

them to place any country which cooperates in any way in their nefarious activities."

Mr. Peres has done what an Israeli Prime Minister should do by making it crystal clear that Israel will take stern and—if necessary—unilateral measures to thwart these killers. And he has told Arafat that the Palestinian Authority must prove that it is a real partner by dismantling the terrorist infrastructure in the West Bank and Gaza, once and for all.

If Arafat does demonstrate the capacity to stop the fanatics, Israel should not take the coward's way out by capitulating to the rejectionists: it should do everything possible to make sure that the Palestinian Authority fulfills its obligations under the Oslo Agreements. It must insist that our security comes first, even as we continue to mourn our dead. That is the brave as well as the sensible thing to do.

There is a debate in Israeli society about the advantages or disadvantages of the peace process. When evaluating the possibilities, one has to remember that we are now becoming more and more an integral part of the Middle East. We have relations with many Arab countries; trade with the Arab world is booming; joint projects are being set up on all sides; tens of thousands of Arab tourists are pouring in from Jordan and now from Egypt too; our hospitals are flooded with Arab patients from all over the Middle East. A new form of life is developing which these terrorist organizations see as a great danger to them.

When evaluating our reaction to the current events, we must recall that the alternative to moving along the path of the peace process would cause 70% of the Palestinian population which had ceased to use terror as a weapon to return to a tragic and dangerous situation. It would mean a return to the 'intifada,' with the terrible consequences of such an ongoing struggle. It would mean, according to some, a return to the alleyways and backyards of Gaza, with all that that implies. The enemy says openly that its purpose is to destroy the peace process, hence nothing could be more counter-productive to our cause than giving in to the terrorists and stopping the process.

I emphasize, of course, that we have to insist that our Palestinian interlocutors honor all the obligations which they have taken on themselves, otherwise they know full well that we hold all the strong cards.

My friends, only five years have passed since the Gulf War, during which Iraq attacked senselessly with Scud missiles the civilian population of Israel. At that time, the grand alliance organized by President Bush reacted and soundly beat the Iraqi army. But at that time Israel could not convince the alliance that it had a place in it. It is an indication of the long distance we have covered since then and the revolution which has occurred in the Middle East, that this week the leaders of the Arab world and of the free world sat together with the Prime Minister of Israel, who was treated as a full and equal partner in this international struggle against terrorism. This was followed by President Clinton's third visit to Israel, in which a far-reaching agreement on a joint effort to combat terror has reached between the United States and Israel.

That is the measure of advance that has occurred in our area, and the degree to which Israel has become an ally of, among others, the leading Arab countries in the Middle East. That is the measure of advance and positive change which we have witnessed in the Middle East.

I am convinced that the international effort being made to coordinate the struggle against terrorism will ultimately bear fruit. In the meantime, Israel continues its impres-

sive march along the road to regional peace and economic development, a road along which it is advancing in partnership with the leading Arab countries of the area.

Let us not forget the intricate path along which we have advanced; let us not forget the struggle conducted by many others before me who received the award being given tonight; let us not forget that many of our leaders of old would have given their right hands just to see the revolutionary change which has occurred to Israel in the Middle East. We in Israel have lived through very trying and difficult times, but we have always known that our cause is just. Our dedication to that cause is what will advance us to new goals and a new and promising era in the future. ●

IMMIGRANTS AND JOBS

● Mr. ABRAHAM. I would like to alert my Senate colleagues to today's editorial by the Wall Street Journal on why the Congress should think twice before cutting legal immigration.

As currently written, the legal immigration reform measures, H.R. 2202 and S. 1394, would slash legal immigration by nearly half, largely through the elimination of whole categories of family-sponsored immigration by U.S. citizens. In my judgment, the drastic cuts in legal immigration contemplated in these bills would hurt U.S. economic growth, job creation; and competitiveness. The fact is that many immigrants contribute to our economic well-being by inventing new products, starting new entrepreneurial businesses, and creating jobs for Americans: A new study by immigration policy analyst Philip Peters found that one in four patents in this country is created by immigrants alone or by immigrants collaborating with U.S. born coinventors. Four of the immigrants surveyed in Mr. Peter's study started their own businesses, generating over 1,600 jobs here in America.

Mr. President, it is also important to point out that not all these talented immigrants and entrepreneurs came to America through the employment-based immigration system; some of them, like the Intel Corp.'s founder Andrew Grove, arrived through the refugee system. Others came through the family-sponsored system as minor children, adult children, and siblings. The bottom line is that restrictions on immigration categories not labeled as "economic" will end up hurting our economy and our competitiveness.

Both the academic literature and empirical evidence strongly suggest that legal immigrants make important positive contributions to American society. I would hope that my colleagues would keep this fact in mind as we debate the merits of the pending legal immigration reform bill. I ask that the Wall Street Journal article and the study by Mr. Peters be printed in the RECORD.

[From the Wall Street Journal, Mar. 18, 1996]

REVIEW & OUTLOOK SCAN THE CONGRESS

First, require all laws that apply to the rest of the country also apply equally to the

Congress.—Contract With America, September 27, 1994.

Wise words, and we hope they apply to the immigration bill being pushed on the House floor by Congressman Lamar Smith (R., Texas) and up for a vote as early as Tuesday night. By all means, set up a little office in the House gym and let Congresspeople be the first to line up for their retina scans.

Indeed, such an amendment was pondered by Colorado Democrat Pat Schroeder, bless her palpitating heart, though it didn't make the long list of amendments and resolutions available Friday. While the Republican Contract also called for a smaller government, Representative Smith's brainstorm would move toward requiring all citizens to get verification from a federal database before they are allowed to take a new job. Like the Senate version of the bill, it would also pilot a "voluntary" national ID system, although both sides, for the moment, seem to be backing away from the sinister biometric identifiers such as retina scans we heard about earlier.

The ID system is an ornament, of course, on the bill reducing legal immigration by nearly half, cutting family reunions and slashing the intake of refugees. It at least has the virtue of not hiding behind arguments about illegal immigration; it is purely a mean-spirited outburst against legal immigration. The horde of amendments and resolutions try to separate "good" immigrants—former H'Mong soldiers, for example, from "bad" immigrants—parents of citizens, for example. All of this is to be decided by a Congress that routinely deplores micromanagement from inside the Beltway; proposals to vitiate the family unification principle for immigration come from the same lips that deplore the decline of family values.

The reality of the immigration contribution to American society comes clear in a study by Philip Peters of the Alexis de Tocqueville Institute. As a proxy for intellectual and economic contribution, Mr. Peters looked at recent U.S. patents. He found that one patent in four in this country is created by immigrants or immigrants working with U.S.-born engineers or investors. This is three times their presence in our population (8.7%), so presumably immigrants are out there doing more than their share to keep the U.S. competitive with Japan.

Nor of course did all the patenters in the Tocqueville study enter the country on skilled worker visas. Take Alexander Owczarz (O-zarz), a product development engineer who stopped counting after registering his 25th U.S. patent. Mr. Owczarz reckons that one recent patent alone generated 20 jobs at Semitool, the Kalispell, Montana, exporter where he works. Mr. Owczarz is a citizen now, but he entered this country on a tourist visa when he got sick of Communist Poland. Nineteen-nineties restrictionists would expel people like Mr. Owczarz when they overstay their visa.

Or how about refugees? Mr. Smith would cut them. Tocqueville found Ernesto E. Blanco, a professor at MIT who fled Havana in 1960 on a visa provided through a special accelerated program to rescue Cubans from Castro. Mr. Blanco has 13 patents, including a flexible arm that makes endoscopic surgery easier. There are more famous examples: Smith-Simpson-style legislation would bar the door to the future equivalents of Intel's Hungarian refugee, Andrew Grove. For that matter, another big job creator in Silicon Valley, Borland International, was founded by an illegal immigrant, Philippe Kahn.

In recent days we've seen growing recognition of these points. On the Senate side, Spencer Abraham was able to defeat the far

more senior Alan Simpson, and split the Senate legislation into two bills, on legal and illegal immigration. On the House side Congressmen Dick Chrysler (R., Michigan), Sam Brownback (R., Kansas), Howard Berman (D., California) and Phil Crane (R., Illinois) were able to squeeze an unfriendly rules committee into letting them offer an amendment that would remove all Mr. Smith's cutbacks on legal, family-sponsored immigration. Steve Chabot, a freshman Republican, and John Conyers, a Democrat, are offering an amendment to strike the odious ID system.

For freshmen Republicans, this is an issue of heritage. Put bluntly, are they children of Ronald Reagan and the House Contract, or Pat Buchanan and his nativist campaign? Between Senator Simpson and Representative Smith, all of the noxious provisions are likely to come back with the conference committee report. The best hope is that the bills will fall on their own weight, like Hillary Clinton's health-care boondoggle, and that the issue can be taken up by another Congress where cooler heads prevail.

MADE IN THE USA: IMMIGRANTS, PATENTS,
AND JOBS

EXECUTIVE SUMMARY

In an effort to quantify the contribution of immigrants to U.S. technological innovation, the Alexis de Tocqueville Institution performed a study of recent U.S. patents. Using a random selection of 1988 and 1994 patents, we found:

Based on the responses to our survey, about one patent in four (26.4%) is created by immigrants alone or by immigrants collaborating with U.S.-born co-inventors.

Based on our entire sample (i.e. counting nonresponses as nonimmigrant inventors), about one patent in five (19.2%) involves immigrants as sole or co-inventors. That's a conservative estimate with a 5% margin of error.

Immigrants account for about 8.7% of the U.S. population. Hence, the study shows immigrants to be more than twice as likely as the general population to generate patented innovations.

OVERVIEW: IMMIGRANTS CONTRIBUTE TWICE
THEIR SHARE OF PATENTS

Scores of anecdotes have created a poetic image of immigrants who arrive as refugees, students, laborers or professionals and go on to create products, companies and even entire industries. But beyond the anecdotes, can the contributions of immigrants to America's industrial cutting edge be quantified?

The Alexis de Tocqueville Institution (AdTI) endeavored to do this by using a well known indicator of technological innovation—issuance of new patents—to measure immigrants' inventiveness and spirit of enterprise.

Examining 250 recently issued U.S. patents chosen at random, AdTI found that over 19% of the patents in our sample (48 patents) were issued to immigrants alone or to immigrants collaborating with U.S.-born co-inventors. This is over twice immigrants' proportion of the U.S. population—8.7%.¹

The immigrant inventors identified in our study include researchers, executives, entrepreneurs and an MIT professor. Four started their own businesses, generating over 1,600 jobs. Their innovations include: A system that protects Americans troops inside a front-line combat vehicle from chemical, biological and nuclear contamination; 100 sensors used on the space shuttle, all produced by a company founded by an immigrant inventor, now employing 1500 people; compo-

nents of GE electric power generators that are exported to Japan; a machine made by a Montana company that generated \$10 million in sales last year, and is expected to generate \$15 million in sales to both U.S. and export markets this year.

The economic contributions of immigrant inventors are worth considering at a time when Congress is debating legislation to reduce all categories of legal immigration, including specially skilled workers. American high-tech firms rely on skilled foreign workers to meet particular needs. For example, Microsoft software developers are about 95% U.S.-born, yet the company finds it "absolutely essential" to draw on the technical and cultural knowledge that foreign-born employees can bring, according to Microsoft Chairman Bill Gates. New restrictions on the entry of skilled foreign workers or their families "will really put pressure on us to do a major portion of our software development outside the United States," Gates says.² A U.S.-born inventor contacted in this study said immigrants are a "very valuable asset for American science and technology. . . . You need a constant influx of new ideas and new points of view."³

Our findings seem to justify concerns long expressed by foreign governments about the "brain drain"—the economic loss they suffer when highly skilled citizens emigrate to pursue careers overseas. For example, nearly 2,000 professional or semi-professional South African citizens emigrated in 1994. As a result, some South Africans are concerned that emigration means fewer jobs, a smaller tax base and zero return on the state's investment in educating physicians and other professionals. "For every emigrant—they are mostly highly qualified—at least ten local people lose their jobs," said Karen Theron of South Africa's Central Economics Advisory Services.⁴

IMMIGRANT INVENTORS' STORIES

As immigrant inventors were identified in the study, the author conducted interviews with many of them. They described their work and their motivations for coming to America, and offered some thoughts as to why the United States attracts inventive people and why they are productive in the U.S. work environment. Some of the information gathered in those interviews follows: The inventors' patent numbers are noted in parentheses.

Fred Kavli is Chairman of the Board and CEO of the Kavlico Corporation in Moore Park, California. Kavli immigrated from Norway in 1956 with a physics degree in hand, and founded the company on a shoe-string two years later. "This was the land of opportunity—especially then," he told us. "There was no other country I could go to to do that."

Kavlico makes sensors, primarily for aeronautical controls and automotive pollution controls. One hundred Kavlico sensors operate on the space shuttle.

Kyong Park is Kavlico's Vice President for Research and Development. A physicist, he came to the U.S. from Korea in 1969 to pursue his education. Park joined Kavlico in 1977 and holds 24 patents.

With Kavli's assistance, Park was able to stay in the United States to pursue his career. He preferred to stay here because Korea was under a "corrupt" military government in the 1970's, where bribery was rife and "only people with connections had opportunity," he said. "Here, if you work hard you have opportunity. People from outside really appreciate this society and this culture."

According to Kavli, Kyong Park was "instrumental" in the pressure sensor development that brought Kavlico into the automotive pollution control market. This has

helped to propel Kavlico's growth from \$4 million in sales and 120 employees in 1977 to \$150 million in sales and 1,500 employees today.

Park was reticent to be interviewed, explaining that he does not seek special recognition for his work. But he did describe an experience at a recent company picnic. A colleague pointed to the 3,000 employees and family members and told Park, "See, all these people are making a living because of your hard work." "I never thought of it that way," Park said. "I felt good that I have helped not just my family, but many of those people too." (Kavli/Park joint patent 1988/4735098)

Ram Labhaya Malik of San Jose, California immigrated from India in 1971. An engineer, he is co-inventor of an air purification system now in use in the Army's Bradley Fighting Vehicle, a front-line troop carrier. The system protects personnel inside from nuclear, chemical and biological contamination. One of his co-inventors immigrated from the Netherlands, the other is U.S.-born. (1988/4793832)

Richard Baker is founder and president of Membrane Technologies of Menlo Park, California. A native of the United Kingdom, he came to the U.S. to pursue post-doctoral studies, was offered a job and immigrated in 1966. He holds a Ph.D. in chemistry and has 57 patents. His company employs 30 people. Membrane Technologies produces and sells air purification systems and conducts scientific research under government contract. (1944/5364629)

Aleksander Owczar is a mechanical engineer at Semitool Inc., a Kalispell, Montana company that makes capital equipment for the semiconductor industry. Dissatisfied with the system in Poland ("It was not my cup of tea"), he emigrated in 1978 to seek new opportunity in the United States. He stopped counting his patents when his 25th was issued. His latest patent is for a precision cleaning machine for wafer boxes and wafer carriers. Over 20 Semitool employees work full-time manufacturing that machine. It is sold in the U.S., Europe and Asia; sales were \$10 million in 1995 and are projected to grow to \$15 million this year. "It's not just bright people" that lead to technological innovation, he said. "The combination of bright individuals and the right environment is what makes people productive here." (1944/5357991)

Ernest Blanco immigrated from Cuba in 1960 and teaches engineering at the Massachusetts Institute of Technology. He holds thirteen patents. In our sample, we found a design for a flexible arm for medical endoscopes (diagnostic and surgical devices) that he and a student created for Johnson & Johnson. Discussing the propensity of immigrants to work hard in scientific and technological research, he said, "It's the environment here and the way we immigrants thing about the United States as a land where great inventions are being made. Immigrants feel the way to break the economic barrier is to invent something that will be of use to large numbers of Americans. We become worthy by using our brains." (1994/5348259)

Anatoly Galperin, an engineer, came to the U.S. as a refugee from Russia in 1989. He works for the Miller Edge company in Concordville, Pennsylvania. In Russia, he worked in telecommunications; here, his field is sensors, including the invention found in our sample: a safety feature ("sensing Edge") of mechanical doors sold throughout the U.S. and to some overseas customers. (1994/5299387)

Michael Pryor of Woodbridge, Connecticut immigrated from England in 1953 with a doctorate in metallurgy. He holds 130 U.S. patents, and become vice President for Metals

Footnotes at end of article.

Research at the Olin Corporation in 1973. He is now retired. At Olin, he calculated that the research department he directed produced a three-to-one monetary return. Its innovations include alloys, manufacturing processes, and the process used to produce the metal composites needed to mint quarters and dimes ever since the 90 percent silver-10 percent copper blend was discontinued. Pryor recruited both U.S.-born and immigrant scientists for his labs, and expressed particular admiration for Indian and Asian metallurgists. "I didn't hire immigrants because I wanted to," he said, "there were just not enough U.S. citizens graduating to fill up the ranks—there was too much competition from other labs and universities." (1988/4781050)

Angela Michaels of Elkhart, Indiana is a chemist who works for the Bayer Corporation. She immigrated from Italy in 1962. She holds six patents; all are in use in Bayer's products, including "dip and read" urinalysis strips for kidney disease detection. (1988/4717658)

Sung Kwon of Burnsville, Minnesota was among many investors drawn to the United States for educational opportunity. After completing his undergraduate work at the best university of Korea, he came to the University of Minnesota in 1965 to pursue the advanced engineering studies that was "not available in Korea." He is now employed at Thermo King Corporation (a Westinghouse division) and holds seven US patents. (1994/5288643)

Jacob Haller and his family immigrated to the United States from the former Yugoslavia in 1955. An engineer, he founded the Emconn Tool company of Wheeling, Illinois and holds six patents. Emconn makes equipment for the electrical connector industry; its customers are the major telecommunications companies. After building the company up to 20 employees, Haller sold the manufacturing operation and now works with one other employee developing new products. (1988/4718167)

David Lomas of Arlington Heights, Indiana is a chemical engineer with the UOP corporation. He came to the United States from England in 1973. He holds over 30 patents; the invention in our sample is a "catalytic cracking" process used in petroleum refining. (1988/4757039)

Mohamed Hashem, a chemist, is an Egyptian-born immigrant working for the Rhone-Poulenc corporation's unit in Cranbury, NJ. He holds about two dozen patents, several of which are in commercial use, principally polymers for paints and coatings. (1988/4760152)

Ian Crawford, an electrical engineer from Scotland, was offered a job in the U.S. while here on a sales trip in 1980. Dissatisfied with the opportunities before him in Scotland, he took the job, came to the United States and went on to found his own company. Analog Modules of Orlando, Florida now employs over 60 people in the design, development and manufacture of laser electronics. (1994/5311353)

Mitchell Budniak of Skokie, Illinois is an electrical engineer who holds six patents. He and his parents were taken from the native Poland to Germany during World War II where, he said, his parents "were basically slave labor." When the war ended, Budniak was eleven years old, and they came to the United States. His patents including a blood analysis unit and a computerized unit that monitors the vital signs of at-home patients and dispenses medication. (1988/4740080)

The late Stephen Slovenkai of Leominster, Massachusetts had a 30-year chemical engineering career, including a patent for a polymer fabrication method. In 1940 at age 14, he came to the United States from the former

Czechoslovakia. His family settled in north-eastern Pennsylvania, where his father worked as a coal miner and he graduated first in his high school class. He joined the U.S. Army and served in the postwar occupation forces in Italy. (1988/4730027)

Ranjit Gill of Schenectady, New York is an engineer who immigrated from India in 1970. The invention we encountered in our study is a cooling system that his employer, GE, has put to use in the world's largest electrical power generators, which are exported to Japan. (1994/5374866)

Dodd Wing Fong of Naperville, Illinois is a chemist who came to the United States from Hong Kong in 1962 to attend graduate school. He holds over 70 patents; the one encountered in our study is a polymer used in water purification. (1988/4731419)

SURVEY RESULTS

Sample size: 250.
 Patents issued to immigrant inventors: 48.
 Patents issued to U.S.-born inventors: 134.
 No response: 68.
 Patents issued to immigrants, as percentage of total sample (48/250): 19.2 percent.
 Patents issued to immigrants, as percentage of respondents (48/180): 26.4 percent.
 Foreign-born percentage of U.S. population: 8.7 percent.

HOW THIS STUDY WAS CONDUCTED

Sample. This study was performed by contacting inventors whose inventions resulted in U.S. patents issued in 1988 and 1994. To generate a random sample of 250 patents approved in 1988 and 1994, the Alexis de Tocqueville Institution created a random list of patent numbers from those years, and drew our sample from that list.⁵ This process generated patents issued to both U.S. and foreign inventors. Excluding the patents issued to inventors living overseas, we were left with a sample of 122 1988 patents and 128 1994 patents. The years 1988 and 1994 were chosen to yield a sample including both very recent patents and patents that might have been used in commercial applications.

Canvassing. Using the home addresses in the patent applications, we attempted to reach these inventors by phone and/or letter. When we could not reach an inventor by mail or telephone, or through a representative such as a patent attorney, that patent was listed as "no response." The canvassing took place between January 15 and March 4, 1996.

Margin of error. This survey's margin of error is 4.9% at a 95% confidence level. That is, there is 95% likelihood that identical surveys will yield results within a range 4.9 percentage points higher or lower than the result found here (19.2%, or 48 immigrant inventors/250 patents). Because we effectively counted as non-immigrants those inventors who did not respond or could not be reached, our finding of 19.2% immigrant inventors is probably conservative.

FOOTNOTES

1. 1994 foreign-born population as a percentage of total U.S. population, based on the Census Bureau's Current Population Survey.
2. Bill Gates, "A World of Talent Out There," The Buffalo News, January 2, 1996, p. E7.
3. Author's interview with inventor Andrew Olah of Spencer, Ohio, February 13, 1996.
4. Johan Coetzee, "Emigration Costs Country 10,000 Jobs Yearly," Johannesburg BEELD, December 1, 1995, p. S2.
5. We generated the list using a Lotus spreadsheet, using the formula $P=(RN)+L$, where P is the patent number, R is a random number between 0 and 1, N is the number of patents issued in the year (1988 or 1994) and L is the lowest patent number issued in that year. Patent numbers are assigned consecutively and sequentially. ●

PUBLIC RANGELANDS MANAGEMENT ACT OF 1995

● Mr. DOMENICI. Mr. President, when S. 1459, the Public Rangelands Manage-

ment Act of 1995 comes before the Senate later this week, I intend to offer a substitute amendment that is the result of 6 months of bipartisan effort to reach consensus on this legislation. I ask that the text of the substitute be printed in the RECORD, so that all Senators will have the opportunity to review it prior to the debate on the Senate floor.

AMENDMENT NO.—

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This title may be cited as the "Public Rangelands Management Act of 1995."

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments and repeals made by this Act shall become effective on the date of enactment.

(b) APPLICABLE REGULATIONS.—

(1) Except as provided in paragraph (2), grazing of domestic livestock on lands administered by the Chief of the Forest Service and the Director of the Bureau of Land Management, as defined in section 104(11) of this Act, shall be administered in accordance with the applicable regulations in effect for each agency as of February 1, 1995, until such time as the Secretary of Agriculture and the Secretary of the Interior promulgate new regulations in accordance with this Act.

(2) Resource Advisory Councils established by the Secretary of the Interior after August 21, 1995, may continue to operate in accordance with their charters for a period not to extend beyond February 28, 1997, and shall be subject to the provisions of this Act.

(c) NEW REGULATIONS.—With respect to title I of this Act—

(1) the Secretary of Agriculture and the Secretary of the Interior shall provide, to the maximum extent practicable, for consistent and coordinated administration of livestock grazing and management of rangelands administered by the Chief of the Forest Service and the Director of the Bureau of Land Management, as defined in section 104(11) of this Act, consistent with the laws governing the public lands and the National Forest System;

(2) the Secretary of Agriculture and the Secretary of the Interior shall, to the maximum extent practicable, coordinate the promulgation of new regulations and shall publish such regulations simultaneously.

TITLE I. MANAGEMENT OF GRAZING ON FEDERAL LAND

Subtitle A General Provisions

SEC. 101. FINDINGS.

(a) FINDINGS.—Congress finds that—

(1) multiple use, as set forth in current law, has been and continues to be a guiding principle in the management of public lands and national forests;

(2) through the cooperative and concerted efforts of the Federal rangeland livestock industry, Federal and State land management agencies, and the general public, the Federal rangelands are in the best condition they have been in during this century, and their condition continues to improve;

(3) as a further consequence of those efforts, populations of wildlife are increasing and stabilizing across vast areas of the West;

(4) grazing preferences must continue to be adequately safeguarded in order to promote the economic stability of the western livestock industry;

(5) it is in the public interest to charge a fee for livestock grazing permits and leases on Federal land that is based on a formula that—

(A) reflects a fair return to the Federal Government and the true costs to the permittee or lessee; and