hosting such a successful weekend here in Washington DC.

Already struggling to overcome the devastating effects of September 11 attacks on the World Trade Center and Pentagon, the crash of American Airlines Flight #587 has impacted our Nation's Dominican community deeply. Almost all 260 persons aboard the flight were of Dominican ancestry and, as was pointedly demonstrated during the conference, it seems as if every person of Dominican heritage in the United States has been personally touched by this tragedy. During the opening session Moises Perez, Executive Director of Alianza Dominicana a social service community based non-profit agency located in northern Manhattan illustrated this with this with a story of personal quest to find one person who did not know someone aboard the plane. He has yet to find one person.

Our ability to gather and reflect on these recent occurrences was essential in providing a discourse for this community to begin to make sense of these horrific events. It also provided a forum to discuss the next forward step. As the Dominican community continues to mourn the loss of so many loved ones, we must support its efforts to continue its work to address the items that impact the community.

This year's conference celebrated the opening of the DANR's Washington DC office. The DANR seeks to bring the voices of all people of Dominican origin who lived in the United States together and provide a forum for analysis, planning, and action to advance the primary interests of the community. The office will serve as the coordinating center for the Dominican American's agenda, ensuring that their voice is heard at the national level and their interests are being addressed in the legislative arena. Representing the largest Dominican community in the United States, I am strongly supportive of the opening of this office and I pledge my support to this community as it continues to grow in strength and size in the United States.

This year's theme, ''Empowerment through Education'' demonstrates the importance of education to the future of this community. Like many Americans, education is high on the list of critical priorities for the Dominican American community. However, the Dominican American population is plagued by sky rocketing drop out rates, poorly funded and dilapidated schools, educators ill-prepared to face the challenges of migratory communities and bilingual education, and a lack from or familiar with the community.

I commend the DANR's commitment to its youth. In addition to the participation of so many key leaders within the community, the presence of a large number of young people was particularly heart-warming and telling of the potential success this community will find if it is given the opportunity to participate in the framing and addressing of the issues and challenges which face it. From high school to graduate school, these students represented the future leaders of the Dominican American community and their dedication to their roots in the Dominican Republic and United States is evident. Too often our children are forced to shed and hide the heritage that defines them. Our culture is not a curse; it is a blessing, and we must never let our youth forget that where we come from is essential in determining who we will become.

I would like to thank all those whose hard work made the weekend possible, especially the DANR President Adriano Espaillat. I would also like to extend my appreciation to the DANR Board of Directors including Alejandra Castillo, Raysa Castillo, Miguel De Jesus, Ana Garcia, Epifanio Gil, Josefina Infante, Rafael Latingua, Mania Luna, Manuel Matos, Rafel Morel, Barbara Perez, Moises Perez, Felipe Rodriguez, Ydanis Rodrigues, Elvis Ruiz, Luis Salcedo and Slivio Torres-Saillant and the DANR staff consisting of Jose Bello, Rademes Peguero, Victor F. Capellan, Ninoska Uribe, Roberto Alvarez, and Margarita Cepeda.

I look forward to continuing our work to supporting and advancing the Dominican American community.

## PAYING TRIBUTE TO SOUTHEAST ELEMENTARY SCHOOL

### HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. ROGERS of Michigan. Mr. Speaker, I rise today to pay tribute to Southeast Elementary School for earning the Golden Apple Award for educational excellence.

The annual Golden Apple Award is awarded by Governor John Engler for improved scores in the 4th and 5th grades on the Michigan Education Assessment Program, which test the sections of math, science, reading, and writing. Schools must attain a 60-point increase over three year period to receive the honor.

Last year 54 percent of the students successfully passed the reading portion of the MEAP test compared to 77.3 this year. Also, 74 percent of the students passed the math portion last year compared to 90.7 this year.

The advances by Southeast Elementary School were a result of aggressively employing strategies to help students who placed in the bottom 20–30 percent for the MEAP. Southeast employed dozens of teachers, tutors, and volunteers in a 6–8 week program last winter. The program students focused on reading, writing, math, and science on a daily basis. Further, the school utilized a full-time literacy leader to concentrate on English skills and an educator to concentrate in math. Both programs centered on working with small groups or individuals to help the students improve in the areas in which they were lacking in.

Therefore Mr. Speaker, I respectfully ask my colleagues to join me in paying tribute to Southeast Elementary School for earning the Golden Apple Award. I salute their commitment to teaching our nations future leaders and commend each educators commitment to teaching these important skills.

## TRIBUTE TO THE HOUSE OFFICE OF EMPLOYEE ASSISTANCE

### HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. NEY. Mr. Speaker, I would like to acknowledge that the House Office of Employee Assistance has been recognized with the EAP Digest/Employee Assistance Professionals Association Quality Award for EAP Excellence for 2001.

The House of Representatives, for the last fourteen years, has been privileged to have a high-performing team in its Office of Employee Assistance. Those of us who have worked with these individuals have often experienced their high level of service and passion for their work. Now, the entire nation will know too, as the House Office of Employee Assistance has been recognized with the EAP Digest/Employee Assistance Professionals Association Quality Award for EAP Excellence for 2001.

The award states, ''Evaluation and quality improvement has always been a key component of the U.S. House of Representatives program. Whether through client satisfaction surveys, peer reviews or more innovative techniques such as customer interviews and the system-wide evaluation, all modes of evaluation came to the same finding: The Office of Employee Assistance demonstrates exemplary continuous improvement efforts that enhanced the quality of EAP services.''

The House team of Bern Beidel, Liz McBride, Debbie Frank, Kristin Welsh-Simpson, and Patty Prince should feel quite proud of its accomplishments and for this recognition that is well deserved.

It's also appropriate to pay tribute to a number of former House Members and employees who laid the groundwork for this program. First, former Clerk of the House, Donnald K. Anderson, whose initiative and vision were instrumental in the House instituting an employee assistance service. Second, thanks goes out to the initial Members of Congress who were critical to winning the endorsement of the elected Members—former Speaker Tom Foley, former Minority Leader Bob Michel, former Members Bill Emerson, Rod Chandler, Ben Jones, Mary Rose Oakar, and current Senator Pat Roberts.

The combined work of these professionals has yielded an exemplary level of support for House employees through a program that is now recognized as among the best in its field. Congratulations to the Office of Employee Assistance team, and keep up the outstanding work!

## CONFERENCE REPORT ON H.R. 1, NO CHILD LEFT BEHIND ACT OF 2001

SPEECH OF

### HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 13, 2001*

Mr. PETRI. Mr. Speaker, I rise in support of the H.R. 1 Conference Report, which is the result of months of relentless effort on the part of Members and particularly staff in both chambers in both parties. It is also a great achievement for President Bush, who made education the top priority of his domestic agenda from his first day in office. This conference report largely reflects his priorities and his active support and involvement in this process have been crucial in bringing us to this point.

In the context of a bipartisan, bicameral compromise final product, there are many features of this bill that represent significant departures from the old, failed Federal education policy. In this bill, we have given states and school districts an unprecedented level of

flexibility to use Federal funds as they see fit. We have included, as one of the many new options for children trapped in failing schools, an opportunity to use Title I money to purchase supplemental services such as tutoring, which is a reform that many in this House have advocated for years. We have also consolidated many of the current duplicative education programs to better focus money to the students who need help the most.

Additionally, this conference report makes a strong statement that, where Darwinian evolutionary theory or other controversial scientific topics are taught, students should be exposed to multiple viewpoints. Too often, students are taught only one theory where evolution is concerned, and this language gives support to those at the local and state level who uphold the value of intellectual freedom in the teaching of science. This statement is especially important to make now because H.R. 1 requires all students eventually to be tested in science on a regular basis as a condition of aid.

I am also pleased that the conference report reauthorizes and updates the Troops-to-Teachers program, which assists qualified former members of the military in finding employment in the teaching profession. Since this program's beginning in 1993, Troops-to-Teachers has a proven track record of supplying high-quality teachers, even though it has thus far received little funding. I am hopeful that, when the appropriators finish their work in the coming days, this program will receive the full $30 million dollars authorized in H.R. 1.

To be sure, I have some misgivings about the new accountability provisions in this conference report. Many states, such as Wisconsin, have spent years developing successful accountability systems that do not necessarily involve testing all students on an annual basis. For the Federal Government to now demand that annual testing in reading and math take place every year in grades 3–8 amounts to a new mandate placed on states over and above what we already ask of them in other areas. On the other hand, given that the national government has poured upwards of $130 billion dollars into elementary and secondary education over the last 36 years with no discernible improvement in educational outcomes for our most disadvantaged students, I fully understand the urgent need to find some way to make sure that new federal resources are tied to results.

In any case, I am pleased that the conference report makes a credible attempt to address my concerns about saddling states with this new responsibility. For example, the conferees increased the amount of money authorized to help states develop and administer the new tests. Both the House bill and Senate amendment provided $400 million, however the conference report increases this to $490 million. If this account is fully funded by the appropriators, states will be able to put in place high-quality accountability systems that provide the data that parents need about their child's school. Additionally, we included a Senate provision that makes state administration of the new testing contingent on adequate funds being provided.

This bill is a significant improvement over current law that, when fully implemented, might actually achieve its intended effect of making sure that henceforth no child is left behind, and on that basis I am pleased to support it and urge my colleagues to do the same.

## WOMEN SPEAK FOR PEACE RESOLUTION

### HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, the September 11th attack on the people and institutions of America has eliminated any illusion that we are safe from the violence and discord which seem to plague the rest of the world.

Currently, the United Nations has peace keeping missions in every corner of the world including the Golan Heights; Lebanon; Iraq/Kuwait; Angola; the Western Sahara; Kosovo; Cyprus; Georgia; Tajikistan; Sierra Leone; East Timor; Congo and Ethiopia/Eritrea and has established war crimes tribunals in Yugoslavia and Rwanda. Our unfortunate global picture of war, ethnic conflict, civil war and terrorism serves as a strong indication of the need to establish and maintain a dialogue leading to a blueprint to establish lasting peace in war-torn and strife ridden areas of the world. Several studies have shown that while women are not usually combatants in these hostilities, women and children tend to disproportionately form the ranks of the displaced and victimized.

Today, I will introduce a resolution encouraging worldwide efforts seeking the greater involvement of women to challenge the belief that violence is an acceptable tool in resolving conflicts. While every member of a community should take affirmative steps to ameliorate violence, the role of women in these efforts are often undervalued. My resolution will encourage women of every race, class and economic circumstance to work together to form coalitions and strengthen communities to work toward international peace-building efforts and will encourage governmental leaders to seek the participation of women at all levels of peacebuilding and peace-keeping efforts.

My resolution encourages the use of the week following Mother's Day to hold forums, conferences, and other activities dedicated to examining the need for peace and the role of women in establishing and maintaining peace-building efforts. I am asking each Member of this House to join me in my efforts to raise the volume of women's voices and encourage non-violent solutions to domestic, national and international disputes, by co-sponsoring this legislation.

## TRIBUTE TO REIKO KAWAKAMI

### HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. MATSUI. Mr. Speaker, I rise in tribute to Reiko Kawakami, my dear friend and a most loyal and dependable staff member for the last twenty-three years. As her friends and family gather to celebrate Reiko's wonderful career, I ask all of my colleagues to join with me in saluting one of Sacramento's finest citizens.

The youngest child of George and Ann Kashiwada, Reiko was born in Sacramento on July 8th, 1941. As a youngster in midtown Sacramento, where her parents owned a neighborhood market, Reiko demonstrated her trademark responsibility at a very early age. Reiko and her sister Ellen assumed the task of making sure that things were in order at home. Reiko would often prepare meals and perform various household chores when her parents were busy tending to the family business.

When World War II broke out, Reiko and her family were sent away to the Tule Lake Internment Camp. During the internment, Reiko first demonstrated her gregarious nature and agreeable personality by socializing and playing with the other children in the camp. In the years since the internment, Reiko has remained open to share her experience with others. Reiko has been a clear and thoughtful voice in educating the people of Sacramento about the Japanese American internment experience.

After the internment and a two-year stay in Denver, Colorado, Reiko and her family returned to Sacramento in 1948. It was during my early years at William Land Park Elementary School that I began my lifelong friendship with Reiko. While at McClatchy High School, Reiko caught the eye of Hachi Kawakami. Although a school boundary change forced Reiko to finish her senior year at Sacramento High School, Reiko and Hachi's romance continued and they were soon married after Reiko's graduation from high school in 1958.

For the next two decades, Reiko devoted her energy to raising her five wonderful children; Deann, Cynthia, Mark, Susan, and John. While most people would rest on their laurels and look for less demanding pursuits after raising five children, Reiko decided that she was ready to embrace another challenge by starting a career. After serving as a tireless volunteer on my first congressional campaign, Reiko took on the position as my first district Staff Assistant.

Many things have changed about our world since Reiko first assumed the position of Staff Assistant in my district office in January of 1979. We have seen five different occupants of the White House, the fall of the former Soviet Union, and the rise of the information superhighway. But, one thing has always remained constant in my office over the past twenty-three years; Reiko has been a stalwart part of ensuring that business in my office is handled professionally and in the proper manner. Reiko has truly been the epitome of a leader through example to her peers from Sacramento to Washington, DC over the years. For that, I will always be grateful for her twenty-three years of unparalleled service and life long friendship.

Although Reiko's professional career may be coming to an end, she certainly has much to look forward to in her retirement years. In addition to her five children and their spouses, Reiko can look forward to taking an active role in the lives of her lovely grandchildren; Nicole, Rachelle, Jordan, Dylan, Brett, and Taylor. Relko and Hachi can also look forward to pursuing their dream to travel to fun and exciting places in their leisure time.

Mr. Speaker, as Ms. Reiko Kawakami's friends and family gather to celebrate and honor her illustrious twenty-three year career I am honored to pay tribute to one of my dearest friends. Her contributions to my office and

the citizens of Sacramento are unparalleled and her friendship is invaluable, and it is a great honor for me to have the opportunity to pay tribute to her. I ask all my colleagues to join with me in celebrating the lifetime of this extraordinary person.

## TRIBUTE TO CAMERON BALLANTYNE

### HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. WALDEN of Oregon. Mr. Speaker, I rise today to pay tribute to a member of my Washington, DC staff for his tireless efforts on behalf of the good people of Oregon's 2nd Congressional District. Cameron Ballantyne will conclude his internship this week to pursue a degree at my alma mater, the University of Oregon. I wish him well in this endeavor and know that he will excel in his pursuit of a career in the field of journalism.

Cameron comes from a fine Oregon family. I know and admire his parents, Kent and Mary Ballantyne of Lake Oswego, Oregon, and count myself fortunate to call them my friends. I have not been surprised to find that in Cameron's case, the apple does not fall far from the tree.

Following his graduation from high school, Cameron's academic pursuits led him to the Rexburg, Idaho, campus of Brigham Young University. After an exemplary academic performance there, Cameron embarked on a two-year mission in the service of his church in Moscow, Russia, where he became fluent in the Russian language. His strong sense of duty and idealism was further demonstrated when he returned to Oregon to work for the American Red Cross Blood Service. Cameron continued his record of civic service in September by moving to the nation's capital to serve as an intem in my congressional office.

During his stay in Washington, DC, Cameron experienced much more than the typical intern. He joined my staff only one week before the tragic events of September 11th and from his vantage point in Washington witnessed the best and worst of humanity. Cameron was undeterred by the attacks and continued to perform every task he was given with diligence and attention to detail. His efforts were instrumental in responding to the immediate challenges facing my staff, providing much needed help during our temporary displacement from the Longworth Building. Cameron's faithful service gave me full confidence to trust him with important work in a number of subject areas, including press relations.

Cameron's departure will not go unnoticed in my office, especially among my staff, who relied upon his assistance on a daily basis. I know I speak for them all in testifying to the competence and professionalism Cameron exhibited in carrying out his duties, attributes that will serve him well in any career he chooses. I am confident that Cameron will always approach life with the same enthusiasm he brought with him to work every day. I am sorry to see him leave, but wish him the best life has to offer. Cameron, good luck, Go Ducks, and thank you for a job well done.

## GEORGE BATH HONORED

### HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to my good friend George Bath, a native of my district, who is on his way back to his hometown of Edwardsville after a long career here on Capitol Hill. A farewell party will be held for George on December 18th.

After graduating from Wyoming Valley West High School and Wilkes College, George moved to the Washington, D.C., area to begin his career in the procurement field. While working here, he earned a Masters in Business Administration from Frostburg State University in Maryland. His strong negotiation skills, coupled with an unyielding commitment to quality management and teamwork, have earned him the respect of his colleagues on both sides of the aisle and the Hill.

George arrived on Capitol Hill in June of 1989, working as a Purchasing Agent for the Senate Sergeant At Arms Office in the start-up procurement office. During his tenure, he helped to mold an office that saved millions of dollars for the taxpayer while also receiving the highest quality goods and services.

In August 1996, George transferred to the House side, where he became a Procurement Specialist in the Office of Procurement under the Chief Administrative Officer. George possessed exceptional knowledge of procurement practices and principles and worked superbly well with Member, Leadership and Committee offices and all other House Officers. No job was too small or too great for George. Just as he had done on the Senate side, he focused on saving taxpayer money, while achieving the highest quality product for the offices he served. George's uncanny knack for resolving disputes for the offices he served consistently resulted in win-win outcomes.

In 1998, George became a Senior Procurement Specialist because of his ability to handle high-stress and high-visibility projects on behalf of a very demanding customer base. His accomplishments and talents in this position include diligence and attention to the House's unique needs for improved vendor performance, using the Internet to post procurements, and opening the realm of competition to a wider range of vendors. He worked in conjunction with the Committee on House Administration in providing House-wide briefings to all House offices, and it would be hard to find an office that has not heard the name George Bath. After all, he developed a training manual and class and then taught House personnel on how to effectively manage contracts.

In June 2000, George received recognition for his exemplary contributions to the organizations of both the Chief Administrative Officer and the Architect of the Capitol by earning the Distinguished Service Award. George was honored for his management of the procurement process supporting a first-of-its-kind project demonstrating the ability of these offices to work together to produce a successful delivery. As part of this process, George oversaw the installation of a state-of-the-art audio-visual system for the International Relations Committee hearing room. Perhaps his greatest story involved the delivery of a 10-feet-square-by-40-feet-long crate for the hearing room through the front door of the Rayburn Building as he was suddenly surrounded by police.

In November 2000, George ultimately became the head of the Office of Procurement because of his excellent overall performance. He became a known commodity unto himself throughout the House, recognized for his ability, responsiveness and candid, reliable advice. Bill Dellar, Associate Administrator of Procurement, has said, ''George Bath has indeed served the House with pride, energy, and creativity. His shoes will be hard to fill!'' Mr. Speaker, I heartily agree.

But, Mr. Speaker, George's new life back in Pennsylvania has been on hold since October of this year. You see, he was supposed to start his new job there in October, but he was called into action after the September 11th terrorist strikes and October 17th anthrax attacks and has extended his time here to put the House in a better and more secure position. His devotion and dedication to the emergency contract challenges that followed have proven exemplary. The challenges he encountered were frequent and varied, but George's engaging personality and recognized professionalism met these needs effectively.

Now George's wife, Diane, and two sons, Stephen and John Paul, are patiently awaiting his return to Pennsylvania, and we, here at the House, need to let him go. His professionalism and performance bring great credit upon himself, to the House of Representatives, and, I am sure, to his new employer, the Department of Veterans Affairs Medical Center in Wilkes-Barre.

I will close by repeating the words of the Chief Administrative Officer, Jay Eagen, about George: ''If I have a complaint about George Bath, it's that he tried to do too much, for too many people. But of course, that's not really a complaint, it's a compliment.'' Mr. Speaker, I am pleased to call George Bath's public service to the attention of the House of Representatives, and I send my best wishes to him and his family.

## TRIBUTE TO MR. RALPH PACKINGHAM ON HIS UNFLINCHING COMMITMENT TO MIAMI'S INNERCITY RESIDENTS

### HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mrs. MEEK of Florida. Mr. Speaker, it is indeed a great honor to pay tribute to one of Miami-Dade County's unsung heroes, Mr. Ralph Packingham. Recently, people from all walks of life came together to thank and pay homage to this incessant gadfly for the many years he has devoted to the less fortunate of our innercity neighborhoods.

As a Korean War veteran, he served honorably in heeding our nation's call to duty toward safeguarding our freedom and security. After his stint with our Armed Forces, he attended professional schools of beauty culture and hair styling in New York, expanding his knowledge and expertise on the subject with the Helene Curtis Laboratories. Though a North Carolinian by birth, he came down to Miami to live and make his mark on our community's well-being.

Dubbed simply as the irrepressible Mr. Ralph, he involved himself in virtually creating the esthetic appearance of those who came to his beauty salon to design a better look of themselves and thus achieve a more confident self-esteem.

Out of his hard work and diligence, coupled with his business acumen and personal warmth, his fame as Miami's hairstylist par excellence emerged. Under the aegis of his salon, Hairstyles by Mr. Ralph, he became the legendary cosmetologist whose advice on the challenges of beauty culture and intricacies of hairstyling was sought far and wide.

His tremendous entrepreneurship ultimately propelled him to his engagement with the well-being of Miami's innercity residents. In 1983 he was appointed President of the Allapartah Merchants Association where he superbly managed the development and construction of a private/public business venture toward the retailing of beauty products and the consolidation of a series of pharmaceutical operations. While he exercised optimum vigilance over the business aspects of the Association, he became involved with the overall amelioration of the residents in the innercity.

Sensitized by the awesome hurdles which poor families have to contend with in getting affordable housing and access much-needed capital, Mr. Ralph Packingham became the Executive Director of the Word of Life Community Development Corporation under the auspices of the Word of Life Missionary Baptist Church. At the most recent gathering, in Liberty City tendered to acknowledge his countless contributions to our community, the Rev. Richard P. Dunn II, his pastor, described him as ". . . a man among men (who) has impacted the lives of thousands of people."

His commitment to affordable housing paved the way for his becoming the driving force of detached, affordable single family homes in Liberty City. The first two of these affordable homes were dedicated last Monday, December 10, 2001. More poor families from Miami's innercity will soon move in and live in their respective dream homes via the low-cost affordable housing initiative born out of the vision and fortitude of this outstanding community leader.

Ever since I have known this quintessential trailblazer who leads by the fortitude of his exemplary sacrifices, Mr. Ralph has always been at the forefront of ensuring equality of opportunity in our community. Countless others have been touched by his unflinching advocacy for those who could least fend for themselves. Though currently ailing and confined to a wheel chair, this 72-year old dynamic personality goes about his leadership role over the faith-based Word of Life CDC in reaching out to poor families, engendering in them genuine hope and optimism.

Buoyed by his sterling Faith in a providential God, he has been and continues to be our community's superlative steward and consummate activist. He is a decent and caring man who thoroughly understands the accouterments of power and leadership by exercising them alongside the mandate of his conviction and the wisdom of his conscience. The uniqueness of his modus operandi genuinely personifies his credo that "* * * you gotta do a lot of praying and a little politicking" to ameliorate the lives of others.

Mr. Ralph Packingham epitomizes a refreshing advocate whose unflinching compassion and resilient spirit appeal to our noblest character. Indeed, I feel so privileged but deeply humbled to represent him in the hallowed halls of Congress.

## CONGRATULATING STEPHEN JOHNSON AND DENNIS PARKER ON THEIR ESSAYS ABOUT "WHAT MAKES AMERICA GREAT"

### HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. KAPTUR. Mr. Speaker, each year Crestwood Elementary School in Swanton, Ohio spends Veterans' Day honoring local veterans. It is an insightful and moving day-long series of events in which both the children and adults fully participate. The 2001 observance featured two essays describing "What Makes America Great" which I would like to enter into the RECORD. The first is by 6th grader Stephen Johnson and the second by 6th grader Dennis Parker.

Three things that make America great are: freedom, the land and its climate, and the people.

First of all freedom makes America great because we can choose our government. For example we can elect candidates for president, vice president, mayor, trustee, secretary, and various other offices within our country's governmental system. We have the freedom to go where we want, and how we're going to get there. We also have freedom to buy, and drive what we want. For example, we can buy airplane tickets, cars, houses, and many other things. We are even allowed to choose what we want to do with our lives. For example we could be a doctor, nurse, dentist, president, vice president, and many different jobs within our country.

Secondly America's land and its climate make America an abundant and bountiful country to live in. The land provides us with minerals, food, water, shelter, wildlife, and the clothes such as cotton. The climate provides this country with sunshine, darkness, warmth, coldness,, and the four seasons. The climate has caused America to form oceans, mountains, valleys, plateaus. and hills. The natural resources give us wood for pencils, lumber, paper, and fire, oil for cars and other automobiles, water for drinking, and land for farming.

Thirdly the people make America great because history and events are based on people. The people are faithful, and loyal to their country. There are many different kinds of people living in America. The history, and events are based on people because there was the Boston Tea Party, World War I, World War II, and there was the tragedy that happened just recently. The people are faithful, and loyal to their country by recycling, burning waste, not polluting the air, and many other things to help our environment. There are many different kinds of people living in America because in America you are free to pick your job, your house, and many other things that make America a great place to live in.

Here is the second essay:

If you want to know what makes America great, then take a look around you. I think people took America for granted until the terrorists' acts on September 11, 2001. In a heartbeat, innocent lives were destroyed.

Instead of television heroes like Batman and Superman, they became firefighters, policemen, and just ordinary people like moms and dads, every day Americans just like you and me.

Our country's freedom was taken for granted by Americans that was won by our veterans and forefathers. We fought in wars to end injustices, communism, and nationalism. Now, we are trying to stop terrorists, and our country is united even more.

People show their love and patriotism for our country by flying flags, giving blood, money and food to people in need. They don't care about how much money we have or our skin color. They just want to help out. That is why America is the best country in the world.

If you want to know what freedom is, then look around you. We have freedom of speech, religion, and education. We can go to school, speak, and pray without being punished. We aren't told what job to have, where to live, and what to do. We have many laws, but they are not to punish us, they are to protect us.

America is great because we can vote for whomever we want in a secret ballot. We are allowed to choose our president, governor, or mayor without being punished.

So basically, America is cared for and so are its people. They want to help America and make it even more united. Our veterans played a very important part in American history because they helped us gain freedom.

So remember every time you say the Pledge of Allegiance, or sing the national anthem, be proud, and think of our real heroes. We are united because we are free and we are free because we are United. God Bless America!

## HONORING THE DEARBORN/DEARBORN HEIGHTS CHAPTER OF THE LEAGUE OF WOMEN VOTERS ON THE OCCASION OF THEIR 50TH ANNIVERSARY

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. DINGELL. Mr. Speaker, I am pleased to rise today to pay tribute to the Dearborn/Dearborn Heights Chapter of the League of Women Voters on their 50th Anniversary.

Recognized by the National League of Women Voters on December 19th, 1951, the Dearborn/Dearborn Heights Chapter has fulfilled and continues to fulfill it's primary goal of encouraging the informed and active participation of citizens in government, working to increase understanding of major public issues and influencing public policy through education and advocacy.

The Dearborn/Dearborn Heights Chapter has provided numerous services to the community since their inception in 1951. In 1952, they provided election-day childcare in 63 precincts, allowing parents to vote. They helped establish the Northwestern Child Guidance Clinic in 1963. Throughout the years, they have worked with ABC News on election-day exit polling. These fine women have helped pass library proposals and establish a diversity committee which works to engage local students in community discussions. Mr. Speaker, these women have served their community well.

Though they are a non-partisan group, the Dearborn/Dearborn Heights Chapter of the League of Women's Voters is extremely political, focusing their efforts on child health and

welfare, juvenile justice, and campaign finance reform. A League representative sits on the Rouge River Advisory Council, as well as the Southeast Michigan Council of Governments Educational Advisory Council. As spelled out in their original charter, the League's actions are always a reflection of their member's priorities.

I would like to recognize the current officers of the Dearborn/Dearborn Heights Chapter of the League of Women Voters: Elizabeth Linick, Janice Berry, Mary Jo Durivage, Mary Anne Wilkinson, Jeni Dunn and Mary Bugeia. I thank all the fine members of this Chapter of the League for all their hard work over the past 50 years, and would ask that they keep it up. On the occasion of their 50th anniversary, I would ask all my colleagues to salute the Dearborn/Dearborn Heights Chapter of the League of Women Voters.

## INTRODUCTION OF THE DEFERRED ANNUITANT FAIRNESS ACT OF 2001

### HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Ms. VELÁZQUEZ. Mr. Speaker, later today I will introduce legislation, the Deferred Annuitant Fairness Act of 2001, to correct a glaring inequity in Federal retirement law. At a time when we are considering legislation to protect the hard-earned retirement benefits of working men and women—and give them more control and responsibility over their income in retirement, at least one class of federal government retirees find themselves at an unfair disadvantage and their retirement benefits eroded through no action of their own.

I speak of deferred annuitants of the federal government—employees who work for the Federal Government for at least five years, vest in the retirement program, and who separate from service before becoming eligible for immediate retirement. When these individuals claim their retirement annuity in later years, the pension benefit they have financed is eroded by inflation and they are put at a financial disadvantage which they cannot overcome.

Under current law and practice, the Civil Service Retirement and Disability Fund invests employee contributions but gives no added value to a retiree for the time his or her money was invested before the deferred annuity starts to be paid out. As a consequence, if two employees gave identical service, with the first retiring in 1970 and the second in 2000 with annuities for each starting in 2000, the second retiree receives nearly five times the annuity of the first. In addition, the spouse of a CSRS retiree is not protected during the deferral period. (This protection is already afforded to FERS spouses and spouses of Members of Congress participating in CSRS.)

This legislation will make two primary changes in current law to correct this inequity. First, it will compensate deferred annuitants for the added value generated over the deferred period from investing what was deposited into the trust fund on behalf of the employee up to the time of separation from service is compensated. Second, it will eliminate the disparity in spousal protection for deferred annuitants covered under CSRS and FERS.

Mr. Speaker, fairness and equity should be the watchword when it comes to the treatment of our federal workforce—the hundreds of thousands of men and women who dedicate their lives to service to this nation and our people. With the changes proposed in the legislation I introduce today, federal employees who take a hiatus from their federal service before retiring will be protected from inflation and the erosion of their pension benefit available upon retirement. I urge my colleagues to join me in support of these changes.

This measure is endorsed by the National Association of Retired Federal Employees.

## RETIREMENT OF TOM MILLER, PRINCIPAL OF ST. JOSEPH HIGH SCHOOL IN ST. JOSEPH, MICHIGAN

### HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. UPTON. Mr. Speaker, I rise tonight to offer heartfelt congratulations to Tom Miller. Throughout his career, Tom Miller has constantly demonstrated a commitment to the educational and athletic development of the future leaders of our society. His professional life has consisted of numerous positions of leadership at various schools in Southwest Michigan, including his current post as principal of St. Joseph High School, which he has served for over 23 years. Tom's dedication to the enhancement of the educational experience of young people is a truly noble quality, and one that will be sorely missed.

Additionally, Tom's involvement in the athletic arena of the school system has earned him a place in the Battle Creek St. Philip High School Athletic Hall of Fame. Tom spent numerous years involved in student athletics, his basketball teams enjoying a host of victories during his tenure. I would like to wish the best of luck to Tom in his retirement, which will allow him to spend the coming years with his family, including his wife Mary Lou and all of his loved ones.

## CONFERENCE REPORT ON H.R. 1, NO CHILD LEFT BEHIND ACT OF 2001

SPEECH OF

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 13, 2001*

Mr. CRANE. Mr. Speaker, I want to praise President Bush for putting forth an education plan that offered children in failing schools a chance to get a better education. It is too bad that Democrats and supporters of the failing status quo were allowed to gut the legislation, H.R. 1, at the Committee level to remove any chance for failing schools to successfully improve their performance or to let parents have the option to move their children to better schools.

I believe that control of education should be retained at the local level. Last year, Illinois high school students led the nation in Advanced Placement scores. With a few exceptions we have good schools in the 8th District, and I don't want to force parents, school boards, and teachers into a one-size fits all approach that might work in New York City or Atlanta but not in Barrington or Wauconda.

One of the reasons I supported broad-based tax relief, including eliminating the marriage tax penalty and doubling the child tax credit, is because it lets 70,000 married couples and families with 125,000 children in the 8th District of Illinois keep $162 million per year in their pockets. That is $162 million per year that families could spend in our district on education if they chose to do so.

Former President Ronald Reagan, in a March 12, 1983 radio address to the nation on education, said, ''Better education doesn't mean a bigger Department of Education. In fact, that Department should be abolished. Instead, we must do a better job teaching the basics, insisting on discipline and results, encouraging competition and, above all, remembering that education does not begin with Washington officials or even State and local officials. It begins in the home, where it is the right and responsibility of every American.''

When we send a dollar to the federal government from Illinois, we only get 75 cents back. In my district, we send more than $2 to Washington and only get $1 back. With a return like this, it is easy to see why I support letting taxpayers keep more of their hard-earned money and having parents decide locally how their money should be spent on education.

Federal education funding is at an all-time high, and H.R. 1 increases it by a huge amount. Yet, student achievement continues to lag. Most Republicans in Congress want to give local schools more freedom to use new models to solve old problems while maintaining high accountability standards. I am saddened that H.R. 1 does not accomplish this worthy goal.

One concept that has strong support from parents is President Bush's proposal to improve public education by testing children in reading and math in grades three through eight once each year. Under President Bush's proposal, schools would be held accountable for either improving scores or losing their federal money, which accounts for seven cents of every education dollar.

I fully support this provision and am gratified it has been included in the conference report before us today. In fact, during debate on H.R. 1 in May of this year, I voted against the amendment co-sponsored by Congressmen PETER HOEKSTRA and BARNEY FRANK to remove President Bush's test requirement from the bill. The tough new testing regimen designed to identify failing public schools—an idea at the heart of President Bush's education plan—survived when the amendment failed. But the rest of the President's plan to give local schools more control to make the changes necessary to improve and to give parents the option to move their children to a better private school were stripped out of the bill.

For the reasons I have outlined, I have decided to vote against H.R. 1. Again, I want to praise President Bush for his leadership in proposing creative solutions to improving the education of our children. I encourage him to continue to move the federal government out of the way and to give schools more tlexibility and parents more choices for their children.

## TRIBUTE TO THE STUDENTS AND STAFF OF BECKEMEYER GRADE SCHOOL, HILLSBORO, ILLINOIS

### HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. SHIMKUS. Mr. Speaker, I rise today to pay tribute to the students and staff of Beckemeyer Grade School in Hillsboro, Illinois, and the heartwarming project they undertook to bring comfort to the victims of the recent tragedies.

The attacks of September 11th were a horrible shock to everyone in the United States, but to none were they more devastating than to the victims and their families. American hearts went out to those who would now have to struggle on without the light and laughter of their loved ones who had died. The outpouring of support for these families was enormous, like a bright light of kindness that shone out through the darkness of the disaster. Money, well-wishes and prayers poured in from all across the nation.

Mr. Speaker, the students and staff of Beckemeyer Grade School were part of that outpouring. They purchased several thousand small, glass figurines, called Comfort Angels. These beautiful angels were meant to bring hope and well-wishes to all who viewed them. The people of Hillsboro, lead by their coordinator Pamela Hopper, then set an ambitious goal: to distribute an angel to the families of every victim of the tragedy.

They have come astonishingly close to that goal—thousands of Comfort Angels have been distributed to families all over the world. They have found their way to embassies, fire stations, Congressional offices, and homes in New York and Washington. Two thousand of them were distributed by the Salvation Army alone, at the Memorial for the Pentagon on October 11th. And the results have been equally amazing. Letters have poured into Hillsboro, filled with thanks and touching stories.

Mr. Speaker, I am convinced that the terrorists of September wished to divide and demoralize our country. Instead, in many ways they have energized us and brought us closer together. The amazing success of the people of Beckemeyer Grade School is a wonderful example of this—their faith and hard work has allowed them to make a difference in many lives, and they deserve my thanks and the thanks of these chambers.

## COMMENDING THE CANADIAN PACIFIC RAILWAY HOLIDAY TRAIN

### HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. NADLER. Mr. Speaker, this year, the Canadian Pacific Railway Holiday Train embarked on its third annual ''journey of goodwill'' to collect food throughout Canada and the United States for those most in need. The two previous drives have collected 18 tons of food, and have raised more than $500,000 to combat hunger. On December 4th, one of the three trains traveling throughout the United States and Canada embarked on its journey from the Fresh Pond Junction Rail Yard in Queens, New York. There, the Canadian Pacific Railway hosted a special ceremony honoring and remembering the heroes of September 11th.

I would like to sincerely thank the Canadian Pacific Railway for having one of their beautifully decorated trains originate in New York City. This was a tribute to the men and women who lost their lives in the September 11th tragedy, as well as a tribute to their families. The victims' families were invited to the ceremony, and Christmas trees were given to all of the families of the firefighters and police officers who were killed. In addition, Canadian Pacific Railway donated $100,000 to the NYSE Fund for Fallen Heroes. This kindness and generosity is just the most recent example of Canadian Pacific Railway's long standing commitment to the people of New York.

I commend the Canadian Pacific Railway on their benevolent gestures towards the city of New York, and thank them for not only supporting the United States and our families in this time of tragedy, but also for continuing their plight to feed the hungry.

## IN HONOR OF MARY LOU WEISS UPON HER RETIREMENT FROM HERMOSA BEACH SCHOOL BOARD

### HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Ms. HARMAN. Mr. Speaker, I rise today to honor a good friend, Mary Lou Weiss, who retires this month from the Hermosa Beach Unified School District Board of Trustees, on which she has served as Trustee for 16 years, including 6 tours as President.

In her capacity as a School Board Trustee, Mary Lou has been a strong advocate for Hermosa Beach children, helping to ensure they receive the best educational opportunities. Because of her knowledge and expertise, I asked her to serve on my Education Advisory Committee.

A long time resident of Hermosa Beach, Mary Lou has contributed to the community in so many other ways as well. She has served as an advisory member for the Hermosa Beach Chamber of Commerce, coached AYSO boys soccer, and served on the advisory board for the Hermosa Beach Education Foundation. For her active contributions, she was named 1989 Hermosa Beach Woman of the Year.

Of special interest, she has managed several local farmers' markets, making sure the vendors get the space they need and that the markets run smoothly. I have taken advantage of these markets many times—during my campaigns, the farmers' markets have always been a great way to reach a lot of people, and as a member of Congress, my staff and I often bring our office resources to the community by setting up our own booth. Mary Lou not only accommodates these important visits for me, but she is always thoughtful enough to provide flowers and to remember that I like Diet Coke.

Mary Lou also is a tremendous resource to my staff, always available to answer questions about policy, politics, or which vendor has the best produce. My staff members over the years consider Mary Lou as an additional ''mother.''

This year, Mary Lou chose not to run for another term as a School Board Trustee in order to apply her years of experience to a run for Hermosa Beach City Council. Although she was not successful in this endeavor, she once again demonstrated her leadership and commitment to the community through the classy way she ran her campaign,

I will miss Mary Lou on the School Board, but I know we will continue to work together to ensure that we do the best we can for the children of our community. I join the citizens of Hermosa Beach in wishing Mary Lou and her family well in their future endeavors.]

## DO REGISTRATION REQUIREMENTS THWART RELIGIOUS FREEDOM?

### HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. SMITH of New Jersey. Mr. Speaker, the ''Helsinki'' Commission on Security and Cooperation in Europe recently convened a briefing which examined the policies of various governments which require registration of religious groups and the effect of such policies on the freedom of religious belief and practice. There was evidence that such requirements can be, and often are, a threat to religious freedom among countries in the Organization for Security and Cooperation in Europe (OSCE).

As Co-Chairman of the Helsinki Commission, mandated to monitor and encourage compliance with the Helsinki Final Act and other OSCE commitments, I have become alarmed over the past decade by the creation of new laws and regulations in some OSCE countries that serve as a roadblock to the free exercise of religious belief. These actions have not been limited to emerging democracies, but include Western European countries such as Austria.

Many of these laws are crafted with the intent to repress religious communities deemed nefarious and dangerous to public safety. One cannot deny that certain groups have hidden behind the veil of religion in perpetrating monstrous and perfidious acts. The September 11th tragedies have been a grim reminder of that. Yet, while history does hold examples of religion employed as a tool for evil, these are exceptions and not the rule. In our own country, during the Civil Rights Movement, religious communities were the driving force in the effort to overturn the immoral ''separate but equal'' laws and provide legal protections. If strict religious registration laws had existed in this country, government officials could have clamped down on this just movement, possibly delaying long overdue reform.

While OSCE commitments do not forbid basic registration of religious groups, governments often use the pretext of ''state security'' to quell groups espousing views contrary to the ruling powers' party line.

Registration laws are often designed on the premise that minority faiths are inimical to governmental goals. Proponents of more strenuous provisions cite crimes committed by individuals in justifying stringent registration requirements against religious groups, ignoring

the fact that criminal laws should be adequate to combat criminal activity. In other situations, some governments have crafted special church-state agreements, or concordats, which exclusively give one religious group powers and rights not available to other communities. By creating tiers or hierarchies, governments run the risk of dispersing privileges and authority in an inequitable fashion, ensuring that other religious groups will never exist on a level playing field, if at all. In a worst case scenario, by officially recognizing ''traditional'' or ''historic'' communities, governments can reflect an ambivalence towards minority religious groups. Such ambivalence can, in turn, create an atmosphere in which hostility or violence is perpetrated with impunity. The persistent brutality against Jehovah's Witnesses and evangelical groups in Georgia is an example of State authorities' failure to bring to justice the perpetrators of such violence.

Mr. Speaker, religious registration laws do not operate in a vacuum; other rights, such as freedom of association or freedom of speech, are often enveloped by these provisions. Clamping down on a group's ability to exist not only contravenes numerous, long-standing OSCE commitments, but can effectively remove from society forces that operate for the general welfare. The recent liquidation of the Salvation Army in Moscow is a lucent example. Who will suffer most? The poor and hungry who now benefit from the Salvation Army's ministries of mercy.

Each OSCE participating State has committed to full compliance with the provisions enumerated in the various Helsinki documents. The Bush Administration's commitment to religious freedom has been clearly articulated. In a March 9, 2001 letter, Dr. Condoleezza Rice, National Security Advisor, wrote: ''President Bush is deeply committed to promoting the right of individuals around the world to practice freely their religious beliefs.'' She also expressed her concern about religious discrimination. In a separate letter on March 30th of this year, Vice President DICK CHENEY echoed this commitment when he referred to the promotion of religious freedom as ''a defining element of the American character.'' He went on to declare the Bush Administration's commitment ''to advancing the protection of individual religious freedom as an integral part of our foreign policy agenda.''

Since the war on terrorism was declared, the President has made clear the distinction between acts of terrorism and religious practice. In his address to the country, Mr. Bush stated: ''The enemy of America is not our many Muslim friends. . . . Our enemy is a radical network of terrorists and every government that supports them.'' He further stated, ''The terrorists are traitors to their own faith, trying, in effect, to hijack Islam itself.'' Accordingly, I believe this administration will not stray from supporting religious freedom during this challenging time.

Out of concern about recent developments and trends in the OSCE region, the Helsinki Commission conducted this briefing to discuss registration roadblocks affecting religious freedom. I was pleased by the panel of experts and practitioners assembled who were kind enough to travel from Europe to share their thoughts and insights, including Dr. Sophie van Bijsterveld, a professor of law in The Netherlands and current Co-Chair of the OSCE Advisory Panel of Experts on Freedom of Religion or Belief, Dr. Gerhard Robbers, a member of the OSCE Advisory Panel of Experts and professor of law in Germany; Mr. Vassilios Tsirbas, interim executive director and senior legal counsel for the European Centre for Law and Justice in Strasbourg; and Col. Kenneth Baillie, commanding officer for the Salvation Army in Eastern Europe.

Dr. van Bijsterveld made the point that ''the assessment of registration from the point of view of religious liberty depends entirely on the function that registration fulfills in the legal system, and the consequences that are attached to registration.''

She continued: ''A requirement of registration of religious groups as a pre-condition for the lawful exercise of religious freedom is worrisome in the light of international human rights standards. [Needing the government's] permission for a person to exercise his religion in community with others is, indeed, problematic in the light of internationally acknowledged religious liberty standards. Religious liberty should not be made dependent on a prior government clearance. This touches the very essence of religious liberty.''

Dr. Robbers noted that registration of religious communities is often a requirement but ''it need not be a roadblock to religious freedom. In fact, it can free the way to more positive religious freedom if correctly performed.'' If utilized, ''registration and registration procedures must meet certain standards. Registration must be based on equal treatment of all religious communities. . . . [and] the process of registration must follow due process of law.'' He further noted that ''religious activity in and as community, must be possible even without being registered as religious community.'' He made clear that the minimum number of members required for registration need not be too many and there should be no minimum period of existence before registration is allowed.

The third panelist, Mr. Tsirbas, opined, ''Within this proliferation of the field of human rights, the Helsinki Final Act is a more than promising note. The commitment to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief for all, without distinction as to race, sex, language or religion, basically summarizes the . . . protection of international and domestic legal documents. Religious liberty stands out as one of those *sine qua non* conditions for an atmosphere of respect for the rights of individuals or whole communities.''

Mr. Tsirbas also stated, ''If the protection of the individual is considered the cornerstone of our modern legal system, religious freedom should be considered the cornerstone of all other rights. The right itself is one of the most recent to be recognized and protected, yet it embraces and reflects the inevitable outworking through the course of time of the fundamental truths of belief in the worth of a person.''

Lastly, Col. Kenneth Baillie, spokesman for the Salvation Army in Eastern Europe, outlined the experience of registering his organization in Moscow. ''In Russia, as of February this year, we are registered nationwide as a centralized religious organization, [however] the city of Moscow is another story. We have been registered as a religious group in Moscow since 1992. In response to the 1997 law, like everyone else, we applied for re-registration, thinking that it would be merely pro forma. Our application documents were submitted, and a staff person in the city Ministry of Justice said everything was in order, we would have our signed and stamped registration in two days.

''Two days later,'' Col. Baillie continued, ''the same staffer called to say, in a sheepish voice, 'There's a problem.' Well, it is now three years later, and there is still a problem. Someone took an ideological decision to deny us, that is absolutely clear to me, and three years of meetings and documents and media statements and legal briefs are all window-dressing. Behind it all is an arbitrary, discriminatory, and secret decision, and to this day I do not know who made the decision, or why.''

Based on the difficult experience of trying to register in Moscow and the Salvation Army's subsequent ''liquidation'' by a Moscow court, Col. Baillie offered some observations. He noted how ''the law's ambiguity gives public officials the power to invent arbitrary constructions of the law.'' Col. Baillie concluded by stating, ''We will not give up,'' but added he is ''understandably skeptical about religious registration law, and particularly the will to uphold what the law says in regard to religious freedom.''

Mr. Speaker, this Helsinki Commission briefing offered a clear picture of how the law and practice affecting, registration of religious groups have become critical aspects in the defense of the right to freedom of conscience, religion or belief. No doubt registration requirements can serve as a roadblock which is detrimental to religious freedom. The Commission will continue to monitor this trend among the region's governments which are instituting more stringent registration requirements and will encourage full compliance with the Helsinki commitments to ensure the protection of this fundamental right.

## TO RECOGNIZE THE ARGYRO LALOS SCHOLARSHIP FUND AT ARIZONA STATE UNIVERSITY, AND THE OUTSTANDING CITIZEN IT HONORS

### HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. PASTOR. Mr. Speaker, I stand before you today to recognize the Argyro Lalos Scholarship Fund at Arizona State University (ASU), and the outstanding citizen it honors, Ms. Argyro Lalos of Phoenix, Arizona.

Recently, the Lalos family, with the help of 20 contributors, endowed a scholarship fund on behalf of 93-year-old Yia Yia (ya-ya, which is ''grandmother'' in Greek), as she is affectionately known, to honor her lifelong respect for quality education. Each year, Ms. Lalos will help select a recipient of the award, which is in the amount of $500, from among the engineering students at ASU that apply. Engineering students are the focus because the Lalos family believes that Yia Yia would have excelled in this field had she been given the opportunity. Applicants are judged on academic standing and essays they write explaining obstacles they have overcome in achieving a higher education.

Her desire to learn was prominent at an early age. Raised in Greece, she was pulled

out of elementary school because of the perceived lack of value in educating young women in that society. Often sneaking to school and borrowing school books, she eventually taught herself how to read, while never receiving a formal education. She continues to be an avid reader of novels and biographies and reads the Greek newspapers daily.

After World War II, Yia Yia came to America with her husband and worked as a seamstress while he worked at a dry cleaning and tailor shop. Achieving an education was stressed in the household and their goal was always to be able to provide their children the opportunity to receive a quality education. Throughout the years, with the money they saved, this goal was accomplished as Yia Yia's children and four grandchildren have all received a higher education.

Having endured World War I, the flu epidemic of 1918, the economic depression of the 1930's, German occupation during World War II, and the Greek Civil War, the only heartache Argyro Lalos holds is over never having received a formal education. However, assisting today's students in overcoming the financial obstacles to higher education is a selfless way to give to others the opportunity she never had and therefore a fitting tribute to the much beloved matriarch of the Lalos family.

## INTRODUCING THE RETIREMENT ACCOUNT PROTECTION ACT OF 2001

### HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Mr. BENTSEN. Mr. Speaker, I am introducing legislation to address one troubling issue raised in the wake of the Enron Corporation's sudden stunning demise—the lockdown of Enron employee 401(k) accounts. The Retirement Account Protection Act of 2001 (RAPA) will bar employers from unilaterally and arbitrarily freezing sales of company stock by an employee from their 401(k) pension plans or other Employee Stock Ownership Plans (ESOPs).

Mr. Speaker, while we accept that lockdowns are often ordered in the routine course of plan management by a business, the simple fact is that they unfairly tie the hands of employees. The sudden collapse of the Enron Corporation illustrates how the impact of a lockdown can damage the retirement security of employees. As part of a routine switch of administrators for its employees' 401(k) program, Enron froze employee retirement accounts, packed with its stock, right as shares plummeted in late October and early November. When all was said and done, Enron Corporation's 401(k) plan lost about $1 billion in value. Enron employees assert that during the lockdown, they could only watch in horror as the value of their company stock fell from $30.72 at the close of trading on October 16 to $11.69 on November 19. The anxiety about their jobs was compounded by their inability to protect their retirement savings from decimation.

Under RAPA, employers would have to petition the Secretary of Labor for permission to order an administrative lockdown or freeze of employee defined contribution plans. The Secretary would apply a three-part test and the lockdown would be permitted if the Secretary found it to be administratively feasible, in the interests of the plan and its participants and, most importantly, ''protective of the rights of participants and beneficiaries of the plan.'' Presently, freezes or lockdowns of employee transactions in the Employer stock plans are routinely ordered for administrative reasons such as switches in benefit administrators or during transition times associated with corporate mergers. My bill also orders the appropriate regulators to study the advisability of imposing a cap on company stock purchases by employees for their defined contribution plans, in the wake of Enron's demise and the devastation of thousands of retirement accounts. There are serious questions about the prudence of imposing diversification requirements on employee investments.

Under RAPA, employers who are granted an exemption by the Secretary of Labor could then order a lockdown or freeze of account activity, but not before giving employees adequate notice. Under my bill, current employees, former employees and pension plan beneficiaries would receive written notice of the lockdown at least ninety days prior to the effective date. The importance of providing timely, adequate written notice to all effected parties, regardless of whether they still are employed, cannot be overstated. Former Enron employees who were plan participants, but no longer had access to Enron's internal e-mail network, report that the first time they received notice of the lockdown was when they tried to sell their company stock.

Mr. Speaker, the Employee Retirement Income Security Act (ERISA) has done a good job of protecting the interests of plan participants and beneficiaries, particularly with respect to defined benefit plans. But, since enactment of the ERISA in 1974, the nation's landscape has changed substantially. Though the number of employer-sponsored pension plans have steadily increased, proportionately fewer employers offer traditional defined benefit plans and, instead, offer defined contribution plans such as 401(k) or ESOPs. The growth in defined contribution plans has resulted in a shift of responsibility, from the employer to the employee, with respect to how the funds should be invested. Mr. Speaker, my bill seeks to amend ERISA to ensure that employees continue to have the right to oversee their investments without interference by their employer.

Under RAPA, employers would no longer have the unfettered discretion to undertake such actions. While there is nothing that the Congress can do to guarantee against downturns in the value of company stock, we can ensure that employees retain the same right that any investor has to take whatever actions they deem necessary to protect their retirement savings, including selling company stock.

## RECOGNITION OF MRS. CORA HIDALGO HOLLAND'S DEATH

### HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 18, 2001*

Ms. SOLIS. Mr. Speaker, I rise to recognize Mrs. Cora Hidalgo Holland, my dear friend Michael Aldaco's aunt, who was a victim of the terrorist attacks on September 11, 2001.

Mrs. Hidalgo Holland led an exemplary life that touched many people's lives. She exercised a subtle kind of leadership and made numerous contributions to her community. Throughout her life of service she became a role model to many. She was very active in her community, helping young, severely ''at-risk'' mothers, Spanish-speaking teenagers, who were largely on their own. Mrs. Hidalgo Holland taught them the basics of parenting and basics of child-rearing and about nutrition, hygiene and intellectual development. She also volunteered at a center that collected and provided free groceries to needy families.

Mrs. Hidalgo Holland played an integral role in her family. She showed her unbounded love to those dearest to her because family was of utmost importance to her. Thus, she contributed greatly to their development and happiness. She will be missed by those who loved her dearly for the many blessings she brought. Although her death brought much pain, it served to bring her family closer and to realize the fragility of life and the importance of voicing our love for those we love.

I am saddened by the loss of such a fine member of our community. I extend my sincerest condolence to Mrs. Hidalgo Holland's family, as we all mourn the loss of a role model and a exceptional person.

## EXPRESSING THANKS TO THE GOVERNMENT PRINTING OFFICE

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, December 19, 2001*

Mr. HOYER. Mr. Speaker, with my strong support the House recently approved resolutions expressing gratitude to the General Accounting Office for accommodating the House during the recent closure of the House office buildings, and honoring the Capitol Police for their commitment to security at the Capitol in the wake of the September 11 attacks. I wish to bring to the House's attention yet another legislative-branch agency that has gone the extra mile to support the Congress in this period of crisis: the Government Printing Office.

We would be remiss in overlooking the GPO's many contributions of the last three months. When the presence of anthrax necessitated the closure of House and Senate office buildings in October and November, GPO was ready to lend a hand. GPO provided conference room and office space for personnel from the Office of the Clerk of the House and the Senate's Office of Legislative Counsel to continue their important operations. For the Capitol Police, GPO made available the loading docks in its North Capitol Street warehouse for use in screening deliveries to Capitol Hill. Each day, up to 70 trucks destined for the Capitol complex pass through this operation, and it has been an enormous help to us.

GPO has provided other help since September 11. For example, when the Equal Employment Opportunity Commission's regional office was destroyed in the collapse of the World Trade Center complex, GPO established a secure, password-protected area on their web site, so displaced EEOC employees

could log-on from home or other places and resume the Commission's work. Personnel from GPO's Inspector General office even helped with recovery efforts at the Pentagon and in New York.

While GPO has provided support in these extraordinary ways, it has also carried on its routine but essential work in printing and information dissemination under the leadership of Public Printer Michael F. DiMario. GPO's printing operation recently earned accolades as the ''Number One In-Plant in the Nation'' from In-Plant Graphics magazine, a printing-industry journal, for the fourth consecutive year.

Mr. Speaker, the past three months have been unlike any in recent memory. People are working hard the world over to see that such a period never recurs, and to rid the world of terrorism once and for all. We are reminded that at times we must meet extraordinary challenges in extraordinary ways in order to fulfill our responsibilities. As a citizen, and as a Representative in Congress, I find it tremendously gratifying to know that we have in the GPO the creativity, the capability, and the willingness to keep the wheels of our democracy turning on behalf of the American people. I thank the dedicated employees of the GPO for doing their part of a job well done.

# *Daily Digest*

## HIGHLIGHTS

**The House agreed to the conference report on H.R. 3061, Labor, HHS, Education Appropriations.**

**The House agreed to the conference report on H.R. 2506, Foreign Operations Appropriations.**

# Senate

## *Chamber Action*

***Routine Proceedings, pages S13647–S13772***

**Measures Introduced:** Twelve bills and one resolution were introduced, as follows: S. 1848–1859, and S. Res. 193. **Pages S13700–01**

**Measures Reported:**

S. 415, to amend title 49, United States Code, to require that air carriers meet public convenience and necessity requirements by ensuring competitive access by commercial air carriers to major cities, with an amendment in the nature of a substitute. (S. Rept. No. 107–130) **Page S13700**

**Measures Passed:**

***Authorizing Senate Leave Without Pay Status:*** Senate agreed to S. Res. 193, authorizing certain employees of the Senate who perform service in the uniformed services to be placed in a leave without pay status. **Page S13772**

**Federal Farm Bill:** Senate continued consideration of S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, taking action on the following amendments proposed thereto: **Pages S13647–61**

Rejected:

Hutchinson Amendment No. 2678 (to Amendment No. 2471), in the nature of a substitute. (By 59 yeas to 38 nays (Vote No. 376), Senate tabled the amendment). **Pages S13649–56**

Pending:

Daschle (for Harkin) Amendment No. 2471, in the nature of a substitute. **Pages S13647–61**

Wellstone Amendment No. 2602 (to Amendment No. 2471), to insert in the environmental quality incentives program provisions relating to confined livestock feeding operations and to a payment limitation. **Page S13647**

Harkin Modified Amendment No. 2604 (to Amendment No. 2471), to apply the Packers and Stockyards Act, 1921, to livestock production contracts and to provide parties to the contract the right to discuss the contract with certain individuals. **Page S13647**

Burns Amendment No. 2607 (to Amendment No. 2471), to establish a per-farm limitation on land enrolled in the conservation reserve program. **Page S13647**

Burns Amendment No. 2608 (to Amendment No. 2471), to direct the Secretary of Agriculture to establish certain per-acre values for payments for different categories of land enrolled in the conservation reserve program. **Pages S13647**

Daschle motion to reconsider the vote (Vote No. 377) by which the second motion to invoke cloture on Daschle (for Harkin) Amendment No. 2471 (listed above) was not agreed to. **Page S13658**

During consideration of this measure today, Senate also took the following actions:

By 54 yeas to 43 nays (Vote No. 377), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate failed to agree to the motion to close further debate on Daschle (for Harkin) Amendment No. 2471, listed above. **Page S13658**

**Labor/HHS/Education Appropriations Conference Report—Agreement:** A unanimous-consent-time agreement was reached providing for consideration of the conference report on H.R. 3061, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September

30, 2002, at 9:30 a.m., on Thursday, December 20, 2001, with a vote to occur thereon. **Page S13678**

**Foreign Operations Appropriations Conference Report—Agreement:** A unanimous-consent-time agreement was reached providing for consideration of the conference report on H.R. 2506, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, after consultation between the Majority and Republican Leaders. **Page S13678**

**Treaties Approved:** The following treaty having passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification, upon division, two-thirds of the Senators present and having voted in the affirmative, the resolution of ratification was agreed to:

Treaty with Russia on Mutual Legal Assistance in Criminal Matters, with three conditions (Treaty Doc. 106–22). **Page S13771**

**Messages From the President:** Senate received the following message from the President of the United States:

Transmitting, pursuant to law, a report on Aeronautics and Space Activities for Fiscal Year 2000; to the Commerce, Science, and Transportation. (PM–62) **Page S13698**

**Nominations Confirmed:** Senate confirmed the following nominations:

2 Air Force nominations in the rank of general.

1 Army nomination in the rank of general.

Routine lists in the Air Force, Army.

**Pages S13771–72**

**Nominations Received:** Senate received the following nominations:

John M. Rogers, of Kentucky, to be United States Circuit Judge for the Sixth Circuit.

Timothy C. Stanceu, of Virginia, to be a Judge of the United States Court of International Trade.

**Page S13772**

**Messages From the House:** **Pages S13698–99**

**Measures Referred:** **Page S13699**

**Measures Placed on Calendar:** **Page S13699**

**Measures Read First Time:** **Page S13699**

**Executive Communications:** **Pages S13699–S13700**

**Executive Reports of Committees:** **Page S13700**

**Additional Cosponsors:** **Page S13701**

**Statements on Introduced Bills/Resolutions:** **Pages S13701–13**

**Additional Statements:** **Pages S13694–98**

**Amendments Submitted:** **Pages S13713–71**

**Authority for Committees to Meet:** **Page S13771**

**Privilege of the Floor:** **Page S13771**

**Record Votes:** Two record votes were taken today. (Total—377) **Page S13656**

**Recess:** Senate met at 11:30 a.m., and recessed at 8:04 p.m., until 9:30 a.m. on Thursday, December 20, 2001. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S13772.)

# *Committee Meetings*

*(Committees not listed did not meet)*

## NOMINATIONS

*Committee on Banking, Housing, and Urban Affairs:* Committee ordered favorably reported the nominations of Vickers B. Meadows, of Virginia, to be Assistant Secretary for Administration, and Diane Leneghan Tomb, of Virginia, to be Assistant Secretary for Public Affairs, both of the Department of Housing and Urban Development.

## NOMINATIONS

*Committee on Commerce, Science, and Transportation:* Committee ordered favorably reported the nominations of Emil H. Frankel, of Connecticut, to be an Assistant Secretary of Transportation, Jeffrey Shane, of the District of Columbia, to be Associate Deputy Secretary of Transportation, and Sean O'Keefe, of New York, to be Administrator of the National Aeronautics and Space Administration.

## NOMINATION

*Committee on Finance:* Committee concluded hearings on the nomination of Edward Kingman, Jr., of Maryland, to be Assistant Secretary for Management and Budget, and Chief Financial Officer, Department of the Treasury, after the nominee testified and answered questions in his own behalf.

# House of Representatives

## *Chamber Action*

**Reports Filed:** Reports were filed today as follows:

Conference report on H.R. 2506, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002 (H. Rept. 107–345);

Joint Economic Committee on the 2001 Economic Report of the President (H. Rept. 107–347).

H. Res. 320, providing for consideration of H.R. 3529, to provide tax incentives for economic recovery and assistance to displaced workers (H. Rept. 107–348);

H. Res. 321, waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (H. Rept. 107–349); and

Conference report on H.R. 3338, making appropriations for the Department of Defense for the fiscal year ending September 30, 2002 (H. Rept. 107–350). **Pages H10373–H10400, H10401**

**Speaker Pro Tempore:** Read a letter from the Speaker wherein he appointed Representative Isakson to act as Speaker pro tempore for today. **Page H10357**

**Member Sworn—Second District of South Carolina:** Representative-elect Joe Wilson of South Carolina presented himself in the well of the House and was administered the Oath of Office by the Speaker. **(See next issue.)**

**Enrollment Correction:** The House agreed to the Senate amendment to H. Con. Res. 289, directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 1, to close the achievement gap with accountability, flexibility, and choice, so that no child is left behind. **(See next issue.)**

**Labor, HHS, Education Appropriations Conference Report:** The House agreed to the conference report on H.R. 3061, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, by a yea-and-nay vote of 393 yeas to 30 nays, Roll No. 504. **(See next issue.)**

The conference report was considered pursuant to a unanimous consent order of the House of Dec. 18. **(See next issue.)**

**Foreign Operations Appropriations:** The House agreed to the conference report on H.R. 2506, making appropriations for foreign operations, export financing and related programs for the fiscal year ending September 30, 2002, by a yea-and-nay vote of 356 yeas to 66 nays, Roll No. 505. **(See next issue.)**

Earlier, agreed by unanimous consent that it be in order at any time on Wednesday, December 19, 2001 to consider the conference report, that all points of order against it and against its consideration be waived, and that it be considered as read. **(See next issue.)**

**Order of Business—Suspensions:** Pursuant to the notice requirements of H. Res. 314, Representative Boehner announced that the following measures will be considered under suspension of the rules on Wednesday, December 19, 2001: H.R. 2336, authority to redact financial disclosure statements of judicial employees and judicial officers; H.R. 3525, Border Security of the United States, and H.R. 3423, Eligibility of Reservists and their Dependents for Burial in Arlington National Cemetery. Subsequently, Representative Kolbe announced that the following measures will also be considered: H.R. 2561, Living American Hero Appreciation Act; and H.R. 2751, General Shelton Congressional Gold Medal Act. Representative Kolbe further announced that H.R. 3487, Nurse Reinvestment Act; H.R. 3504, Qualified Organ Procurement Organizations; and H. Con. Res. 292, Year of the Rose will be considered pursuant to H. Res. 314. **(See next issue.)**

**Motion to Discharge Committee:** Representative Kucinich filed a motion to discharge the Committee on Rules from consideration of H. Res. 304, providing for consideration of H.R. 808, to provide certain safeguards with respect to the domestic steel industry. **(See next issue.)**

**Suspensions:** The House agreed to suspend the rules and pass the following measures:

***Terrorist Bombings Convention Implementation:*** H.R. 3275, amended, to implement the International Convention for the Suppression of Terrorist Bombings to strengthen criminal laws relating to attacks on places of public use, to implement the International Convention of the Suppression of the Financing of Terrorism, to combat terrorism and defend the Nation against terrorist acts (agreed to by

a yea-and-nay vote of 381 yeas to 36 nays, Roll No. 501); **Pages H10358–63 (continued next issue)**

***District of Columbia Family Court Act:*** Agreed to the Senate amendment to H.R. 2657, to amend title 11, District of Columbia Code, to redesignate the Family Division of the Superior Court of the District of Columbia as the Family Court of the Superior Court, to recruit and retain trained and experienced judges to serve in the Family Court, to promote consistency and efficiency in the assignment of judges to the Family Court and in the consideration of actions and proceedings in the Family Court (agreed to by a recorded vote of 418 ayes to 1 noes, Roll No. 502) clearing the measure for the President; **Pages H10366–73 (continued next issue)**

***District of Columbia Police Coordination Act:*** Agreed to the Senate amendment to H.R. 2199, to amend the National Capital Revitalization and Self-Government Improvement Act of 1997 to permit any Federal law enforcement agency to enter into a cooperative agreement with the Metropolitan Police Department of the District of Columbia to assist the Department in carrying out crime prevention and law enforcement activities in the District of Columbia if deemed appropriate by the Chief of the Department and the United States Attorney for the District of Columbia (agreed to by a recorded vote of 420 ayes with none voting ''no'', Roll No. 420)—clearing the measure for the President; **(See next issue.)**

***Endorsing Observer Status for Taiwan at World Health Assembly:*** H.R. 2739, to amend Public Law 107–10 to require a United States plan to endorse and obtain observer status for Taiwan at the annual summit of the World Health Assembly in May 2002 in Geneva, Switzerland. Agreed to amend the title so as to read: A bill to amend Public Law 107–10 to authorize a United States plan to endorse and obtain observer status for Taiwan at the annual summit of the World Health Assembly in May 2002 in Geneva, Switzerland; **(See next issue.)**

***Border Security of the United States:*** H.R. 3525, amended, to enhance the border security of the United States. The Clerk was authorized to make corrections and conforming changes in the engrossment of the bill; and **(See next issue.)**

***General Shelton Congressional Gold Medal Act:*** H.R. 2751, amended, to authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public. The Clerk was authorized to make corrections and conforming changes in the engrossment of the bill. **(See next issue.)**

**Suspensions—Proceedings Postponed:** The House completed debate on the following motions to suspend the rules upon which further proceedings were postponed:

***Honoring Dr. James Harvey Early in the Williamsburg, Kentucky Post Office Building:*** S. 1714, to provide for the installation of a plaque to honor Dr. James Harvey Early in the Williamsburg, Kentucky Post Office Building; **Pages H10363–64 (continued next issue)**

***Major Lyn McIntosh Post Office Building, Valdosta, Georgia:*** H.R. 1432, to designate the facility of the United States Postal Service located at 3698 Inner Perimeter Road in Valdosta, Georgia, as the ''Major Lyn McIntosh Post Office Building;'' **Pages H10364–65 (continued next issue)**

***Office of Government Ethics Authorization:*** S. 1202, to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006; **Pages H10365–66 (continued next issue)**

***Commending the Crew of the USS Enterprise Battle Group:*** H. Con. Res. 279, recognizing the service of the crew members of the USS Enterprise Battle Group during its extended deployment for the war effort in Afghanistan; **(See next issue.)**

***Coast Guard Authorization Act for FY 2002:*** H.R. 3507, to authorize appropriations for the Coast Guard for fiscal year 2002; **(See next issue.)**

***Monitoring Iraqi Weapons Development:*** H.J. Res. 75, amended, regarding the monitoring of weapons development in Iraq, as required by United Nations Security Council Resolution 687 (April 3, 1991); **(See next issue.)**

***Redacting Financial Disclosure Statements:*** Agreeing to the Senate amendments to H.R. 2336, to make permanent the authority to redact financial disclosure statements of judicial employees and judicial officers; **(See next issue.)**

***Eligibility of Reservists and their Dependents for Burial in Arlington National Cemetery:*** H R. 3423, amended, to amend title 38, United States Code, to enact into law eligibility of certain veterans

and their dependents for burial in Arlington National Cemetery; **(See next issue.)**

***Living American Hero Appreciation Act:*** H.R. 2561, amended, to increase the rate of special pension for recipients of the medal of honor, to authorize those recipients to be furnished an additional medal for display purposes, and to increase the criminal penalties associated with misuse or fraud relating to the medal of honor; **(See next issue.)**

***Qualified Organ Procurement Organizations:*** H.R. 3504, to amend the Public Health Service Act with respect to qualified organ procurement organizations; **(See next issue.)**

***Nurse Reinvestment Act:*** H.R. 3487, to amend the Public Health Service Act with respect to health professions programs regarding the field of nursing; and **(See next issue.)**

***Year of the Rose:*** H. Con. Res. 292, supporting the goals of the Year of the Rose; **(See next issue.)**

**Presidential Message—Nation's Achievements in Aeronautics and Space During FY 2000:** Read a message from the President wherein he transmitted a report on the Nation's achievements in aeronautics and space during fiscal year 2000—referred to the Committee on Science. **(See next issue.)**

**Economic Security and Worker Assistance Act:** The House began consideration of H.R. 3529, to provide tax incentives for economic recovery and assistance to displaced workers. **(See next issue.)**

Agreed to H. Res. 320, the rule that provided for consideration of the bill by a yea-and-nay vote of 219 yeas to 198 nays, Roll No. 507. Earlier, agreed to H. Res. 319, waiving a requirement of clause 6(a) of rule XIII with respect to consideration of a special rule providing for the consideration or disposition of a bill to provide tax incentives for economic recovery by a yea-and-nay vote of 214 yeas to 206 nays, Roll No. 506. **(See next issue.)**

**Recess:** The House recessed at 8:12 p.m. and reconvened at 9:30 p.m. **(See next issue.)**

**Senate Message:** Messages received from the Senate will appear in the next issue.

**Referrals:.** S.J. Res. 13, was referred to the Committee on the Judiciary, S. Con. Res. 80, was referred to the Committee on Transportation and Infrastructure; and S.J. Res. 8, was held at the desk. **(See next issue.)**

**Quorum Calls—Votes:** Five yea-and-nay votes and two recorded votes developed during the proceedings of the House today and will appear in the next issue. There were no quorum calls.

**Adjournment:** The House met at 10 a.m. and is still in session.

# *Committee Meetings*

## ELECTRIC COMMUNICATIONS NETWORKS IN THE WAKE OF SEPTEMBER 11

*Committee on Energy and Commerce,* Subcommittee on Commerce, Trade, and Consumer Protection held a hearing entitled ''Electronic Communications Networks in the Wake of September 11th.'' Testimony was heard from public witnesses.

## OVERSIGHT

*Committee on the Judiciary,* Subcommittee on Commercial and Administrative Law held an oversight hearing on the Alabama-Coosa-Tallapoosa River Basin Compact and the Apalachicola-Chattahoochee and Flint River Basin Compact. Testimony was heard from Lindsay Thomas, Federal Commissioner, Alabama-Coosa-Tallapoosa/Apalachicola-Chattahoochee-Flint River Basin Commissions; and public witnesses.

## OVERSIGHT

*Committee on the Judiciary:* Subcommittee on Immigration and Claims held an oversight hearing on the Release Policies of the Immigration and Naturalization Service and the Executive Office for Immigration Review. Testimony was heard from the following officials of the INS, Department of Justice: Joseph R. Greene, Acting Deputy Executive Associate Commissioner, Field Operations; and Edward McElroy, District Director, New York District Office; and public witnesses.

## ECONOMIC SECURITY AND WORKER ASSISTANCE ACT

*Committee on Rules:* Granted, by voice vote, a closed rule on H.R. 3529, to provide tax incentives for economic recovery and assistance to displaced workers, providing two hours of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule waives all points of order against consideration of the bill. The rule provides one motion to recommit with or without instructions. Finally, the rule provides that the yeas and nays shall

be considered as ordered on the question of passage and that clause 5(b) of rule XXI shall not apply to the bill or amendments thereto. Testimony was heard from Chairman Thomas and Representatives Rangel, Jackson-Lee of Texas, Brown of Ohio, and Wu.

### SAME DAY CONSIDERATION—CONFERENCE REPORT DOD APPROPRIATIONS

*Committee on Rules:* Granted, by voice vote, a rule waiving clause 6(a) of rule XIII (requiring a two-thirds vote to consider a rule on the same day it is reported from the Rules Committee) against certain resolutions reported from the Rules Committee. The rule applies the waiver to any special rule reported on the legislative day of Thursday, December 20, 2001, providing for consideration or disposition of a conference report to accompany H.R. 3338, making appropriations for the Department of Defense for the fiscal year ending September 30, 2002.

# *Joint Meetings*

### APPROPRIATIONS—FOREIGN OPERATIONS

*Conferees,* on Tuesday, December 18, agreed to file a conference report on the differences between the Senate and House passed versions of H. R. 2506, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002.

## COMMITTEE MEETINGS FOR THURSDAY, DECEMBER 20, 2001

*(Committee meetings are open unless otherwise indicated)*

### Senate

*Committee on Armed Services:* closed business meeting to consider certain civilian and military nominations, 11:30 a.m., SR–222.

*Committee on Commerce, Science, and Transportation:* to hold hearings on the nomination of John Magaw, of Maryland, to be Under Secretary of Transportation for Security, 9:30 a.m., SR–253.

### House

No Committee meetings are scheduled.

*Next Meeting of the* Senate

9:30 a.m., Thursday, December 20

Senate Chamber

**Program for Thursday:** Senate will consider the conference report on H.R. 3061, Labor/HHS/Education Appropriations Act, with a vote to occur thereon.

*Next Meeting of the* HOUSE OF REPRESENTATIVES

10 a.m., Thursday, December 20

House Chamber

**Program for Thursday:** Consideration of Conference report on H.R. 3338, DOD Appropriations (subject to a rule).

## Extensions of Remarks, as inserted in this issue

HOUSE

Bentsen, Ken, Tex., E2336
Crane, Philip M., Ill., E2333
Dingell, John D., Mich., E2332
Duncan, John J., Jr., Tenn., E2324, E2326
Frelinghuysen, Rodney P., N.J., E2325, E2327
Harman, Jane, Calif., E2334
Hoyer, Steny H., Md., E2323, E2336
Johnson, Eddie Bernice, Tex., E2325, E2327, E2330
Kanjorski, Paul E., Pa., E2331
Kaptur, Marcy, Ohio, E2332
Matsui, Robert T., Calif., E2330
Meek, Carrie P., Fla., E2331
Miller, Gary G., Calif., E2328
Miller, George, Calif., E2323
Nadler, Jerrold, N.Y., E2334
Ney, Robert W., Ohio, E2329
Pastor, Ed, Ariz., E2335
Petri, Thomas E., Wisc., E2329
Rahall, Nick J., II, W.Va., E2324, E2326
Rangel, Charles B., N.Y., E2327, E2328
Rogers, Mike, Mich., E2325, E2329
Schaffer, Bob, Colo., E2326, E2328
Shimkus, John, Ill., E2334
Smith, Christopher H., N.J., E2334
Solis, Hilda L., Calif., E2336
Upton, Fred, Mich., E2333
Velázquez, Nydia M., N.Y., E2333
Walden, Greg, Ore., E2331

***(House proceedings for today will be continued in the next issue of the Record.)***

**Congressional Record** The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. ¶Public access to the Congressional Record is available online through *GPO Access,* a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available through GPO Access at www.gpo.gov/gpoaccess. Customers can also access this information with WAIS client software, via telnet at swais.access.gpo.gov, or dial-in using communications software and a modem at (202) 512–1661. Questions or comments regarding this database or GPO Access can be directed to the GPO Access User Support Team at: E-Mail: gpoaccess@gpo.gov; Phone 1–888–293–6498 (toll-free), 202–512–1530 (D.C. area); Fax: 202–512–1262. The Team's hours of availability are Monday through Friday, 7:00 a.m. to 5:30 p.m., Eastern Standard Time, except Federal holidays. ¶The Congressional Record paper and 24x microfiche will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $197.00 for six months, $393.00 per year, or purchased for $4.00 per issue, payable in advance; microfiche edition, $141.00 per year, or purchased for $1.50 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. To place an order for any of these products, visit the U.S. Government Online Bookstore at: bookstore.gpo.gov. Mail orders to: Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250–7954, or phone orders to (202) 512–1800, or fax to (202) 512–2250. Remit check or money order, made payable to the Superintendent of Documents, or use VISA, MasterCard, Discover, or GPO Deposit Account. ¶Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. ¶With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.