such transportation; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself, Mr. LEAHY, Mr. LUGAR, Mrs. FRIN- 
SCHER, and Mr. MURRAY):

S. 858. A bill to restrict foreign assistance for countries providing sanctuary to indicted war criminals who are sought for prosecu-

By Mr. LUGAR (for himself and Mr. HARKIN):

S. 849. A bill to reform the information technology systems of the Department of Agriculture, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MCCAIN (for himself and Mr. CAMPBELL):

S. 850. A bill to amend the Internal Re-

By Mr. AHMAD (for himself and Mr. DEWINE):

S. 810. A bill to impose certain sanctions on the People’s Republic of China, and for other purposes; to the Committee on Foreign Relations.

By Mr. FORD:

S. 811. A bill for the relief of David Robert Zetter, Sabina Emily Seitz, and their son, Daniel Robert Zetter; to the Committee on the Judiciary.

By Mr. KOHL:

S. 812. A bill to establish an independent commission to recommend reforms in the laws governing same sex marriage, to the Congress.

By Mr. THURMOND (for himself and Mr. McCAIN):

S. 813. A bill to amend chapter 91 of title 18, United States Code, to provide criminal penalties for theft and willful vandalism at national cemeteries; to the Committee on Veterans Affairs.

By Mr. ENZI (for himself and Mr. THOMAS):

S. 814. A bill to direct the Secretary of the Interior to transfer to John R. and Margaret J. Lowe of Big Horn County, Wyoming, cer-

By Mr. BAUCUS (for himself, Mr. GOR- 

S. 815. A bill to amend the Internal Re-

By Mr. CRAIG:

S. 818. A bill to amend title 18, United States Code, to provide a national standard in accordance with which nonresidents of a State may carry certain concealed firearms in the State, and to exempt qualified current and former law enforcement officers from the carrying of concealed hand guns; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S. 817. A bill to amend title XVIII of the Social Security Act to permit classification of certain hospitals as rural referral centers, to permit certain hospitals to receive disproportionate share payments, and to permit sole community hospitals to rebase Medicare payments based upon fiscal year 1994 and 1995 costs; to the Committee on Finance.

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 818. A bill to improve the economic conditions and supply of housing in Native American communities by creating the Na-

By Mr. LOTZ (for himself and Mr. DASCHEL:

S. Res. 91. A resolution to authorize the pro-

By Mr. LAUTENBERG:


By Mr. GRASSLEY:

S. Res. 93. A resolution designating the week beginning November 23, 1997, and the week beginning on November 22, 1998, as “National Family Week”, and for other pur-

By Mr. WARNER:

S. Res. 94. A resolution commending the American Medical Association on its 150th anniversary, its 150 years of caring for the United States, and its continuing effort to uphold the principles upon which Nathan Davis, M.D. and his colleagues founded the American Medical Association to “promote the science and art of medicine and the betterment of public health”; to the Committee on the Judiciary.

By Mr. Gorton:

S. Con. Res. 29. A concurrent resolution recognizing the International Monetary Fund and the International Bank for Reconstruction and Development; to the Committee on Foreign Relations.

By Mr. LIEBERMAN:

S. Con. Res. 30. A concurrent resolution ex-

By Mr. THOMAS (for himself and Mr. ENZI):

S. 799. A bill to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wy-

TRANSFER LEGISLATION

Mr. THOMAS. Mr. President, I intro-

By Mr. McCaIN (for himself and Mr. CAMPBELL):

S. 809. A bill to amend the Internal Re-

By Ms. M KULSKI, Mrs. M URRAY, Mr. L EAHY, Mr. L UGAR, Mrs. F EIN- 
SCHER, Mr. L IEBERMAN, Mr. D’AMATO, and Mr. MOYNIHAN:

S. 808. A bill to restrict foreign assistance for countries providing sanctuary to indicted war criminals who are sought for prosecu-

By Mr. LUGAR (for himself and Mr. HARKIN):

S. 807. A bill to amend the Internal Re-

By Mr. AHMAD (for himself and Mr. DEWINE):

S. 810. A bill to impose certain sanctions on the People’s Republic of China, and for other purposes; to the Committee on Foreign Relations.

By Mr. FORD:

S. 811. A bill for the relief of David Robert Zetter, Sabina Emily Seitz, and their son, Daniel Robert Zetter; to the Committee on the Judiciary.

By Mr. KOHL:

S. 812. A bill to establish an independent commission to recommend reforms in the laws governing same sex marriage, to the Congress.

By Mr. THURMOND (for himself and Mr. McCAIN):

S. 813. A bill to amend chapter 91 of title 18, United States Code, to provide criminal penalties for theft and willful vandalism at national cemeteries; to the Committee on Veterans Affairs.

By Mr. ENZI (for himself and Mr. THOMAS):

S. 814. A bill to direct the Secretary of the Interior to transfer to John R. and Margaret J. Lowe of Big Horn County, Wyoming, cer-

By Mr. BAUCUS (for himself, Mr. GOR- 

S. 815. A bill to amend the Internal Re-

By Mr. CRAIG:

S. 818. A bill to amend title 18, United States Code, to provide a national standard
Mr. President, I ask unanimous consent that a copy of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 799
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TRANSFER OF STEFFENS FAMILY PROPERTY.

Notwithstanding any other law, the Secretary of the Interior, acting through the Director of the Bureau of Land Management, shall, without consideration of other reimbursement, transfer to Marie Wambolt of Big Horn County, Wyoming, personal representative of the estate of Fred Steffens, the land that was acquired by Fred Steffens under a Warranty Deed and Release of Homestead from Frank G. McKinney and Margaret W. McKinney on September 28, 1928, and thereafter occupied by Fred Steffens, known as "Parch C" in the E16N12W of Section 27 in Township 57 North, Range 97 West, 6th Principal Meridian, Wyoming.

By Mr. ENZI (for himself and Mr. THOMAS):

S. 862. A bill to provide for the retention of the name of the mountain at the Devils Tower National Monument in Wyoming known as "Devils Tower", and for other purposes; to the Committee on Energy and Natural Resources.

THE DEVIL'S TOWER NATIONAL MONUMENT DESIGNATION ACT OF 1997

Mr. ENZI. Mr. President, I rise to introduce a bill which will enable Devil's Tower National Monument to retain its historic traditional name. This, our first national monument, has been known as "Devil's Tower" for over 120 years. It is an unmistakable symbol of Wyoming and the West and is known internationally as one of the premiere crack climbing locations in the world. Consequently, Devil's Tower, and it's worldwide recognition by that name, is very important to my State, which depends so heavily on its tourism industry. And yet, there are those who would attempt to fix that which is not broken.

I am fully sensitive to the feelings of those Native Americans who would prefer to see the name of this natural wonder changed to something more acceptable to their cultural traditions. Many tribal members think of the monument as sacred. However, I believe that little would be gained from a name change, and much would be lost.

It is important to remember that there is no consensus as to which Indian name would be most appropriate. In fact, there seem to be as many proposals for new names as there are special interest groups proposing them. Among the candidates are Bear's Lodge, Grizzly Bear's Lodge, Bear's Tipi, Bear's Lair, Bear Lodge Butte, Tree Creek, and others. The only thing they seem agreed upon is what the monument should not be called: Devil's Tower.

The initiative to change the name of Devil's Tower would accomplish little more than to dredge up age-old conflicts and divisions between descendents of European settlers and the descendents of Native Americans. This would be most unfortunate and would result only in economic hardship for all the area's citizens. My legislation will prevent such hardship and will embrace the least offensive option offered so far—the present traditional name of Devil's Tower. I urge my colleagues to support this measure. I ask unanimous consent that the full 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. 802
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF DEVILS TOWER.

(a) In General.—The mountain at the Devil's Tower National Monument in Wyoming, located at 44 degrees, 42 minutes, 58 seconds north latitude, 104 degrees, 35 minutes, 32 seconds west longitude, shall be known and designated as "Devile Tower."—

(b) Legal References.—Any reference in any law, map, regulation, document, paper, or other record of the United States to the mountain referred to in subsection (a) is deemed to be a reference to "Devils Tower."

By Mr. THURMOND (for himself and Mr. MUKROWSKI):

S. 803. A bill to permit the transportation of passengers between United States ports by certain foreign-flag vessels and to encourage U.S.-flag vessels to participate in such transportation; to the Committee on Commerce, Science, and Transportation.

THE U.S. CRUISE TOURISM ACT

Mr. THURMOND. Mr. President, I rise today to introduce legislation to greatly increase the economic benefits to our Nation from cruise ship tourism. This measure, called the United States Cruise Tourism Act, will implement this, our first national monument, to retain its historic traditional name.

Pleasure cruises aboard ocean-going vessels represent one of the fastest growing segments of our tourism industry. Over the past 5 years, cruise tourism has grown by 50 percent annually over the next few years. When a cruise ship is in port, as much as $250,000 is spent on maintenance and supplies, and cruise passenger spending is traditionally $250 a day. Although 85 percent of these cruise passengers are Americans, most of the revenues now go to foreign destinations.

This export of American tourist dollars is the unintended consequence of the outdated Passenger Vessel Services Act (PSA) of 1886. This act prohibits non-U.S.-flag vessels from carrying passengers between U.S. ports. Unfortunately, since the U.S.-flag fleet is now down to one cruise ship, this restriction makes passenger cruise travel between U.S. ports virtually impossible. Today, the passenger cruise industry in the United States relies primarily on foreign flag vessels which, under current law, must sail to and from foreign ports. This prevents many of our mid-coast ports such as Charleston, San Francisco, Baltimore and others from participating in the cruise industry because of their distance from foreign ports. As a result, potential cruise itineraries on the east and west coast, the gulf coast, the Great Lakes and the coast of Alaska have yet to be developed.

Mr. President, our legislation would allow our port cities and shore-based tourism businesses to take advantage of this booming area of tourism while providing incentives for the rehabilitation of the U.S.-flag cruise industry. This measure would enact a narrow waiver to the PSA to permit large, ocean-going, foreign-flag cruise ships to carry passengers between U.S. ports. Subsequently, as U.S. companies become attracted to the business, U.S.-flag ships will enter the market. When this happens, foreign vessels would be required to reduce their capacity to make room for more U.S. competitors. This provision also addresses the concern expressed by many of our shipyards. They have complained that the uncertainty over the continuation of the PSA was chilling their efforts to obtain investment in a U.S.-built cruise ship. If enacted, our bill would assure a market for the ships they build.

Finally, Mr. President, this legislation in no way affects the Jones Act. The Jones Act is an entirely separate statute enacted in 1920 to protect our cargo fleet and assure that we have a qualified merchant marine in times of war. Also, this measure does not waive the PSA for any trade where there currently exists an American competitor. U.S. ferries, river boat cruises, and cruises on the Atlantic intra-coastal waterway would not be affected.

Mr. President, our country has a beautiful coastline and Americans should not have to join the armed services or buy a yacht to see it. Moreover, our ocean industry, most successful contributors to the economic growth of our Nation. We should not permit artificial barriers to inhibit the good work of the people in this industry. This legislation will remove that barrier. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 803
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 "United States Cruise Tourism Act of 1997".

SEC. 2. FINDINGS.

Congress makes the following findings:

1. It is in the interest of the United States to maximize economic return from the growing industry of pleasure cruises—
(a) by encouraging the growth of new cruise itineraries between coastal cities in the United States, and
(b) by encouraging the use of United States passenger vessels for domestic, coastal, and intercoastal transportation among United States ports.

(2) In maximizing the economic benefits to the United States from increased cruise vessel tourism, there is a need to ensure that existing domestic and economic activity associated with United States-flag vessels (including tour boats, river boats, intra-coastal waterway cruise vessels, and ferries) are protected so that the same pool of potential passengers is not drained off by the introduction of foreign-flag vessels.

(3) The pleasure cruise industry is one of the fastest-growing segments of the tourism industry and is expected to grow at a rate of 5 percent a year over the next few years.

(4) The United States-flage ocean cruise vessel fleet consists of only a single vessel that tours the Hawaiian Islands. As a result, all the cruise vessels carrying passengers to and from United States ports are foreign-flag vessels and the United States ports served are mostly ports that are close enough to foreign ports to allow international calls.

(5) Prohibiting cruises between United States ports and foreign ports results in the loss of tourist dollars and revenue for United States ports and greatly disadvantages United States ports and coastal communities.

SEC. 3. FOREIGN-FLAG CRUISE VESSELS.

(a) DEFINITIONS.—In this Act:

(1) COASTWISE TRADE.—The term "coastwise trade" means the coastwise trade provided for in section 12106 of title 46, United States Code and includes trade in the Great Lakes.

(2) CRUISE VESSEL.—The term "cruise vessel" means a vessel of greater than 4,000 gross registered tons which provides a full range of luxury accommodations, entertainment, dining, and other services for its passengers.

(3) FOREIGN-FLAG CRUISE VESSEL.—The term "foreign-flag cruise vessel" does not apply to a vessel which—

(A) provides ferry services or intra-coastal waterway cruises;

(B) regularly carries for hire both passengers and cargo;

(C) serves residents of the vessel's ports of call in the United States as a common or frequently used means of transportation between two ports in the United States.

(4) REPAIR AND MAINTENANCE SERVICE.—The term "repair and maintenance service" includes alterations and upgrades.

(b) WAIVER.—(1) Notwithstanding the provisions of section 8 of the Act of June 19, 1886 (24 Stat. 81, Chapter 421; 46 U.S.C. App. 239), or any other provision of law, and except as otherwise provided by this section, the Secretary of Transportation (in this Act referred to as the "Secretary") may approve the transportation of passengers on foreign-flag cruise vessels, otherwise qualified to engage in the coastwise trade between ports in the United States, directly or by way of a foreign port.

(c) EXCEPTIONS.—

1. IN GENERAL.—The Secretary may not approve the transportation of passengers on a foreign-flag cruise vessel pursuant to this section with respect to any coastwise trade that is being served by a United States-flag cruise vessel.

2. UNITED STATES-FLAG SERVICE INITIATED AFTER APPROVAL OF FOREIGN-FLAG VESSEL.—Upon a showing to the Secretary, by a United States-flag cruise vessel owner or charterer, that service aboard a cruise vessel qualifie by the Secretary as a coastwise trade is being offered or advertised pursuant to a Certificate of Financial Responsibility for Indemnification of Passengers for Non-performance of Transportation from the Federal Maritime Commission (issued pursuant to section 3 of Public Law 89-777; 46 U.S.C. App. 771 et seq.), the coastwise trade on an itinerary substantially similar to that of a foreign-flag cruise vessel transporting passengers under authority of this section, and if the Secretary notifies with subsection (d)(2), notify the owner or charterer of the foreign-flag cruise vessel that the Secretary will, within 3 years after the date of notification, deactivate such trade.

(d) TERMINATION.—

1. IN GENERAL.—Coastwise trade privileges granted to such owner or charterer of a foreign-flag cruise vessel under this section shall expire on the date that is 3 years after the date of the Secretary’s notification described in subsection (c)(2).

2. ORDER OF TERMINATION.—Any notification issued by the Secretary under this subsection shall be issued to the owner or charterer of a foreign-flag cruise vessel—

(A) in the reverse order in which the foreign-flag cruise vessel entered service in the coastwise trade under this section, determined by the date of the vessel’s first coastwise sailing; and

(B) in the minimum number necessary to ensure that the capacity of the vessel is removed from the coastwise trade service.

(e) REQUIREMENT FOR REPAIRS IN UNITED STATES SHipyARDS.—

1. IN GENERAL.—The owner or charterer of a foreign-flag cruise vessel that has been offering or advertising service pursuant to a certificate described in subsection (c)(2) has not entered the coastwise trade described in subsection (c)(2), then the termination service required by paragraph (1) shall not take effect until 180 days after the date of the entry into that coastwise trade service by the United States-flag cruise vessel.

2. REQUIREMENT FOR REPAIRS IN UNITED STATES SHipyARDS.—

(a) IN GENERAL.—The owner and charterer of a foreign-flag cruise vessel that is qualified to provide coastwise trade service under this section is required to have repair and maintenance service for the vessel performed in the United States. During the period that such vessel is qualified for such coastwise trade service, except in a case in which the vessel requires repair and maintenance service pursuant to a certificate defined in section 1480a(a) of title 19, Code of Federal Regulations (or any corresponding similar regulation or rule).

(b) ACTION IF REQUIREMENT NOT MET.—

(A) GENERAL RULE.—If the Secretary determines that the owner or charterer has not met the repair and maintenance service required by paragraph (1), the Secretary shall terminate the coastwise trade privileges granted to the owner or charterer under this section.

(B) WAIVER.—The Secretary may waive the repair and maintenance service requirement if the Secretary finds that—

1. the repair and maintenance service is not available in the United States, or

2. an emergency prevented the owner or charterer from obtaining the service in the United States.

(c) ALIEN CREWMEN.—Section 232 of the Immigration and Nationality Act (8 U.S.C. 1292) is amended—

1. in subsection (a), by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B);

2. by inserting "(1)" immediately after "(a)"; and

3. in subsection (a)(1) (as redesignated), in the second sentence, by inserting "except as provided in paragraph (2), and" after "subsection (b);

(d) by adding at the end of subsection (a)(1) (as redesignated), the following:

1. any foreign crewman may extend for a period or periods of up to 6 months each a conditional permit to land that is granted under paragraph (1) to an alien crewman employed on a vessel if the Secretary of Transportation on an application substantially similar to that of a foreign-flag cruise vessel that the Secretary will, within 3 years after the date of notification, deactivate such trade.

(e) DISCLAIMER.—

1. IN GENERAL.—Nothing in this Act shall be construed as affecting or otherwise modifying the authority contained in—

(A) Public Law 87-77 (46 U.S.C. App. 280b) authorizing the transportation of passengers and merchandise in Canadian vessels between ports in Alaska and the United States; or

(B) Public Law 96-563 (46 U.S.C. App. 280c) permitting the transportation of passengers between Puerto Rico and other United States ports.

2. JONES ACT.—Except as otherwise expressly provided in this Act, nothing in this Act shall be construed as affecting or modifying the provisions of the Merchant Marine Act of 1920.

Mr. MURKOWSKI. Today, Mr. President, I am very pleased to join the senior Senator from South Carolina [Mr. THURMOND] in introducing this important bill. It is intended to break down a barrier that Congress created 111 years ago, and which has long since ceased to make sense.

Opening that door will create a path to thousands of new jobs, to hundreds of millions of dollars in new economic activity and to millions in new Federal, State, and local government revenues. Furthermore, Mr. President, that door can be opened with no adverse impact on any existing U.S. industry, labor interest, or on the environment, and it will cost the government virtually nothing.

There's no magic to this; in fact, it's a very simple matter. This bill merely opens U.S. ports to the business of offering homeport services to the cruise ship trade.

The bill amends the Passenger Service Act to allow foreign cruise ships to operate between U.S. ports. However, it also very carefully protects all existing U.S. passenger vessels by using a definition of cruise ship designed to exclude any foreign vessels that could conceivably compete in the same market as U.S.-flag tour boats, ferries, or riverboats. Finally, it provides a mechanism to guarantee that if a U.S. vessel ever enters this trade in the future, steps will be taken to ensure an ample pool of potential passengers.

Mr. President, this is a straightforward approach to a vexing problem, and it deserves the support of this body.

As my colleagues know, this bill is very similar to S. 688, a bill I introduced just a few weeks ago. The major difference is that that bill applies only
to cruise ships operating in Alaska, and this one applies nationwide. Other differences include the fact that my original bill sets a 5,000 gross dead-weight ton cut-off for vessels seeking to enter the coastwise trade, and this one sets a 4,000 ton limit. This bill also requires vessels operated in the U.S. trade to effect repairs in U.S. shipyards. Both of these differences are positive, in my view.

The change in tonnage will encourage U.S. ports to compete for business from smaller vessels in the luxury cruise ship fleet, which continuing to protect existing U.S. tour vessels in the 100-ton class. While there are a few riverboats in the area of 3,000 tons, none of these operate in the open ocean cruise ship trade, and the bill contains other protections specifically for these U.S. vessels.

The requirement for U.S. repair will assist in creating and maintaining even more U.S. jobs. From the standpoint of the cruise industry, it simply calls for the continuation of what is already a common practice among vessels that need work while visiting a U.S. port.

Mr. President, it isn’t 1886 anymore, and it is time to change the current law. One is built by the U.S. passenger ships of this type, and no one has built one in over 40 years. Instead of protecting U.S. jobs, the current law is a jobs losing proposition, as it prohibits U.S. cities from competing. That is absurd.

The cash flow generated by the cruise ship trade is enormous. Most passengers bound for my State of Alaska fly in or out of Seattle-Tacoma International Airport, but because of the law, they spend little time there. Instead, they spend their pre- and post-sailing time in a Vancouver hotel, at Vancouver restaurants, and in Vancouver gift shops. And when their vessel sails, it sails with food, fuel, general supplies, repair and maintenance needs taken care of by Vancouver vendors.

According to some estimates, the city of Vancouver receives benefits of well over $200 million per year from the cruise ship trade. Others provide more modest estimates, such as a comprehensive study by the International Council of Cruise Lines, which indicated that in 1992 alone, the Alaska cruise trade generated over 2,400 jobs for the city of Vancouver, plus payments to Canadian vendors and employees of over $119 million.

This is a market almost entirely focused on U.S. citizens going to see one of the United State’s most spectacular places, and yet we force them to go to another country to do it. We are throwing away both money and jobs—and getting nothing whatsoever in return.

Why is this allowed to happen? The answer is simple—but it is not rational. Although the current law is actually a job loser, there are those who argue that any change would weaken U.S. maritime interests. They seem to feel that amending the Passenger Servicce Act so that it makes sense for the United States would create a threat to Jones Act vessels hauling freight between U.S. ports. Mr. President, there simply is no connection whatsoever between the two.

There is the suggestion that this bill might harm smaller U.S. tour or excursion boats. Mr. President, that is also untrue. The industry featuring these smaller vessels is thriving, but it simply doesn’t cater to the same clientele as large cruise ships. The fact of the matter is that there is a significant competition between the two types of vessel, because the services they offer are in no way comparable. The larger vessels offer unmatched luxury and personal service, on-board shopping, entertainment, and so forth. The smaller vessels offer more flexible routes, timing, shore excursions, and other opportunities.

There is one operating U.S. vessel that doesn’t fit the mold: the Constitution, an aging 30,000-ton vessel operating only in Hawaii. This is the only ocean-capable U.S. ship that might fit the definition of cruise vessel. I have searched for other U.S. vessels that meet or exceed the tonnage limit in the bill, and the only ones I have found that even approach it are the Delta Queen and the Mississippi Queen, both of which are approximately 3,360 tons, and both of which are 19th-century-style riverboats that are entirely unsuitable for any open-ocean itinerary such as the one I have found. Further, the bill specifically prohibits any foreign vessel from participating in the intra-coastal trade served by these riverboats.

Mr. President, I will not claim that this legislation would immediately lead to increased earnings for U.S. ports. I can only say that it would allow them to compete fairly, instead of being anchored by a rule that is actively harmful to U.S. interests. That alone makes it good public policy, and I look forward to my colleagues’ agreement and support.

By Mr. LAUTENBERG (for himself, Mr. LEAHY, Mr. LUGAR, Mrs. FEINSTEIN, Ms. MIKULSKI, Mrs. MURRAY, Mr. LIEBERMAN, Mr. D’AMATO and Mr. MOYNIHAN):

S. 804. A bill to restrict foreign assistance for countries providing sanctuary to indicted war criminals who are sought for prosecution before the International Criminal Tribunal for the former Yugoslavia; to the Committee on Foreign Relations.

THE WAR CRIMES PROSECUTION FACILITATION ACT OF 1997

Mr. LAUTENBERG. Mr. President, today I am introducing legislation to create stronger incentives for the parties to the Dayton Peace Agreement to arrest indicted war criminals and transfer them to the International Criminal Tribunal for the former Yugoslavia [ICTY]. I am pleased that Senators LEAHY, LUGAR, FEINSTEIN, MIKULSKI, MURRAY, LIEBERMAN, D’AMATO, and MOYNIHAN are original cosponsors of this bill, which we believe will foster reconciliation in Bosnia and Herzegovina in the long run.

As a result of the horrifying extent of war crimes committed before and during the war in Bosnia, the U.N. Security Council, in May 1993, created the International Criminal Tribunal for the former Yugoslavia (ICTY). One of our international tribunals ever established, its mandate is to prosecute “genocide, crimes against humanity, grave breaches of the Geneva Conventions, and violations of the laws and customs of war” committed in the territory of the former Yugoslavia from January 1, 1991, until “a date to be determined after restoration of peace.”

When the parties to the conflict in the former Yugoslavia signed the Dayton Peace Agreement, they realized that reconciliation could not occur unless war criminals were brought to justice. As such, they agreed to cooperate fully with “the investigation and prosecution of war crimes and other violations of international law.” All members of the international community are required by the tribunal statute to cooperate in “the identification and location of persons,” “the arrest or detention of persons,” and “the surrender of the transfer of the accused” to the tribunal.

With the exception of the Bosnian Muslims, however, the parties to the Dayton Peace Agreement have failed to arrest and transfer to the tribunal the majority of indicted war criminals in territory within their control. Though 74 persons have been indicted by the 4-year-old tribunal, 66 of them remain at large. Let me repeat that. Of the 74 persons indicted for the most heinous crimes against humanity on European soil since World War II, 66 remain at large. Among these are the notorious Bosnian Serb leader Radovan Karadzic and Bosnian Serb Army commander Ratko Mladic, both accused of genocide and crimes against humanity.

Where are these and other war criminals finding sanctuary?

Many of the indicted war criminals have been sighted living openly and freely in Croatia, the Croat-controlled areas of the Federation of Bosnia and Herzegovina, the Republica Srpska, and the Federal Republic of Yugoslavia (Serbia-Montenegro). One international governmental organization, the Coalition for International Justice, compiled a list of public sightings of war criminals. For example, according to the coalition’s research, Dario Kordic, one of the most recognized war criminals in the former Yugoslavia for his role in killings in Lasva Valley, was seen visiting his parents’ apartment in Zagreb, Croatia. About the same time, Ivica Rajic, another highly sought after war criminal, was reportedly seen in a hotel in Split, Croatia.

The list of public sightings of indicted war criminals goes on and on.
Associated Press correspondent Liam McDowall reportedly located six Bosnian Croats indicted for war crimes living and working in the Bosnian Croat town of Vitez. And in perhaps the most egregious case to date, Boston Globe reporter Neil Neuberger reportedly found Zeljko Mejakic—indicted for crimes committed as commander of Omsarska camp where some 4,000 people were tortured to death and women were brutally raped—working as the deputy commander of the Prijedor police station in Republika Srpska.

This list may not be entirely up to date now, but it illustrates graphically that many of the indicted war criminals could have been arrested easily if the authorities in control of the territory where they were located had chosen to do so. I believe that is still the case today. I ask unanimous consent that a list of sightings of indicted war criminals who remain at large be included in the RECORD at the end of my remarks.

I know, Mr. President, that the act of apprehending and transferring indicted war criminals to the Hague presents a thorny problem for the United States. While some argue that American and NATO forces should do the job, the prevailing wisdom is that using our troops to arrest these indicted war criminals would be fraught with difficulties that could put our troops in danger. Others have raised the possibility that some type of international strike force could get the job done. Discussions about these options have been underway since NATO troops landed in the region 1 1/2 years ago, but no action has been taken. Meanwhile war criminals continue to roam the region with impunity, and the clock ticks ever closer to the June 1998 withdrawal date for SFOR.

If the international community concludes that it cannot use force to apprehend indicted war criminals, it must try another approach. Make no mistake about it: if indicted war criminals remain at large when the SFOR’s mission ends, our prestige and credibility will be severely undermined. America may be able to protect NATO troops by not involving them in a mission to arrest indicted war criminals, but we cannot protect our reputation and that of NATO as a defender of democracy and human rights if indicted war criminals continue to roam the region with impunity when our troops withdraw.

Mr. President, since NATO is unwilling to arrest the indicted, my colleagues and I are recommending an approach which reinforces the obligation of the parties to the Dayton Agreement to arrest and transfer those indicted for genocide, rape, and other crimes against humanity to the Hague. To secure their cooperation, it imposes conditions on America’s portion of the $5.1 billion in economic reconstruction funds authorized in the last Congress. Recognizing that a constituent entity of Bosnia and Herzegovina may not control all areas within its border, and that Croatia or Serbia may have effective control of territory that reaches beyond their borders, the legislation holds a government or constituent entity responsible for indicted war criminals “in territory that is under their effective control.” As such, the legislation is not intended to impede the work of the Muslim-Croat Federation as a whole if an indicted war criminal remains in a Croat-controlled area of the Federation. Likewise, it would allow sanctions to be imposed against a country, such as Croatia, for failing to apprehend or hand over indicted war criminals in areas of the Federation which it effectively controls.

Mr. President, these measures are not intended to be punitive. I have made every effort to ensure that humanitarian assistance to the people in all parts of the former Yugoslavia will not be affected. I do not oppose reconstruction funding, and recognize that it is in our national interest to help rebuild this war-torn region. But I believe there is value in a bilateral and multilateral assistance as a carrot, to provide an incentive to the parties to arrest and turn war criminals over to the tribunal.

Unless war criminals are brought to justice, reconciliation in Bosnia and Herzegovina will remain an elusive goal and refugees and displaced persons will be unable to return to their homes. Though reconstruction assistance will help to rebuild ravaged economies, reconstruction without reconciliation will not be effective in long-term stability. Until the perpetrators of genocide are held accountable, victimized communities will continue to assign collective guilt and the cycle of hatred will be perpetuated.

No infusion of money can wipe away the crimes of the past 6 years. Money alone is not enough. What is required is a genuine process of reconciliation, which can never occur unless war criminals are brought to justice.

The Washington Post, in a February 1997 editorial, said it well. "There is a genuine lever. We ought to use it. This assistance provides us with a powerful lever. We ought to use it. Realizing that the realities of government control in the former Yugoslavia do not always conform to the arrangements in the Dayton Agreement. Recognizing that a constituent entity of Bosnia and Herzegovina may not control all areas within its border, and that Croatia or Serbia may have effective control of territory that reaches beyond their borders, the legislation holds a government or constituent entity responsible for indicted war criminals “in territory that is under their effective control.” As such, the legislation is not intended to impede the work of the Muslim-Croat Federation as a whole if an indicted war criminal remains in a Croat-controlled area of the Federation. Likewise, it would allow sanctions to be imposed against a country, such as Croatia, for failing to apprehend or hand over indicted war criminals in areas of the Federation which it effectively controls.

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At this rate, it would take us some 66 years to bring all the indicted war criminals to The Hague. That’s just too long. Stronger action must be taken.

The World Bank is pumping hundreds of millions of dollars into Columbia and sending teams to Republika Srpska. In fiscal year 1997, the Agency for International Development has set aside roughly $70 million for Republika Srpska, and it intends to do the same in fiscal year 1998. This bill requires the Agency to use its assistance programs to secure the speedy apprehension of war criminals, which is just as essential for reconciliation and long-term stability as reconstruction efforts—if not more so.

No one has articulated the need for this legislation as well as Justice Goldstone, Former Chief Prosecutor of the International Criminal Tribunal for the Former Yugoslavia and Rwanda when he spoke at the U.S. Holocaust Memorial Museum on January 12.

Where there have been egregious human rights violations that have been uncounted for, where there has been no justice, where the victims have received any redress or redemp-
dition, where they have been forgotten, where there’s been a national amnesia, the effect is a cancer in the society. It’s the reason why after the spirals of violence that the world has seen in the former Yugoslavia for centuries... .

Justice Goldstone was right. What is required is a genuine process of recon-

Jconciliation, which can never occur un-
less war criminals are brought to justice.

Without reconciliation, the spiral of violence will only continue, and the military mission on which the Amer-
ican taxpayers have literally spent bil-
ions will be for naught.

Secretary of State Albright will be traveling to Bosnia next week. She has assured me that the issue of war crim-

nals will be raised at every opportu-

unity, and I am confident that she will take a very tough stand, urging the administrations to meet their com-

mitments. But the U.S. Government has been urging compliance for over a year now with little success, and it’s clear that we need to put more teeth into our position. Our bill does just that. It clearly states that the apprehension of war criminals is critical for reconciliation. It links U.S. assistance to progress on this issue, and it provides clear deadlines for progress in arresting and transfer-

ring indicted war criminals to The Hague.

Mr. President, I urge my colleagues to cosponsor this legislation, which has been endorsed by the Coalition for National Justice, Human Rights Watch, Physicians for Human Rights, Action Council for Peace in the Balkans, and the International Human Rights Law Group. I ask unanimous consent that a copy of the legislation appear in the Record.

America stands for justice and recon-

conciliation throughout the world. We

must stand up for those principles by

ensuring that the war criminals of Bos-

nia are apprehended and the victims are

heard.

There being no objection, the mate-

ria was ordered to be printed in the Record, as follows:

S. 801

Be it enacted by the Senate and House of Rep-

resentatives of the United States of America in Congress as-

sembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “War Crimes Prosecution Facilitation Act of 1997”.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) In May 1993, the United Nations establish-

ed the International Tribunal for the Former Yugoslavia (ICTY).

(2) The mandate of the Tribunal is to prose-

cute “genocide, crimes against humanity, grave breaches of the Geneva Conventions, and violations of the laws and customs of war” committed in the territory of the former Yugoslavia from January 1, 1991, until “a date to be determined after restora-
tion of peace”.

(3) Parties to the Dayton Agreement, as well as subsequent agreements, agreed to co-

operate fully with the Tribunal.

(4) Although 74 persons are under indict-

ment by the Tribunal, 66 remain at large, in-

cluding 53 Bosnian and Yugoslav Serbs, and 18 Bosnian and Croatian Croats.

(5) Credible reports indicate that some of the indicted war criminals are living in areas of Bosnia and Herzegovina that are under the effective control of the Republika Srpska and Republica Srpska, and Serbia-Montenegro.

(6) An estimated 2,000,000 persons have been forced from their homes by the war, many of whom are required by the Dayton Agreement to meet their commitments.

(7) The fighting in Bosnia has ceased for more than a year, and international efforts are now focused on the economic reconstruc-
tion and implementation of the civilian as-
pects of the Dayton Accords.

(8) The International Bank for Reconstruc-
tion and Development, the European Bank for Reconstruction and Development, the International Monetary Fund, and individual donor countries, including the United States, have begun disbursing funds toward meeting an identified need of $5,100,000,000 for reconstruc-
tion of Bosnia.

SEC. 3. SENSE OF THE SENATE.

(a) It is the sense of the Senate that—

(1) reconciliation in Bosnia and Herzegovina cannot be achieved if indicted war criminals remain at large and refugees and displaced persons are unable to return to their homes of origin;

(2) reconstruction without reconciliation will not be effective in ensuring stability in the long run because absent individual ac-
countability, the local communities will assign collective responsibility, thus perpetuating the cycle of hatred; and

(3) the Government of the United States should endorse the view that unilateral assistance is provided to parties to the Dayton Agreement only if doing so would pro-
mote reconciliation as well as reconstruction, including the transfer of war criminals to the Tribunal, the return of refugees and displaced persons, and freedom of movement.

(4) further that the Senate understands that the Tribunal, consistent with its man-
date, should continue to investigate and bring indictments against persons who have violated international humanitarian law.

SEC. 4. RESTRICTIONS ON FUNDING.

(a) BILATERAL ASSISTANCE.—

(1) IN GENERAL.—No assistance may be pro-

vided under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any country described in subsection (d).

(2) APPLICATION TO PRIOR APPROPRIA-

TIONS.—The prohibition on assistance con-
tained in paragraph (1) shall not apply to the provi-
sion of assistance from funds appropriated prior to the date of enactment of this Act.

(b) MULTILATERAL ASSISTANCE.—The Sec-

retary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any ex-
tension by such institutions of any financial or technical assistance or grants of any kind to any country described in subsection (d).

(c) EXCEPTIONS.—

(1) IN GENERAL.—Subject to paragraph (2), sections (a) and (b) shall not apply to the provision of—

(A) humanitarian assistance;

(B) democratization assistance; or

(C) assistance for physical infrastructure projects involving activities in both a sanc-
tioned country and nonsanctioned contiguous countries, if the nonsanctioned countries are the primary beneficiaries.

(2) FURTHER LIMITATIONS.—Notwith-

standing paragraph (1),

(A) no assistance may be made available under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any program, project, or activity in any country described in subsection (d) in which an indicted war criminal has any financial or material interest or through any organization in which the indicted individual is affiliated; and

(B) no assistance (other than emergency food or medical assistance or demining as-

simply make available under the Foreign Assistance Act of 1961 or the Arms Export Control Act to any program, project, or activity in any area in any country de-

scribed in subsection (d) in which local au-
thorities are not in compliance with the provi-
sions of Article IX and Annex 4, Article II of the Dayton Agreement relating to war crimes and the Tribunal, or with the provi-
sions of Annex 7 of the Dayton Agreement relating to the rights of refugees and displaced persons to return to their homes of origin.

(d) SANCTIONED COUNTRIES.—A country de-

scribed in this section is a country the au-
thorities of which fail to apprehend and transfer to the Tribunal all persons in terri-

ories that are under their control who have been indicted by the Tribunal.

(e) WAIVER.—

(1) AUTHORITY.—The President may waive the application of subsections (a) or (b) with respect to a country if the President determines and certifies to the appro-

priate committees of Congress within six months after the date of enactment of this Act that a majority of the indicted persons who are within territory that is under the ef-

fective control of the country have been ar-

rested and transferred to the Tribunal.

(2) PERIOD OF EFFECTIVENESS.—Any waiver made pursuant to this subsection shall be ef-

fective for a period of six months.

(f) TERMINATION.—The sanc-

tions imposed pursuant to subsection (a) or subsection (b) with respect to a country shall
cease to apply only if the President determines that the conditions of that country have been met and transferred to the Tribunal all persons in territory that is under their effective control who have been indicted by the Tribunal.

SEC. 5. DEFINITIONS.

As used in this Act:

(1) **Country**—The term "country" shall not include the state of Bosnia and Herzegovina, and the provisions of this Act shall be applied separately to its constituent entities of Republika Srpska and the Federation of Bosnia and Herzegovina.

(2) **DAYTON AGREEMENT**—The term "Dayton agreement" means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

(3) **DEMOCRATIZATION ASSISTANCE**—The term "democratization assistance" includes electoral assistance and assistance used in establishing the institutions of a democratic and civil society.

(4) **HUMANITARIAN ASSISTANCE**—The term "humanitarian assistance" includes disaster and food assistance and assistance for demining, refugees, housing, education, health care, and other social services.

(5) **Tribunal**—The term "Tribunal" means the International Criminal Tribunal for the Former Yugoslavia.

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### **Indicted by the International Criminal Tribunal for the Former Yugoslavia**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title/Indicted for/Date Charged with/Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zlatko Aleksovski</td>
<td>Croat—indicted on 11/10/95 for killing Muslims in Lasova Valley</td>
</tr>
<tr>
<td>Stipo Alivoic</td>
<td>Croat—indicted 11/10/95 for killings in Lasova Valley</td>
</tr>
<tr>
<td>Mihol Babic</td>
<td>Serb—indicted for crimes committed in Omarska</td>
</tr>
<tr>
<td>Nenad Baralic</td>
<td>Serb—indicted for crimes committed at Keraterm</td>
</tr>
<tr>
<td>Petar Baralic</td>
<td>Serb—same as N. Baralic</td>
</tr>
<tr>
<td>Tin Hojen Blacevic</td>
<td>Croat—indicted 11/10/95 for killings in Lasova Valley</td>
</tr>
<tr>
<td>Gran Bononcica</td>
<td>Serb—indicted 11/10/95 for killings in Lasova Valley</td>
</tr>
<tr>
<td>Marijo Barac</td>
<td>Serb—indicted 11/10/95 for atrocities committed in Bihac</td>
</tr>
<tr>
<td>Jozef Barac</td>
<td>Muslim—indicted 3/20/96 for atrocities committed in Celebici</td>
</tr>
</tbody>
</table>

Notes—1. g.: Grave Breaches of the 1949 Geneva Convention. 2. v.: Violations of the Laws or Customs of War. 3. GEN.: Genocide. 4. c.: Crimes Against Humanity.
WAR CRIMINAL WATCH

Information on the whereabouts of 37 of the 67 people publicly indicted by the International Criminal Tribunal for the Former Yugoslavia (ICTY) who are still at large:


3. Mario Cerkez—Lasva Valley (Bosnian Croat)—Vitez (Muslim-Croat Federation)—Commanded a Bosnian Croat brigade in Vitez in 1993 and is still there (Tanjug, Nov. 13, 1995).

4. Dragan Fuster—Keraterm (Bosnian Serb)—Prijedor (Bosnian Serb territory)—Residence address listed on the IFOR wanted poster was 41 First of May Street in Prijedor. A notice on a wall near the apartment says both living there in late November 1996. The number sign has been pulled from the house. His mother and wife say that they live at 37 First of May Street, even though the building is 39 and 43 First of May Street. He is now unemployed (Christian Science Monitor, Nov. 28, 1996).

5. Dragan Gagic—Foca (Bosnian Serb)—Foca (Bosnian Serb territory)—Chief of police in Foca (Sunday Times of London, July 28, 1996).

6. Gjojko Jankovic—Foca (Bosnian Serb)—Foca (Bosnian Serb territory)—Seventy-year-old journalist at a Foca cafe while “French soldiers from IFOR *** leant against a nearby wall smoking cigarettes and paying no attention as Jankovic, accompanied by bodyguards, casually ordered a drink.” (Sunday Times of London, July 28, 1996). Tried to get to leave (Christian Science Monitor, Nov. 28, 1996).

7. Gjojko Jusichko (Bosnian Serb) indicted for Genocide—Bijeljina (Bosnian Serb territory)—Interviewed in his apartment in Bijeljina (DeVolkskrant [Amsterdam], Feb. 29, 1996). Telephone number of Ratko Cesar, also indicted for Brcko (De Volkskrant [Amsterdam], Feb. 29, 1996).

8. Drago Jostovic—Lasva Valley (Bosnian Croat)—Vitez (Muslim-Croat Federation)—A chemical engineer at the local Vitez oil refinery. He lives in his family home in the village of Santic, just east of Vitez (Associated Press, Nov. 9, 1996). Works as a chemical engineer in the Priznac munitions factory. May also be found at the local Croatian Democratic Party headquarters, where his wife is president (Washington Post, Nov. 27, page A21).


11. Dragan Kondic—Keraterm (Bosnian Serb)—Prijedor (Bosnian Serb territory)—Said to have connections with special police in Ljubija. Hangs out almost every night at “The Pink” bar in Prijedor.

12. Dario Kordic—Lasva Valley (Bosnian Croat)—Zagreb, Croatia—Numerous reports are available for his residence, or about July 8, 1996, was photographed in front of an apartment in Zagreb’s Tresnjevka district on the 4th floor with no name on the door; block is owned by the defense ministry (Globus [Zagreb], as quoted in Reuters, July 10, 1996). Croatian ambassador to the United States says the apartment belongs to Kordic’s parents, which means the Croatian government knows where Kordic has been living (Washington Post, Nov. 11, 1996, A28).

13. Milojica Kos—Omaarska (Bosnian Serb)—Omaarska (Bosnian Serb territory).—Milojica Kos owns the “Europe” restaurant in Omarska, across the street from the Omarska camp buildings; Milojica Kos frequently at the restaurant. Otherwise, he is known in Omarska (Christian Science Monitor, Nov. 28, 1996).

14. Radomir Kovac—Foca (Bosnian Serb)—Foca (Bosnian Serb territory)—A journalist said at the IFOR press briefing on Nov. 19, 1996, that Kovac was still working for the Foca police. IPTF spokesmen Aleksandar Ivanko replied, “I heard these reports. We can’t confirm them.” (Washington Post, Nov. 27, page A21).

15. Mirjan Kupreskic—Lasva Valley (Bosnian Croat)—Vitez (Muslim-Croat Federation)—Can be found at the grocery store he and his cousin Vlatko Kupreskic (q.v.) run; he lives in Pirici, just east of Vitez (Associated Press, Nov. 9, 1996). Runs a grocery shop in Vitez near Marinko Katavas (q.v.) apartment. His brother Zheljko Kos owns the “Evropa” government owned hotel, believed to be the Krajina Serb)—Prijedor (Bosnian Serb territory)—In the 67 people publicly indicted by the International Criminal Tribunal for the Former Yugoslavia (ICTY) who are still at large:...

31. Pero Škopljar—Lasva Valley (Bosnian Croat)—Vitez (Muslim-Croat Federation)—An official in the Bosnian Croat Presidency (Tanjil Bajramcev), he was described as still living “where he runs a print shop” (Inter Press Service, Dec. 14, 1995). Now runs a local printing company from the ground floor of his spacious home in Vitez (Associated Press, Nov. 9, 1996). Still runs the printing shop, though his wife says he’s rarely there (Washington Post, Nov. 27, page A21).


33. Radovan Stankovic—Foca (Bosnian Serb territory)—Working in the Bosnian Serb police in Foca as of Nov. 9, 1996, and away from IPTF (New York Times, Jan. 5, 1996). Aleksandar Ivanko. In August, Stankovic walked into IPTF police station near Sarajevo, but IPTF did not recognize his name. Local police stopped him, asked to see his driver’s license, recognized his name, ordered him to come to a police station, whereupon he fled—later to file a complaint with the IPTF alleging that the Bosnian police tried to shoot at his car (Reuter, Nov. 8, 1996). In August, Stankovic filed a complaint against the Bosnian police at an IPTF office. “After being deported, the fact that journalists discovered five others indicted on war-crime charges in the Serbian police force, U.N. officials reacted by forbidding their monitors to discuss the Stankovic case with reporters” (New York Times, Nov. 9, 1996).


35. Stevan Zodorović—Bosanski Samac (Bosnian Serb)—Bosanski Samac (Bosnian Serb territory)—Deputy of the local office of Republika Srpska (RS) security in Bosanski Samac; works the night shift (7 p.m.-7 a.m.) (Need to determine exactly from what location) (New York Times, Nov. 1, 1996, page A1). Lives in the village of Donja Slatina, a 3 minute, 30 second drive from American-staffed NATO base of Camp Colt, with 1,000 soldiers. His commuter route is routinely traveled by NATO patrols (Boston Globe, Nov. 1, 1996, page A1).

36. Drajan Zelenovic—Foca (Bosnian Serb territory)—A journalist said at the IFOR press briefing on Nov. 19, 1996, that he was still living in Foca police. IPTF spokesman Aleksandar Ivanko replied, “I heard these reports. We can’t confirm them. We have to take [Bosnian Serb] Milorad Serbian Kajac’s word, and he says nobody who has been indicted is working as a policeman in his letter word, and he says nobody who has been in-...” (New York Times, Nov. 19, 1996, page A1). Still lives in Foca, with an office in the town hall. Still lives in Foca, with an office in the town hall. (Associated Press, Nov. 9, 1996). Reported to be in a Bosnian Serb prison for an unrelated murder (Christian Science Monitor, Nov. 28, 1996). Mladic lives just 8 miles from a big American-led and controlled beef and goat in a heavily-guarded compound in Han Pijesak. There was no unusual movement reported around his compound on Saturday. U.N. police, however, said that six indicted Serbs still hold their police jobs: four in the northwestern town of Prijedor and two in the southeastern town of Foca.


Bosnia Tolerates War Criminals (By Liam McDowall)

Vitez, Bosnia-Herzegovina (AP).—Locating war criminals in the Bosnian Croats’ town is easy. Finding someone prepared to arrest them is tough.

On a typical afternoon, Marinko Katava, who’s wanted for murder, can be found near his desk in the town hall. Pero Škopljar, the town’s former chief of police, runs a local printing shop. The Kupreskić family—one of whose members is wanted for their role in the murderous wartime campaign against their Muslim neighbors—are usually at the grocery store they run.

All have been indicted by the U.N. war crimes tribunal in The Hague, Netherlands and listed on a widely-distributed “Wanted” poster.

The suspects aren’t easy to see. A reporter who spoke by telephone with the Kupreskices was met at the grocery by a group of men who asked that their daughter, Pero Škopljar’s wife make the same request at the printing shop, and fellow town hall workers said Katava did not want to meet the visitor. But none of them take any precautions to guard against arrest.

Why should they?

Nobody is looking for them. The unaided U.N. police force has no powers of arrest and the NATO-led peace force has no mandate to hunt those indicted for their alleged roles in Bosnia’s war. Of the 74 men indicted by the tribunal—four Muslims, 16 Croats and 54 Serbs—only eight are in detention. Four Muslims, two Serbs and one Croat are in The Hague, and one Croat is being held in Croatia, pending extradition.

Just the most famous war crimes suspects follow elaborate security measures to make their whereabouts harder to pin down: Ratko Mladic, who attempted to arrest any suspect. “I have received no or-...” (New York Times, Nov. 9, 1996).

The U.N. police force has no powers of arrest and the NATO-led peace force is unknown—can be found during working hours at town hall and at other times in his pleasant downtown apartment. Mladic lives just 8 miles from a big American-led and controlled beef and goat in a heavily-guarded compound in Han Pijesak. There was no unusual movement reported around his compound on Saturday. U.N. police, however, said that six indicted Serbs still hold their police jobs: four in the northwestern town of Prijedor and two in the southeastern town of Foca.

Bosnian Croats are no more compliant. In Vitez, 50 miles northwest of Sarajevo, at least six of the 14 Croats indicted for their role in the expulsion and murder of Muslims from the region remain at liberty. The Associated Press discovered that at least one of the war crimes suspects wanted for murder, Marinko Katava, continues to work as a labor inspector in the local gov-...
Prijedor, Bosnia-Herzegovina—It only takes a phone call to notify Omarska to discover that the head of Jeljko Drljaca, one of the West's most wanted indicted war criminals.

"Jeljko?" says the operator at the town police station. "He's not here at the moment, but he'll definitely be here later."

Mejaktic, the Bosnian Serb former commander of the notorious Omarska prison camp, is being evicted from his home. His torture victims interviewed in Germany say he has been threatened there.

"Unfortunately, Dayton is only a piece of paper to us," said Drljaca's press officer, Vasilica. A Roman Catholic priest in Serb-held Banja Luka who holds local warloads responsible for the 1995 disappearance of a local priest. "All the war criminals are still in power."

The arrest and trial of alleged war criminals is seen as a key element of peace here, allowing justice to break Balkan cycles of revenge. Yet NATO peacekeepers, whose mandates ban them from searching out war criminals, have yet to arrest any of the more than 76 indicted war criminals.

Under the Dayton accord, indicted war criminals are banned from holding public or elective office. But in reality, many still do most notably, Gen. Ratko Mladic heads the Serb Army, chief of war crimes witnesses interviewed in Germany said they have been threatened there.

"We are outraged, and we will move immediately for the removal of these people," he said. "They have no moral rights to live."

"Learning of the presence of indicted war criminals on the Prijedor force, Robert Wasserman, deputy commissioner of the UN International Police Task Force, which monitors civilian aspects of the Dayton accords, said the group would seek to have the officers removed.

"We are outraged, and we will move immediately for the removal of these people," he said. "They have no moral rights to live."

One alleged criminal who is still free is Prijedor police chief Simo Drljaca, whom UN and NATO officials expect to be indicted this month for war crimes. Drljaca, sources say, determined who was sent to prison camps and how they were treated, including signifying death orders.

Since the war, Drljaca has run Prijedor as if it were his fiefdom. In addition to controlling officials from the mayor on down. Drljaca is also alleged to have demanded kickbacks for apartments and police protection of businesses. Locally, his nickname is "Mr. Ten Percent," for the rate he demands from area bars and restaurants.

Serbian Bosnians who don't toe the party line are also targeted. Several war criminals are still in power. Their reach appears to stretch beyond Bosnia: Several war crimes trials have extended their power base to include police officials from the mayor on down.

"It's a pity these killers are still free," said one Bosnian Serb from near Omarska, who asked not to be identified. "Because it is dangerous. Overnight, one can lose one's life."

"These criminals assaulted and killed and raped and robbed us, and now they are still in power?" said Seifik Terzi, a 54-year-old Omarska survivor now in Germany. "And this is where I am supposed to return to? I'd rather kill myself and then finish the job they began four years ago."

MOSTAR

Since the signing of the Dayton agreement last December, the city of Mostar has become Bosnia's hub for organized crime. Explosions routinely destroy cafes of owners unwilling to pay protection money. Opposition figures are openly harassed. Car theft and counterfeit rings abound. Ethnic minorities are chased from their homes. An illegal drug trade, from marijuana to cocaine, is flourishing. And lurking behind these developments, Bosnian government and Western sources say, are as many accused of being war criminals. Mladen "Tuta" Naletilic and Vinko "Stela" Martinovic, once close to Bosnian government sources allege that they are two men accused of being war criminals: Mladen "Tuta" Naletilic and Vinko "Stela" Martinovic, a Canadian Croat who is close to Croatian Defense Minister Gojko Susak, is described as having been the brains behind the operation; Stela, who had a lengthy criminal record before the war, was assassinated in Sarajevo, according to sources who read a letter sent by the Tribunal to Bosnian officials.

A look at the two men's alleged wartime and peacetime careers reveals how fine a line there appears to be between war crimes and organized crime in today's Bosnia.

The old warlords have simply shifted their activities to organized crimes," said Col. Pieter Lambrecht of the European Union force in Mostar. "And in this postwar period, crime is flourishing."

So much so that FBI and Drug Enforcement Administration investigators, drawn by the boom in organized crime, recently visited Bosnia.

According to Bosnian government and Western sources, Tuta and Stela gained a stranglehold on Mostar's community, running anti-terrorist units in the Bosnian Croatian Army that drove minorities from the city and set up local detention camps.

Tuta, a Canadian Croat who is close to Croatian Defense Minister Gojko Susak, is described as having been the brains behind the operation; Stela, who had a lengthy criminal record before the war, was assassinated in Sarajevo, according to sources who read a letter sent by the Tribunal to Bosnian officials.

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mander of Omarska camp. "He interrogated
They are responsible for many murders and
Omarska.
D.I., a former prisoner.
ken beer bottles were only some of the
lice clubs into the anus and sitting on bro-
Croatian sent to Keraterm. "Shoving of po-
police: Now adviser to the ministry of inte-
early. Allegedly determined who went to
uty mayor; Former head of Bosnian Serb
ate a leading Croatian government
shot at and beaten. In April, Tuta physically
ction figures in Mostar have been threatened,
alysis unless he is in agreement with
Croatian police, who have done nothing
they do think the two hold sway over Bos-
wives, especially considering that they
pledged to cooperate fully with the War
Criminal Tribunal.

Among alleged war criminals in Prijedor and
omcilo "Cigo" Radanovic, Prijedor dep-
uty mayor; Former head of Bosnian Serb
ry unit; allegedly extortion residents by
promising freedom for cash. "The biggest
in Koszare were committed
under the command of Momcilo (Cigo)
ancovic," charged a camp survivor,
usret Sivac.
Ranko Mopic, new Prijedor chief of police;
arksma camp survivors say he was their
chief interrogation officer.
Simo Drljaca, previous Prijedor chief of police;
ction to the ministry of in-
ally determined who went to
casts for executions. "I be-
criminals in the region and continued polit-
camp survivors say he was their
chief interrogation officer.

"Cigo" was sent to Keraterm. "Shoving of po-
to express their views as a result," said
who have been indicted by the International
CTY) for some of the worst crimes in
this half-century—including genocide, sys-
tematic rape and other crimes against hu-
plicity—many criminals know that
many of the indicted are living openly and
comfortably in the region, continuing to
weld political and economic power.
We are united in our concern that bilateral and
multilateral reconstruction assistance not
strengthen and enrich those indicted war
criminals and the governments that are fail-
ing to take action are not conveying the
ecessary transferences to the Tribunal. It is essential to
the peace process that we carefully direct aid so
as to encourage compliance with the Dayton
reement's core elements—arrest and transfer of
icted war criminals, freedom of move-
, and return of refugees and displaced
ersons—rather than strengthen those who
while flourishing their sworn commitments to do
so.
We are particularly pleased that your leg-
recognizes the undeniable political realities of
the region and holds each Dayton
atory country responsible for the actual
ness of its authority and ability to assist the
Croatian police, who have done nothing
edBy Mr. LUGAR (for himself and Mr.
INFORMATION REFORM ACT

The Secretary's observations are con-
sistent with messages we have sent to
USDAs in the past years. Five years ago,
LEAHY and others pointed out that "money invested by USDA in computer
technology over the past several years
has been spent without a clear under-
standing of where it was being purchased.
or what was operationally required to increase efficiency within the Department." We asked then Secretary Madigan to curtail computer purchases until a "strategic plan or vision for Department reorganization is completed." We still await a final version of the current plan.

For over a decade, audits of USDA's IT purchases have uncovered the same root problems: inadequate control, planning, and direction of IT investments. USDA's analysis has failed to exercise the authority to control the IT expenditures of its 30 agencies. These agencies' independent IT purchases have led to systems that are unable to communicate across the Department. This has impeded program delivery and resulted in a labyrinth of duplicative and incompatible systems that has wasted hundreds of millions of dollars.

The 104th Congress passed the Clinger-Cohen Act, which requires performance-based planning and management in IT planning and purchases throughout Government. Clinger-Cohen created the position of the Chief Information Officer [CIO], a high-level executive responsible for achieving program goals through prudent and coordinated IT investments. The concept of CIO coordination of IT planning and purchases is already widespread in the private sector.

To be successful, the CIO must have significant legal and budgetary authorities. The CIO at USDA has neither. Individual agencies, which control their own budgets, can ignore the CIO. Currently, USDA's CIO has the responsibility to coordinate IT investments across agencies, but lacks the planning and budgeting authority to meet this responsibility. Without such authority, the problems of the past are sure to continue.

The legislation I introduce today builds on Clinger-Cohen by giving the CIO at USDA the legal and budgetary authorities necessary to manage IT across USDA's 30 agencies. This bill accomplishes three things. First, the CIO is given the legal and budget authorities necessary to successfully manage IT to benefit the Department as a whole. Second, the CIO is given subcabinet rank within USDA, and will report directly to the Secretary. Third, the CIO is given the authority to approve or disapprove all purchases of telecommunication and computers.

One important provision of this bill transfers to the CIO 10 percent of all USDA agencies' appropriations for salaries and expenses, to be used for IT planning and purchases. This amount can be adjusted by the Secretary. When the CIO approves an expenditure, the funds are released back to the agency. My purpose in including this provision is to provide the CIO with sufficient authority to control IT throughout USDA. The legislation that Secretary Glickman may prefer alternative methods of achieving this goal. I look forward to working with him to craft the best means of accomplishing our common objective, because I genuinely intend this legislation to be helpful to his efforts and want to be supportive.

Secretary Glickman sincerely wants to change the stovepipe mentality that pervades decisionmaking among USDA's 30 agencies. Secretary Glickman has expressed a desire to reform the planning and budgeting of IT expenditures. He has stated a desire to halt the pattern of uncoordinated planning and ill-advised purchases that has resulted in the waste of taxpayer dollars. I believe the Secretary agrees that we cannot afford the operating procedures which exist today.

However, the challenge of effecting change in the long-standing pattern of stovepipe agencies operating on their own is formidable. By introducing this bill today, I offer my assistance to the Secretary in this difficult and here-tofore elusive task.

The intent of this legislation is to help the Secretary realize his vision of a common USDA spirit by allowing him to implement reforms across the entire Department of Agriculture. I look forward to working with him to increase the efficiency and effectiveness of the Department's IT programs by doing improve delivery of USDA programs.

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. 805
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
(a) SHORT TITLE.—This Act may be cited as the "Department of Agriculture Information Technology Reform Act".
(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.
Sec. 4. Powers and duties of Chief Information Officer.
Sec. 5. Procurement of outside consultants.
Sec. 6. Transparency of information technology funds.
Sec. 7. Review by Office of Management and Budget.
Sec. 8. Technical amendment.
Sec. 9. Termination of authority.

SEC. 2. FINDINGS.
Congress finds that—
(1) the Office of Management and Budget estimates that the Department of Agriculture will spend $1,100,000,000, $1,200,000,000, and $1,250,000,000 for fiscal years 1996, 1997, and 1998, respectively, on information technology and automated data processing equipment;
(2) according to the Department, as of October 1993, the Department had 17 major information technology systems under development with an estimated life-cycle cost of $6,300,000,000;
(3) over the past decade, committees of Congress, the General Accounting Office, the Office of Management and Budget, and private consultants have repeatedly argued that the Department's information technology decisions have been made in piece-meal fashion, on an individual agency basis, resulting in duplication, a lack of coordination, and wasted financial and technological resources.

SEC. 3. DEFINITIONS.
In this Act:
(1) **AGENCY INFORMATION TECHNOLOGY FUNDS.**—The term “agency information technology funds” means 10 percent of the annual fiscal year funds that are made available through the Office of the Commodity Credit Corporation.

(2) **CHIEF INFORMATION OFFICER.**—The term “Chief Information Officer” means the individual designated by the Secretary of Agriculture to be the Chief Information Officer (as established by section 525 of the Information Technology Management Reform Act of 1996 (40 U.S.C. 1425)).

(3) **DEPARTMENT.**—The term “Department” means the Department of Agriculture.

(4) **FARM ACT.**—The term “Farm Act” means the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104-127).

(5) **INFORMATION RESOURCE MANAGEMENT.**—The term “information resource management” means the process of managing information resources to accomplish agency missions and to improve agency performance.

(6) **INFORMATION RESOURCES.**—The term “information resources” means information and related resources such as personnel, equipment, funds, and information technology systems.

(7) **INFORMATION TECHNOLOGY ARCHITECTURE.**—The term “information technology architecture” means an integrated framework for defining and maintaining existing information technology and acquiring new information technology to achieve the strategic business plans, information resources, management, and information resource management processes and methodology of the Department.

(8) **INFORMATION TECHNOLOGY SYSTEM.**—The term “information technology system” means a system of automated data processing or telecommunications equipment or software (including support services), information technology management, or business process reengineering of an office or agency of the Department.

(9) **OFFICE OR AGENCY OF THE DEPARTMENT.**—The term “office or agency of the Department” means, as applicable, each current or future—

(A) national, regional, county, or local office or agency of the Department;

(B) county committee established under section 6(b)(5) of the Soil Conservation andDomestic Allotment Act (16 U.S.C. 590b(d));

(C) State committee, State office, or field service center of the Farm Service Agency; and

(D) a group of multiple offices and agencies of the Department that are currently, or will be, connected through common program activities within an information technology system.

(10) **PERFORMANCE GOAL.**—The term “performance goal” means a target level of performance expressed as a tangible, measurable objective against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate.

(11) **PROGRAM ACTIVITY.**—The term “program activity” means a specific activity or project of a program that is carried out by 1 or more offices or agencies of the Department.

(12) **SECRETARY.**—The term “Secretary” means the Secretary of Agriculture.

(13) **TRANSFER OR OBLIGATION OF FUNDS.**—The term “transfer or obligation of funds” means—

(A) the transfer of funds (including appropriated funds, mandatory funds, and funds of the Commodity Credit Corporation) from 1 account to another account of an office or agency of the Department for the purpose of investing in an information technology system of an office or agency of the Department that exceeds $250,000 for any 1 order, or aggregation of orders, for the same or similar items and involves planning, providing services, or leasing or purchasing of personal property (including all hardware and software) or services for an information technology system of an office or agency of the Department;

(B) the obligation of funds (including appropriated funds, mandatory funds, and funds of the Commodity Credit Corporation) for the purpose of investing in an information technology system of an office or agency of the Department that exceeds $250,000 for any 1 order, or aggregation of orders, for the same or similar items and involves planning, providing services, or leasing or purchasing of personal property (including all hardware and software) or services for an information technology system of an office or agency of the Department; or

(C) the obligation of funds (including appropriated funds, mandatory funds, and funds of the Commodity Credit Corporation) for the purpose of investing in an information technology system of an office or agency of the Department that exceeds $250,000 for any 1 order, or aggregation of orders, for the same or similar items and involves planning, providing services, or leasing or purchasing of personal property (including all hardware and software) or services for an information technology system of an office or agency of the Department of Agriculture.

**SEC. 4. POWERS AND DUTIES OF CHIEF INFORMATION OFFICER.**

Notwithstanding any other provision of law (except the Government Performance and Results Act of 1993 (Public Law 103-62), amendments made by that Act, and the Information Technology Management Reform Act of 1996 (40 U.S.C. 1401 et seq.), in addition to the general authorities provided to the Chief Information Officer by section 525 of the Information Technology Management Reform Act of 1996 (40 U.S.C. 1425), the Chief Information Officer shall have the following powers and duties with respect to the Department:

(1) **LEADERSHIP IN REORGANIZATION AND STREAMLINING EFFORTS.**—The Chief Information Officer, in cooperation with other persons such as the Chief Financial Officer and the Executive Information Technology Investment Review Board (or its successor), shall promulgate the strategic leadership, plans, standards, and policies that are needed in light of the substantial changes created by the FAIR Act and reorganization and downsizing initiatives already commenced within the Department.

(2) **INFORMATION TECHNOLOGY SYSTEMS AND INFORMATION RESOURCE MANAGEMENT.**—

(A) monitory and performance goals.

(B) assign to each office or agency of the Department, or from 1 office or agency of the Department or an office or agency of the Commodity Credit Corporation, the functions of the office or agency of the Department that are currently, or will be, connected through common program activities within an information technology system.

(C) that integrate the changed missions of the missions, and offices or agencies of the Department, on a Department-wide basis.

(D) establish, and enforce, and exercise, and make available, an information technology architecture that serves the entire Department based on the objective of obtaining reorganizing and downsizing initiatives.

(3) **COORDINATION AND EVALUATION OF INFORMATION TECHNOLOGY SYSTEMS OF OFFICES AND AGENCIES.**—The Chief Information Officer shall—

(A) monitor the performance of the information technology system of each office or agency of the Department;

(B) evaluate the performance of the system on the basis of applicable performance measures;

(C) advise the head of the office or agency on whether to continue, modify, or terminate the system.

(4) **ELECTRONIC FUND TRANSFERS.**—The Chief Information Officer shall ensure that the information technology architecture of the Department complies with the requirements of section 3307 of title 31, United States Code, that certain current, and all future payments after January 1, 1999, be tendered through electronic fund transfer.

(5) **FIELD SERVICE CENTERS.**—The Chief Information Officer shall ensure that the information technology architecture of the Department provides for information technology systems that are designed for field service centers—

(A) to best facilitate the exchange of information between field service centers and other offices or agencies of the Department;

(B) that integrate the operation of all existing information technology systems of the Department to provide a single point of service provider, electronic fund transfer.

(C) that integrate the changed missions of the Department in light of the FAIR Act and reorganization and downsizing initiatives of the Department; and

(D) that are cost effective.

(6) **INFORMATION TECHNOLOGY SYSTEM INVESTMENTS.**—

(A) **IN GENERAL.**—The Chief Information Officer shall ensure that the information technology architecture of the Department clearly identifies the strategic business plan and information resource management, of offices or agencies of the Department regarding the needs and goals of program activities of the Department.

(B) **GOALS OF THE INFORMATION TECHNOLOGY ARCHITECTURE.**—The Chief Information Officer shall design and implement an information technology architecture in a manner that ensures that—

(i) the information technology system of each office or agency of the Department maximizes the effectiveness and efficiency of mission delivery and information resource management, and supports core business processes of the Department;

(ii) the information technology system of each office or agency of the Department maximizes the effectiveness and efficiency of mission delivery and information resource management, and supports core business processes of the Department;

(iii) the information technology system of each office or agency of the Department maximizes the effectiveness and efficiency of mission delivery and information resource management, and supports core business processes of the Department; and

(iv) the information technology system of each office or agency of the Department maximizes the effectiveness and efficiency of mission delivery and information resource management, and supports core business processes of the Department.

]
(A) CONDITIONS ON APPROVAL OF FUNDING.—The Chief Information Officer shall not approve the transfer or obligation of funds with respect to an agency or office of the Department unless the Chief Information Officer determines that—

(i) the information technology architecture of the office or agency is complete;

(ii) the funds will be transferred or obligated for an information technology system that is consistent with, and maximizes the performance of, the strategic business plan of the Office of Management and Budget and the Department;

(iii) ongoing projects and other acquisitions are approved to ensure that similar requirements, common elements, and economies of scale are realized; and

(iv) in coordination with the Chief Financial Officer, the strategic business plan of the office or agency is complete.

(C) CAPITAL PLANNING AND INVESTMENT CONTROL.—Before approving a transfer or obligation of funds for an investment under subparagraph (A), the Chief Information Officer shall consult with the Executive Information Technology Investment Review Board (or its successor) concerning whether the investment—

(i) meets the objectives of capital planning processes for selecting, managing, and evaluating the results of its major investments in information systems; and

(ii) links the affected strategic plan with the information technology architecture of the Department.

(D) EVALUATION OF INVESTMENTS.—The Chief Information Officer shall adopt, and have exclusive authority to use, a standard set of criteria to evaluate proposals for information technology system investments that are applicable to individual offices or agencies of the Department or have Department-wide impact. The criteria adopted shall include considerations of Department-wide or Federal Government-wide impact, visibility, cost, risk, consistency with the information technology architecture, and maximization of performance goals for program activities.

(10) USE OF BUDGET PROCESS.—

(A) IN GENERAL.—The Chief Information Officer shall develop, as part of the budget process, a process for analyzing, tracking, and evaluating the risks and results of all major capital investments made by an office or agency of the Department for information systems.

(B) PROCESS.—The process shall cover the life of each system and shall include explicit criteria for analyzing the projected and actual costs, benefits, and risks associated with the investments.

(C) CONTROL AND OVERSIGHT OF BUDGET.—The Chief Information Officer shall exercise exclusive control over the budget of the Office of the Chief Information Officer, including funds appropriated to the Office, and agency information technology funds that are transferred to the account of the Chief Information Officer under section 6(a).

(11) COMPLIANCE WITH OMB CRITERIA AND OVERSIGHT.—The Chief Information Officer shall ensure compliance with all criteria for an information technology architecture or information technology investment that are established by the Office of Management and Budget and under the Information Technology Management Reform Act of 1996 (40 U.S.C. 1401 et seq.).

(12) EVALUATION OF PROGRAMS AND INVESTMENTS.—

(A) REQUIREMENT.—The Chief Information Officer, in consultation with the Executive Information Technology Investment Review Board (or its successor), shall evaluate the information resources management practices of the offices or agencies of the Department with respect to the performance and results of the investments made by the offices or agencies in information technology.

(B) DUTY FOR ACTION.—The Chief Information Officer shall issue to the head of each office or agency of the Department a budget, and concise direction that the head of each such office or agency—

(i) establish effective and efficient capital planning processes for selecting, managing, and evaluating the results of all of its major investments in information systems;

(ii) determine, before making an investment in a new information system—

(I) whether the function to be supported by the system is a core or private sector function, and, if so, whether any component of the office or agency performing that function should be converted from a government organization to a private sector organization; or

(II) whether the function should be performed by the office or agency and, if so, whether any component of the office or agency’s mission-related processes and administrative processes, as appropriate, before making significant investments in information technology to be used in support of those missions; and

(iv) ensure that the information security policies, procedures, and practices are adequate.

(13) REPORTING.—The Chief Information Officer shall report only to the Secretary.

SEC. 5. PROCUREMENT OF OUTSIDE CONSULTANTS.

(a) IN GENERAL.—Consistent with section 3109 of title 5, United States Code, the Chief Information Officer may procure a private consultant who is an expert in—

(1) planning and organizing information technologies in the context of a business; and

(2) coordinating information technologies with core business plans and processes.

(b) USE AND AVAILABILITY OF FUNDS.—Agency information technology funds that are transferred to the account of the Chief Information Officer—

(1) may be used only for an activity described in section 4, 5, or 6 or the Information Technology Management Reform Act of 1996 (40 U.S.C. 1401 et seq.) that the Chief Information Officer determines will best serve the needs of the Department; and

(2) shall remain until expended.

(c) ADJUSTMENT OF FUNDS TRANSFERS.—The Secretary may adjust the amount of funds transferred by an office or agency under subsection (a) to reflect the actual or estimated expenditure of the office or agency for information technology systems for a fiscal year.

(d) MULTIPLE OFFICES AND AGENCIES.—An office or agency of the Department shall not be required to report the percent of the funds made available to the office or agency for salaries and expenses in any fiscal year to the extent that the office or agency participates in a program activity that involves more than 1 office or agency of the Department.

SEC. 7. REVIEW BY OFFICE OF MANAGEMENT AND BUDGET.

The Director of the Office of Management and Budget may review any regulation or rule involving an information technology system of the Department based on criteria for a strategic business plan, information technology architecture, or information technology investment, established by the Office of Management and Budget under the Government Performance and Results Act of 1993 (Public Law 103–62), amendments made by that Act, and the Information Technology Management Reform Act of 1996 (40 U.S.C. 1401 et seq.).

SEC. 8. TECHNICAL AMENDMENT.

Section 13 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714k) is amended in the second sentence by striking “section 5 or 11” and inserting “section 4, 5, or 11.”

SEC. 9. TERMINATION OF AUTHORITY.

The authority under this Act (other than section 8) terminates on March 31, 2002.

By Mr. McCAIN (for himself and Mr. Campbell): S. 806. A bill to amend the Internal Revenue Code of 1986 to take credits for Indian investment and employment, and for other purposes; to the Committee on Finance.

S. 807. A bill to amend the Internal Revenue Code of 1986 to provide for the issuance of tax-exempt bonds by Indian tribal governments, and for other purposes; to the Committee on Finance.

S. 809. A bill to amend the Internal Revenue Code of 1986 to provide for Federal purposes purposes Indian for Indian tribal governments practice the same as State or local units of government or as nonprofit organizations; to the Committee on Finance.

NATIVE AMERICAN TAX RELIEF LEGISLATION

Mr. McCAIN. Mr. President, I am pleased to join my colleague, Senator BEN NIGHTHORSE CAMPBELL, chairman of the Indian Affairs Committee, in introducing today would amend the Tax Code to give Indian tribes the tools with which to improve their economic development. In simple terms, native Americans as a group have experienced grinding poverty of epidemic proportions since the days when they were first uprooted from their homelands or overrun by settlers. At the end of World War II, the United States assisted in rebuilding the economies of Germany and Japan to the advancement of peace,
The economic conditions on Indian reservations have not improved even during those periods of economic growth that have swept much of the rest of the United States. Instead, Indian reservations have long suffered the indignity of promises broken and treaties discarded, and a personal hopelessness that reaches tragic dimensions. Many Indian reservations are, relatively speaking, islands of poverty in the ocean of wealth that is the rest of America.

In previous Congresses, I have offered these amendments to the Federal Tax Code to create incentives for private sector investment on Indian reservations and remove inequities in the Tax Code so that tribal governments can enjoy the same tax benefits accorded other nontaxable government entities. I have been disappointed to find that while the provisions are designed to provide an advantage to Indians, but merely to give them the same kind of tax incentives and benefits the Congress has given other economically depressed areas and other units of government. Given the extremely underdeveloped economies of native American communities, I believe we must authorize these reasonable measures to stimulate economic growth and productivity for Indians.

TRIBAL UNEMPLOYMENT TAX EQUITY AND RELIEF

Mr. President, the first bill I am introducing today is the Indian Reservations Jobs and Investment Act of 1997. This bill would provide tax credits to otherwise taxable business enterprises if they locate certain kinds of income-producing property on Indian reservations. The bill does not provide any tax credit for reservation property used in connection with gaming activities.

Mr. President, I am very concerned by how little capital is attracted to Indian reservations if we must begin to see private investment on Indian reservations. Typically, the only economic activity that is generated by the Federal or tribal governments. We must begin to see private investment attracted to Indian reservations if we are to realize any significant improvement in the economies of Indian tribes.

TRIBAL UNEMPLOYMENT TAX EQUITY AND RELIEF

Mr. President, the second measure is the Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1997. This bill would correct a serious oversight in the way the Internal Revenue Code treats Indian tribal governments for unemployment insurance taxes. State, Federal, and local government employers are subject to take the State unemployment insurance taxes they have paid and use them to offset their Federal unemployment insurance taxes. Private employers are subject to both State and Federal unemployment insurance taxes. In brief, the FUTA exempts foreign, Federal, State, and local government employers from the Federal unemployment tax; and exempts foreign and Federal Government employers from the State unemployment insurance tax. FUTA allows state and local government employers to pay a favorable, lower State unemployment insurance tax. The Department of Labor expects to pay $1.9 billion in tax-exempt charitable organizations the same as State and local governments.

The problem is that the FUTA does not expressly include Indian tribal government employees within the “government employee” category it has created for State and local government employees. As a result tribal governments across
the country have been subjected to widely differing interpretations of the FUTA statute, with inconsistent results. Some tribes’ good faith interpretation of the statute led them to believe that they, as units of government, were immune from the Federal tax. These tribes face large tax liabilities as a direct result of the way the act is being applied. Other tribes, again in good faith, did not participate in State unemployment insurance programs; these instances, employers of tribal governments, both Indian and non-Indian, have been denied unemployment insurance benefits, pointing to the lack of participation by the tribes.

Not surprisingly, the agencies charged with administering the tax and labor laws have not arrived at a consensus on the FUTA issue. For the past several years, various Internal Revenue Service offices have interpreted the FUTA in different ways. The varying interpretations have resulted in differences in benefits availability for tribal employees. Indians as well as non-Indians performing duties for the same governments under the same circumstances have been treated as Federal, State, and local governments. I urge my colleagues to join in supporting this crucial measure.

By providing equitable FUTA treatment to tribal government employers, this legislation will assist in the long-term growth and stability of tribal economies and tribal governments. I urge my colleagues to join in supporting this measure. Mr. President, I urge my colleagues to join in supporting this measure.

FOND DU LAC RESERVATION, BUSINESS COMMITTEE, Cloquet, MN, March 27, 1997.

Senator Ben Nighthorse Campbell, Chairman, Senate Committee on Indian Affairs, Hart Senate Office Building, Washington, DC.


DEAR SENATOR CAMPBELL: As Chairman of the Reservation Business Committee of the Fond du Lac Band of Lake Superior Chippewa Indians, in support of H.R. 294, a bill to amend the Federal Unemployment Tax Act to clarify that Indian tribes, like state and local governments, are exempt from federal FUTA taxes, I urge my colleagues to join in supporting this important legislation.

Not surprisingly, the agencies charged with administering the tax and labor laws have not arrived at a consensus on the FUTA issue. For the past several years, various Internal Revenue Service offices have interpreted the FUTA in different ways. The varying interpretations have resulted in differences in benefits availability for tribal employees. Indians as well as non-Indians performing duties for the same governments under the same circumstances have been treated as Federal, State, and local governments. I urge my colleagues to join in supporting this measure. Mr. President, I urge my colleagues to join in supporting this measure.

By providing equitable FUTA treatment to tribal government employers, this legislation will assist in the long-term growth and stability of tribal economies and tribal governments. I urge my colleagues to join in supporting this crucial measure.

Mr. President, I urge my colleagues to join in supporting this measure.

Robert B. Peacock,
Chairman,
May 23, 1997

CONGRESSIONAL RECORD — SENATE

S5125

We would like to request the assistance of the Native American Rights Fund attorneys and policy staff on this issue. Some coordination of effort would be greatly appreciated. I believe it is an issue which will affect all tribes in the very near future. The impacts of Labor’s UIPL surely will negatively affect sovereignty and degrade the government-to-government relationship which President Clinton affirmed by Executive Order a few years ago.

I thank you for your consideration of this matter.

Sincerely,

JUDY KNIGHT-FIANK, Chairman.

FOOTNOTES

1 At the time of writing, I am still awaiting a facsimile copy of the NCAI Resolution and will forward it immediately when it is received.

2 We did not pay our IRS FUTA tax bills since we received no benefit therefrom. A large IRS claim was dropped via federal legislation acknowledging the problem.

NATIONAL CONGRESS OF AMERICAN INDIANS, WASHINGTON, DC, MAY 22, 1997.

HON. BEN NIGHTSHOE CAMPBELL, Chairman, Committee on Indian Affairs, U.S. Senate, Washington, DC.

DEAR CHAIRMAN CAMPBELL: On behalf of the National Congress of American Indians, the oldest and largest national Indian organization, I am writing to voice the support of more than 400 tribes and interest groups for legislation to fix the inequitable treatment of tribal governments under the Federal Unemployment Tax Act (FUTA).

Since its enactment in the 1930’s, FUTA has treated foreign, federal, state and local governments employers differently from commercial business employers. FUTA also treats federal, state and local governments employers differently from state and local governments employers, taxing state and local government employees at the same rates as commercial business employers. It is well-settled that tribal governments are not taxable entities under the federal tax code because of their sovereign status. However, because FUTA does not expressly include tribal governments within the definition of governmental employers, the Internal Revenue Service (IRS) is forcing tribal governments to pay the high tax rates that apply to commercial business employers.

To correct this situation, Representative Shad viola H.R. 294, the United States Tribal Government Unemployment Compensation Act, which FUTA gives tribal governments the same options that FUTA gives state and local governments to pay the high tax rates that apply to commercial business employers.

Whereas, the two Colorado Ute Tribes are already facing a seven-fold increase in their state unemployment insurance tax rate due directly to Labor’s UIPL (reference attached letter from the Colorado Department of Labor); and

Whereas, it is set law that the FUTA tax is an equalized excise tax and this is acknowledged in Labor’s own UIPL; and

Whereas, Tribes should be exempt from the FUTA tax and be allowed to participate in a state unemployment insurance program on the same level as any political subdivision therein; and

Whereas, this exemption and fair treatment could be guaranteed by amending 26 USC § 7811(a)(2) (which treats Tribes as states for purposes of several federal taxes, including many excise taxes) to add FUTA to that list of excise taxes for which Tribes are considered as states and therefore exempt: Now therefore be it

RESOLVED That the National Congress of American Indians does hereby acknowledge this as a serious issue affecting nearly all member Tribes and shall immediately begin a member-wide survey to coordinate among its members the effort to amend the above-mentioned law in as timely a fashion as possible.

By Mr. ABRAHAM (for himself and Mr. DEWINE):

S. 810. A bill to impose certain sanctions on the People’s Republic of China, and for other purposes; to the Committee on Foreign Relations.

THE CHINA SANCTIONS AND HUMAN RIGHTS ADVANCEMENT ACT

Mr. ABRAHAM. Mr. President, I rise today to introduce a bill to promote a policy toward China. When Ronald Reagan visited China in 1984, he declared in a speech that:

Economic growth and human progress make their greatest strides when people are secure in their lives, free to think, speak, worship, choose their own way and reach for the stars. While China has made great strides since Ronald Reagan spoke those words, it is clear today that the people of China are not free to think, speak, worship, or choose their own way.

The question is how the United States, a nation conceived in liberty, should respond to continuing violations of basic human rights in China and in other actions of the Chinese leadership.

Religious persecution, abuses against minorities, coercive family planning, military threats, and weapons proliferation and efforts to improperly influence American policies. All of these policies have been and continue to be undertaken by the Chinese Government. And all of them must stop.

One thing is clear, Mr. President: As the world’s leading democracy, the United States cannot simply look the other way, ignoring the Chinese Government’s record on human rights.

And, despite the real and measurable expansion of freedom in some spheres in China, problems remain. The organization Amnesty International has stated that:

a fifth of the world’s people are ruled by a government that treats fundamental human rights with contempt. Human rights violations continue on a massive scale.

In addition, there have been numerous reports of religious persecution in China. These reports by Amnesty International and Human Rights Watch/Asia do not state that China has recently been targeting religious leaders for execution. But some religious leaders have been executed along with others in remote provinces. And long and arduous sentences have been handed out to certain Chinese religious leaders.

For example, Tibetan abbot, Shadrel Rimpoche, was in charge of the original search in that country to find the missing child whom the Tibetans consider the reincarnation of the Panchen Lama.

The abbot was missing for more than a year, officially labeled “a criminal plot to subvert Buddhism” by a Chinese government. Recently the government sentenced him to 6 years in prison. Other religious leaders have been sent to labor camps.

The people of Tibet have been subject to particularly harsh abuse from the Chinese Government because their form of the Buddhist religion is so closely tied to their independence movements; movements that have met with brutal suppression.

Allow me to quote at length from a 1997 Human Rights Watch/Asia report:

In the Tibetan Autonomous Region and Tibetan areas of Chinese provinces the effects of a July 1994 policy conference on Tibet combined with the Strike Hard campaign have been especially evident. These efforts, supported by the Chinese government, have been a step-up campaign to discredit the Dalai Lama as a religious leader, crackdowns in rural areas as well as a major push in Tibetan urban centers and nunneries of nationalist sympathizers, and the closure of those that were politically active.

Leaders who refused to sign pledges denouncing the Dalai Lama or to accept a five-point declaration of opposition to the
proindependence movement, faced expulsion from their monasteries.

In May 1994, a ban on the possession and display of Dalai Lama photographs led to a bloody crackdown at Gonesa and to searches of hotels, restaurants, shops, and some private homes. Over 90 monks were arrested; 53 remained in detention as of October. The Chinese official reports that none of the 61 arrested were still being held. At least one person and perhaps two others are known to have died in the melee.

Chen acknowledged that they are holding Jendune Yee Kneema the child recognized by the Dalai Lama but rejected by Chinese authorities as the reincarnation of the Pansen Lama, under the protection of the government at the request of his parents.

The whereabouts of this missing child should be a major source of concern for every one who cares about religious liberty.

But the Tibetan Buddhists are not the only people of faith who face persecution at the hands of the Chinese Government. Under a 1996 state security law, all religious institutions must register with the state. Those who do not do so risk arrest and imprisonment instead to operate underground face the government’s wrath.

Human Rights Watch/Asia reported recently that:

- Unofficial Christian and Catholic communities were targeted by the government during 1996. A renewed campaign aimed at forcing all churches to register or face dissolution, resulting in beatings and harassment of congregations, closure of churches, and numerous arrests, fines, and sentences. In Shanghai, for example, more than 300 house church congregations were closed.

- From January through May, teams of officials fanned out through northern Haybay, a Catholic stronghold, to register churches and clergy and prevent attendance at a major Marian shrine. Public security officers arrested clergy and lay Catholics alike, forced others to remain in their villages, avoid foreign clergy who attempt to preach, and report to the police anywhere from one to eight times daily.

- In some villages, officials confiscated all religious medals. In others, church buildings and prayer houses were torn down or converted to lay use.

- In addition to religious belief and practice, there are other troubling issues of moral conscience. I am referring in particular to the Chinese Government’s birth control policies.

- Mr. President, the Chinese Government claims that family planning is voluntary in that nation. Yet, according to Amnesty International, birth control has been compulsory since 1979. As a result of the efforts to register and choose instead to operate underground face the government’s wrath.

- Pregnant women with too many children have been abducted and forced to have abortions and/or undergo sterilization.

- Pregnant women have been detained and threatened until they have agreed to have abortions.

- Above-quota new-born babies have reportedly been killed by doctors under pressure from officials.

- The homes of couples who refuse to obey the child quotas have been demolished.

- Relatives of those who cannot pay fines imposed for having had too many children have been held hostage until the money was paid.

- And those helping families to have above-quotas children have been severely punished.

- Just one example, if I may, Mr. President. In March I was provided by Amnesty International:

An unmarried woman in Haybay Province who had adopted one of her brother’s children was detained several times in an attempt to force her brother to pay fines for having too many children. In November 1994 she was held for 7 days with a dozen other men and women. She was reportedly blindfolded, stripped naked, tied, and beaten with an electric baton.

- These stories bespeak an often brutal disregard for the rights of conscience, for the sanctity of marriage and family, and for human life itself. They are evil acts, Mr. President, nothing less than government perpetrated evil.

Let me now shift to the military sphere.

Here, Mr. President, we see Chinese Government practices that include military intimidation and the selling of advanced weaponry to rogue states. For example, on the eve of Taiwan’s 1996 elections, China engaged in threatening missile firings unnecessarily close to Taiwanese cities. The Taiwanese were not cowed; they are a brave people. But these provocations, so soon after China’s 1995 military exercises and missile launches in direct proximity to Taiwanese territory, have led the Taiwanese people to consider whether their need nuclear weapons to defend their homes.

In addition, the Chinese Government has threatened international stability through its weapons sales to regimes; including Iran and Iraq, that sponsor terrorism and pose a direct threat to American military personnel and interests. Most dangerous has been the Chinese willingness to supply the Iranians with the technology and basic materials for their own chemical weapons program.

- Mr. President, these weapons pose a direct threat to American troops as well as stability and peace in the Middle East.

- Moreover, the Chinese Government apparently does not limit itself to military means as it tries to influence the policies of other nations.

- Allegations of Chinese involvement in our political system are disturbing, particularly considering the various implications this has for our relations with that country. These allegations may involve both civil and criminal violations of our laws by individuals associated with the Chinese Government.

- The press has reported serious allegations that the Government of China attempted to influence last year’s Presidential election by diverting illegal campaign contributions to the Democratic National Committee.

- FBI investigators have found significant evidence that the Chinese Government targeted 30 legislators, and that it funneled money through businesses it controlled in America to the DNC. If proven, these allegations would signal violations of Federal Election Commission laws regarding foreign campaign contributions by the Chinese Government.

- Mr. President, this is a damning list, a list that cries out for action. As the world’s sole remaining superpower and, perhaps more important, as the birthplace of liberty and individual rights, we have a duty to uphold the principles of liberty wherever possible.

Liberty continues to suffer abuse from the Chinese Government. And we should do something about it.

In response to the serious problems I have raised some have called for an end to China’s most-favored-nation trading status with the United States. In fact, the debate has focused almost exclusively on MFN.

I believe that is the wrong approach. I support a 1-year extension of MFN for China.

Why? First, because it is the best policy for American consumers. Those consumers will have a wider choice of affordable goods with MFN than without.

- To revoke MFN would be to increase tariffs on goods purchased by the American people. It would amount to a tax hike, and I am not in favor of tax hikes, particularly ones imposed on the basis of another government’s behavior.

- Second, I am convinced that revoking MFN would target the wrong parties for punishment. We should keep in mind, in my view, that it is not the people of China with whom we have a quarrel; it is their government, and that we should not underestimate trade and investment’s positive impact.

- In China, employees at United States firms earn higher wages and are free to choose where to live, what to do, and how to educate and care for their children.

- Even in the short term, we should not underestimate trade and investment’s positive impact.

- In China, writes China policy expert Stephen J. Yates of the Heritage Foundation. This real and measurable expansion of freedom does not require waiting for middle-class civil society to emerge in China; it is taking place now and should be encouraged.

- Third, Mr. President, I am convinced that terminating MFN would be damaging to the people of Hong Kong, currently involved in a transfer of power from British to Chinese rule.

- All of us in Congress are concerned that China may violate the 1994 Sino-British Joint Declaration and squash political and economic freedom once Hong Kong again comes under Chinese rule.

- With 35,000 United States citizens and 1,000 United States firms in Hong Kong, America must be certain that China honors its agreement and we must remain watchful over the coming months and years.

- However, in formulating United States policy with regard to Hong Kong
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Kong we must remember that repealing MFN for China will hit Hong Kong hard, particularly because so much trade goes through there. Goods from Hong Kong would face the same steep tariff as those from other parts of China.

Hong Kong Governor, Chris Patten, has said that rescinding MFN would devastate Hong Kong’s economy.

For the people of Hong Kong there is no comfort in the proposition that if China re- duces their freedoms the United States will take away their jobs.

The letter from Governor Patten also said:

There is one particular contribution which the United States of America, and Congress in particular, can make to ensure that Hong Kong remains well-equipped to face the future. That is to grant the unconditional re- newal of China’s MFN trading status, on which the continued strength of Hong Kong’s economy depends.

This is one issue on which there is complete unanimity in Hong Kong across the community, and across the political spectrum.

It is not good policy to attempt to help Hong Kong by taking an action that is opposed by the people we say we are trying to help.

Mr. President, I have another important reason for supporting a 1-year extension of MFN: American jobs.

Using the Commerce Department’s rules of thumb, United States exports to China account for roughly 200,000 American jobs. Should we stop doing business with China, I have in doubt that other nations will step in to take our place, and to take jobs now occupied by Americans both here and in China. Thus, we would not significantly punish the Chinese Government, but we would visit hardship on our own workers.

Rather than eliminate jobs and stifle growth through increased tariffs, in my view, it would be better to take actions showing our displeasure with the Chi- nese Government, while encouraging China to become a more free and open society.

I believe that Members of this body can agree on the need for strong Amer- ican actions responding to human rights abuses in China. That is why I am introducing the China Sanctions and Human Rights Advancement Act.

And I am convinced that Members on both sides of the MFN debate can agree that the sanctions I am proposing today are necessary and justified, and that they are effective.

The goal of these sanctions will be to show our disapproval of the actions of the Chinese Government, while at the same time encouraging worthwhile economic and cultural exchanges that can lead to positive change in China.

This legislation would focus on:

First, who the United States allows into the country from China; second, United States taxpayer funds that sub- sidize China; third, United States Gov- ernment votes and assistance in inter- national bodies that provide financial assistance to China; fourth, targeted sanctions of PLA companies; and fifth, measures to promote human rights in China.

Let me be specific. Under my bill, the U.S. Government would take the fol- lowing actions:

First, it would prohibit issuance of U.S. visas to human rights violators.

The bill would prohibit the granting of United States visas to Chinese Gov- ernment officials who work in entities involved in the implementation and en- forcement of China’s law and directives on religious practices.

Specifically, this targets high-rank- ing officials of the state police, the Rel- igious Affairs Bureau, and China’s family planning apparatus. The same would go for all those involved in the massacre of students in Tianamen Square.

Written notice from the President to Congress explaining why the entry of such individuals overrides our concerns about China’s human rights abuses would be required for such individuals to enter the United States.

Second, the bill would prohibit direct and indirect United States-taxpayer fi- nanced foreign aid for China.

We can no longer ask U.S. taxpayers to subsidize a Communist leadership and government with which we have so many serious disagreements.

Between 1985 and 1986 the United States supported 111 of 183 loans approved by the World Bank Group and 15 of 92 loans that the Asian Development Bank approved. In addition, the United States Government is providing assistance through international family planning initiatives that provide money and services to support China’s restrictive policies on reproduction.

Under my bill, United States repre- sentatives would be required to vote “no” on all loans to China at the World Bank, Asian Development Bank, and the International Monetary Fund.

An exception would be made in the case of humanitarian relief in the event of a natural disaster or famine.

In addition, a dollar or a multi- lateral development bank or inter- national family planning organization gives to China, my bill would subtract out a dollar in United States taxpayer funding to those bodies.

Simply put, America should not be subsidizing current Chinese Govern- ment policies. If China continues its current behavior then it can fund pro- grams by reducing the money it spends on building up its military or in prop- ping up state enterprises. We do not want to encourage China to postpone tough decisions on moving to a free market economy.

Though we are standing on principle, we know from past experience that these measures will be more effective with help from our allies. That is why the bill requires the President to begin consultations with these allies on en- acting similar measures and for the President to report to the Congress on these consultations.

Third, the legislation includes ac- tions targeted at companies associated with the Chinese military.

There is increasing concern in America about Chinese companies backed by the People’s Liberation Army.

My bill would require the U.S. Gov- ernment to publish a list of such com- panies operating in the United States. This would allow consumers and other purchasers to make a choice about whether they wish to do business with such companies.

Most troubling have been the actions of two Chinese companies— Polytechnologies Inc., known as Poly, and Norinco, the China North Industries Group.

On May 22, 1996, officials from the United States Customs Service and Bu- reau of Alcohol, Tobacco and Firearms arrested seven individuals and seized 2,000 Chinese-made AK–47 machine guns.

On June 4, 1996, a grand jury in the U.S. District Court for the Northern District of California indicted these seven individuals, along with seven other Chinese citizens, for violating 12 different sections of Fed- eral law, including conspiracy, smug- gling, and unlawful importation of de- fence articles.

Those indicted individuals worked for Poly and Norinco. Leading execu- tives of the firms, as well as Chinese Government officials, were indicted.

The People’s Liberation Army owns a majority share of Poly, while Norinco’s operations are overseen by the State Council of the People’s Republic of China.

Undercover agents were told by a representative of Poly and Norinco that Chinese-made hand-held rocket launchers, tanks, and surface-to-air missiles could also be delivered. And who were to be the ultimate purchasers of the AK–47’s and other military hard- ware? According to Federal agents, California street gangs and other criminal groups.

The type of activity cannot be tolerated by the U.S. Congress. These com- panies need to be held responsible for their actions.

Under my bill, for a period of 1 year, Poly and Norinco will not be allowed to export to, or maintain a physical pres- ence in, the United States. Senator DeWINE plans to introduce a separate bill that will target these two compa- nies and I applaud him and Representa- tive Chris Cox for their leadership on this issue.

Mr. President, these tough measures are justified and necessary. But even as we implement them we should not cut off valuable interchange with China. We must always be open to more con- tacts and exchange of ideas with the Chinese people.

That is why the legislation calls for a doubling of current United States fund- ing for student, cultural, and legisla- tive exchange programs between the United States and the People’s Repub- lic of China, as well as doubling the funding for Radio Free Asia and pro- grams in China operated through the National Endowment for Democracy.
In addition, adopting a measure advocated by Representatives FRANK WOLF and CHRIS SMITH, the bill requires additional and extensive training for U.S. asylum officers in recognizing religious persecution. The legislation would require an annual report by the President on whether there has been improvement in China’s policy of religious toleration and in its overall human rights record, including during the transition in Hong Kong.

The sanctions would sunset after 1 year. This will allow Congress to evaluate the situation to determine whether and in what form sanctions should be continued.

In my judgment, the combination of these sanctions and a 1-year extension of MFN offers the best approach to change the behavior of the Chinese Government.

Mr. President, these measures will directly punish where it belongs, with the Chinese Government, not the Chinese people.

By refusing to use taxpayer money to subsidize Chinese activities, we can show our disapproval of their military actions and make them choose between prosperity and belligerence.

By banning Chinese companies from this country for attempting to sell weapons to violent street criminals, we can show our willingness to defend our streets and our insistence that the Chinese Government cease its intrusive, illegal practices.

In closing, Mr. President, we should not forget the government-led massacre of students in Tiananmen Square. It has been less than 10 years since the atrocity, and we should not let it slip from our minds.

Let me read you a dispatch filed from Beijing by New York Times reporter Nicholas Kristoff on June 4, 1989:

The violence against students and workers in Tiananmen Square was most obvious today as troops chased the students and appeared to be subduing the ones getting killed ** **. To be an American on the square this morning was to be the object of fervent hope and inarticulate pleas for help. “We appeal to your country,” a university student begged as bullets caressed overhead. “Our Government is mad. We need help from abroad, especially America. There must be something that America can do.”

Through this legislation, America can stand with the Chinese people, and stand by the principles of political, religious, and economic liberty on which our Nation was founded.

Let’s not punish American and Chinese families by raising tariffs. Instead, let’s punish specific abuses and encourage the further development of the economic and political liberties we cherish.

Mr. President, I ask unanimous consent that a summary of this bill be printed in the Record.

There being no objection, the summary of the bill was ordered to be printed in the RECORD, as follows:

THE CHINA SANCTIONS AND HUMAN RIGHTS ADVANCEMENT ACT—EXECUTIVE SUMMARY

AMERICAN CONCERNS WITH CHINA

The United States has serious policy disagreements with the People’s Republic of China. Such the way China treats its own people and U.S. interests requires appropriate action by the United States Congress. Unfortunately, Administration policies have been on policy is lacking.

That is why the China Sanctions and Human Rights Advancement Act will enable America to respond to a manner consistent with our values and vision.

As the world’s leading democracy, the United States cannot simply look the other way at the Chinese government’s record on human rights and persecution. Rights of a fifth of the world’s people are ruled by a government that treats fundamental human rights with contempt,” reports Amnesty International. “Human rights violations continue on a massive scale.”

What is the best response to Chinese government repression of its citizens, including increased repression of religious believers? The status quo, it appears, is not the answer.

China’s willingness to abide by international agreements is already being tested. The United States and the United Nations Human Rights Declaration is an international agreement registered with the United Nations. In it, China promises that the people of Hong Kong will rule their own economy, except in the areas of defense and foreign affairs. With 35,000 U.S. citizens and 1,000 U.S. firms in Hong Kong America must be certain that China honors its agreement.

China’s attempt to intimidate Taiwan and the activities of its military, the People’s Liberation Army (PLA), both in the United States and on Taiwan’s outer perimeter. In addition, the efforts of two Chinese companies, NORINCO and POLY, deserve special rebuke for their involvement in the sale of AK-47 machine guns to California street gangs. Finally, there are numerous press reports of Chinese government efforts to influence the course of U.S. elections through political donations.

THE LARGER PICTURE

Trade, investment, and people-to-people exchanges must be a part of America’s relationship with China. Countries the size of China and the United States with the same GDP always make deals with each other. The debate over MFN is the terms of that trade. Yet those who disagree on MFN should be able to unite behind reasonable measures for China. China, yet seek to promote democratic values and human rights in China. There is no doubt that trade and U.S. investment in China has a positive effect in providing more opportunities for average Chinese citizens.

Even in short term, we should not underestimate trade and investment’s positive impact. “In the developing world, rich and poor countries earn higher wages and are free to choose where to live, what to eat, and how to educate and care for their children,” writes China policy expert Stephen J. Yates. “This real and measurable expansion of freedom does not require waiting for middle-class civil society to emerge in China; it is taking place now and should be encouraged.”

SUMMARY OF LEGISLATION

The time has come to take steps that would signal to Chinese leaders that their current behavior is unacceptable to the American people and the American Congress.

In crafting the best response to Chinese government policy we must be careful not to punish the innocent with the guilty. Our quarrel is with the Chinese government, not with the Chinese and American peoples.

The Abraham “China Sanctions and Human Rights Advancement Act” takes aim at U.S.-China government-to-government programs and contacts. It is time for Congress to end U.S. and other foreign aid to China and to set more appropriate limits on who we allow into this country from the Chinese government.

The legislation focuses on (1) who the United States allows into the country from China; (2) U.S. taxpayer funds that subsidize Chinese activities we can and present. Such visas is in the national interest of the United States and overrides U.S. concerns about China’s human rights practices past and present.

The legislation also mandates additional and extensive training for U.S. asylum officers in recognizing religious persecution.

No U.S. taxpayer subsidies for China

Require U.S. representatives to vote “no” on all loans to China at the World Bank. Between 1983 and 1986 the United States supported 181 loans and 15 of 92 loans that the Asian Development Bank approved. An exception is necessary for an ongoing criminal investigation or judicial proceedings as determined by the Attorney General.

Require U.S. representatives to vote “no” on all loans to China at the Asian Development Bank.

Require U.S. representatives to vote “no” on all loans to China at the International Monetary Fund.

Reduce U.S. contributions to multilateral development banks (World Bank, etc.) by the amount of the loan made to China in the coming year. Stipulate the Secretary of Treasury shall reduce the amount the World Bank can borrow in U.S. capital markets to more than 8% of what the World Bank borrowed in the United States in the previous year.

Require the Secretary of Treasury to oppose any request by the United States executive director of the World Bank to oppose any change in the World Bank’s rules that limit the total share of the bank’s lending that can be made in any one country.

Require the President to begin consultations with major U.S. allies and trading partners to encourage them to follow similar measures contained in this bill and to lobby our allies to vote against loans for China at
multilateral development banks. Within 60 days of a G-7 meeting, the President shall submit a report to Congress on the progress of this effort.

Reduction in Annual U.S. Financial Assistance to International Bodies and Organizations

The legislation emphasizes appropriate limits on U.S. and Chinese government-to-government contacts and U.S. taxpayer subsidies to promote greater openness and nondiscriminatory treatment in China. These measures will signal to China's leadership that it cannot simply continue as business as usual with the U.S. government so long as it mistreats its citizens and tramples on their fundamental right to participate in political processes. The legislation also applies appropriate measures with regard to PLA companies. The United States must stay engaged with China, and trade and investment is a valuable avenue for that engagement, but there is no reason the U.S. government should subsidize a government with whom we have so many serious and fundamental disagreements. This approach is designed to signal our displeasure with the conduct of the Chinese government and to encourage its leaders to improve the treatment of its citizens, and to end U.S. taxpayer subsidies for a repressive regime while expanding basic interaction between the American and Chinese people.

By Mr. KOHL

S. 25 would establish an independent, bipartisan commission to recommend new forms of cooperation and sanctions to Congress to consider the issue of applying sanctions against PLA companies.

Mr. KOHL. Mr. President, I rise today to discuss an important issue before the Senate—campaign finance reform. First, let me state that I am a cosponsor of the legislation: Senator JOHN McCAIN and RUSE FENGOLD’s Senate Campaign Finance Reform Act of 1997. I cosponsored S. 25 because I feel it is the best legislation moving through the Congress to strengthen our campaign finance laws. My Wisconsin colleague, Senator FEINGOLD and Senator McCAIN deserve our gratitude and praise for keeping this issue alive. It has been nearly 20 years since Congress enacted meaningful campaign finance reform, and they have come closer than anyone at passing a bipartisan plan.

We are at a crossroads in this debate. America’s campaign finance laws have not been significantly altered since the 1970s. Since that time, we’ve seen an explosion in campaign spending, a growing public perception that special interests are far too influential in the electoral process. The last election cycle saw the problems in our system grow to new proportions, and we are now witnessing two congressional investigations and a Justice Department investigation into alleged illegality and improprieties. Despite these widespread problems, Congress and the President seem incapable of enacting a campaign finance reform bill.

We have seen initiatives by Democratic and Republican Presidents, Democratic and Republican Congresses, and even highly hailed bipartisan approaches all fail. One can easily conclude that this issue is so mired in partisan politics, trapped in a quagmire of self-interest and special interest, that Congress will not be able to craft a comprehensive reform bill. S. 25 is the best legislation to be proposed in two decades. The legislation in the last Congress, we could not get 60 Senators to support it, and the House of Representatives leadership wouldn’t even bring it up for a vote.

Mr. President, I am very concerned that this important piece of legislation may face the same fate this year. I support S. 25, and will continue to strongly support it until we have a clear vote on the measure this year. However, I do not believe it would be in the country’s best interest if the campaign cycle go by without the Congress taking clear action to reform our campaign finance system.

Therefore, I am introducing today the Campaign Finance Reform Commission Act of 1997. Let me be clear from the outset: I would prefer to pass a bill such as S. 25, and I desperately hope that we do. But, in the case that we do not, Congress needs to be ready with legislation that moves us toward a better system.

The Campaign Finance Reform Commission is modeled on the successful Base Realignment and Closure Commission. The legislation would establish a balanced, bipartisan commission, appointed by Senate leaders, House leaders, and the President to propose comprehensive campaign finance reforms. Like the BRAC Commissions, the proposals of the Campaign Finance Reform Commission would be subject to congressional approval or disapproval, but no amendments would be permitted. The Commission would have a limited duration—1 year after its creation. And Congress would have a limited amount of time to consider the Commission’s proposals.

Mr. President, there are many who will object to this plan and argue that, through the creation of a commission, the Congress is conceding that it cannot solve this problem on its own. To the contrary, the creation of a Campaign Finance Reform Commission would be a concrete sign to the American public that Congress is serious about reforming our election laws. We have seen the success of the BRAC Commissions in removing political influences from the decision-making process. This same formula could be used for our campaign finance reform laws.

When Congress enacted the first BRAC Commission law, it was argued that a bipartisan commission was required because the closure of military bases was so politically sensitive. Congress could not be expected to make the tough choices on the bases. Well, Mr. President, if closing military bases is considered tough, altering the campaign laws that literally determine whether Members could retain their jobs must be just as politically sensitive, if not more so.

Again, I wish to praise the efforts of Senators FENGOLD, McCAIN, and the broad coalition of grassroots organizations which have kept the campaign finance issue in front of the American public. But, Congress cannot afford to rely only on the efforts of others. They succeed in their efforts with their bill and we can present the American public with a new campaign system before the 1998 election. I offer this bill today only as an alternative to be considered, if, and only if, we cannot pass S. 25 this year.

Mr. President, like all commonsense ideas, the idea of a Campaign Finance Reform Commission did not spring from a text book but came from a simple thinking. Two Senate leaders, Mr. McConnell and Mr. Feingold, held a historic conversation at a New Hampshire meeting. The first question came from a retiree, Mr. Frank McConnell, Jr. Mr. McConnell had a simple, commonsense idea—form a commission like the one that closed the military bases to reform our election system, so, in Mr. McConnell’s words, “it would be out of the political scene.” The time for Mr. McConnell’s idea has come. I am pleased to put Mr. McConnell’s idea into legislative form. If S. 25 fails this year, this Commission could give us the reform we all demand. And, it
would give the American public a re-stored faith that their democratic in-stitutions have responded to their cry for change in our electoral system.

Mr. President, I ask unanimous consent that the entire text of my legisla-tion be printed in the RECORD.

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

SECTION 1. SHORT TITLE.  
This Act may be cited as the “Campaign Finance Law Reform Act of 1997.”  

SEC. 2. ESTABLISHMENT OF COMMISSION.  
(a) ESTABLISHMENT.—There is established a Commission to be known as the “Federal Election Law Reform Commission” (referred to in this Act as the “Commission”).

(b) MEMBERSHIP.—  
(1) APPOINTMENTS.—The Commission shall be comprised of 8 qualified members, who shall be appointed not later than the date that is 30 days after the date of enactment of this Act;  
(A) APPOINTMENTS BY MAJORITY LEADER AND SPEAKER.—The Majority Leader of the Senate and the Speaker of the House of Rep-representatives shall jointly appoint to the Commission—  
(i) 1 member who is a retired Federal judge as of the date on which the appointment is made;  
(ii) 1 member who is a former Member of Congress as of the date on which the appointment is made; and  
(iii) 1 member who is from the academic community.  
(B) APPOINTMENTS BY MINORITY LEADERS.—The Minority Leader of the Senate and the Minority Leader of the House of Rep-representatives shall jointly appoint to the Commission—  
(i) 1 member who is a retired Federal judge as of the date on which the appointment is made; and  
(ii) 1 member who is from the academic community.  
(C) APPOINTMENT BY PRESIDENT.—The President shall appoint to the Commission 1 member who is from the academic community.  
(D) APPOINTMENTS BY COMMISSION MEMBERS.—The members appointed under subparagraphs (A), (B), and (C) shall jointly ap-point the Commission, neither of whom shall have held any elected or ap-pointed public or political party office, including any position with an election campaign for Federal office, during the 10 years preceding the date on which the appointment is made.  
(2) QUALIFICATIONS.—  
(A) General.—A person shall not be qualified for an appointment under this sub-section if the person, during the 10-year pe-riod preceding the date on which the ap-pointment is made—  
(i) held a position under schedule C of sub-part C of part 213 of title 5, Code of Federal Regulations;  
(ii) was an employee of the legislative branch of the Federal Government, not in-cluding any service as a Member of Congress; or  
(iii) was required to register under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) or derived a significant income from influ-encing, or attempting to influence, mem-ber-elects of the legislative branch of the Federal Government.  
(B) PARTY AFFILIATIONS.—Not more than 4 members of the Commission shall be mem-bers of, or associated with, the same polit-ical party (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)).  
(3) CHAIRPERSON AND VICE CHAIRPERSON.—  
(A) DESIGNATION BY COMMISSION MEMBERS.—The members of the Commission shall designate a chairperson and a vice chairperson from among the members of the Commission.  
(B) PARTY AFFILIATIONS.—The chairperson shall be a member of, or associated with, a political party other than the political party of the vice chairperson.  
(4) FINANCIAL DISCLOSURE.—Not later than 60 days after appointment to the Commission, a member of the Commission shall file with the Secretary, with the Secretary of the Clerk of the House of Representatives, and the Federal Election Commission a re-port containing the information required by section 102 of the Ethics in Government Act of 1978 (5 U.S.C. App.).  
(5) PERIOD OF APPOINTMENT; VACANCIES.—  
(A) PERIOD OF APPOINTMENT.—The Commission shall terminate on the date that is 1 year after the date of enactment of this Act.  
(B) VACANCY.—Any vacancy in the Commission shall—  
(i) not affect the powers of the Commis-sion; and  
(ii) be filled in the same manner as the original appointment.  
(6) TERMINATION OF COMMISSION.—The Com-mission shall terminate on the date that is 1 year after the date of enactment of this Act.  
(c) POWERS.—  
(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as it deems necessary and advisable to carry out this Act.  
(2) INFORMATION FROM FEDERAL AGENCIES.—  
(A) IN GENERAL.—The Commission may se-cure directly from any Federal department or agency any information that the Commis-sion considers necessary to carry out this Act.  
(B) REQUEST OF THE CHAIRPERSON.—On re-quest of the chairperson of the Commission, the head of a Federal department or agency shall furnish the requested information to the Commission.  
(3) POSTAL SERVICES.—The Commission may use the United States mails in the same man-ner and under the same conditions as other Federal departments and agencies.  
(4) PAY AND TRAVEL EXPENSES.—  
(1) MEMBERS.—Each member of the Com-mission, other than the chairperson, shall be paid at a rate equal to the daily equal- 

SEC. 3. DUTIES OF COMMISSION.  
(a) IN GENERAL.—The Commission shall—  
(1) identify the appropriate goals and val-ues for Federal election campaign finance laws;  
(2) evaluate the extent to which the Fed-eral Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) has promoted or hindered the at-tainment of the goals identified under para-graph (1); and  
(3) make recommendations to Congress for the achievement of those goals, taking into consideration the impact of the Federal Election Campaign Act of 1971.  
(b) CONSIDERATIONS.—In making rec-ommendations under subsection (a)(3), the Commission shall consider with respect to election campaigns for Federal office—  
(1) whether campaign spending levels should be limited, and, if so, to what extent;  
(2) the role of interest groups and whether that role should be limited or regulated;  
(3) the role of other funding sources, in-cluding political parties, candidates, and in- 

SEC. 4. FAST-TRACK PROCEDURES.  
(a) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by the Congress—  
(1) as an exercise of the rule-making power of the House of Representatives and of the Senate, respectively, and as such it shall be considered as part of the rules of each House, respectively, or of the House to which it spe-ci-fies applies, and the rules shall super-sede other rules only to the extent that they are inconsistent with this section; and  
(2) with full recognition of the constitu-tional right of either House to change the rules (so far as the rules relate to that House) at any time, in such a manner, and to the same extent as in the case of any other rule of that House.
either House of Congress that is introduced.

(f) FLOOR CONSIDERATION IN THE SENATE.—

(1) MOTION TO PROCEED TO CONSIDERATION.—
A motion to proceed to the consideration of a Federal election bill shall be privileged and not de-
batable.

(2) DEBATE OF MOTION OR APPEAL.—
(a) Time.—In the Senate, a motion to proceed to the consideration of a Federal election bill shall be limited to not more than 1 hour.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(c) DEBATE OF MOTION OR APPEAL.—
(a) Time.—In the Senate, a debate on any de-
batable motion or appeal in connection with a Federal election bill shall be limited to not more than 1 hour, to be equally divided be-
tween, and controlled by, the proponent of the motion or appeal, except that if the manager of the bill, or his designee, and the Majority Leader and the Minority Leader, or their designees, agree, the time shall be extended.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(d) AMENDMENTS PROHIBITED.—No am-
endment to a Federal election bill shall be in or-
deed in the Senate by the Majority Leader of the Senate, shall be re-
ferred to a joint Senate committee.

(e) AMENDMENTS PROHIBITED.—No am-
endment to a Federal election bill shall be in or-
deed in the Senate by the Majority Leader or the Minority Lead-
er or their designees.

(f) DEBATE OF MOTION OR APPEAL.—
(a) Time.—The debate shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(g) MOTION TO RECONSIDER.—
(a) Time.—In the Senate, a motion to reconsider the vote by which the motion was agreed to or disagreed to shall not be in order.

(b) DEBATE OF MOTION OR APPEAL.—
(a) Time.—A motion to reconsider the vote by which a Federal election bill is agreed to or disagreed to shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(c) DEBATE OF MOTION OR APPEAL.—
(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(d) DEBATE OF MOTION OR APPEAL.—
(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

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(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(h) DEBATE OF MOTION OR APPEAL.—
(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

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(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

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(j) DEBATE OF MOTION OR APPEAL.—
(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(k) DEBATE OF MOTION OR APPEAL.—
(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

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(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

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(a) Time.—In the Senate, a debate on a Federal election bill shall be limited to not more than 10 hours.

(b) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.
attempted vandalism and theft. I am delighted that Senator MCCAIN, a fellow veteran and true national hero, joins me in introducing this bill.

Mr. President, as we pause to remember our fallen comrades, it is appropriate that we protect their final resting places. I invite my colleagues to join Senator MCCAIN and me in supporting this legislation.

Mr. MCCAIN. Mr. President, I rise today to cosponsor the Veterans’ Cemetery Protection Act of 1997, sponsored by my colleague and distinguished veteran, Senator STROM THURMOND.

There is nothing more egregious than the desecration of our Nation’s veterans’ cemeteries. These men and women gave their lives to defend the United States and freedom throughout the world. This act will propose a penalty for theft or destruction of any property of a national cemetery. This is a simple piece of legislation and I hope my colleagues in the Senate will give their full support to this critical measure.

By Mr. BAUCUS (for himself, Mr. GORTON, and Mrs. MURRAY):

S. 815. A bill to amend the Internal Revenue Code of 1986 to provide tax treatment for foreign investment through a United States regulated investment company comparable to the tax treatment for direct foreign investment and investment through a foreign mutual fund; to the Committee on Finance.

THE INVESTMENT COMPETITIVENESS ACT OF 1997

Mr. BAUCUS. Mr. President, the U.S. mutual fund industry has become a dominant force in developing, marketing, and managing assets for American investors. Since 1990, assets under management by U.S. mutual funds have grown from $1 trillion to about $3.5 trillion today. Yet, while direct foreign investment in U.S. securities is strong, foreign investment in U.S. mutual funds is small. The American economy will benefit from exporting U.S. mutual funds, creating an additional inflow of investment into U.S. securities markets by a characteristic American business that occurs through direct foreign investment in U.S. companies. Moreover, the legislation will support job creation among ancillary service providers located in the United States, rather than in offshore service facilities.

Mr. President, I very much appreciate the efforts of Senators GORTON and MURRAY in cosponsoring this legislation and I urge my colleagues to support this bill.

By Mr. CRAIG:

S. 816. A bill to amend title 18, United States Code, to provide a national standard in accordance with which nonresidents of a State may carry certain concealed firearms in the State, and to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns; to the Committee on the Judiciary.

THE PERSONAL SAFETY AND COMMUNITY PROTECTION ACT

Mr. CRAIG. Mr. President, I rise to introduce the Personal Safety and Community Protection Act.

In recent years, a movement has swept the Nation to enable individuals to carry concealed firearms for their protection. Forty-two of the fifty States have some right-to-carry permit mechanism in place, and they are finding these laws make a significant impact on crime.

The benefits of right-to-carry laws were verified by a landmark study released late last year. Following a comprehensive review of annual FBI crime statistics from all the Nation’s counties, over 15 years, the authors concluded:

[allowing citizens to carry concealed weapons deters violent crimes and it appears to produce no increase in accidental death or suicides. If those states who did not have right-to-carry concealed gun provisions had adopted them in 1995, approximately 1,800 murders and over 3,000 rapes would have been avoided yearly . . .]

The primary author of the study, John R. Lott Jr. of the University of Chicago Law School, has pointed out that the benefits of concealed-carry laws are not limited to those who carry the weapons but extend to their fellow citizens as well. This is not necessarily the result of using firearms in self-defense, but of criminals changing their behavior to avoid coming into direct contact with a person who might have a gun—which in a concealed-carry State could extend to a wide cross-section of the public.

The legislation I am introducing today builds on the experience of the States. It is designed to protect the rights of citizens no matter where they may travel in the United States, and to enhance the protection of our communities.

This bill applies to any person holding a valid concealed firearm carrying permit or license issued by a State, and who is not prohibited from carrying a firearm under Federal law.

In States that issue concealed carry permits, the individual would be able to carry a concealed firearm in accordance with State laws. In States that do not have right-to-carry laws, the bill sets a reasonable, bright-line Federal standard that would permit carrying except in certain designated places, such as police stations; courthouses; public polling places; meetings of State, county, or municipal governing bodies; schools; passenger areas of airports.

The second part of the bill provides an exemption for certain qualified current and former law enforcement officers, who bear valid written identification of their status, from laws prohibiting the carrying of concealed firearms. The bill does not override any existing training requirements or restrictions on gun ownership or use by current or former law enforcement officers. The individuals covered by this section of the bill have proven records of responsible, lawful gun use in defense of their fellow citizens and communities.

Again, Mr. President, this portion of the bill takes a practical, experience-based approach to self defense and community protection.

I’m pleased to note that my bill is a companion to H.R. 339, introduced in the House of Representatives by Congressman CLIFF STEARNS and cosponsored by more than 40 Members from nearly half the States.

I urge all my colleagues to join us in protecting the rights of your constituents and enhancing the protection of your communities by supporting the Personal Safety and Community Protection Act.

I ask unanimous consent that a copy of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:
SEC. 1. NATIONAL STANDARD FOR THE CARRYING OF CERTAIN CONCEALED FIREARMS BY NONRESIDENTS.

(a) In General.—Chapter 44 of title 18, United States Code, is amended by inserting after section 926A the following:

"§ 926B. National standard for the carrying of certain concealed firearms by nonresidents.

"(a) In General.—Notwithstanding any provision of any State or political subdivision thereof, a person who is not prohibited by Federal law from possessing, transporting, shipping, or receiving a firearm, and after a valid license or permit that is issued by a State and that permits the person to carry a concealed firearm (other than a machinegun or destructive device), may carry in another State a concealed firearm (other than a machinegun or destructive device) that has been shipped or transported in interstate or foreign commerce, in accordance with subsection (b).

"(b) OTHER STATES.—For purposes of subsection (a), if such other State does not issue licenses or permits to carry concealed firearms, the person may carry a concealed firearm in the State under the same restrictions that apply to the carrying of a firearm by a person to whom the State has issued such a license or permit.

"(2) STATES ISSUING CONCEALED WEAPONS PERMITS.—For purposes of subsection (a), if such other State issues licenses or permits to carry concealed firearms, the person may carry a concealed firearm in the State under the same restrictions that apply to the carrying of a firearm by a person to whom the State has issued such a license or permit.

"(2) CONDITIONS.—

"(A) Shall be 18 years of age or older;

"(B) is the holder of a State-issued permit or license to carry a concealed firearm issued by such State that contains as an element the following:

"(i) The permit or license is issued to an individual who—

"(I) resides with respect to training in the State in which the permit or license was issued;

"(II) is a duly sworn law enforcement officer in the United States or a State or political subdivision thereof;

"(III) served or served as a law enforcement officer for a period of at least 3 years;

"(IV) is not prohibited by Federal, State, or local law from carrying a concealed firearm in the State; and

"(V) is not a person described in section 926c(b)(1).

"(2) LAW ENFORCEMENT OFFICER.—The term 'law enforcement officer' means an individual who—

"(A) has a valid Federal, State, or local law enforcement officer's badge and identification;

"(B) is authorized by the agency to carry a firearm in the course of duty;

"(C) serves or served as a law enforcement officer; and

"(D) meets such requirements as have been established by the State in which the individual resides with respect to training in the use of firearms; and

"(E) is not prohibited by Federal law from receiving a firearm.

"(3) QUALIFIED FORMER LAW ENFORCEMENT OFFICER.—The term 'qualified former law enforcement officer' means an individual who—

"(A) retired with a service award as a police officer or a qualified former law enforcement officer;

"(B) is a law enforcement officer;

"(C) is not the subject of any disciplinary action by the agency; and

"(D) meets such requirements as have been established by the agency with respect to firearms.

"(3) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 816. A bill to improve the economic opportunities and supply of housing in native American communities by creating the Native American Financial Services Organization, and for other purposes; to the Committee on Indian Affairs.

THE NATIVE AMERICAN FINANCIAL SERVICES ORGANIZATION ACT OF 1997

Mr. CAMPBELL. Mr. President, today I introduce the Native American Financial Services Organization Act of 1997 [H.R. 1129]. This bill is based on similar measures introduced in the last Congress, seeks to provide new opportunities and hope for native American communities by addressing the serious lack of private capital on Indian reservations. Having access to banking services is more than just a convenience. It means being able to fix a leaky roof. It means getting the money to buy computers to start a small business. It means having enough money to send your son or daughter to college. It means buying your own home. Too often, these dreams never become a reality for Indian families. Many opportunities and services most of America takes for granted are not available in Indian country. Native Americans can't simply walk into a local bank to open an account or get a loan for a new house because for the most part, these institutions are nowhere near Indian reservations. NAFSO is not about new Government programs or bureaucracy. NAFSO is about supporting private banks that will not only provide basic services, but take the time to educate people, bring them into the mainstream of financial services and give them a chance to build a home or start a business.

NAFSO gives native Americans the same kind of access to banking services that other Americans enjoy. By eliminating provisions dealing with the trust status of Indian land and the prohibition of mortgages on trust land, NAFSO allows the organization to focus where the road meets the road. Working in conjunction with the community development financial institutions fund, NAFSO's primary role is to expand delivery of basic banking services through the creation and support of Native American Financial Institutions [NAFT's]. This provides the services that families need the most—checking accounts, mortgages, and other basic banking services.

NAFSO will also play a crucial role in assisting NAFT's by providing them with much-needed technical assistance and developing specialized assistance to overcome barriers to lending on reservations. The organization will also work with the secondary market and other important financial mechanisms to identify barriers to private lending and make recommendations about how banks, Tribes, and government can do more to help this process.

NAFSO does more than support new lending institutions or existing Indian-oriented banks and begins to address the lack of financial services available in Indian country. The trust status of reservation land and the inability to transfer title are serious concerns of bankers that need to be overcome and understood. Equally as challenging is the need to overcome stereotypes about Indian families and their social or economic condition. Often, banks decide Indians are not a good credit risk without ever having gone to the reservation.

By providing information and interested in becoming more involved in Indian country, NAFSO can foster a new understanding of the real challenges we face. It can eliminate some of these misconceptions and bring about a reality that does more than support new lending institutions or existing Indian-oriented banks and begins to address the lack of financial services available in Indian country. The trust status of reservation land and the inability to transfer title are serious concerns of bankers that need to be overcome and understood. Equally as challenging is the need to overcome stereotypes about Indian families and their social or economic condition. Often, banks decide Indians are not a good credit risk without ever having gone to the reservation.

I had hoped that we would be assisted in this process by a report by the community development financial institutions fund at the Department of Treasury on Indian banking issues. Regrettably, work on that report, which was
due almost 9 months ago, has not yet begun. Nevertheless, I feel that we should not delay our work. We need to concentrate now on finding real solutions to the economic, social, and cultural challenges facing tribes and Native American families.

Mr. President, most people agree that Government cannot be the solution to all of this great Nation’s problems. We can fix the Government programs, we can make them more efficient, but now we need to get the private sector involved in the challenges facing Indian country. The road to economic independence for all native American communities is a long one, but this bill is a big step in the right direction.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

Being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 818

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

SEC. 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the “Native American Financial Services Organization Act of 1997”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Findings.
Sec. 3. Policy.
Sec. 4. Purposes.
Sec. 5. Definitions.

TITLES—NATIVE AMERICAN FINANCIAL SERVICES ORGANIZATION
Sec. 101. Establishment of the Organization.
Sec. 102. Authorized assistance and service functions.
Sec. 103. Native American lending services grant.
Sec. 104. Audits.
Sec. 105. Annual housing and economic development reports.
Sec. 106. Advisory Council.

TITLES II—CAPITALIZATION OF ORGANIZATION
Sec. 201. Capitalization of the Organization.

TITLES III—REGULATION, EXAMINATION, AND REPORTS
Sec. 301. Regulation, examination, and reports.
Sec. 302. Authority of the Secretary of Housing and Urban Development.

TITLES IV—FORMATION OF NEW CORPORATION
Sec. 401. Formation of new corporation.
Sec. 402. Adoption and approval of merger plan.
Sec. 403. Consummation of merger.
Sec. 404. Transition.
Sec. 405. Effect of merger.

TITLES V—AUTHORIZATIONS OF APPROPRIATIONS
Sec. 502. Authorization of appropriations for Organization.
The Board shall determine the policies that the Secretary of Housing and Urban Development.

The Board shall select a Chairperson from among its members, except that the initial Chairperson shall be selected from among the members of the initial Board who have been appointed or elected to serve for a 4-year term.

The Organization may—

(A) act as such depositary, custodian, or public funds.

(B) if there is no such district court, to the United States district court of the United States for the District of Columbia.

(C) the organization shall be deemed to be an agency covered under sections 1345 and 1442 of title 28, United States Code; and

(D) may sue and be sued, complain and defend, in any tribal, Federal, State, or other court of competent jurisdiction, against the United States or any agency thereof, or against any claim, demand, or right of, by, or against the Organization; or

(E) may acquire, take, hold, and own, and to deal with and dispose of any property; or

(F) may obtain the necessary expenditures in which such expenditures shall be incurred, allowed, and paid, and appoint, employ, and fix and provide for the compensation and benefits of officers, employees, attorneys, and agents as the Board determines reasonable and not inconsistent with this section; or

(G) may incorporate a new corporation under State, District of Columbia, or tribal law, as provided in section 401; or

(H) may adopt a plan of merger, as provided in section 602; or

(I) may consummate the merger of the Organization into the new corporation, as provided in section 403; and

(J) may have succession until the designated merger date or any earlier date on which the Organization surrenders its Federal charter.

The following terms:

1. TRANSITION PERIOD—The term "transition period" means the period beginning on the date on which the charter is surrendered by the Secretary, but only for the unexpired portion of the term.

2. ELECTED MEMBERS.—Any vacancy in the elected membership of the Board shall be filled by appointment by the President, but only for the unexpired portion of the term.

3. ELECTED MEMBERS.—Any vacancy in the elected membership of the Board shall be filled by appointment by the President, but only for the unexpired portion of the term.

4. UNEXPIRED PORTION OF TERM.—Any member of the Board who has been appointed or elected until a qualified successor has been appointed or elected may serve for the unexpired portion of the term.

The Organization shall have original jurisdiction over any claim, demand, or right of, by, or against the Organization; or

may sue and be sued, complain and defend, in any tribal, Federal, State, or other court of competent jurisdiction, against the United States or any agency thereof, or against any claim, demand, or right of, by, or against the Organization; or

may acquire, take, hold, and own, and to deal with and dispose of any property; or

may determine the necessary expenditures in which such expenditures shall be incurred, allowed, and paid, and appoint, employ, and fix and provide for the compensation and benefits of officers, employees, attorneys, and agents as the Board determines reasonable and not inconsistent with this section; or

may incorporate a new corporation under State, District of Columbia, or tribal law, as provided in section 401; or

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2. ELECTED MEMBERS.—Any vacancy in the elected membership of the Board shall be filled by appointment by the President, but only for the unexpired portion of the term.
(1) assist in the planning establishment and organization of Native American Financial Institutions;
(2) develop and provide financial expertise and technical assistance to Native American Financial Institutions, including methods of underwriting, securing, servicing, packaging, and selling mortgage and small commercial and consumer loans;
(3) develop and provide specialized technical assistance on overcoming barriers to primary mortgage lending on Native American lands, including issues related to trust lands, discrimination, high operating costs, and inapplicability of standard underwriting criteria;
(4) provide mortgage underwriting assistance (but not in originating loans) under contract to Native American Financial Institutions;
(5) work with the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and other participants in the secondary market for home mortgage instruments in identifying and eliminating barriers to the purchase of Native American mortgage loans originated by Native American Financial Institutions and other lenders in Native American communities;
(6) obtain capital investments in the Organization from Indian tribes, Native American community organizations, and other lenders in Native American communities;
(7) act as an information clearinghouse by providing information on financial practices to Native American Financial Institutions;
(8) monitor and report to Congress on the performance of Native American Financial Institutions in meeting the economic development and housing credit needs of Native American communities;
(9) provide any of the services described in this section directly, or under a contract authorizing another national or regional Native American lending service provider to assist the Organization in carrying out the purposes of this Act.

SEC. 103. NATIVE AMERICAN LENDING SERVICES GRANT.

(a) INITIAL GRANT PAYMENT.—If the Secretary and the Organization enter into a cooperative agreement for the Organization to provide technical assistance and other services to Native American Financial Institutions, such agreement shall, to the extent that funds are available as provided in section 201, provide that the initial grant payment, anticipated to be $5,000,000, shall be made when all members of the initial Board have been appointed under section 101.

(b) PAYMENT BALANCE.—The payment of the grant balance of $5,000,000 shall be made to the Organization not later than 1 year after the date on which the initial grant payment is made under subsection (a).

SEC. 104. AUDITS.

(a) INDEPENDENT AUDITS.—
(1) IN GENERAL.—The Organization shall have annual independent audit made of its financial statements by an independent public accountant in accordance with generally accepted auditing standards.
(2) DETERMINATIONS.—In conducting an audit under this subsection, the independent public accountant shall determine and report on whether the financial statements of the Organization—
(A) are presented fairly in accordance with generally accepted accounting principles; and
(B) to the extent determined necessary by the Secretary, comply with any disclosure requirements imposed under section 301.

(b) GAO AUDITS.—Beginning after the first 2 years of the operation of the Organization, unless an earlier date is required by any other statute, grant, or agreement, the programs, activities, receipts, expenditures, and financial transactions of the Organization shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General.

(2) ACCESS.—To carry out this subsection, the representatives of the General Accounting Office shall—
(A) have access to all books, accounts, financial records, reports, files, and other property belonging to or in use by the Organization and used in any such audit and to any records, reports, files, and reports of the auditor used in such an audit;
(B) be afforded full facilities for verifying transactions only by balances or securities held by depositaries, fiscal agents, and custodians; and
(C) have access, upon request to the Organization or any auditor for an audit of the Organization under subsection (a), to any books, accounts, financial records, reports, files, or other papers, or property belonging to or in use by the Organization and used in such an audit.

SEC. 105. ANNUAL HOUSING AND ECONOMIC DEVELOPMENT REPORTS.

Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Organization shall collect, maintain, and provide to the Secretary, in a form determined by the Secretary, such data as the Secretary determines to be appropriate with respect to the activities of the Organization relating to economic development.

SEC. 106. ADVISORY COUNCIL.

(a) ESTABLISHMENT.—The Board shall establish an Advisory Council in accordance with this section.

(b) MEMBERSHIP.—
(1) IN GENERAL.—The Council shall consist of 13 members who shall be appointed by the Board, including 1 representative from each of the 12 districts established by the Bureau of Indian Affairs and 1 representative from the State of Hawaii.

(2) QUALIFICATIONS.—Not less than 6 of the members of the Council shall have financial expertise, and not less than 9 members of the Council shall have financial records, reports, files, and reports of the auditor used in such an audit under this subsection.

(c) REIMBURSEMENT.—The Organization shall reimburse the General Accounting Office for the full cost of any audit conducted under this subsection.

(d) CAPITAL DISTRIBUTIONS.—
(1) IN GENERAL.—The Organization may make any capital distribution that would decrease the total capital (as such term is defined in section 301) without prior written approval.

(2) CHARGES AND FEES; EARNINGS.—
(A) CHARGES AND FEES.—The Organization may impose charges or fees, which may be regarded as elements of pricing, with the objectives that—
(i) all costs and expenses of the operations of the Organization and the general surplus account may, in the discretion of the Board, be transferred to the reserves of the Organization.

SEC. 201. CAPITALIZATION OF ORGANIZATION.

(a) CLASS A STOCK.—The class A stock of the Organization shall—
(1) be issued to Indian tribes and the Department of Hawaiian Home Lands;
(2) be allocated (A) with respect to Indian tribes, on the basis of Indian tribe population, as determined by the Secretary in consultation with the Secretary of the Interior, in such manner as the Secretary determines would decrease the total capital (as such term is defined in section 301) without prior written approval of the distribution by the Secretary.

TITLE III—REGULATION, EXAMINATION, AND REPORTS

SECTION 301. REGULATION, EXAMINATION, AND REPORTS.

(a) IN GENERAL.—The Organization shall be subject to the regulatory authority of the Department of Housing and Urban Development with respect to matters relating to the financial safety and soundness of the Organization.
(b) DUTY OF SECRETARY.—The Secretary shall ensure that the Organization is adequately capitalized and operating safely as a congressionally chartered body corporate.

(c) DUTY OF SECRETARY.—(1) ANNUAL REPORTS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Organization shall submit to the Secretary a report describing the financial condition and operations of the Organization. The report shall be in such form, contain such information, and be submitted on such date as the Secretary shall require.

(2) CONTENTS OF REPORTS.—Each report submitted under this subsection shall contain a statement by the president, treasurer, or any other officer of the Organization designated by the Board to make such declaration, that the report is true and correct to the best of the knowledge and belief of that officer.

SEC. 302. AUTHORITY OF THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT.

The Secretary shall—

(1) have general regulatory power over the Organization; and

(2) issue such rules and regulations applicable to the Organization as the Secretary determines to be necessary or appropriate to ensure that the purposes specified in section 4 are accomplished.

TITLE IV—FORMATION OF NEW CORPORATION

SEC. 401. FORMATION OF NEW CORPORATION.

(a) IN GENERAL.—In order to continue the accomplishment of the purposes specified in section 3 beyond the terms of the charter of the Organization, the Board shall, not later than 10 years after the date of enactment of this Act and after consultation with the Indian tribes that are stockholders of class A stock referred to in section 201(a), the Board shall prepare, adopt, and submit to the Secretary for approval a plan for merging the Organization into the new corporation.

(b) CORPORATION NOT PROSCRIBED.—Except as provided in this section, the new corporation may have any corporate powers and attributes permitted under the laws of the jurisdiction in which its incorporation which the Board shall determine, in its business judgment, to be appropriate.

(c) USE OF NAFSO NAME PROHIBITED.—The new corporation may not use in any manner the name “Native American Financial Services Organization” or “NAFSO” or any variation thereof.

SEC. 402. ADOPTION AND APPROVAL OF MERGER PLAN.

(a) IN GENERAL.—Not later than 10 years after the date of enactment of this Act and after consultation with the Indian tribes that are stockholders of class A stock referred to in section 201(a), the Board shall prepare, adopt, and submit to the Secretary for approval a plan for merging the Organization into the new corporation.

(b) DESIGNATED MERGER DATE.—(1) IN GENERAL.—The Board shall establish the designated merger date in the merger plan as a specific calendar date on which, and time of date at which, the merger of the Organization into the new corporation shall take effect.

(2) CHANGES.—The Board may change the designated merger date in the merger plan by adopting an amended plan of merger.

(3) RESTRICTION.—Except as provided in paragraph (4), the designated merger date in the merger plan or any amended merger plan shall not be later than 11 years after the date of enactment of this Act.

(4) EXCEPTION.—Subject to the restriction contained in paragraph (5), the Board may adopt an amended plan of merger that designates a date, no later than 11 years after the date of enactment of this Act if the Board submits to the Secretary a report—

(A) stating that an orderly merger of the Organization into the new corporation is not feasible before the latest date designated by the Board;

(B) explaining why an orderly merger of the Organization into the new corporation is not feasible before the latest date designated by the Board;

(C) describing the steps that have been taken to consummate an orderly merger of the Organization into the new corporation not later than 11 years after the date of enactment of this Act;

(D) describing the steps that will be taken to consummate an orderly and timely merger of the Organization into the new corporation;

(5) LIMITATION.—The date designated by the Board in an amended merger plan shall not be later than 12 years after the date of enactment of this Act.

(6) CONSUMMATION OF MERGER.—The consummation of an orderly and timely merger of the Organization into the new corporation shall not occur later than 13 years after the date of enactment of this Act.

(b) GOVERNMENTAL APPROVALS OF MERGER PLAN REQUIRED.—The merger plan or any amended merger plan referred to in paragraph (1) shall be approved by the Secretary.

(c) REVISION OF DISAPPROVED MERGER PLAN REQUIRED.—If the Secretary disapproves the merger plan or any amended merger plan—

(1) the Secretary shall—

(A) notify the Organization of such disapproval; and

(B) indicate the reasons for the disapproval; and

(2) not later than 30 days after the date of notification of disapproval under paragraph (1), the Organization shall submit to the Secretary for approval, an amended merger plan responsive to the disapproval indicated in that notification.

(d) NO STOCKHOLDER APPROVAL OF MERGER PLAN REQUIRED.—The approval or consent of the stockholders of the Organization shall not be required to accomplish the merger of the Organization into the new corporation.

SEC. 403. CONSUMMATION OF MERGER.

The Board shall ensure that the merger of the Organization into the new corporation is accomplished in accordance with—

(1) a merger plan approved by the Secretary under section 402; and

(2) all applicable laws of the jurisdiction in which the new corporation is incorporated.

SEC. 404. TRANSITION.

Except as provided in this section, the Organization shall during the transition period, continue to have all of the rights, privileges, duties, and obligations, and shall be subject to all of the limitations and restrictions set forth in this Act.

SEC. 405. EFFECT OF MERGER.

(a) TRANSFER OF ASSETS AND LIABILITIES.—On the designated merger date, all property, debts due or owing to or for the Organization, any account, and any other interest, of or belonging to or due to the Organization, shall be transferred to and vested in the new corporation without further act or deed, and title to any property, whether real, personal, or mixed, shall not in any way be impaired by reason of the merger.

(b) TERMINATION OF THE ORGANIZATION AND ITS FEDERAL CHARTER.—On the designated merger date—

(1) the surviving corporation of the merger shall be the new corporation;

(2) the Federal charter of the Organization shall terminate; and

(3) the separate existence of the Organization shall terminate.

(c) REFERENCES TO THE ORGANIZATION IN LAW.—After the designated merger date, any reference to the Organization in any law or regulation shall be deemed to refer to the new corporation.

(d) SAVINGS CLAUSE.—All contracts and agreements to which the Organization is a party and which are in effect on the day before the designated merger date except that the new corporation shall be substituted for the Organization as a party to those contracts and agreements as of the designated merger date.

TITLE V—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 501. AUTHORIZATION OF APPROPRIATIONS FOR NATIVE AMERICAN FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Fund, without fiscal year limitations, $200,000,000 to provide financial assistance to Native American Financial Institutions.

(b) NOT MATCHING FUNDS.—To the extent that a Native American Financial Institution receives a portion of an appropriation made under subsection (a), such funds shall not be considered to be amounts required of the Native American Financial Institution under section 108(e) of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4707(e)).

SEC. 502. AUTHORIZATION OF APPROPRIATIONS FOR ORGANIZATION.

The Secretary, to the availability of appropriations, provide not more than $10,000,000 for the funding of a cooperative agreement to be entered into by the Secretary and the Organization for technical assistance and other services to be provided by the Organization to Native American Financial Institutions.

ADDITIONAL COSPONSORS

S. 102

At the request of Mr. Breaux, the name of the Senator from Florida [Mr. Grassley] was added as a cosponsor of S. 102, a bill to amend title XVIII of the Social Security Act to improve medicare treatment and education for beneficiaries with diabetes by providing coverage of diabetes outpatient self-management training services and uniform coverage of blood-testing strips for individuals with diabetes.

S. 387

At the request of Mr. Hatch, the name of the Senator from Michigan [Mr. Abraham] 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 name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of S. 394, a bill to partially restructure 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 Supreme Court.

S. 415

At the request of Mr. Baucus, the name of the Senator from Iowa [Mr.
HARKIN] was added as a cosponsor of S. 415, a bill to amend the medicare program under title XVIII of the Social Security Act to improve rural health services, and for other purposes.

At the request of Mr. KOHL, the name of the Senator from New Jersey [Mr. LUFTENBERG] was added as a cosponsor of S. 428, a bill to amend chapter 44 of title 18, United States Code, to improve the safety of handguns.

At the request of Mr. SMITH, the name of the Senator from Arkansas [Mr. NICHOLSON] was added as a cosponsor of S. 567, a bill to permit revocation by members of the clergy of their exemption from Social Security coverage.

At the request of Mr. INOUYE, the name of the Senator from California [Mr. DIAZ BALDWIN] was added as a cosponsor of S. 623, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Islands to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

At the request of Mr. BREARLY, the names of the Senator from Massachusetts [Mr. KERRY] and the Senator from New York [Mr. DODD] were added as cosponsors of S. 711, a bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits.

At the request of Mr. CRAIG, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 716, a bill to establish a Joint United States-Canada Commission on Cattle and Beef to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the countries with respect to the production, processing, and sale of cattle and beef, and for other purposes.

At the request of Mr. FAIRCLOTH, the names of the Senator from Arizona [Mr. KYL], the Senator from Oklahoma [Mr. NICKLES], the Senator from Utah [Mr. HATCH], the Senator from Tennessee [Mr. THOMPSON], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Alaska [Mr. STEVENS], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 732, a bill to require the Secretary of the Treasury to mint and issue coins in commemoration of the centennial anniversary of the first manned flight of Orville and Wilbur Wright in Kitty Hawk, North Carolina, on December 17, 1903.

At the request of Mr. CAMPBELL, the name of the Senator from New Hamp-

shire [Mr. GREGG] was added as a cosponsor of S. 755, a bill to amend title 10, United States Code, to restore the provisions of chapter 76 of that title (relating to missing persons) as in effect before the amendments made by the National Defense Authorization Act for fiscal year 1997 and to make other improvements to that chapter.

At the request of Mr. CHAFEE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 797, a bill to amend the John F. Kennedy Center Act to authorize the design and construction of additions to the parking structure at certain site improvements, and for other purposes.

SENIATE JOINT RESOLUTION 6

At the request of Mrs. FEINSTEIN, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of Senate Joint Resolution 6, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims.

SENIATE RESOLUTION 57

At the request of Mr. DOMGUN, the name of the Senator from Tennessee [Mr. THOMPSON] was added as a cosponsor of Senate Resolution 57, a resolution to support the commemoration of the bicentennial of the Lewis and Clark Expedition.

SENIATE RESOLUTION 82

At the request of Mr. BENNETT, the names of the Senator from Florida [Mr. GRAHAM], the Senator from Tennessee [Mr. THOMPSON], the Senator from Ohio [Mr. DEWINE], the Senator from Arkansas [Mr. HUTCHINSON], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of Senate Resolution 82, a joint 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-002 cruise missiles.

AMENDMENT NO. 314

At the request of Mr. WELLSTONE, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of amendment No. 314 proposed to Senate Concurrent Resolution 27, an original concurrent resolution setting forth the congressional budget for the U.S. Government for fiscal years 1998, 1999, 2000, 2001, and 2002.

AMENDMENT NO. 316

At the request of Mr. ABRAHAM, the names of the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Colorado [Mr. ALLARD], and the Senator from Texas [Mrs. HUTCHISON] were added as cosponsors of amendment No. 316 proposed to Senate Concurrent Resolution 27, an original concurrent resolution setting forth the congressional budget for the U.S. Government for fiscal years 1998, 1999, 2000, 2001, and 2002.

SENIATE CONCURRENT RESOLUTION 29—RELATIVE TO ESTONIA, LATVIA, AND LITHUANIA

Mr. GORTON submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

WHEREAS the Baltic countries of Estonia, Latvia, and Lithuania are undergoing a historic process of democratic and free market transformation after emerging from decades of brutal Soviet occupation;

WHEREAS each of the Baltic countries has conducted peaceful transfers of political power since 1991; the governments of the Baltic countries have been exemplary in their respect for human rights and civil liberties and have made great strides toward establishing the rule of law;

WHEREAS the governments of the Baltic countries have made consistent progress toward establishing civilian control of their military forces and, through active participation in the Partnership for Peace and the peace support operations of the North Atlantic Treaty Organization (in this resolution referred to as "NATO"), have clearly demonstrated their ability and willingness to operate with the forces of NATO nations and under NATO standards;

WHEREAS each of the Baltic countries has made progress toward implementing a free market system which has and will continue to foster the economic advancement of the people of the Baltic region;

WHEREAS the Baltic region has often been a battleground for the competing territorial designs of nearby imperial powers which, along with other factors, has contributed to a history of insecurity and instability in the region;

WHEREAS NATO has been a force for stability, freedom, and peace in Europe since 1949;

WHEREAS NATO has indicated it will begin to invite new members in 1997; and

WHEREAS Estonia, Latvia, and Lithuania, exercising their inherent right as participating states in the Organization for Security and Cooperation in Europe, have voluntarily applied for membership in NATO; and

WHEREAS it is the sense of the Senate (the House of Representatives concurring), That it is the sense of Congress that:

(1) Estonia, Latvia, and Lithuania are to be commended for their progress toward political and economic liberty and meeting the guidelines for prospective NATO members set out in chapter 5 of the September 1995 Study on NATO Enlargement;

(2) Estonia, Latvia, and Lithuania would make an outstanding contribution to NATO if they become members;

(3) eventual extension of full NATO membership to Estonia, Latvia, and Lithuania would be a singular contribution toward stability, freedom, and peace in the Baltic region;

(4) upon satisfying the criteria for NATO membership, Estonia, Latvia, and Lithuania should be invited to become full members of NATO at the earliest possible date; and

(5) Estonia, Latvia, and Lithuania should be invited to attend the NATO summit in Madrid on July 8 and 9, 1997.

Mr. GORTON. Mr. President, Estonia, Latvia, and Lithuania lie on the northwestern border of Russia. These three tiny Baltic nations have historically served as a crossroad among imperial powers and have been a battleground for the competing territorial designs of nearby imperial powers which, along with other factors, has contributed to a history of insecurity and instability in the region.