

"(3) Except as provided in paragraph (4), to be eligible for a loan guarantee under this section, a borrower must demonstrate to the satisfaction of the Secretary that, during any one of the seven preceding operating years of the borrower, at least 25 percent of the value of the borrower's sales were derived from—

"(A) contracts with the Department of Defense or the defense-related activities of the Department of Energy; or

"(B) subcontracts in support of defense-related prime contracts.

"(4)(A) An individual described in subparagraph (B) shall be eligible for a loan guarantee under this section to establish, or acquire and operate, a small business concern in an area that the Secretary determines is (or reasonably can be expected to be) detrimentally affected by reductions in defense spending, the termination or cancellation of a defense contract, the failure to proceed with an approved major weapon system, the merger or consolidation of the operations of a defense contractor, or the closure or realignment of a military installation.

"(B) An individual referred to in subparagraph (A) is an individual—

"(i) who is a former employee of the Department of Defense or a defense contractor; and

"(ii) whose employment was terminated as a result of reductions in defense spending, the termination or cancellation of a defense contract, the failure to proceed with an approved major weapon system, the merger or consolidation of the operations of a defense contractor, or the closure or realignment of a military installation.

"(e) MAXIMUM AMOUNT OF LOAN PRINCIPAL.—The maximum amount of loan principal for which the Secretary may provide a guarantee under this section during a fiscal year may not exceed—

"(1) \$1,250,000, with respect to a small business concern; and

"(2) \$10,000,000 with respect to a medium-sized business concern.

"(f) LOAN GUARANTY RATE.—The maximum allowable guarantee percentage for loans guaranteed under this section may not exceed 90 percent.

"(g) ALLOCATION OF FUNDS BETWEEN SMALL AND MEDIUM BUSINESSES.—The total amount available for a fiscal year to cover the costs of loan guarantees under this section shall be divided between small business concerns and medium-sized business concerns as follows:

"(A) 60 percent for small business concerns.

"(B) 40 percent for medium-sized business concerns.

"(h) MEDIUM-SIZED BUSINESS CONCERN DEFINED.—In this section, the term 'medium-sized business concern' means a business concern that is not more than two times the maximum size specified by the Administrator of the Small Business Administration for purposes of determining whether a business concern furnishing a product or service is a small business concern."

(2) The table of sections at the beginning of subchapter IV of such chapter is amended by inserting before the item relating to section 2525 the following new item:

"2524. Loan guarantees for defense dependent small- and medium-sized business concerns."

(b) CONTINUED AVAILABILITY OF EXISTING FUNDS.—The funds made available under the second proviso under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE" in Public Law 103-335 (108 Stat. 2613) shall be available until September 30, 1999—

(1) to cover the costs (as defined in section 502(5) of the Federal Credit Reform Act of

1990 (2 U.S.C. 661a(5))) of loan guarantees issued under section 2524 of title 10, United States Code, as added by subsection (a); and

(2) to cover the reasonable costs of the administration of loan guarantees referred to in such section.●

ADDITIONAL COSPONSORS

S. 376

At the request of Mr. LEAHY, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 376, a bill to affirm the rights of Americans to use and sell encryption products, to establish privacy standards for voluntary key recovery encryption systems, and for other purposes.

S. 387

At the request of Mr. HATCH, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 387, a bill to amend the Internal Revenue Code of 1986 to provide equity to exports of software.

S. 394

At the request of Mr. HATCH, the names of the Senator from California [Mrs. FEINSTEIN] and the Senator from Minnesota [Mr. GRAMS] were added as cosponsors of S. 394, a bill to partially restore compensation levels to their past equivalent in terms of real income and establish the procedure for adjusting future compensation of justices and judges of the United States.

S. 535

At the request of Mr. MCCAIN, the name of the Senator from Oregon [Mr. SMITH] was added as a cosponsor of S. 535, a bill to amend the Public Health Service Act to provide for the establishment of a program for research and training with respect to Parkinson's disease.

S. 620

At the request of Mr. GREGG, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 620, a bill to amend the Internal Revenue Code of 1986 to provide greater equity in savings opportunities for families with children, and for other purposes.

S. 717

At the request of Mr. FORD, his name was added as a cosponsor of S. 717, a bill to amend the Individuals with Disabilities Education Act, to reauthorize and make improvements to that Act, and for other purposes.

SENATE CONCURRENT RESOLUTION 21

At the request of Mr. MOYNIHAN, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Concurrent Resolution 21, a concurrent resolution congratulating the residents of Jerusalem and the people of Israel on the thirtieth anniversary of the reunification of that historic city, and for other purposes.

SENATE RESOLUTION 82

At the request of Mr. SMITH, his name was added as a cosponsor of Senate Resolution 82, a resolution expressing the sense of the Senate to urge the

Clinton Administration to enforce the provisions of the Iran-Iraq Arms Non-Proliferation Act of 1992 with respect to the acquisition by Iran of C-802 cruise missiles.

SENATE RESOLUTION 85

At the request of Mr. GREGG, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of Senate Resolution 85, a resolution expressing the sense of the Senate that individuals affected by breast cancer should not be alone in their fight against the disease.

AMENDMENTS SUBMITTED

THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT AMENDMENT ACT OF 1997

JEFFORDS AMENDMENT NO. 240

Mr. JEFFORDS proposed an amendment to the bill (S. 717) to amend the Individuals With Disabilities Education Act, to reauthorize and make improvements to that act, and for other purposes; as follows:

Beginning on page 65, strike line 25 and all that follows through page 66, line 4 and insert the following: "part be provided to children with disabilities who, in the educational placement prior to their incarceration in an adult correctional facility—

"(I) were not actually identified as being a child with a disability under section 602(3); or

"(II) did not have an individualized education program under this part."

GREGG AMENDMENT NO. 241

Mr. GREGG proposed an amendment to the bill, S. 717, supra; as follows:

On page 64, strike lines 19 and 20, and insert the following: "there are authorized to be appropriated to the Secretary not less than \$4,107,522,000 for fiscal year 1998, not less than \$5,607,522,000 for fiscal year 1999, not less than \$7,107,522,000 for fiscal year 2000, not less than \$8,607,522,000 for fiscal year 2001, not less than \$10,107,522,000 for fiscal year 2002, not less than \$11,607,522,000 for fiscal year 2003, not less than \$13,107,522,000 for fiscal year 2004, and such sums as may be necessary for each succeeding fiscal year."

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet on Tuesday, May 13, 1997, at 10:30 a.m. in room 485, Russell Senate Office Building to conduct an oversight hearing on Public Law 102-477, the Indian Employment, Training and Related Services Demonstration Act of 1992.

Those wishing additional information should contact the Committee on Indian Affairs at 224-2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research, Development, Production and Regulation of