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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. CALVERT].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 19, 1997.

I hereby designate the Honorable KEN CALVERT to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David FORD, D.D., offered the following prayer:

We pray, gracious God, that You would give to us and all people the amazing grace that makes us whole and makes us free. You have created us and blessed us with all those gifts that give purpose and value and You have marked us with your image. We know too that if we live in Your spirit and abide in Your presence, we will receive that peace that the world cannot give and obtain that resolve that allows us to be Your people and do the works of justice. This is our earnest prayer. Amen.

THE JOURNAL

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

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

Mr. FORBES. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

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

The SPEAKER pro tempore. Pursuant to clause 5, rule I, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

MOTION TO ADJOURN

Mr. FRANK of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from Massachusetts [Mr. FRANK].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

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

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 123, nays 282, not voting 29, as follows:

[Roll No. 210]

YEAS—123

Ackerman	Brown (FL)	DeLauro
Andrews	Brown (OH)	Dellums
Barcia	Capps	Dingell
Barrett (WI)	Carson	Doggett
Becerra	Clay	Eshoo
Bentsen	Clayton	Etheridge
Berman	Condit	Evans
Berry	Conyers	Farr
Bishop	Coyne	Fazio
Blumenauer	Davis (IL)	Filner
Bonior	DeFazio	Forbes
Boucher	Delahunt	Ford
Frank (MA)	Martinez	Sandlin
Frost	Matsui	Schumer
Furse	McCarthy (MO)	Serrano
Gejdenson	McDermott	Sisisky
Gephardt	McGovern	Skaggs
Hall (OH)	McIntyre	Slaughter
Hansen	McNulty	Smith, Adam
Hastings (FL)	Meek	Snyder
Hefner	Millender-McDonald	Stabenow
Hinchey	Mink	Stark
Hinojosa	Moakley	Strickland
Hoyer	Moran (VA)	Stupak
Jefferson	Nadler	Tauscher
John	Neal	Thompson
Johnson (WI)	Obey	Tierney
Johnson, E. B.	Olver	Torres
Kaptur	Owens	Towns
Kennedy (MA)	Pallone	Turner
Kennedy (RI)	Pastor	Velazquez
Kennelly	Payne	Vento
Kilpatrick	Pelosi	Waters
Klink	Pickett	Watt (NC)
LaFalce	Rangel	Waxman
Lampson	Reyes	Wexler
Lantos	Rodriguez	Weygand
Levin	Roybal-Allard	Wise
Lewis (GA)	Rush	Woolsey
Maloney (CT)	Sanchez	Wynn
Maloney (NY)	Sanders	
Markey		

NAYS—282

Abercrombie	Buyer	Dicks
Aderholt	Callahan	Dooley
Allen	Calvert	Doolittle
Archer	Campbell	Doyle
Armey	Canady	Dreier
Bachus	Cannon	Duncan
Baesler	Cardin	Dunn
Baker	Castle	Edwards
Baldacci	Chabot	Ehlers
Ballenger	Chambliss	Ehrlich
Barr	Chenoweth	Emerson
Barrett (NE)	Christensen	English
Bartlett	Clement	Ensign
Barton	Coble	Everett
Bass	Coburn	Ewing
Bateman	Collins	Fawell
Bereuter	Combest	Foglietta
Bilbray	Cook	Foley
Bilirakis	Cooksey	Fowler
Blagojevich	Costello	Fox
Bliley	Cox	Franks (NJ)
Blunt	Cramer	Frelinghuysen
Boehlert	Crapo	Gallegly
Boehner	Cubin	Ganske
Bonilla	Cummings	Gekas
Borski	Cunningham	Gibbons
Boswell	Danner	Gilchrest
Boyd	Davis (FL)	Gillmor
Brady	Davis (VA)	Gilman
Bryant	Deal	Gonzalez
Bunning	DeLay	Goode
Burr	Deutsch	Goodlatte
Burton	Dickey	Goodling

Gordon	Luther	Rothman
Goss	Manzullo	Roukema
Graham	Mascara	Ryun
Granger	McCarthy (NY)	Sabo
Green	McCollum	Sanford
Greenwood	McCrery	Sawyer
Gutierrez	McDade	Saxton
Gutknecht	McHale	Scarborough
Hall (TX)	McHugh	Schaefer, Dan
Hamilton	McInnis	Schaffer, Bob
Harman	McIntosh	Scott
Hastert	McKeon	Sensenbrenner
Hastings (WA)	McKinney	Sessions
Hayworth	Menendez	Shadegg
Hefley	Metcalf	Shaw
Herger	Mica	Shays
Hill	Miller (FL)	Sherman
Hilleary	Minge	Shimkus
Hilliard	Mollohan	Shuster
Hobson	Moran (KS)	Skeen
Hoekstra	Morella	Skelton
Hooley	Murtha	Smith (MI)
Horn	Myrick	Smith (NJ)
Hostettler	Nethercutt	Smith (OR)
Houghton	Neumann	Smith (TX)
Hulshof	Ney	Smith, Linda
Hunter	Northup	Snowbarger
Hutchinson	Norwood	Solomon
Hyde	Nussle	Souder
Inglis	Ortiz	Spence
Jackson (IL)	Oxley	Spratt
Jackson-Lee (TX)	Packard	Stearns
	Pappas	Stenholm
Jenkins	Parker	Stump
Johnson (CT)	Pascrell	Sununu
Johnson, Sam	Paul	Talent
Jones	Paxon	Tanner
Kanjorski	Pease	Tauzin
Kasich	Peterson (MN)	Taylor (MS)
Kelly	Peterson (PA)	Taylor (NC)
Kildee	Petri	Thomas
Kim	Pickering	Thornberry
Kind (WI)	Pitts	Thune
King (NY)	Porter	Thurman
Kingston	Portman	Tiahrt
Klug	Poshard	Traficant
Knollenberg	Price (NC)	Upton
Kolbe	Pryce (OH)	Visclosky
Kucinich	Quinn	Walsh
LaHood	Radanovich	Wamp
Largent	Rahall	Watkins
Latham	Ramstad	Watts (OK)
Lazio	Redmond	Weldon (FL)
Leach	Regula	Weller
Lewis (CA)	Riggs	White
Lewis (KY)	Riley	Whitfield
Linder	Rivers	Wicker
Livingston	Roemer	Wolf
LoBiondo	Rogan	Yates
Lofgren	Rogers	Young (FL)
Lowey	Rohrabacher	
Lucas	Ros-Lehtinen	

NOT VOTING—29

Bono	Flake	Oberstar
Brown (CA)	Holden	Pombo
Camp	Istook	Pomeroy
Clyburn	Kleczka	Royce
Crane	LaTourette	Salmon
DeGette	Lipinski	Schiff
Diaz-Balart	Manton	Stokes
Dixon	Meehan	Weldon (PA)
Engel	Miller (CA)	Young (AK)
Fattah	Molinari	

□ 1042

Mr. EHLERS, Mr. ROEMER, Ms. JACKSON-LEE of Texas, and Messrs. CUMMINGS, COOK, LAHOOD, BARR of Georgia, EWING, DUNCAN, DREIER, KINGSTON, BOYD, EHRLICH, SAM JOHNSON of Texas, SOLOMON, SANFORD, and PORTMAN changed their vote from ''yea'' to ''nay.''

Mr. KLINK, Mr. KENNEDY of Massachusetts, Ms. CARSON, Mr. RANGEL, Mrs. CLAYTON, and Messrs. COYNE, CONDIT, and DINGELL, Ms. KILPATRICK and Ms. ROYBAL-ALLARD changed their vote from ''nay'' to ''yea.''

So the motion was not agreed to.

The result of the vote was announced as above recorded.

□ 1045

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. CALVERT). Will the gentleman from Ohio [Mr. HALL] come forward and lead the House in the Pledge of Allegiance.

Mr. HALL of Ohio led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 956. An act to amend the National Narcotics Leadership Act of 1988 to establish a program to support and encourage local communities that first demonstrate a comprehensive, long-term commitment to reduce substance abuse among youth, and for other purposes.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1757. An act to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, and to ensure that the enlargement of the North Atlantic Treaty Organization (NATO) proceeds in a manner consistent with United States interests, to strengthen relations between the United States and Russia, to preserve the prerogatives of the Congress with respect to certain arms control agreements, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 923. An act to deny veterans benefits to persons convicted of Federal capital offenses.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 20 1-minutes on each side.

TRIBUTE TO THE LATE BILL EMERSON

(Mrs. EMERSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. EMERSON. Mr. Speaker, I rise today to pay special tribute to my late husband, Bill Emerson, who spent 16 wonderful years as a Member of this Chamber, 2 years as a page, and who died a year ago this Sunday, June 22.

I remember so well when Bill was first elected in 1980 and the excitement and joy that we felt after his election. And I can picture vividly so many memories: that first dinner in Statuary Hall, which was given by Bob Michel, who was then the Republican leader of the House; the many trips he, Mickey Leland, and TONY HALL made to Ethiopia, Somalia, the Sudan and other parts of Africa; fighting for flood relief throughout our district, standing up for the folks he represented; and the most recent memories of the days he sat in the Speaker's chair and oversaw the business of our House.

He was so proud of the fact that he was the only Republican in the 104th Congress who had actually been here during the last Republican Congress in 1953 and 1954 when he served as a page with our colleague, the gentleman from Pennsylvania, PAUL KANJORSKI, and he was real excited on the first day of the 104th Congress, too, when he was asked to preside over the House.

It was Bill who taught me all about putting people before politics and ideas before ideology. He was my best friend and mentor, and gave me the tools that I needed to run for this seat in Congress and to try to be a productive Member of this legislative body.

It was he who taught me the importance of friendship in a place that can be very lonely, and the importance of seeking out relationships and friendships with our colleagues across the aisle, which is why I have chosen to speak this morning from this side of the aisle.

Bill, I know you are in a much better place now, though your friends and colleagues and I miss you very much, but we are all better off for knowing you. And when I look at the person sitting in the Speaker's chair every day, I see your smiling face and hear your deep and resonant voice and know that you are looking down on all of us, encouraging us to do the right thing as we fight for the very folks who sent us here to represent them. Thank you so very much for giving me and your friends here today the benefit of knowing you.

TRIBUTE TO THE LATE BILL EMERSON

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

Mr. SKELTON. Mr. Speaker, it is 1 year ago that we lost our friend, our colleague, my fellow Missourian, Bill Emerson. In his stead and in his shoes today is that charming and wonderful gentlewoman from Missouri, Mrs. JO ANN EMERSON, who represents the Eighth District of the State of Missouri.

The grief has passed, the loss of pain has passed, and I still find myself, Mr. Speaker, because I rode with him so very often to and from this work, at the end of the day standing toward the back looking around for my friend Bill to hitch a ride out to McLean. But we still have a lot of wonderful memories. His memories live on.

He was truly an outstanding legislator. He understood bipartisanship. He understood what it was to represent

wonderful people back home. He understood the legislative process. But most of all I found him, as so many, many did, as a friend, a true friend.

What he leaves today is more for those who follow us in this Chamber and who lead and will lead America in the days and years ahead; to the pages, which he once was, to the young people who he spent so much time with in his office and back home in the Eighth District of Missouri, for he was truly a role model.

I hope and pray that his memory will live in those young folks who will stand in his shoes, in our shoes in the years ahead. We miss him, but we revere his memory. We always shall.

TRIBUTE TO THE LATE BILL EMERSON

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

Mr. WOLF. Mr. Speaker, I rise today to honor our former colleague, the gentleman from Missouri, Bill Emerson, who passed away a year ago after a long and valiant battle.

Bill was known for his bipartisanship, his ability to bring people together to work on hunger. Bill and I and the gentleman from Ohio, TONY HALL, and a few others were in a small covenant group that met every Tuesday in the Capitol chapel to talk with each other, to pray with each other, and to support each other.

I was privileged to know Bill. He was a person of character, a person of courage, a person of integrity. Bill loved history more than anyone else that I knew, and Bill loved to talk about Lincoln; Bill loved to talk about Winston Churchill.

I can see where Bill is; in heaven where Lincoln and Churchill and Bill are talking together, and Lincoln is talking about how it was in the 1850's and 1860's, Churchill is talking about how it was in World War I and World War II, and Bill Emerson is talking about how it really was in the 1970's the 1980's and the 1990's.

Bill made every effort to live by the principles of Jesus, and he set an example for this entire Congress to live by. Every time I see the gentlewoman from Missouri, Mrs. JO ANN EMERSON, and the gentleman from Pennsylvania, Mr. KANJORSKI, and the gentleman from Missouri, Mr. SKELTON, who he rode with, and many others, I think of Bill.

TRIBUTE TO THE LATE BILL EMERSON

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

Mr. HALL of Ohio. Mr. Speaker, I am very honored to join with the gentlewoman from Missouri, Mrs. JO ANN EMERSON, and other distinguished Members to pay tribute to Bill Emerson.

So many of us like to say that this is my best friend, the great gentleman from Missouri, et cetera, et cetera, but I can tell my colleagues that Bill Emerson was a good friend.

Like the gentleman from Virginia, FRANK WOLF, said, Bill and I traveled together. We ate dinner together often. We, the gentleman from Virginia and I, met every Tuesday at 4 o'clock in the chapel and prayed together. We talked about our families. Our wives knew each other. Our children knew one another.

Bill was a great man. He taught us a lot about what it was like to be a humanitarian. He taught me a lot about agriculture and about being a great example.

My son and he had a special thing, too, because they both had cancer at the same time and they died within a month of each other. Bill would always send my son cheesecake every week from this famous place in his hometown of Girardeau, I believe, and my son always looked forward to it.

So I loved this guy and I really miss him. He was a great man, and the gentlewoman from Missouri, Mrs. JO ANN EMERSON, is carrying on in the great footsteps of her husband.

Mr. Speaker, I am honored to join with JO ANN EMERSON and other distinguished Members to remember and pay tribute to Bill Emerson.

Occasionally, during the course of our work here in Congress, the word, ''friends,'' is used lightly. But, I can say that Bill Emerson was truly my good friend. Bill and I knew each other for many years. We worked together, traveled together, and spend time together outside of work as well. Our families knew each other and became close.

I know that Bill was also a friend to many other Members of this body. He cultivated relationships with both Republicans and Democrats, judging his colleagues not by their party affiliation, but rather by their integrity, dedication, and willingness to serve. His own integrity and dedication were unmatched. Even after he was diagnosed with cancer, he continued to work and serve—not to score points or garner sympathy but because that was simply the kind of man he was.

Bill was also a true friend to the needy. He worked endlessly to ease the pain of families and children suffering from poverty. I was honored to serve with him as cochairs of the Congressional Hunger Center and work with him to educate the Congress and the Nation about hunger.

Bill was a good man with a truly humanitarian heart. He taught me a lot about serving others, about being a good legislator, and about the true meaning of friendship. I miss him.

TRIBUTE TO THE LATE BILL EMERSON

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

Mr. KANJORSKI. Mr. Speaker, Bill Emerson was a colleague to all the Members that are here on the floor. To me, he was my oldest and dearest personal friend.

As all my colleagues have learned, as we go through life, particularly in politics, friends and associates come and go, but our real friends are from our childhood. Bill and I were fortunate enough to meet at the tender age of 15, and I do not think there was ever a year that went by in our lives that we did not have an opportunity to get together, visit with each other or talk with each other. I went through many of his trying times and many of his joys in his lifetime.

Bill Emerson represented something that I want to speak to, because I think it is germane. Maybe we should think about forming the Emerson Society. Because Bill, whenever I look in the back of the Chamber, I see a little smoke and I know that you are still standing at the rail.

He was the type of guy, although he was a Republican and I a Democrat, with whom I could argue and disagree on philosophy and on ideology. But on humanity we agreed.

He was a man that understood the traditions of this great body and of opportunity. He and I served here as young pages and then came back to this great House as Members.

He suffered great pain as he saw the stress of conflict that grew in the 1980's in this House. And toward the end of his life, I think that was the most disappointing part that Bill experienced—that Members could lose civility, comity, and respect for each other above and beyond the disagreement that they had; that it had started to go to personalities.

If Bill were here today, he would say, wait a minute, life is very short; we are here in a very honored and sacred House that has great traditions. From a small Nation in its formation in 1789 until 1995, we have become the model, the ideal of the world, and the hope for humanity. He would ask why can we not walk across the aisle and get to know each other as human beings, identify what we have in common, and find that we have much more in common than we have in disagreement. He would also say that when we disagree, they should be honorable disagreements. Because Bill reflected that most of all, as the gentlewoman from Missouri, Mrs. JO ANN EMERSON, has said.

I remember Bill talking about his most honored day when he thought about leaving the House, because he thought the Republican Party would be the perpetual minority. And I am probably a little bit to blame, because I said it was my prediction that his opportunity in the Sun was just around the corner. And he stayed that extra term or two and finally made it.

The most important moment of Bill's life, I think, was on the first day of the 104th Congress, where after 14 years of

having been in the House of Representatives and 43 years since the last Republican majority, he had the opportunity to assume the gavel and the Acting speakership of the House.

Those Members that were here during Bill's term know that when he exercised that gavel, he was truly a Speaker pro tempore for the whole House. He was not just a Republican.

□ 1100

I hope that my friends on both sides of the aisle—and I have been on both sides of the aisle in my life—take a moment to reflect that, when we lose our bearing, when we let anger rule over our reason, that there were people like Bill Emerson that understood what this institution is all about. That is, we should go to the basic core of humanity, reach across the aisle, take the opportunity to walk and sit with our adversary, find out what we can agree upon, and work toward it together, as opposed to conflict, arrogance, and just meanness.

Bill would be disappointed today if he saw the continued decline in of the demeanor of the House. I would hope that maybe we can think about putting together the Emerson Society and say this is the bottom and let us get together. It is very close. We have a lot of work to do. Let us try to do it in the tradition and in the spirit of my friend, Bill Emerson.

TRIBUTE TO BILL EMERSON

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

Mr. CHAMBLISS. Mr. Speaker, I have many fond memories of my close personal friend and colleague, Bill Emerson. Probably one of my fondest memories is of the very first day that I was sworn in as a Member of Congress in 1995. My wife and I attended the Speaker's prayer service that morning, and Bill stood up and he said something that I will never forget. He introduced us freshman Members to the prayer breakfast that is held by Members of the House every Thursday morning and he said, ''If you attend that prayer breakfast and you pray with your colleagues on both sides of the aisle, when you disagree with those colleagues on the floor of the House, you will do it in a much more civil manner.''

Bill Emerson was right. As we are starting off here today, it looks like it is one of those days that, if Bill were here, he would remind us of that. Bill represented in this body everything there is about honesty, decency, and integrity. There are only two things that Bill loved better than this House, and that was his God and his family. I thank God that Bill Emerson served in this body, and I thank JO ANN and the girls for sharing Bill with us. This great country that we live in is a much better country because Bill Emerson served with us.

TAX CUTS

(Ms. STABENOW asked and was given permission to address the House for 1 minute.)

Ms. STABENOW. Mr. Speaker, I first would indicate that I did not serve with Congressman Emerson. I have served with the gentlewoman from Missouri [Mrs. EMERSON]. And if he is half as good as she, I missed serving with a wonderful man and appreciate the comments today.

Mr. Speaker, I am rising to speak to the issue of tax cuts today. We have a bill in front of us that came from the Committee on Ways and Means that, unfortunately, does not do what constituents in my district in Michigan need to have done.

When I supported the balanced budget agreement, I did so assuming we would take those precious tax cut dollars and focus them on the hard-working, middle-class families in my district and around the country. And instead, what we have is 80 percent of those tax cuts, when fully implemented, going to the top 5 percent of the public, once again, with the philosophy that somehow if the rich get richer, it will trickle down to each of us.

The folks in my district, who work hard every day, want to be able to have help to send their children to college, work hard, be able to sell their homes. I would like very much to see that tax relief bill go to hard-working families.

TAX RELIEF

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

Mr. TIAHRT. Mr. Speaker, any excuse is a good excuse if you do not want to do something. There are some here in Congress that would use any excuse to vote against tax relief for working Americans. Let us look at the capital gains tax relief. One popular excuse is it is only for the rich. Yet the IRS tells us that nearly three out of four that will benefit from this make less than $75,000 a year.

Economists tell us that it will not cost anything, it will not reduce the Federal revenue; in fact, it will increase the Federal revenue. And let us look at the $500 per child tax relief. Some will say you do not deserve it if you make more than $40,000 per year. I guess if you make more than $40,000, they think you are rich and you should not control more of your own money, so they would vote against any tax relief.

There are those that think working Americans do not deserve tax relief today. But remember, any excuse is a good excuse if you do not want to do something.

NO TO MEGAN'S KILLER

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

Mr. TRAFICANT. Mr. Speaker, Jesse Timmendequas, the convicted killer of 7-year-old Megan, is now pleading for his life. Megan's killer told the jury, ''I am sorry and I pray for Megan every day. And I ask you to let me live.'' Unbelievable.

Did this bum ever consider the screams and pleadings of little Megan? Think about it. Megan's killer now wants a roof over his head, three square meals, air-conditioning, a law library, cable television.

Beam me up, Mr. Speaker. Enough is enough. Megan's killer should be put to death. I say good night, sweet prince. Go and plead your case with the demon himself.

I yield back the balance of any more of these types of crimes.

PRESIDENT'S FORUM ON LAKE TAHOE

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

Mr. GIBBONS. Mr. Speaker, recently the White House announced the dates for the President's Forum on Lake Tahoe. At this conference, both the economic and environmental challenges that face the Lake Tahoe Basin and its surrounding communities will hopefully be addressed.

Among these concerns are the need for alternative forms of transportation and to address the fading clarity of the water, which is decreasing at an alarming rate of over 1 foot per year. This forum represents an important first step in the fight to preserve the Lake Tahoe Basin.

Equally as important, this forum represents the ability and the willingness of environmental and private property interests to work together toward a common goal. Through the two community forums and three workshops prior to the event, people from all levels of government as well as local residents will have a voice in this forum. Because of this cooperation, both private property owners and Government representatives will have constructive input.

The Lake Tahoe Basin has become a place for everyone to enjoy and share. From the idea that all people should share this beautiful work of nature has come the realization that we are all responsible for its well-being.

Mr. Speaker, Lake Tahoe is a national treasure that must be preserved, and this forum will help us reach this goal.

DAY-CARE CREDIT

(Mrs. KENNELLY of Connecticut asked and was given permission to address the House for 1 minute.)

Mrs. KENNELLY of Connecticut. Mr. Speaker, yesterday I stood here talking about the millions of families that were going to lose part of their child credit if, in fact, they took their day-care credit, millions of families.

Yesterday the gentleman from Texas [Mr. ARCHER] sent a letter to the President offering to modify the Committee on Ways and Means package, drop the provision of taking away 50 percent of the child-care credit.

The gentleman from Texas, Chairman ARCHER, has gone halfway; he can do better. Now any family who earns over $50,000, $50,000, one, will lose their credit. That might sound like a lot of money to somebody. But to a policeman and a teacher working, paying their FICA tax, trying to save money to educate their children, that day-care credit is important.

Today, I say the headline is 2 million families are better off. The gentleman from Texas [Mr. ARCHER] can make additional families better off tomorrow. We have not gone to the Committee on Rules. He is on the right track. Let us get rid of that interaction between the day-care credit and the child care credit, it will be a better bill.

TAX RELIEF

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, where are the old Democrats, like President John Kennedy, who favored tax cuts? The truth is that the 1960's changed the Democratic Party maybe forever. And now liberal Democrats and tax cuts go together like Dennis Rodman and the National Basketball Association Commissioner David Stern.

So we have to rely on Republicans if average people are to have hope of a tax cut. The liberals were, meanwhile, busy building a great society on the backs of working people. President Reagan gave working people a break in the 1980's and passed tax cuts for everyone who brought home a paycheck.

Well, now we have got a President in office that, as a candidate, ran on the idea of tax cuts for the middle class but soon changed his mind after getting elected. This is something that the new Democrats seem to have a habit of doing. So now it is up to the Republican Congress to try to get the same President to get a little tax relief to average American families.

TAX BREAKS FOR THE MIDDLE CLASS

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

Mr. WYNN. Mr. Speaker, I rise today to talk about tax cuts, Democratic tax cuts. The issue today before America is not whether we should have tax cuts. The issue is who should benefit. The Republicans have an elitist view of tax cuts. That is to say, the rich would benefit. Two-thirds of their tax cuts go to the wealthiest 5 percent of Americans, Americans who make an average of $250,000 a year.

On the other hand, the Democrats want tax cuts for the middle class and for the working class, those people making under $58,000 a year. In fact, three-fourths of the tax breaks in the Democratic tax package go to working Americans making under $58,000 a year.

The Republicans talk about capital gains, but they give the capital gains tax breaks to the very wealthy. The Democrats, on the other hand, target capital gains tax breaks to working families, families who sell their homes, small businesses. The Democrats want tax breaks for the middle class. The Democrats want tax breaks. They want fair tax breaks.

TAX CUTS

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

Mr. HAYWORTH. Mr. Speaker, I listened with great interest to my colleague, the gentleman from Maryland [Mr. WYNN], and I really appreciate the lecture on tax cuts from our friend on the left. It is akin to letting Dr. Kevorkian come in and design a Medicare plan for us.

The problem is this: The numbers that are being used by my friends on the left have been cooked well beyond well done. Let us tell the truth to the American people, Mr. Speaker. The fact is this: Tax cuts proposed by our majority, over 70 percent go to families earning between $20,000 and $75,000 a year.

Mr. Speaker, I do not believe most working Americans consider themselves rich. In fact, Mr. Speaker, I do not believe most working Americans pay rent to themselves for the houses they own. Yet the numbers offered by the highly partisan Treasury Department are the numbers upon which our friends on the left base their baseless canards. The fact is we provide tax relief to working families. That is the difference.

AMERICAN LEGION SUPPORTS ETHERIDGE RESOLUTION

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

Mr. ETHERIDGE. Mr. Speaker, to my friends on my left, I have introduced a death or inheritance tax bill. I would be happy to have my colleagues join me, because there are Democrats that do strongly support tax relief for people who work.

Mr. Speaker, on Memorial Day, I was proud to honor John T. Bone, a hero of World War II, at the American Legion in Elm City, NC, and present to him the medals that he had waited half a century to accept.

Last week I was proud to join this House in casting my vote to ban the desecration of the American flag. And today I am proud to announce to this House that the American Legion has joined me in support of my resolution for educational standards of excellence for America's schools.

Mr. Speaker, I share with my colleagues the words of the American Legion when they say: ''The American Legion applauds your initiative to introduce challenging academic standards into our Nation's educational system. The American Legion has been a long-time supporter of a quality education for each child. The adoption of challenging academic standards by each State would go a long way in helping this Nation reach educational excellence for our children.''

I urge my colleagues to join me in this resolution.

TRIBUTE TO BRIAN MATTHEW EICHENBRENNER

(Mrs. MYRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MYRICK. Mr. Speaker, Brian Matthew Eichenbrenner of Charlotte, NC, died in the early hours of Saturday morning, June 7, 1997, just 4 days before his 18th birthday.

He was valedictorian of Providence Day School, and he also received the Headmaster's Award. He was the founder and president of the Society for the Political Advancement of Mankind, an Eagle Scout in Troop 133, and a faithful member of Sardis Presbyterian Church, president of SADD, member of the Cum Laude Society, Outdoors Club; the list goes on.

Brian had every right to be openly proud of all of his achievements, but he shunned the praise these distinctions gave him. His life goal was to help others help themselves. One would always see Brian cheering on a fellow swimmer or tutoring a peer or performing a simple act of friendship or love that he freely gave to the world.

His family, community, and all who knew Brian Eichenbrenner feel the void of his death and appreciate the gifts and values he instilled in their lives. In lieu of achieving his earthly goals, he will be with the Lord, watching over the people he so dearly loved.

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His life goal was to help others help themselves. One would always see Brian cheering along a fellow swimmer, tutoring a peer, or performing a simple act of friendship and love that he freely gave the world.

Brian Eichenbrenner chose politics as his method to aid his fellow man. One of his

dreams was to have led a filibuster in the U.S. Senate. In 2032, Mr. Eichenbrenner was planning to run, and win, the Presidential election.

Brian lived his life to the fullest. He spent his life donating his time and efforts toward his peers. He desired their success as much as, or even more, than he desired his own.

His family, community, and all who knew Brian Eichenbrenner feel the void of his death and appreciate the gifts and values he instilled in their lives.

In lieu of achieving his earthly goals, he will be with the Lord, watching over the people he so dearly loved—those he called his friends.

□ 1115

IN SUPPORT OF TAX FAIRNESS

(Ms. VELÁZQUEZ asked and was given permission to address the House for 1 minute.)

Ms. VELÁZQUEZ. Mr. Speaker, there is an old saying that says ''Lead, follow or get out of the way.'' This would have been good advice for the Republicans when Democrats tried to provide disaster assistance to the Midwest. This would have been good advice for the Republicans when they tried to kill the Democrats' $500 child tax credit to working mothers who need child care in order to work.

The Republicans will do well to heed this advice once more as Democrats fight to provide tax fairness to working Americans. The Republicans claim that low-income people do not pay taxes. That is nonsense. The poor pay their fair share of taxes and the Republicans know it.

The Republicans are out of touch with working families in this country. Their idea of tax fairness is to give tax breaks to millionaires and to allow big corporations to pay no taxes at all. I ask Members, how many Americans think this is fair?

Lead, follow, or get out of the way.

THE REPUBLICAN TAX BILL

(Mr. BOB SCHAFFER of Colorado asked and was given permission to address the House for 1 minute.)

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I guess it is not surprising to hear so many Democrat voices voice opposition to tax relief. The same liberal Democrats who claim to care so much about children have a strange way of showing it.

According to the House Committee on Ways and Means, 657,000 children in the State of Connecticut would be eligible for the tax credit if the Republican tax bill were to become law. That is $1.1 billion for Connecticut children, Mr. Speaker.

In the State of New York, 3.1 million kids; that is 3.1 million kids, Mr. Speaker, stand to benefit from the Republican tax relief package. That translates into $5.3 billion for New York children.

Do these liberals really want to deny that help to their State's children? Perhaps this is how the liberals now define compassion, take money away from the parents, set up some huge Government program and hire bureaucrats to replace parents.

REPUBLICAN TAX PLAN

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

Mr. LEVIN. Mr. Speaker, let me talk about facts, not labels. The gentleman from Arizona, a colleague on the committee, has cited the canard of the Republicans: Fully 71 percent of the tax relief provided will be for people making between $20,000 and $75,000 a year. Let me tell my colleagues why that is simply inaccurate.

First of all, that stops at the 5th year. It does not take into account years 6 through 10 of the budget agreement that relates to 10 years. So the impact of the capital gains and the IRA's are not taken into account.

Second, that miscalculation does not include the impact of the corporate tax or the estate tax.

Third, it counts as taxes paid, amounts paid by taxpayers to take advantage of the IRA provisions and the capital gains provisions that are going to save them taxes in the long run. It is a phony figure. The Treasury Department has it right.

WHEN IN DOUBT, TELL THE TRUTH

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

Mr. GUTKNECHT. Mr. Speaker, I rise today to recognize a high school senior in my district in Minnesota for simply telling the truth, even when it hurt.

Recently the Elgin-Millville Watchmen provided the Dover-Eyota Eagles in a sectional tournament baseball game. In the fifth inning, Watchmen left fielder Jason Livingston missed a fly ball and saw it barely clear the fence for a home run. The umpire, however, ruled the hit a ground-rule double, thinking it had bounced over the fence.

Jason was the only one in position to know exactly what had happened. Without hesitating, he indicated to the umpire that the ball had cleared the fence for a home run. The umpire reversed his call, the Watchmen ended up losing the game, and Jason's baseball career ended that afternoon.

Mark Twain once said, ''When in doubt, tell the truth.'' Well, Jason Livingston never had a doubt. He said it was no big deal, he just did what was right. A week after the game, Jason graduated from high school without a baseball trophy. But some things are just more important.

THE REPUBLICAN TAX PROPOSAL

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

Mr. MENENDEZ. Mr. Speaker, Democrats want tax cuts, but the Republican tax proposal is the tax policy equivalent of Peter Pan's never-never land. It is an expression of the desire to never grow old and never die. Why are there billions of tax cuts going to the dead and the immortal? Republican estate tax proposals would have the J.P. Morgan estate paying no taxes if he were able to take advantage of it. And just like Peter Pan, corporations live forever and many would pay no taxes, and many corporations would make shamefully little contributions to the Nation that is the source of their vast wealth.

What does the average worker have in common with the wealthy dead and the eternal life of corporations? Nothing, except that they would be paying more taxes. We want to vote for tax cuts for the living. The Democratic substitute provides tax cuts for real live people, for education, for reducing taxes, on buying and selling your home or transferring a small business to family members, and for working families. That is tax cuts that we can support.

CAPITAL GAINS TAX CUTS HELP ALL AMERICANS

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

Mr. BARTLETT of Maryland. Mr. Speaker, Americans are confused by a lot of misinformation about capital gains tax cuts. For instance, liberal Democrats whine that the capital gains tax cuts are gifts from the Federal Government to the rich, and the liberal media use their megaphones to repeat these claims as if they were the truth.

Let us remember that capital is just another word for the money that is the source and the lifeblood of every job and every business that ever has been or ever will be created. Forty percent of all the stock in America is owned by families making less than $75,000 per year.

The capital gains tax cut will help millions of middle class Americans: Every American who has invested in a mutual fund, every American who saves for a home, every American who invests for their retirement or have pensions, every American who saves for their children's education.

The liberals are wrong. A capital gains tax reduction is not a tax break for the wealthy.

STAND WITH WORKING AMERICANS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, this is a wakeup call for working America and a wakeup call for

middle-income Americans. Many of us as Democrats have had a prior life, and many times as local officials we voted all the time to cut taxes and stand with working Americans.

I do not know what the Republicans are talking about, but when you take 6 million families and you deny them a child tax credit when they have expenses of child care, that is not standing with working Americans. When you hurt women workers by making them independent contractors so they cannot get health coverage or pension benefits, that is not standing with working Americans.

And then small businesses. When they are denied the right to take 100 percent deductibility for the health coverage that they provide their workers but yet the big guys can take 100 percent deductions, the corporations can do it, then my Republican colleagues are not listening.

You do not know that the Democrats are standing with working Americans. We want a tax cut, but we want it for the bunch of Americans who work every day. Middle-income Americans who are trying to support their children know the facts. Stand with the Democrats who have a bill that you can support that has a real tax plan.

TAX RELIEF

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

Mr. SMITH of Michigan. I was going to talk about another issue, but I'll save that for another day. It seems important that we point out, Mr. Speaker, that over the last 40 years of Democrat control of this House, taxes increased much faster than inflation. My first year in Congress, 1993, the Democrat leadership without a single Republican vote decided that the best way to go was to increase taxes $250 billion over that 5-year period. Now, what we are talking about is giving only a small part of that 1993 tax increase back to the American people. We are only giving $85 billion back of that $250 billion tax increase. What we have got to do is figure out the kind of tax changes that are going to increase job opportunity, increase paychecks and give more freedom and opportunity and responsibility to individuals.

THE REPUBLICAN TAX BILL: BENEFITS FOR WALL STREET, NOT MAIN STREET

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

Mr. LEWIS of Georgia. Mr. Speaker, the American people want tax relief. They want lower taxes. But, Mr. Speaker, the American people want a tax cut that goes to the people who need it the most, America's working families.

The Republican tax bill is a boom for Wall Street, but a bust for Main Street. The Republican tax bill gives little relief to working people, people struggling to pay their mortgage, pay their car loan, pay their credit card bill and send their kids to college. The Republicans give most of their tax breaks to the wealthiest people in America. Almost 60 percent of the Republican tax breaks go to people earning $250,000 a year or more. That is not right, it is not fair, and it is not just. It is not what the American people want.

The Democrats want and the American people want a tax cut that goes to the middle class, to the hard-working families that need it the most. These are the people who deserve tax relief. Let us not give it away to the yacht owners, the junk bond traders and Rolls Royce drivers. Let us say no to the Republican tax bill.

SUPPORT H.R. 1955 TO DENY MILITARY HONOR BURIALS TO DEATH PENALTY CONVICTS

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

Mr. KNOLLENBERG. Mr. Speaker, yesterday I introduced H.R. 1955 with the support of many of my colleagues in order to prevent death penalty convicts from receiving military burial honors in our Nation's 114 veterans' cemeteries.

Today, the gentleman from Missouri [Mr. SKELTON] is offering an amendment to the defense authorization act prohibiting the same sorts of burial honors. I am a cosponsor on that amendment. It saddens me personally to offer this legislation, but it is the right thing to do for the veterans of our country who have given so much for us.

The most heinous domestic violence act ever committed ripped apart the insides of our Nation. I am talking about the Oklahoma City bombing which will always remain, I believe, ingrained in our hearts, our minds and our souls.

And yet the perpetrator of this dastardly act which killed 168 people, many of whom were children, can receive a military honor burial in a veterans' cemetery after he receives his death penalty sentence.

Our Nation's veterans' cemeteries are sacred ground. They are a solemn and sad reminder of the price our Nation has paid for the freedom we enjoy every day. It is not fitting to allow Timothy McVeigh in the company of our fallen heroes.

A DIFFERENCE OF OPINION ON TAX BILL

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

Mr. HINCHEY. Mr. Speaker, it must be confusing to people who may have been watching and listening to these statements over the course of the last several minutes. There are obviously two differences of opinion here.

Let us look at the analysis from an objective, nonpartisan group. The Citizens for Tax Justice, who are exactly that, have told us that the Republican tax cut benefits overwhelmingly the richest people in the country. Sixty percent of their tax cut goes to 40 percent of the American people. That blatantly is unfair. On top of that, they are attempting to repeal the alternative minimum tax. The alternative minimum tax was put into place to make sure that the most profitable American corporations pay at least something in taxes every year to the Federal Government. If they are not paying their taxes, then American families have to make up that difference. That is what they are trying to do, to pass the obligation to pay for what the country needs from the richest people to the average working people. We are opposed to that and we are determined to stop it.

TAX RELIEF NOW

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

Mr. SAM JOHNSON of Texas. Mr. Speaker, the average worker is working longer and harder to achieve the American dream, in part because it has been 16 years since this Congress has passed any significant tax relief.

This is about to change. The House and Senate have drafted bills which would provide five important areas of relief for our workers, our families and our children. They include a $500 per child tax credit, death tax relief, capital gains reduction, expanded IRAs and education initiatives to help children afford college. These were agreed to by the President and the Congress and this Congress has held up its end of the bargain, but the President is backtracking.

Tell me, is the President for tax relief or not? It is time for the President to quit waffling. Americans want, need and deserve tax relief now.

□ 1130

DEMOCRATS WANT A TAX CUT FOR AMERICA'S FAMILIES WHO MOST NEED IT

(Ms. KILPATRICK asked and was given permission to address the House for 1 minute.)

Ms. KILPATRICK. Mr. Speaker, we want a tax cut. The Congress has voted for 85 billion dollars' worth of tax cuts over the next few years. What Democrats say is we want that tax cut for America's families who most need it. We believe that those middle-income families who work hard to raise their children, who want them to go to college, need that assistance. We want the

bulk of Americans to have the benefit of this Tax Code. The Democratic plan gives us that advantage.

Mr. Speaker, the Republican plan speaks to the wealthiest 5 percent of American citizens who have benefited from America's greatness. The Democratic plan provides for children in America to receive that higher education for families in America who work every day to receive the support that they need.

Support the Democratic tax plan. Let us work with our colleagues to make sure that our plan reaches those Americans who need it most.

JUST LOOK AT THE NUMBERS

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

Mr. ENSIGN. Mr. Speaker, we have heard a lot of talk about the numbers of the tax bill and for the rich, for the poor. Let us just look at a few of those numbers right now.

The $500-per-child tax credit over the 10 years takes up $150 billion of the $250 billion in tax cuts. The education tax credits take up $50 billion of that 250 billion. Add those together, that is 200 billion of the $250 billion, roughly 80 percent just in those two tax cuts.

Mr. Speaker, if we look at the bills, and I do not say to the American people to trust any politician up here, look at the bill, pull it up on the Internet, and people will see that no one can receive 80 percent of the tax cuts that makes over $125,000 a year as a family, $75,000 a year as an individual.

Mr. Speaker, 75 percent of this tax cut goes to people making less than $75,000 a year. Do not take my word for it. My colleagues should look it up for themselves.

GOP PLAN REWARDS THE RICH WHILE DEMOCRAT ALTERNATIVE HELPS WORKING FAMILIES

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, I follow up on my colleague from the other side of the aisle and say do, in fact, look at the details and my colleagues will find that the GOP tax plan rewards the rich and the Democratic alternative helps working families.

Let us look at the capital gains tax. Basically the GOP plan would essentially cut the capital gains tax across the board. It would say that for the sale of stocks, bonds or other assets the rate would drop to 20 percent, where it is now at 28 percent. What the Democrats are saying is why benefit Wall Street? Why benefit wealthy people who have these large portfolios of bonds and stocks? Let us help the homeowner.

The capital gains tax cut is a good idea, but it should be targeted for homeowners because that is where most middle-class working people have to pay a capital gains tax cut. Reduce it for the person selling the home, not the person with the large stock portfolio.

And the same with the estate tax break. Right now only 1.5 percent of families currently pay any estate tax, but the Republicans are saying that they want to increase the amount up to a million dollars. That is for the rich, not for the working person.

WHY REPUBLICANS SUPPORT A $500–PER-CHILD TAX CREDIT

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

Mr. KINGSTON. Mr. Speaker, more confusion on the Democrat side of the aisle; it is no wonder that their President is reaching over to Republicans to try to work on a responsible tax bill.

As my colleagues know, the interesting thing is in this tax debate we need to talk about tax responsibility and social responsibility. We need in America a tax system that is fair and honest, a Tax Code that is clear, one that encourages and rewards work ethics. And that is why Republicans are supporting a $500-per-child tax credit for middle-class working families.

My wife called me yesterday about this gentleman in our district who is on welfare. He is 30 years old, and he has 16 kids at 30, and his quote was: The Lord said be fruitful and multiply.

Now I am a father of four. I think the Lord speaks a little bit more broadly than that, such as ''You need to be paying for your kids.'' But under the Democrat proposal, if one does not pay taxes, they will still be able to get the $500-per-child tax credit that middle-class working families who pay taxes are eligible to get. Huge difference.

HOW REPUBLICANS MISS THE MARK OF BEING FAIR TO ALL AMERICANS

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute.)

Mrs. CLAYTON. Mr. Speaker, I first want to acknowledge that those of us who knew Bill Emerson also knew how to debate passionately for our views on both sides and at least held to our views. I differ from Bill Emerson, and I also respect him. I hope we can do the same thing as we talk about this tax bill.

The chairman's mark fails to do just what the last speaker said it does do: Be fair. It is not fair. It fails to do that. The Democratic plan certainly is a better alternative in being fair to all Americans.

Take two examples. My colleagues mentioned the $500 deduction that both the gentleman from Texas [Mr. ARCHER] has as well as the Democrats have. The difference is they would deny that opportunity for struggling working people, but they would not even include the earned income tax credit in terms of the calculation. That is one example.

The other example is that under the Archer mark there is 600 dollars' worth of relief that would be given, where the Democrat would give $1,100.

These are just a few examples how they miss the mark of being fair to all Americans. Let us debate this issue, but let us debate it objectively.

RESTRICT TAX CUTS TO PEOPLE WHO ARE ACTUALLY PAYING TAXES

(Mr. NEUMANN asked and was given permission to address the House for 1 minute.)

Mr. NEUMANN. Mr. Speaker, as this debate on reducing taxes on working families in America unfolds, I find it somewhat amazing what is going on up there. One of the goofiest criticisms that I have heard is that people that are paying no taxes in this country do not get a tax cut. Well, out where I come from, people are having a hard time understanding how they can cut taxes if they are not paying any taxes in the first place.

Mr. Speaker, some may be feeling a bit confused about this statement, and I got to confess I was confused when I first heard it. Now presumably the liberal Democrats who have been voicing this criticism have been saying this with a straight face. But it is hard to know when one is only reading such ridiculous accounts in the newspapers, but apparently it is true. There are actually some liberal Democrats who are outraged that they will not be getting a tax cut, even though they are not paying any taxes in the first place.

I have to tell my colleagues, back in my district, back in Wisconsin, a lot of folks are asking, ''How could you possibly cut taxes if you're not paying any taxes to start with? Doesn't that turn the tax cut into a social welfare program?'' I have to say that I think it is very important that we do restrict the tax cuts to people who are actually paying taxes.

CONGRESS IS NOT DOING ITS JOB

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

Mr. GEJDENSON. Mr. Speaker, I would like to just have a slight correction to my colleague in that these people do pay taxes, and they pay a lot of taxes because they are at the bottom and their FICA taxes eat up a big portion of their earnings. The basic question is, what is the job of Congress?

Under the Republican proposal, a family that makes $17,000 a year will lose a thousand dollars, and a billionaire corporation will pay lower taxes. It seems to me there can be arguments for lowering everybody's taxes, but a Congress that in the same product

takes away a thousand dollars from a struggling family trying to eke out a living on less money than most people in this room spend on their vacations a year is a Congress that is not doing its job.

The choices for people are clear, that at the bottom of the economic ladder in this country people still have to make a decision about clothing, feeding and providing health care for their children. We are debating whether we are going to provide health care to half the children out there without health care or none of them. We need to take care of those responsibilities first.

WHO IS ON MY SIDE?

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the gentleman who spoke about providing tax relief to people who do not pay taxes is absolutely off the mark. The fact of the matter is that people are paying payroll taxes and the child credit applies to those FICA or payroll taxes.

Let us get the story straight.

Republicans have proposed a tax cut proposal; Democrats have proposed a tax cut proposal. We are for tax cuts. The issue is who benefits from the Democratic program or the Republican program? I submit to my colleagues that the Republican bill is nothing more than a windfall for the wealthiest Americans, and a Democratic alternative offers real tax relief to middle-class families. The Democratic tax package puts money straight into the pockets of average working middle-class families. The majority of the benefits from the Democratic bill go to families making less than $100,000 a year in this country. The Republicans want to provide the richest corporations in this Nation and in the world with a reduction in their tax obligation and at the same time deny to working families the opportunity to get a child care tax credit because both men and women are in the workplace.

Understand the debate and the argument. It is an important one.

THE BUDGET AGREEMENT IS A GOOD START

(Ms. GRANGER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GRANGER. Mr. Speaker, when I ask people back home, far away from the political battles of Washington, what our budget priorities should be, I often get responses like this: Well, I hear Medicare is going broke, so I guess we should do something to save it, and I think the Government should let me keep more of my money, so I definitely think that average folks like me should get a tax cut.

Mr. Speaker, I am happy to report that the budget agreement will be good news to people back home, people like that. This budget agreement takes an important step towards saving Medicare, and it contains permanent tax relief for average people. Congress is finally acting and can act in a bipartisan way to enact necessary Medicare reforms so that seniors are protected and Medicare is saved, and Congress is also acting in a bipartisan way to let American families keep more of their own money, not our money.

This budget agreement reflects the priorities of average Americans who want to retire with health care security and want to have a little more freedom to enjoy the fruits of their labor. I am going to vote for it. I think it is a good start.

JUNETEENTH INDEPENDENCE DAY

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

Mr. LAMPSON. Mr. Speaker, today in the Ninth Congressional District in my State of Texas, we celebrate Juneteenth Independence Day.

President Abraham Lincoln signed the Emancipation Proclamation in 1863 to abolish slavery, but it was not until June 19, 1865, 132 years ago today, that U.S. Gen. Gordon Granger rode into Galveston, TX in my district to announce that the State's 200,000 slaves were free.

Although this holiday originated in Texas, it is being celebrated throughout our Nation today. I encourage all Americans to join with me and with the citizens of Texas, not only in celebration, but to take a moment to reflect on the meaning of Juneteenth and remember those African-Americans who have been slaves and who suffered and struggled to move from slavery to freedom.

And finally, Mr. Speaker, quoting Dr. Martin Luther King, Jr.: ''We must use time creatively in the knowledge that the time is always ripe to do right.''

SUPPORT THE B–2

(Mr. HUNTER asked and was given permission to address the House for 1 minute.)

Mr. HUNTER. Mr. Speaker, today we are going to have a vote on the B–2 amendment. That is a question of whether or not we are going to have this tremendous aircraft in our inventory in numbers in excess of 20.

As my colleagues know, during Vietnam we lost about 2,300 fixed-wing aircraft to SAM missiles. Those were the surface-to-air missiles that the Russians were proliferating to their friends around the world and are still proliferating to their friends. A SAM missile took down Scot O'Grady a few months ago in Bosnia when he was flying his high-performance F–16 aircraft.

If we turn down the B–2 today, it is going to be the first time the American people have decided to send their young pilots out in aircraft that are not the very, very best that this Nation can provide. Support the B–2. Our troops need it.

MOTION TO ADJOURN

Mr. FORBES. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the motion to adjourn offered by the gentleman from New York [Mr. FORBES].

The question was taken.

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

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 27, nays 389, not voting 18, as follows:

[Roll No. 211]

YEAS—27

Ackerman	Hastings (FL)	Moran (VA)
Brown (CA)	Hinchey	Oberstar
Condit	John	Obey
Conyers	King (NY)	Pastor
Dingell	LaFalce	Riley
Engel	McCarthy (NY)	Stark
Farr	McNulty	Towns
Filner	Millender-McDonald	Waxman
Forbes	Mink	
Fowler		

NAYS—389

Abercrombie	Camp	Dreier
Aderholt	Campbell	Duncan
Allen	Canady	Dunn
Andrews	Cannon	Edwards
Archer	Capps	Ehlers
Armey	Cardin	Ehrlich
Bachus	Carson	Emerson
Baesler	Castle	English
Baker	Chabot	Ensign
Baldacci	Chambliss	Eshoo
Ballenger	Chenoweth	Etheridge
Barcia	Christensen	Evans
Barr	Clay	Everett
Barrett (NE)	Clayton	Ewing
Barrett (WI)	Clement	Fawell
Bartlett	Clyburn	Fazio
Barton	Coble	Foglietta
Bass	Coburn	Foley
Bateman	Collins	Ford
Becerra	Combest	Fox
Bentsen	Cook	Frank (MA)
Bereuter	Cooksey	Franks (NJ)
Berman	Costello	Frelinghuysen
Berry	Cox	Frost
Bilbray	Coyne	Furse
Bilirakis	Cramer	Gallegly
Bishop	Crane	Ganske
Blagojevich	Crapo	Gejdenson
Bliley	Cubin	Gekas
Blumenauer	Cummings	Gibbons
Blunt	Cunningham	Gilchrest
Boehlert	Danner	Gillmor
Boehner	Davis (FL)	Gilman
Bonilla	Davis (IL)	Gonzalez
Bonior	Davis (VA)	Goode
Bono	Deal	Goodlatte
Borski	DeFazio	Gordon
Boswell	Delahunt	Goss
Boucher	DeLauro	Graham
Boyd	DeLay	Granger
Brady	Dellums	Green
Brown (FL)	Deutsch	Greenwood
Brown (OH)	Diaz-Balart	Gutierrez
Bryant	Dickey	Gutknecht
Bunning	Dicks	Hall (OH)
Burr	Dixon	Hall (TX)
Burton	Doggett	Hamilton
Buyer	Dooley	Hansen
Callahan	Doolittle	Harman
Calvert	Doyle	Hastert

Hastings (WA)	McHugh	Sanford
Hayworth	McInnis	Sawyer
Hefley	McIntosh	Saxton
Hefner	McIntyre	Scarborough
Herger	McKeon	Schaefer, Dan
Hill	McKinney	Schaffer, Bob
Hilleary	Meehan	Schumer
Hilliard	Meek	Scott
Hinojosa	Menendez	Sensenbrenner
Hobson	Metcalf	Serrano
Hoekstra	Mica	Sessions
Holden	Miller (FL)	Shadegg
Hooley	Minge	Shaw
Horn	Moakley	Shays
Hostettler	Molinari	Sherman
Houghton	Mollohan	Shimkus
Hoyer	Moran (KS)	Shuster
Hulshof	Morella	Sisisky
Hunter	Murtha	Skaggs
Hutchinson	Myrick	Skeen
Hyde	Nadler	Skelton
Inglis	Neal	Slaughter
Jackson (IL)	Nethercutt	Smith (MI)
Jackson-Lee (TX)	Neumann	Smith (NJ)
	Ney	Smith (OR)
Jefferson	Northup	Smith (TX)
Jenkins	Norwood	Smith, Linda
Johnson (CT)	Nussle	Snowbarger
Johnson (WI)	Olver	Snyder
Johnson, E. B.	Ortiz	Solomon
Johnson, Sam	Owens	Souder
Jones	Oxley	Spence
Kanjorski	Packard	Spratt
Kaptur	Pallone	Stabenow
Kasich	Pappas	Stearns
Kelly	Parker	Stenholm
Kennedy (MA)	Pascrell	Strickland
Kennedy (RI)	Paul	Stump
Kennelly	Paxon	Stupak
Kildee	Payne	Sununu
Kilpatrick	Pease	Talent
Kim	Pelosi	Tanner
Kind (WI)	Peterson (MN)	Tauscher
Kingston	Peterson (PA)	Tauzin
Kleczka	Petri	Taylor (MS)
Knollenberg	Pickering	Taylor (NC)
Kolbe	Pickett	Thomas
Kucinich	Pitts	Thompson
LaHood	Porter	Thornberry
Lampson	Portman	Thune
Lantos	Poshard	Thurman
Largent	Price (NC)	Tiahrt
Latham	Pryce (OH)	Tierney
LaTourette	Quinn	Torres
Lazio	Radanovich	Traficant
Leach	Rahall	Turner
Levin	Ramstad	Upton
Lewis (CA)	Rangel	Velazquez
Lewis (GA)	Redmond	Vento
Lewis (KY)	Regula	Visclosky
Linder	Reyes	Walsh
Livingston	Riggs	Wamp
LoBiondo	Rivers	Waters
Lofgren	Rodriguez	Watkins
Lowey	Roemer	Watt (NC)
Lucas	Rogan	Watts (OK)
Luther	Rogers	Weldon (FL)
Maloney (CT)	Rohrabacher	Weldon (PA)
Maloney (NY)	Ros-Lehtinen	Weller
Manzullo	Rothman	Wexler
Martinez	Roukema	Weygand
Mascara	Roybal-Allard	White
Matsui	Royce	Whitfield
McCarthy (MO)	Rush	Wicker
McCollum	Ryun	Wolf
McCrery	Sabo	Woolsey
McDade	Salmon	Wynn
McDermott	Sanchez	Yates
McGovern	Sanders	Young (AK)
McHale	Sandlin	Young (FL)

NOT VOTING—18

□ 1223

Messrs. BOB SCHAFFER of Colorado, WYNN, and WELDON of Florida, Ms. DANNER, Mr. NEAL of Massachusetts, Mr. JEFFERSON, Ms. KAPTUR, and Messrs. LARGENT, LEVIN, and THOMAS, and Ms. SANCHEZ, Mr. MCDERMOTT, and Mr. OWENS changed their vote from ''yea'' to ''nay.''

So the motion was not agreed to.

The result of the vote was announced as above recorded.

PROPOSED CHANGES TO RULE ON DEFENSE AUTHORIZATION

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I wish to inquire of the distinguished chairman of the Committee on Rules, the gentleman from New York [Mr. SOLOMON], what proposed changes he may have to offer with respect to the rule.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I would say to the minority whip that out of consideration for the ranking member of the Committee on National Security, the gentleman from California [Mr. DELLUMS], who we have the greatest respect for, I have said that many times and will say it over and over again. He and I come from different philosophical persuasions, but he is one of the true gentlemen and sincere Members of this body.

Because of that, we are going to change this rule and we are going to remove an amendment that would be a striking amendment on the B–2 bomber, remove that from the rule, having made it in order. And we will make in order the original Dellums amendment No. 104, which is a striking amendment and the transfer of those funds. That will be one change in the rule that I will propose in a few minutes.

Second, we will make in order an Everett amendment No. 77 dealing with the depots around this country with a 1-hour debate.

We will substitute a Frank amendment; we will make in order a Frank amendment No. 85 instead of the Frank amendment No. 83. In addition to that, we will make a Traficant amendment No. 3 authorizing the use of the defense personnel to assist border patrols to stop illegal immigration coming into this country. And we will make in order a Weldon amendment No. 110 which is a sense of Congress on the need for Russian transparency on the Yamantau Mountain project. That is somewhat classified information, but most of the Members understand what that is all about.

Mr. BONIOR. Mr. Speaker, is the gentleman anticipating any additional time on any of these amendments?

Mr. SOLOMON. Mr. Speaker, if the gentleman will continue to yield, we will include on the B–2 issue, we will extend that to 1½ hours by agreement. And, of course, the Everett amendment has an hour of debate based on the agreement we just discussed.

Mr. BONIOR. Mr. Speaker, I thank the gentleman. I thank him and the gentleman from Texas [Mr. ARMEY] and others for signing off on this agreement.

Mr. SOLOMON. Mr. Speaker, if the gentleman will continue to yield, I will call up the rule in just a moment. I will make this unanimous-consent request. If it is objected to, I will wait until the end of the rule and then make the unanimous-consent request again. If it is objected to, I will move that unanimous-consent request before the vote on the rule.

Mr. BONIOR. Mr. Speaker, I thank the gentleman.

PROVIDING FOR CONSIDERATION OF H.R. 1119, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 169 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 169

Resolved, That at any time after the adoption of this resolution, the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1119) to authorize appropriations for fiscal years 1998 and 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 1998 and 1999, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and the amendments made in order by this resolution and shall not exceed two hours equally divided and controlled by the chairman and ranking minority member of the Committee on National Security. After general debate the bill shall be considered for amendment under the five-minute rule.

SEC. 2. (a) It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on National Security now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived.

(b) No amendment to the committee amendment in the nature of a substitute shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution and amendments en bloc described in section 3 of this resolution.

(c) Except as specified in section 5 of this resolution, each amendment printed in the report of the Committee on Rules shall be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. Unless otherwise specified in the report, each amendment printed in the report shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent and shall not be subject to amendment (except that the chairman and ranking minority member of the Committee on National Security each may offer one pro forma amendment for the purpose of further debate on any pending amendment).

(d) All points of order against amendments printed in the report of the Committee on Rules and amendments en bloc described in section 3 of this resolution are waived.

(e) Consideration of the first two amendments in part 1 of the report of the Committee on Rules shall begin with an additional period of general debate, which shall be confined to the subject of United States forces in Bosnia and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on National Security.

SEC. 3. It shall be in order at any time for the chairman of the Committee on National Security or his designee to offer amendments en bloc consisting of amendments printed in part 2 of the report of the Committee on Rules not earlier disposed of or germane modifications of any such amendment. Amendments en bloc offered pursuant to this section shall be considered as read (except that modifications shall be reported), shall be debatable for twenty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on National Security or their designees, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. For the purpose of inclusion in such amendments en bloc, an amendment printed in the form of a motion to strike may be modified to the form of a germane perfecting amendment to the text originally proposed to be stricken. The original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional record immediately before the disposition of the amendment en bloc.

SEC. 4. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be fifteen minutes.

SEC. 5. The Chairman of the Committee of the Whole may recognize for consideration of any amendment printed in the report of the Committee on Rules out of the order printed, but not sooner than one hour after the chairman of the Committee on National Security or a designee announces from the floor a request to that effect.

SEC. 6. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 7. House Resolutions 161, 162, and 165 are laid on the table.

□ 1230

The SPEAKER pro tempore (Mr. CALVERT). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

REQUEST FOR MODIFICATION TO HOUSE RESOLUTION 169

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that during the consideration of H.R. 1119, pursuant to House Resolution 169, it may be in order:

To offer the amendment numbered 7 in part 1 of House Report 105–137 in the modified form that I have placed at the desk, to debate it for 90 minutes equally divided and controlled by the gentleman from California [Mr. DELLUMS] or his designee and an opponent, and otherwise to consider it as though printed in House Report 105–137;

To offer the amendment numbered 15 in part 2 of House Report 105–137 in the modified form that I have placed at the desk, and to debate it for 20 minutes equally divided and controlled by the gentleman from Massachusetts [Mr. FRANK] or his designee and an opponent, and otherwise to consider it as though printed in House Report 105–137;

To offer an amendment by the gentleman from Alabama [Mr. EVERETT] or his designee in the form that I have placed at the desk, and to debate it for 1 hour equally divided and controlled by the gentleman from Alabama [Mr. EVERETT] or his designee and an opponent, and otherwise to consider it as though printed in House Report 105–137;

To offer an amendment offered by the gentleman from Pennsylvania [Mr. WELDON] or his designee in the form that I have placed at the desk, which shall be in order as though printed as amendment numbered 42 in part 2 of House Report 105–137;

And to offer an amendment by the gentleman from Ohio [Mr. TRAFICANT] or his designee in the form that I have placed at the desk, which shall be in order as though printed as amendment numbered 43 in part 2 of House Report 105–137;

And, finally, the additional period of general debate on the subject of United States forces in Bosnia, described in section 2(e) of House Resolution 169, shall precede the offering of amendments numbered 8 and 9 in part 1 of the report of the Committee on Rules rather than the amendments numbered 1 and 2 in that part.

And, Mr. Speaker, I ask unanimous consent to dispense with the reading of the amendments.

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

Mr. RILEY. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of the resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, let me explain again what will happen here. The unanimous-consent request making these changes to the rule has been objected to, so at the end of this debate I would propound the unanimous-consent request again. If that is objected to, I would then move it and there would be a recorded vote taken at that time.

Having said that, Mr. Speaker, this is the traditional structured rule that the Committee on Rules has provided in past years for defense authorization bills.

First, this rule provides 2 hours of general debate. The committee amendment in the nature of a substitute is made in order as the original text.

Next, the rule provides that no amendment will be in order except those in the report accompanying this rule. Each amendment will be debatable for the amount of time provided in the Committee on Rules report.

The amendment will not be subject to amendment except as specified in the Committee on Rules report. However, the chairman and ranking minority member of the Committee on National Security may each offer one pro forma amendment for the purpose of further debate on any pending amendment.

The rule provides that before the House considers the two amendments dealing with the subject of United States forces in Bosnia, there will be an extra hour and a half of general debate, if the unanimous-consent request goes through, controlled by the chairman and ranking minority member of the Committee on National Security.

Next, the rule provides at any time the chairman of the Committee on National Security or his designee may offer en bloc amendments consisting of amendments printed in part 2 of the Committee on Rules report or germane modifications of those amendments.

These en bloc packages of amendments will be debatable for 20 minutes and will not be subject to amendment. This rule provides authority for the chairman of the Committee of the Whole to roll votes in order to make more efficient use of Members' time. That means we can cluster votes to try to save the Members' time running back and forth.

Amendments may be considered in an order different from that in the Committee on Rules report if the chairman of the Committee on National Security or his designee gives at least 1 hour's notice on the floor of the House.

The rule also provides for a motion to recommit with or without instructions.

The very last section of this rule, Mr. Speaker, provides for laying on the table three rules which were originally reported in order to provide for the consideration of supplemental appropriation bills. Then the rules became unnecessary when the supplemental appropriation bill was taken up by unanimous consent.

Mr. Speaker, of the approximately 130-odd amendments submitted to the Committee on Rules, there have been 56 made in order by the rule. Nineteen of these, and now 20, are offered by Democrats and 29 are offered by Republicans and 5 have bipartisan sponsorship. This means that 40 percent of the

amendments submitted to the Committee on Rules are made in order by this rule. Given the time constraints for consideration of this bill on the floor, this rule represents a very fair balance between the majority and the minority.

Mr. Speaker, on the bill itself, let me just again congratulate the gentleman from South Carolina [Mr. SPENCE], chairman of the Committee on National Security, for once again putting together an excellent piece of legislation under very difficult circumstances. And again let me commend the ranking minority member, the gentleman from California [Mr. DELLUMS], for his outstanding work. Again, this is a very controversial issue. We all come from different philosophical persuasions, but the gentleman from California has certainly done all he could do to cooperate in this matter.

Mr. Speaker, it is absolutely imperative this bill contain adequate funding for our military personnel who are right now out in the field standing vigilant on behalf of all Americans, particularly in a place called Bosnia right now, and up in the border between North and South Korea.

It is imperative that this bill contain enough quality of life incentives to retain and recruit the best people we can from all walks of life across this country.

It is imperative that this bill contain enough funding for operations and maintenance so that our troops can be as highly trained as possible in case they are called into battle.

It is imperative that this bill contain adequate funding for weapons procurement and research and development so that our troops can fight and defend themselves with only the very best equipment and technology available.

Mr. Speaker, it is imperative that this bill set out policies which are consistent with and seek to maintain the unique warrior culture of the military, for without that, we cannot win wars, and that is what our military is there for, God forbid they ever be needed.

Mr. Speaker, to the best extent possible, this bill, I think, does all of that. At $268 billion, the bill adds nearly $3 billion to President Clinton's wholly inadequate request. The bill adds $3.7 billion to the President's request for procurement and $1.5 billion for research and development over and above the original request.

These accounts contain adequate funding for the weapon systems of tomorrow, such as the F–22 stealth fighter, the B–2 bomber, the Marine Corps V–22 troop carrier, and the next generation of aircraft carriers and submarines which are so vital to the strategic interests of our country around the world.

These accounts also contain funding to bring us one step closer to developing and deploying defenses against ballistic missiles, something for which, and I can guarantee my colleagues, we will all be grateful for some day.

H.R. 1119 contains, Mr. Speaker, a 2.8-percent pay raise for every soldier and sailor and marine and air force man serving in our military today, and adds significant funding increases for barracks, family housing, and child care centers.

I say to my colleagues, if Members have not visited these military installations around our own country and overseas, they really should do it, because much of the housing, both in America and overseas, is inadequate. It is an embarrassment to put our families of military personnel today in them.

When I served in the Marine Corps, more than 45 years ago, 90 percent of us were single. We did not have to worry so much about housing. Today, 70 percent of our military people are married, both men and women that serve in our military, and they deserve decent quarters to live in.

The bill also sets up a commission to resolve the complex and very troubling problems of gender integrated training, while requiring psychological screening for all drill instructors.

This bill does not have, Mr. Speaker, a provision which would separate the basic training of men and women in our military, and I worry about that. In the Marine Corps, we do not do that. We separate them, and we do not have some of these problems that have cropped up. I really do hope we will study this issue and try to resolve it. We want to be as fair as we can to everyone, but we want to try and solve the problems that have cropped up in recent months and years.

Despite all these excellent provisions in this bill, Mr. Speaker, let me go on the record right here and now. We continue to provide inadequate, yes, inadequate funds for this Nation's defenses. This bill will represent the 13th straight year of inflation-adjusted cuts to this budget. No other account in the Federal budget has been cut so much.

Weapons procurements, which have been cut by nearly 70 percent since 1985, remain at least $14 billion below what the Joint Chiefs of Staff say we need to be in order to retain our technological advantage over potential adversaries.

Let us turn that around and compare it to the People's Republic of Communist China, where in the last 4 years their budget has almost doubled. In the 1990's alone they have increased more than 50 percent, and in the last year alone 15 percent. We have to think about that.

Our military is vastly smaller and older than just 6 years ago during Desert Storm. Most experts agree that such a mission would simply be impossible today. One great example of that are the bombers that we fly today. Some of them, many of them, are more than 40 years old, even much older than the pilots flying them.

In 1991 we had 18 army divisions and used 7 of them in Desert Storm. Today we have only 10 divisions, not 18, and are heading toward 9. What are we going to do if we have to put another seven divisions back in a place called Desert Storm or in the gulf, when China is selling and giving Iran missiles that are going to create an incident over there that is sure as heck going to draw us back into it? Where will we get those seven divisions if we only have nine altogether? That means we will have to pull troops from all over the world, put them in one place, and then what would we do if there was an outbreak in North Korea? We would be in serious trouble.

Mr. Speaker, as former Secretary of Defense William Perry said, a Clinton appointee, we are already at the minimum force structure level we need in order to retain our role as a global power. We should think about that. Of course, this is not the fault of the Committee on National Security, as I said before. They have operated under very severe constraints, and those constraints are the repeated unwillingness of our President to pay adequate attention to this Nation's defense.

□ 1245

Despite his State of the Union pledge years ago, President Clinton continues to cut national defense funding in his budget he presents to this body and has fought our defense levels tooth and nail.

Mr. Speaker, that to me is a scandal, but it is one we can overcome by voting for this rule and voting for this bill today and then working together to find additional moneys for the No. 1 constitutional duty of this House. We, as representatives of our people, are primarily here to provide for national defense for all Americans adequate to protect our strategic interest in and around the globe and, in doing so, give our young men and women in uniform the best state-of-the-art equipment that we can give them to carry out their mission should, God forbid, they ever be called into harm's way.

So I would ask my colleagues at the appropriate time to come over here and vote for this rule and then let us debate the bill and let us pass it.

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

Mr. FROST. Mr. Speaker, I have an opening statement. However, at this time, prior to my opening statement, I yield 3 minutes to the gentleman from California [Mr. FAZIO] because of a scheduling conflict; and then, with the concurrence of the majority, I would like to proceed to my opening statement as soon as the gentleman from California [Mr. FAZIO] is through.

Mr. FAZIO of California. Mr. Speaker, I would like to thank my colleague, the gentleman from Texas [Mr. FROST] for yielding me this time at this point and for many other courtesies that he has rendered, particularly in reference to this particular piece of legislation.

I rise in opposition to this restrictive rule as it currently stands. This is a rule, as reported last night, that is outrageous, restrictive, undemocratic, and

unprincipled. And if it cannot be repaired before we vote on it, and I certainly hope it will be, it ought to be defeated.

Regrettably, the Everett-Sabo-Klug-Fazio amendment was not made in order last night despite overwhelming evidence that Members of this House wanted an opportunity to voice their position on the issue of using competition as a means to make DOD dollars more efficient and save hundreds of millions of dollars for the taxpayer. It is incredible that the Speaker would not let the House vote on this highly important public policy, one that could lead, I might add, directly to a veto of this entire defense authorization bill.

In my view, lately we have had all too many votes here on the floor to support restrictive and undemocratic rules that muscle Members of this House. Without our amendment, this bill undermines the military's effort to modernize and prepare for the 21st century by effectively eliminating competition for depot maintenance workload. And without competition, we lose crucial cost savings and value for the American taxpayer.

This, I might add, was a bipartisan amendment. It crossed the political spectrum in this House. And still, the Speaker, as of last night, has intervened to make sure that it would not go forward. For a while, it looked as though the parochial interests of a few had won out on this amendment. But now the unanimous-consent request, if agreed to, would restore this and other important amendments.

If that were to succeed, I would support the rule and hope others would, as well. Because then we would have ample time and a breadth of issues that we could consider, in the full belief that we have given the defense authorization bill due consideration.

I have always supported defense bills on this floor. However, I cannot, in good conscience, support this rule if the request of the gentleman from New York [Mr. SOLOMON], his unanimous-consent request, is not agreed to, either through lack of objection or, more likely, as a result of a vote that he will ask for.

For those who have not quite figured it out yet, we are in serious jeopardy of not having a defense bill this year. The President will veto this bill in its current form. I oppose this bill in its current form, and I urge the House to defeat this undemocratic and unprincipled rule unless we first vote to amend by supporting the motion of the gentleman from New York [Mr. SOLOMON].

It needs to be repaired or it needs to be defeated. And there is far more on the table here than the simple parochial issues that some think we are fighting about. This is about preservation of the American defense industrial base. I hope Members will support the motion to be made and then the rule and, more importantly, listen carefully to the Everett-Sabo amendment when it is offered later to strike language in this bill which never was heard in the full committee, but which does terrible detriment to our defense establishment.

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

Let me at the outset kind of review where we are. I think it is very important. This may be a little confusing for Members. It may be a little confusing for the public watching this proceeding.

The gentleman from New York [Mr. SOLOMON] is going to renew his unanimous-consent request at the end of this hour. If there is objection, then he will move this matter, move to amend the rule. And, of course, the components that will be in both his unanimous-consent request and his motion are the Dellums-Kasich-Foley amendment, the Everett amendment, the Frank Amendment No. 85, Traficant No. 3, and Weldon No. 110.

I will support the effort of the gentleman from New York to amend this rule. And assuming that is successful, I will support the rule. And I think I speak for a number of Members on my side of the aisle. If his effort is not successful to amend this rule, there are a very large number of Members on this side of the aisle who will vote against the rule.

Let me be clear. Some of my colleagues, on the merits, when we get to it will not support the Dellums amendment when it is offered tomorrow or tonight, but we support right of the gentleman from California [Mr. DELLUMS] to offer his amendment, and that is a very, very important distinction and a very, very important point.

So I would urge this House, on both sides of the aisle, to support the amendment of the gentleman from New York [Mr. SOLOMON] so that we will then be able to pass this rule. Should the amendment not pass, there is a real chance this rule will not pass and we will not be able to proceed to the consideration of this bill today and the remainder of this week.

Mr. Speaker, I yield to the gentleman from California [Mr. DELLUMS], and then I want to continue my statement.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman from Texas for yielding.

Mr. Speaker, I just want to say that I appreciate the fact that we have resolved what clearly was about to be a major injustice, and I am appreciative that I have been given the opportunity to offer the amendment on the B–2 that I drafted. There have been other concessions that the gentleman from New York [Mr. SOLOMON] has offered as an amendment to the rule.

I simply rise to say, first of all, I am appreciative of the fact that we have sat down to negotiate these matters out in good faith. They have been negotiated to this gentleman's satisfaction. I thank my colleague for his kind and generous remarks.

I would simply underscore for emphasis the remarks of my distinguished colleague from Texas, Mr. FROST, that those who stood in the well of this House, in this Chamber this morning who were supportive of my right to see to it that the process had integrity and had dignity, that they would support this amendment.

I know that there are other controversies here because other matters were brought into it. I would simply say that at the end of the day, we all ought to be about transparency and accountability and, in the marketplace of ideas, let us have a free and open debate.

I have never been a person that said that I had to guarantee that I win. I probably lost since 1971 more times than any one Member in this Chamber, and I try to learn how to lose with pride and dignity. But what I always demand is the right to have a free and honest debate in the marketplace, and let us have an honest and open exchange.

The amendment of the gentleman from New York provides us with this opportunity, and I appreciate that. I urge my colleagues who are supportive of those principles to support that amendment and let us move on.

Mr. FROST. Mr. Speaker, if I may continue my remarks at this point, it is my intention to support H.R. 1119, the Department of Defense authorization bill for fiscal year 1998.

This legislation is one of the most important bills this House will consider this year. It authorizes a total of $268 billion in spending for our national defense, an amount which will ensure the military superiority of the United States in the next year and in the years to come.

This funding level will ensure that production of important weapon systems continues, will ensure that the Congress' efforts to improve quality of life for our men and women in uniform and their families continues, and will ensure that our commitments around the world are met.

H.R. 1119, the National Security Committee has provided $2.1 billion for research and development for the F–22, the next-generation air superiority fighter which is designed to replace the F–16. The Committee has also provided for a total of $1.3 billion for production and continued research and development for the V–22 Osprey. The addition of this aircraft to the Marine Corps and Special Forces arsenal will ensure that our soldiers and marines can be quickly and safely delivered into combat.

The Committee has provided funding to restart those parts of the B–2 Stealth production line which have been shut down. The B–2 is a vital component in our national security system and will continue to serve the Air Force well into the next century. H.R. 1119 not only restarts production lines, it provides adequate funding for advance procurement to ensure that production of this effective weapons system continues in future years.

Mr. Speaker, the Committee on National Security has provided the President's request for a 2.8-percent pay increase for military personnel, has provided a new special duty pay for service at hardship posts, and has increased the family separation allowance. The men and women who make up our armed forces today are being asked to make enormous sacrifices while increasing their workload because of increased operations worldwide and personnel drawdown.

I think the Committee has rightly focused much of its attention on quality-of-life issues for our soldiers, sailors, airmen, and marines and their families, for they are the foundation that ensures that our national security is indeed secure.

Mr. Speaker, I would ask if I may direct one question to the gentleman from New York [Mr. SOLOMON]. It was not clear to me during his explanation, on the question of the Everett amendment, as to where that would appear, assuming his amendment is adopted and the Everett amendment is made in order.

I would ask the gentleman from New York, do I understand that would appear in part A of the attachment to the rule? And if so, where in part A will it appear? Would it be at the end of part A?

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. FROST. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I will say to the gentleman, it would appear at the end of part A, which means it could be brought up at any time. As my colleague knows, that is flexible.

Mr. FROST. I just want to be clear that it was in part A and not part B.

Mr. SOLOMON. At the end of part A.

Mr. FROST. That is my assumption. I appreciate the gentleman for clarifying that.

I just want to repeat before I yield time to other speakers what I said at the outset. The adoption of the Solomon amendment to the rule later in this hour is critical. I intend to support that. If the Solomon amendment fails, this rule is in jeopardy and the rule may not pass. So I will support the Solomon amendment and, assuming the Solomon amendment is in order, I will support the rule.

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

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. GOSS], chairman of the Permanent Select Committee on Intelligence and a member of the Committee on Rules as well.

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I thank my friend, the gentleman from Glen Falls, NY [Mr. SOLOMON], the chairman of the Committee on Rules, for yielding the time, and I rise in support of this fair structured rule as outlined by the chairman. I think that the gentleman from Texas [Mr. FROST] and the gentleman from New York [Mr. SOLOMON] have clearly laid out what is before us in terms of how this is going to unfold.

While we could not possibly make each of the 120, actually I think it was more than 130-plus, amendments in order, I believe that this rule allows for debate on amendments in all of the major policy areas. Providing for the national defense is arguably one of the only 100-percent legitimate, constitutionally mandated functions of the Federal Government. And that is the business today.

Unlike some of my colleagues and some of the folks in the administration, I have never been able to share the unrelenting optimism of those who greeted the end of the cold war as the time to set aside all of our national defense systems.

□ 1300

I happen to believe that the world is still a very dangerous place.

What this means is that we must place a premium on good intelligence and highly trained and responsive armed services. While we have been very successful at cutting spending in some areas since the 1980's, I cannot support further massive defense cuts, cuts which would undermine our long-term security for the sake of some short-term gain.

H.R. 1119 ups the funding in key readiness accounts and halts reductions in active duty military personnel. It gives our soldiers and their families long overdue assistance and improved quality of life by closing pay gaps, improving military housing and bolstering the defense health care system, all matters that we have heard spoken to so far today.

H.R. 1119 will also put modernization programs back on track by giving priority to unfunded requirements, encouraging technological innovation, and there are many that are very promising, and ensuring that the Reserve Forces that are more and more often being called to duty have the training and the equipment they need when they are in harm's way.

This is all designed to ensure one thing, that we are up to the national security challenge, whatever that challenge is, when it comes: The next Pearl Harbor, the next Desert Storm, whatever the form, wherever the place, whenever the time.

Of course, in today's budgetary climate we also recognize that no department can or should escape scrutiny or reform. This legislation does include measures to downsize unnecessary and low priority bureaucracies in the Defense Department and to improve business practices in the Defense Department.

And the rule before us makes a bipartisan manager's amendment in order that is going to take further strides in this area. Those who serve their country deserve our honor and respect. The best way to serve them is to maintain our strong commitment to them and to their families and to ensure that they have the resources and the training they need when they move on to the battlefield. This legislation gets us on the right path. I support it. I urge my colleagues to do the same.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN of Virginia. Mr. Speaker, I oppose this rule, because the Committee on Rules had an opportunity to rectify an injustice. By choosing not to rectify it, it perpetuated it.

The gentleman who just spoke said that those who defend our country are entitled to the respect that they deserve. But what about after they have served our country? Mr. Speaker, the Pentagon, the Department of Defense is the only large organization in America that once its employees reach the age of 65, they become ineligible for that employer's health care. They become ineligible for CHAMPUS, they become ineligible for TRICARE, and they are told that the only thing they can do is go to a military treatment facility and wait at the end of the line until everyone else has been served, and only if there is no one else waiting for health care can they then be served. It is wrong. It is unfair. We have a solution to it.

The chairman of the Committee on Rules is a sponsor of my legislation that allows Medicare military retirees to join the FEHBP. I thought he understood the situation. Apparently he does not understand the situation because if he did, he would want to rectify it, I am sure. But the Committee on Rules, in reporting out this rule, chose not to address it in the way that makes the most sense, which is to make military retirees eligible for the Federal Employees Health Benefits Plan. There is no other way that military retirees can get decent, affordable, accessible health care. All we wanted to do was to demonstrate how it can be done in the most efficient manner. It would not have cost any money. It was the right thing to do. It should have been done. I urge a vote against the rule.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. TRAFICANT].

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, we have one Border Patrol agent for every 2.5 miles of border as I speak. In the last 6 weeks Border Patrol agents have been shot, one almost killed. Eighty percent of certain narcotics are coming across the border. Illegal immigration is running rampant and the American people have been asking, look, if Congress has declared war on illegal immigration, if Congress has declared war on drugs, then when is Congress going to engage in the battle? When is Congress going to fight?

I want to thank the gentleman from New York [Mr. SOLOMON], the chairman; the gentleman from Florida [Mr. GOSS], the gentleman from Massachusetts [Mr. MOAKLEY] and everyone who has helped to make my amendment in order.

The Traficant amendment says that our military, that right now many of them are falling out of chairs without arm rests overseas, can be transferred to our border in the Southwest, not to make arrests but to detain and hold illegal immigrants and people running across the border with backpacks full of narcotics and cocaine for the Border Patrol.

Mr. Speaker, let me say this. The taxpayers of this country are financing chaos literally on our border. It is time to fight. Our troops are cashing their checks overseas, going to the theater in Rome, for dinner in Frankfurt, and we have narcotics corrupting our cities, our government, and destroying the lives of our children. I say it is time, Congress, to wage war.

I want to thank those who are trying and attempting to make this amendment in order. I will debate this amendment when it comes. The debate on this amendment is necessary. That is where the debate should take place, not on the streets but in the halls of Congress.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY], one of the most respected Members of this body.

Mr. HEFLEY. Mr. Speaker, I support this rule. No, it does not have everything in it that I would like. I think the gentleman from Virginia mentioned an area that we all ought to be concerned about when we talk about military retirees, but I think basically it is a good rule. But there is one item that I wish we had made in order that I had requested, and that is we are required in the area of defense to do more with less now. And so we want every single dollar to be spent in the most effective way possible. I wish the gentleman had made my Davis-Bacon amendment in order so that we could discuss the amount of savings that could come if we exempted from the Davis-Bacon Act military construction.

We are over 70 years behind in our infrastructure capitalization in our armed services. In housing alone, depending on the service, we are 10 to 40 years behind. There simply is not enough money in MILCON to get from here to there under the present circumstances.

And so we went to Secretary Perry and sat down with him when he was Secretary of Defense and we said, how can we do better? One of the things we did was to set up some privatization of housing on military bases. I think that helped some. But we also said, what are the impediments to getting the most bang for the buck? And they gave us a list of those impediments and we have been trying to deal with those. But one of them was the Davis-Bacon Act that is costing enormous sums more than we ought to be paying. In fact, the estimates are in the billions of dollars of savings if we could simply remove the Davis-Bacon, the Depression era Davis-Bacon, archaic law from the books where military construction is concerned.

If we want the most for the money, Mr. Speaker, this is something that needs to be done and we need to consider it in the future even though it is not considered in this particular bill.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to thank the gentleman for yielding me this time. I am going to oppose this rule for a number of reasons. But first and foremost, this is supposed to be a democracy. This is supposed to be the place where the Members who were sent here by about 550,000 people, citizens of this country, have the opportunity to make things better. Unfortunately the Committee on Rules in many instances decided that those people do not count, that we cannot make things better, that we do not even have the chance to make things better.

One of the things that I would have very much liked to addressed and asked the Committee on Rules yesterday to address involves the war on drugs. Our Nation spends about $12 billion on the war on drugs. As I speak we have AWAC's flying over Central and South America. We have what is called E–3's and P–3's flying over Central and South America. We have troops on the ground in Colombia in at least 3 different locations. At one of those locations about 80 miles away, the Colombia guerrillas overran a Colombian army base and either killed or captured everyone there in the month of February. It is a real war, with real deaths. Just a few years ago in Peru, one of our C–130's on a reconnaissance patrol was shot up by Peruvian aircraft. We do not know whether he did it by mistake or on purpose. We do know that an American airman fell 11,000 feet to his death. It is a real war, with real money, and real American lives being lost.

One amendment that I wanted to offer that the Committee on Rules cowardly did not even vote on would have said we need to test those civilians who work for the Department of Defense to see whether or not they are on drugs, particularly those involved in the counternarcotics effort. What good does it do to spend all of this money and put people's lives on the line if the people who are manning the aircraft, who are making them work, people who know where the missions are going to go, are on drugs? What if they are in cahoots with the drug dealers?

The gentleman from New York [Mr. SOLOMON] did not even think it was worth voting on. The gentleman from California [Mr. DREIER] did not think it was worth voting on. The gentleman from Florida [Mr. GOSS] did not think it was worth voting on. The gentleman from Georgia [Mr. LINDER], the gentlewoman from Ohio [Ms. PRYCE], the gentleman from Florida [Mr. DIAZ-BALART], the gentleman from Colorado [Mr. MCINNIS], the gentleman from Washington [Mr. HASTINGS] and the gentlewoman from North Carolina [Mrs. MYRICK] did not even think it was worth voting on. Are they going to tell me in those States there is not a drug problem, that we do not need to know whether or not the guys who are supposed to be on our side being paid by our country are on drugs?

Ronald Reagan back in 1986 when he was the President of the United States called for a drug testing policy, but it was not mandatory. I think we need to know if the people who work for you and me are on drugs. It is a shame that the Committee on Rules does not feel the same way. I urge my colleagues to vote against this rule.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. I thank the gentleman for yielding me this time.

Mr. Speaker, while the recent changes in the rule announced by the gentleman from New York [Mr. SOLOMON] certainly improve the bill, and I will strongly be supporting the Dellums amendment, among others, it is my view that when we are dealing with a $268 billion authorization, an authorization which ultimately determines the priorities of this country, that every Member of this body who has thought about this issue has a right to have their amendment offered on the floor of the House and debated on the floor of the House.

In a fundamental way, today we are discussing the priorities of this Nation. We are talking about spending tens and tens of billions of dollars on weapons systems that many experts think we do not need while at the same time Members of Congress want to cut back on Medicare, want to cut back on Medicaid, while we continue to have the highest rate of childhood poverty in the industrialized world, while people are sleeping on the street, while millions of families cannot afford to send their kids to college.

Mr. Speaker, what we are talking about today are national priorities. Do we put more money into B–2 bombers and less money into health care for our senior citizens? More money into submarines and not adequately fund education or health care for the people? Those are issues of enormous consequence. Every Member of this body should have a right to participate in that debate.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY of New York. I thank the gentleman for yielding me this time.

Mr. Speaker, this Congress is looking at the biggest peacetime military scandal in recent history. Too often women

enter the military to serve their country, yet end up having to defend themselves. We have seen cases of rape, sexual assault and harassment at every level. Military standards of courage, honor, and valor have given way to sexism, favoritism and power.

□ 1315

And this Congress is willing to only make minimal efforts toward reform.

More than 2 months ago, I introduced a bill asking for a commission to review the entire military justice system. My efforts toward adding the commission to the DOD bill were rejected. I congratulate the Committee on National Security for at least including part of my proposal in their bill, but it falls far too short of what is needed.

We have seen enough scandals, the military does not need another soap opera, and crisis management is not going to solve the problem. I urge a no vote on the rule.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. HILLEARY].

Mr. HILLEARY. Mr. Speaker, would the chairman of the Committee on Rules enter into a colloquy with me for a couple of minutes?

Mr. SOLOMON. I would be glad to enter into a colloquy with the gentleman, Mr. Speaker.

Mr. HILLEARY. Mr. Speaker, I want to thank the gentleman for making the amendment regarding pulling troops out of Bosnia in order. As my colleague knows, it calls for bringing our troops home from Bosnia at the end of this year. It also allows the President to make a written request to extend that date for 6 months. We want to show our colleagues that the President will, in fact, get that vote should he request in written form to extend for 6 months the time for pulling them out. We provided in the amendment for the Senate expediated procedures that guaranteed such a vote, and the House, taking the gentleman's advice, we did not provide that, but I know that in consultation with the gentleman he wants to assure our colleagues that they would get that vote.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. HILLEARY. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I most certainly do, and I want to, above all else I want to bring those troops home. Those troops never should have been there in the first place.

As my colleagues know, American foreign policy has always been under both Democrat and Republican leaderships up until this President has been to help to defend our treaty allies against outside military aggression. There is no outside military aggression in this place called Bosnia, the troops never should have been there, and we need to get them home as soon as we can. Not only is it a terrible expense to have them there, but it is draining the rest of our military budget as far as operation and maintenance is concerned.

So I commend the gentleman, and we will do everything we can to make sure there is going to be a vote.

This cuts off the troops as of December 31. If the President wants to ask for another 6 months, then we need to debate it on this floor. It is a good amendment, and I support the gentleman.

Mr. HILLEARY. Mr. Speaker, I appreciate it, and I think it is a good rule, and I strongly urge my colleagues to support it.

Mr. FROST. Mr. Speaker, I would inquire how much time is remaining on each side.

The SPEAKER pro tempore (Mr. CALVERT). The gentleman from Texas [Mr. FROST] has 9 minutes remaining, and the gentleman from New York [Mr. SOLOMON] has 12 minutes.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I also rise in opposition to the rule.

I had an amendment, as I know many others did, which was germane and, I think, important which was denied by the committee for consideration, and I do believe very strongly that there should have been more amendments allowed including the one that I proposed.

My amendment would strike section 1021 of the bill. That section exempts the Navy and MARAD from the provisions of section 6 of the Toxic Substances Control Act which governed disposal of PCB's and other hazardous materials on vessels which are being exported for scrap or sunk in ocean waters during tests of operational readiness. This section also exempts the Navy and MARAD from related provisions in the Resource Recovery and Conservation Act and the Marine Protection Research and Sanctuaries Act.

Under these regulations export of PCB's for disposal is banned. While the Navy and MARAD may wish to export ships for scrap, they have been barred from doing so because the vessels contain PCB's which are highly toxic, persistant and mobile, and I think that is a pretty good reason to put the brakes on these sales, at least in the short run.

Overseas scrapping of PCB containing vessels poses real threat to foreign workers in the environment. Section 1021 allows the Navy and MARAD to be treated in a more privileged manner than private ship owners, and let me add there is no national security reason to treat them differently.

Section 1021 is opposed by the EPA for these reasons, it is opposed by the administration, and finally I do not think this Congress wants to go on the record in support of allowing ocean dumping of toxic materials. Yet that is just what section 1021 would allow. By exempting the Navy and MARAD from the Marine Protection Act, which by the way is also under the jurisdiction of other committees, it would allow them to sink ships laden with PCB's and other toxins in our oceans.

What we are doing here is reopening the ocean dumping ban, and that is something which I know that I cannot stomach, and I really think that the majority of my colleagues on both sides of the aisle share my view.

For these reasons, Mr. Speaker, and many others that I have not stated I would urge my colleagues to vote against this rule.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to this rule.

Unfortunately the chairman of the Committee on Rules was not present when I testified before the Committee on Rules, but immediately preceding me was a gentleman from Alabama talking about the McVeigh trial and that 168 Americans, innocent children, women, Government workers, law enforcement officials, people seeking services were murdered by a violent criminal heinous act. All of us believe that justice is being done in that case.

Mr. Speaker, 1,000 times that number, yes, 10,000 times that number, have been murdered, raped, driven from their homes, subjected to genocide.

There is no one on this floor for genocide. Everyone on this floor would say that in a civil world international genocide, as we said in Nuremberg, needs to be acted against collectively by the international community and hold accountable international criminals.

I sought to offer an amendment to carry forward the Dayton Peace accords which said that all of the signatories to that accord and all the nations of the United Nations would hold accountable the criminals in Bosnia.

Now I understand that there are debates about what does that expose us to, how far should we go with our troops? I understand those are legitimate questions. What I do not understand, Mr. Speaker, is why we could not debate that on the floor of this, the people's House.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. FORBES], a very distinguished member of the New York delegation.

Mr. FORBES. Mr. Speaker, I thank the gentleman for yielding me the time, and I appreciate the opportunity.

I am extremely concerned because small businesses across this country will be ill-served because we have been denied the opportunity to extend the very important program that this Congress enacted back in 1994 to help all those small businesses who during the cold war kept their lines open, purchased their specialized equipment to

provide for the national security and the defense of this Nation.

Back in 1994 this program allowed businesses that were suffering because of the 13 years, as the good chairman mentioned, 13 years of downsizing of defense; these small businesses have suffered, and to allow them to convert from defense businesses to commercial applications, this delta program is critical and something very unique in Washington.

Mr. Speaker, we were not asking for any more money. The money is already there. All we were asking was for the simple opportunity to extend a program that helps small businesses in defense-dependent areas like New York and California and Massachusetts and many of the States across the country.

This program is expiring, and I am deeply disappointed that the Committee on Rules denied America's small businesses the opportunity to continue to partake in this program as we leave the cold war and look for new opportunities to help this Nation.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Texas very much for yielding.

The men and women of the military are some of our most precious resources. Each and every day when they volunteer for us, they protect this flag and the United States of America. How unfortunate, however, that the Committee on Rules decided that a commission to study military justice was not appropriate. Not since 1983 have we decided to review the idea of how military justice is rendered. I think it was very important.

The amendment offered by my colleague, the gentlewoman from New York [Mrs. MALONEY], along with myself was to establish a Commission on Military Justice so that we could understand in this climate of sexual harassment and misconduct accusations against the men and women in the service, for once and for all we could understand what the processes are, what the court martialing process is, whether or not we have an antiquated system that does not respond to the good of the military system that we need to have.

I am very disappointed that we did not understand that there is an inequity in treatment between men and women in the military. There is a question about past adulterous acts as they may relate to one's promotion. There is a question about one particular ethnic or racial group is targeted over another. We do not need to speculate. We do not need to make accusations. We needed a commission in order to understand, and the American people could understand, where almost 70 percent of them said they thought it was an unequal justice system between enlisted men and women and those who are officers.

We should not deny the rights of those who have given or offered their life in the U.S. military. Let us have a fair system to review this military code of justice so that we can treat men and women in the military fairly and we can promote the men and women who deserve to be promoted, and that they do not need to be denied those opportunities because of infractions that neither one of us would consider detrimental.

It is important to have had that commission. I am sorry that we would not have to debate it today. Vote ''no'' on this rule.

Mr. Speaker, I rise in vehement opposition to this rule for H.R. 1119, the National Defense Authorization. The rule is far too restrictive.

Yesterday, Representative CAROLYN MALONEY and I came before the Rules Committee to offer an amendment that would have created a bipartisan independent Commission to examine systemic problems in the military justice system. The Commission would be required to submit their recommendations regarding any changes the Commission finds necessary in the judicial, law enforcement, punishment, and data collection areas, to the President and to the Congress.

Not since 1983, in the Military Justice Act Advisory Commission Report, has a comprehensive review of the military justice system been undertaken. A new review of the now antiquated military justice system is critical in light of recent media reports of sexual misconduct in the military and scandals such as those at Aberdeen and the cases of Sergeant Major McKinney, Lieutenant Flinn, and General Ralston. These cases highlight the fact that there is a clear lack of uniformity in sentencing in the military, particularly when it comes to sexual misconduct and assault crimes.

This Commission is also necessary to address the disparity between the treatment of men and women in the military, as well as the targeting of African-Americans and minorities in the military justice system.

This rule is outrageously restrictive, Mr. Speaker. I urge my colleagues to vote against the rule and in so doing signal their support of a Commission to assist us in creating a just and equitable military justice system.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from Indiana [Mr. BUYER], subcommittee chairman of the Committee on National Security.

Mr. BUYER. Mr. Speaker, I would first like to begin by responding to my good friend, the gentlewoman from Texas [Ms. JACKSON-LEE]. As certainly chairman having direct oversight of the military judicial system, the subcommittee is moving systematically and methodically in its reviews of many of the issues regarding sexual misconduct, fraternization, and sexual harassment, and I believe that she is jumping to incredible conclusions by saying inequities with regard to race or gender which called a racial target group, group targets. We are moving methodically. This commission was not at all timely. We have some reviews already as an amendment in the bill itself, and I commend the chairman for not including this commission.

On the issue with regard to Bosnia, I want to commend the chairman for permitting my base amendment with regard to Bosnia. As I understand, that in the rule we have my colleague has permitted a perfecting amendment to my base bill. My base amendment is that I want the President's date of June 30, 1998 to be the cut-off date, no more funding for the troops, we bring the troops back, we have a reporting mechanism. We want the President to report to the Congress his plans for withdrawal, and we also want him to report to us on his plans post-June 30 date on how we cooperate with our allies because we also, as Republicans, and every Member of this House wants to insure that it is, in fact, a durable peace in the Balkans.

By the Committee on Rules having permitted a perfecting amendment, does that mean that the Republican leadership supports the Van Hilleary position over my position?

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, the answer is no. There is no Republican leadership position on this issue. The gentleman's amendment was made in order first as base text for the amendment because of his seniority and his chairmanship of the subcommittee. The gentleman has a excellent amendment. We both and, I think, the sponsors of the other amendment as well, want those troops out of there.

□ 1330

We want to do it in the most expeditious way that we can.

The gentleman's approach is good in that it agrees with the President, and yet 6 months before that cutoff date of June 30, the gentleman requires the President to give us a policy of how we will get out of there, so that our allies in Europe, because it is a European problem, it is a regional problem in that part of the world, can plan on America's intent.

So the gentleman's amendment is excellent. To tell the gentleman the truth, I do not know how I am going to vote, because both gentlemen have good amendments.

Mr. BUYER. Mr. Speaker, reclaiming my time, I want to thank the gentleman for allowing so many different opinions to shine on the issue in Bosnia. This is very important to our Nation and that of our allies.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. NADLER].

(Mr. NADLER asked and was given permission to revise and extend his remarks.)

Mr. NADLER. Mr. Speaker, I rise to oppose this restrictive rule. The bill authorizes $3.7 billion more on procurement alone than the administration requests. We should not spend billions of

dollars that the American people do not have to buy weapons we do not have to fight enemies that do not exist.

Mr. Speaker, I offered an amendment that would have reduced the spending for the F–22 fighter plane to the level approved by the Senate Committee on Armed Services. We should not be funding the development of three competing fighter planes for the same mission, but the rule does not permit my amendment even to be discussed on the floor of the House. Is it perhaps because the contractor, the prime contractor is based in Marietta, GA?

It is a disservice to the American people that this amendment and scores of others that would have allowed for the discussion of the size and scope of this budget, were barred from the floor of the House. If we had a proper rule, we could discuss cost overruns, its program delays, its fuel leaks, its prototypes that crash and burn, brought to you by the hard-earned dollars of the American taxpayer, and we could vote on that funding.

But the rule will not permit that. A rule that prevents such debate and prevents the House from voting on whether to waste billions of dollars on three separate duplicative programs should not be approved. I urge my colleagues to defeat it.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER], another very outstanding Member of this body from Florida and a member of the committee.

Mrs. FOWLER. Mr. Speaker, I thank the Chairman and I appreciate all of his support. However, I do have to stand and oppose this rule if the amendment to the rule is adopted.

The House committee on National Security carefully crafted the language in this bill in order to overturn an effort by this President to politicize the BRAC process. The Everett amendment, which is an attempt to amend the rule with the Everett amendment, would overturn the carefully crafted language in the House committee bill and put privatization in place back in the bill. Now they call it public-private competition, but make no mistake about it. The way they have structured this public-private competition, it is privatization in place.

The BRAC process will remain politicized if the Everett amendment is passed today. It should not be a part of this rule. We need to ensure that the integrity of the BRAC process is maintained. Many of us, I have a business in my district that is being closed, 8,000 jobs lost. But we did not go and say let us politicize the process, let us keep it open. The BRAC process was set up to keep politics out of it. Defeat the Everett amendment, and if it is in the rule, defeat the rule.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CONDIT].

Mr. CONDIT. Mr. Speaker, I stand today to oppose the rule. I have a great deal of respect for the chairman of the Committee on Rules, but I want those of my colleagues who can hear me, who can hear the sound of my voice to listen to the amendment that was turned down by the Committee on Rules yesterday. Here we are talking about the military, we are talking about equipment, we are talking about facilities.

I had an amendment that said we have to honor, we have to honor our commitment to the men and women who serve in the military. If we tell them we are going to provide certain benefits to them when they retire, they are entitled to them and we ought to keep the promise. That is the simple amendment.

I tell my colleagues, it does not make any difference how many pieces of equipment we build, what kind of facilities we build. If we do not have good men and women serving in the military, it makes no difference. All I was asking is that we honor our commitment.

The U.S. military, when it makes a commitment to a young person who comes in and signs up and says they are going to get health benefits, they are going to get certain benefits when they retire, all of us know, we have casework. We know. they have a problem getting those benefits.

Mr. Speaker, we are asking the United States to honor their commitment, to honor it.

Mr. FROST. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, as I stated at the outset, it is my intention to support the amendment about to be offered by the gentleman from New York [Mr. SOLOMON] to the rule. It is a balanced amendment which provides balance to this rule. I hope it is successful. If it is successful, I will support the rule. If it is not successful, a number of Members on my side of the aisle will vote no on the rule. I urge adoption of the Solomon amendment, and if the Solomon amendment is adopted, I urge adoption of the rule.

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

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, it is necessary to apologize to Members when we have a bill like this that deals with $260 billion, $270 billion of the Federal budget. I would like to bring this bill on the floor as an open rule and let all 435 Members work their will, but, Mr. Speaker, we just cannot do that. We have never done it, even when the Democrats had control of the House.

We have to have a structured rule in order to finish this bill in 4 or 5 or 6 days. We struggled with all of these amendments. We tried to be fair. We tried to give those amendments that are agreed to by both sides, to put them on the floor for reasonable debate, but it just is not possible to do that.

Mr. Speaker, what we do have is a fair rule that has certainly taken into consideration as many Democrat Members as we could, as many Republican Members as we could. It is a fair balance, which I think the manager of the bill on that side of the aisle has spoken to.

But I think the important thing is that, Mr. Speaker, we do not ever want to look at the defense authorization as a jobs program. But I am going to tell my colleagues something, it is one of the best jobs programs we have in America. Because when you look at the young men and women that are serving in our military today, we can be so proud of those people. They come from all walks of life, they are a real cross-section of this country. Whether they serve 20 years in the military or just 4 years like I think the acting speaker did, or 2 years, they learn something as citizens. They may have come out of an inner city perhaps, and maybe they did not have a father.

Mr. Speaker, when I grew up, my dad walked out on me and my mom at the very height of the Depression. We never saw him again. We had tough times. But, Mr. Speaker, these young men growing up, when they go in the military, they learn words like pride and patriotism and voluntarism. They learn what good citizenship is. When they get out, whether it is 20 years later or 2 years later, they go back to where they came from and they become good, upstanding citizens in that community.

That is why this bill is so important; that is why this level of funding is so important.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Speaker, I would like to associate myself with the gentleman's recent remarks about the young men and women in uniform. I am convinced, after being on the committee on which I serve, formerly known as the Armed Services Committee and now the Committee on National Security, and meeting with them in all parts of this country and other countries where they are literally on the edge in representing the American interests, that they are the finest military we have ever had. They are truly a national treasure, and it is up to us in this Congress under the Constitution to take care of them, to make sure that we have them properly equipped, properly trained, and that we keep the good people in, encourage them so that the days and years ahead, when those troubles come, and sure as the Lord made little green apples, those troubles will come, whether they can either deter or stop aggression.

I appreciate the gentleman's kind remarks about the people in the military, and that is why I think this bill is worthwhile.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, the gentleman has some good amendments made in order and I will be supporting every one of them.

Mr. Speaker, in closing, let me say that not only do they learn these words and actions of good citizenship, they even get a little religion. They learn how not to use drugs. When they go back into their communities, they become forces in that community, and that is why we absolutely must give them the best that money can buy as far as state of the art technology for weapons, if, God forbid, they ever should be called into harm's way.

That is why I would now, Mr. Speaker, offer an amendment to the rule, which is at the desk.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON:

Strike section 7 and insert in lieu thereof the following:

SEC. 7. House Resolutions 161, 162, and 165 are laid on the table.

SEC. 8. (a) Notwithstanding any other provision of this resolution, the amendment numbered 7 in part 1 of House Report 105–137 may be offered in the following modified form, shall be debatable for 90 minutes equally divided and controlled by Representative DELLUMS of California or his designee and an opponent, and shall otherwise be considered as though printed in House Report 105–137:

At the end of title I (page 23, before line 7), insert the following new sections:

SEC. 123. B–2 AIRCRAFT PROGRAM.

(a) PROHIBITION OF ADDITIONAL AIRCRAFT.—None of the amount appropriated pursuant to the authorization of appropriations in section 103(1) may be obligated for advanced procurement of B–2 aircraft beyond the 21 deployable aircraft authorized by law before the date of the enactment of this Act.

(b) PRODUCTION LINE CURTAILMENT.—None of the amount appropriated pursuant to the authorization of appropriations in section 103(1) may be obligated for reestablishment of the production line for B–2 aircraft. The Secretary of the Air Force may use up to $21,800,000 of funds available for the B–2 aircraft program for curtailment of the B–2 production line.

(c) FUNDING REDUCTION.—The amount provided in section 103(1) for procurement of aircraft for the Air Force is hereby reduced by $331,200,000.

SEC. 124. INCREASE IN AMOUNT FOR GUARD AND RESERVE EQUIPMENT.

The amount provided in section 105 for procurement of equipment for the reserve components is hereby increased by $331,200,000.

(b) Notwithstanding any other provision of this resolution, the amendment numbered 15 in part 2 of House Report 105–137 may be offered in the following modified form, shall be debatable for 20 minutes equally divided and controlled by Representative FRANK of Massachusetts or his designee and an opponent, and shall otherwise be considered as though printed in House Report 105–137:

At the end of title XII (page 379, after line 19), insert the following new section:

SEC.1205. LIMITATION ON PAYMENTS FOR COST OF NATO EXPANSION.

(a) The amount spent by the United States as its share of the total cost to North Atlantic Treaty Organization member nations of the admission of new member nations to the North American Treaty Organization may not exceed 10 percent of the cost of expansion or a total of $2,000,000,000, whichever is less, for fiscal years 1998 through 2010.

(b) If at any time during the period specified in subsection (a), the United States' share of the total cost of expanding the North Atlantic Treaty Organization exceeds 10 percent, no further United States funds may be expended for the cost of such expansion until that percentage is reduced to below 10 percent.

(c) The following amendment may be offered by Representative EVERETT of Alabama or his designee, shall be debatable for one hour equally divided and controlled by Representative EVERETT or his designee and an opponent, and shall be in order as though printed as the last amendment in part 1 of House Report 105–137:

Strike out sections 332 through 335 (page 68, line 10 through page 77, line 21).

(d) The following amendment may be offered by Representative WELDON of Pennsylvania or his designee and shall be in order as though printed as the penultimate amendment in part 2 of House Report 105–137:

At the end of title XII (page 379, after line 19), insert the following new section:

SEC. . SENSE OF CONGRESS ON NEED FOR RUSSIAN OPENNESS ON THE YAMANTAU MOUNTAIN PROJECT.

(a) FINDINGS.—Congress finds as follows:

(1) The United States and Russia have been working in the post-Cold War era to establish a new strategic relationship based on cooperation and openness between the two nations.

(2) This effort to establish a new strategic relationship has resulted in the conclusion or agreement in principle on a number of far-reaching agreements, including START I, II, and III, a revision in the Conventional Forces in Europe Treaty, and a series of other agreements (such as the Comprehensive Test Ban Treaty and the Chemical Weapons Convention), designed to further reduce bilateral threats and limit the proliferation of weapons of mass destruction.

(3) These far-reaching agreement were based on the understanding between the United States and Russia that there would be a good faith effort on both sides to comply with the letter and spirit of the agreements, that both sides would end their Cold War competition, and that neither side would seek to gain unilateral strategic advantage over the other.

(4) Reports indicate that Russia has been pursuing construction of a massive underground facility of unknown purpose at Yamantau Mountain and the city of Mezhgorye (formerly the settlements of Beloretsk–15 and Beloretsk–16) that is designed to survive a nuclear war and appears to exceed reasonable defense requirements.

(5) The Yamantau Mountain project does not appear to be consistent with the lowering of strategic threats, openness, and cooperation that is the basis of the post-Cold War strategic partnership between the United States and Russia.

(6) Russia appears to have engaged in a campaign to deliberately conceal and mislead the United States about the purpose of the Yamantau Mountain project, as shown by the following:

(A) General and Bashkortostan, People's Deputy Leonid Akimovich Tsirkunov, commandant of Beloretsk–15 and Beloretsk–16, stated in 1991 and 1992 that the purpose of the construction there was to build a mining and ore-processing complex, but later claimed that it was an underground warehouse for food and clothing.

(B) M.Z. Shakiorov, a former communist official in the region, alleged in 1992 that the Yamantau Mountain facility was to become a shelter for the Russian national leadership in case of nulcear war.

(C) Sources of the Segodnya newspaper in 1996 claimed that the Yamantau Mountain project was associated with the so-called ''Dead Hand'' nuclear retaliatory command and control system for strategic missiles.

(D) Then Commander-in-Chief of the Strategic Rocket Forces General Igor Sergeyev denied that the facility was associated with nuclear forces.

(E) R. Zhukov, a Deputy in the State Assembly, in 1996 claimed that the Yamantau Mountain facility belonged to ''atomic scientists'' and posed a serious environmental hazard.

(F) Russia's 1997 federal budget lists the project as a closed territory containing installations of the Ministry of Defense, while First Deputy Defense Minister Audrey Kokoshin recently stated that the Ministry of Defense has nothing to do with the project.

(7) Continued cooperation and progress on forging a new strategic relationship between the United States and Russia requires that both nations make transparent to one another major projects underway or plans under consideration that could alter the strategic balance sought in arms control agreements or otherwise be construed by the other side as an important new potential threat.

(8) The United States has allowed senior Russian military and government officials to have access to key strategic facilities of the United States by providing tours of the North American Air Defense (NORAD) command at Cheyenne Mountain and the United States Strategic Command (STRACOM) headquarters in Omaha, Nebraska, among other sites, and by providing extensive briefings on the operations of those facilities.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that—

(1) the Russian government should provide to the United States a written explanation on the principal and secondary purposes of the Yamantau Mountain project, specifically identifying the intended end user and explaining the heavy investment in that project;

(2) the Russian government should allow a United States delegation, including officials of the executive branch, Members of Congress, and United States experts on underground facilities, to have full access to the Yamantau Mountain project to inspect the facility and all rail-served buildings in the southern and northern settlements located near Yamantau; and

(3) the Russian government should direct senior officials responsible for the Yamantau Mountain project to explain to such a United States delegation the purpose and operational concept of all completed and planned underground facilities at Yamantau Mountain in sufficient detail (including through the use of drawings and diagrams) to support a high-confidence judgment by the United States delegation that the design is consistent with the official explanations.

(e) The following amendment may be offered by Representative TRAFICANT of Ohio or his designee and shall be in order as though printed as the last amendment in part 2 of House Report 105–137:

At the end of subtitle C of title X (page 326, after line 6), insert the following new section:

SEC. 1032. ASSIGNMENT OF DEPARTMENT OF DEFENSE PERSONNEL TO ASSIST IMMIGRATION AND NATURALIZATION SERVICE AND CUSTOMS SERVICE.

(a) ASSIGNMENT AUTHORITY OF SECRETARY OF DEFENSE.—Chapter 18 of title 10, United States Code, is amended by inserting after section 374 the following new section:

''§ 374a. Assignment of personnel to assist border patrol and control

''(a) ASSIGNMENT AUTHORIZED.—The Secretary of Defense may assign up to 10,000 Department of Defense personnel at any one time to assist—

''(1) the Immigration and Naturalization Service is preventing the entry of terrorists, drug traffickers, and illegal aliens into the United States; and

''(2) the United States Customs Service in the inspection of cargo, vehicles, and aircraft at points of entry into the United States.

''(b) REQUEST FOR ASSIGNMENT.—The assignment of Department of Defense personnel under subsection (a) may only occur—

''(1) at the request of the Attorney General, in the case of an assignment to the Immigration and Naturalization Service; and

''(2) at the request of the Secretary of the Treasury, in the case of an assignment to the United States Customs Service.''.

''(c) REIMBURSEMENT REQUIREMENT.—Section 377 of this title shall apply in the case of Department of Defense personnel assigned under subsection (a).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 374 the following new item:

''374a. Assignment of personnel to assist border patrol and control''.

SEC. 9. Notwithstanding section 2(e) of this resolution, the additional period of general debate on the subject of United States forces in Bosnia shall precede the offering of amendments numbered 8 and 9 in part 1 of the report of the Committee on Rules rather than the amendments numbered 1 and 2 in part 1 of the report.

Mr. SOLOMON (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. GILCHREST). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLOMON. Mr. Speaker, this amendment is the exact unanimous consent request that I propounded early on in the beginning of this debate. This amendment, which has been approved by the other side of the aisle, I would say to the gentleman from Texas [Mr. FROST], is acceptable to both sides.

Ms. MILLENDER-McDONALD. Mr. Speaker, I rise in opposition to the rule. I offered an amendment to the Rules Committee yesterday and like many of my colleagues did not have my amendment made in order. The chairman of the committee was present when I testified and said that he both read and understood the nature of my amendment. If he understood the nature of my amendment then it only stands to reason that it would have been made in order.

My amendment was simple. It would have simply clarified the vague and blanket terms currently found in section 6822 of the existing bill. It would have stricken the term ''prohibited state-owned shipping companies and inserted ''prohibited state-owned companies.'' The amendment further defined and clarified the term ''prohibited state-owned companies'' as a corporation, partnership, or other entity that is owned or controlled by a foreign government or foreign state as defined in section 1603 of title 28, United States Code—The Foreign Sovereign Immunities Act.

The amendment would have further removed the blanket prohibition against conveyance of Department of Defense owned properties to all foreign or state owned companies by requiring the President to certify that the prohibited foreign or state-owned company or its government is a threat to the national security of the United States.

The amendment maintained the integrity of the base realignment and closure process by allowing the decisions for reuse to remain in the control of the local government. It was not made in order and I urge my colleagues to oppose the rule—and I yield back the balance of my time.

Mr. MATSUI. Mr. Speaker, I rise in support of the Solomon amendment to this rule, House Resolution 169.

I am outraged and astonished that the rule passed by the committee would deny the House an opportunity to speak about the critical issue of depot maintenance and repair.

In its current form, H.R. 1119 contains provisions that would severely impact the ability of the Department of Defense to conduct competitions for its depot maintenance and repair work. The Air Force has designed a model competitive process for repair and maintenance activities now performed at McClellan and Kelly Air Force bases. Through these competitions, the Air Force will be able to accurately determine whether public depots or private contractors can provide the best value to the taxpayer in the performance of this work.

Yet a component of this bill would prevent these competitions from moving forward. That proposal has implications far beyond the issue of whether Air Force maintenance work is performed in Sacramento, Texas, Utah, or elsewhere in the Nation.

Through these anticompetition provisions, this bill would insert the Congress for the first time into the Pentagon's implementation of a base realignment and closure commission decision. Further, it would put the Congress in the position of dictating to the Pentagon how to manage its maintenance and repair activities, regardless of what is sound security or fiscal policy.

That is why my colleagues, Representatives EVERETT, SABO, KLUG and FAZIO have sought an amendment to strike the anticompetition provisions from the bill. Yet House Resolution 169 would not allow the House to consider that important amendment.

The depot maintenance and repair proposal in this bill represents a significant, and absolutely unwise, new direction in defense policy. The House ought to have an opportunity to debate this matter. We must ensure that the Solomon amendment to the rule is approved so that this important debate can occur. I urge my colleagues to support the Solomon amendment and to oppose the rule if the amendment does not pass.

Mr. SOLOMON. Mr. Speaker, I move the previous question on the amendment and on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

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

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 329, nays 94, not voting 11, as follows:

[Roll No. 212]

YEAS—329

Abercrombie
Ackerman
Allen
Andrews
Archer
Armey
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Blagojevich
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (OH)
Bryant
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Capps
Cardin
Carson
Castle
Chabot
Clay
Clayton
Clement
Clyburn
Coble
Combest
Conyers
Cooksey
Costello
Coyne
Cramer
Crane
Crapo
Cummings
Davis (IL)
Davis (VA)
DeFazio
Delahunt
DeLauro
DeLay
Dellums
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Ensign
Eshoo
Etheridge
Everett
Farr
Fattah
Fawell
Fazio
Flake
Foglietta
Foley
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastert
Hastings (WA)
Hayworth
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
Kleczka
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McInnis
McIntosh
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Minge
Mink
Moakley
Molinari
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Nethercutt
Neumann
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Riggs
Rivers
Rodriguez
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders

Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schumer
Scott
Serrano
Sessions
Shays
Sherman
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Solomon
Spence
Spratt
Stabenow
Stark
Stenholm
Strickland
Stump
Stupak
Tanner
Tauscher
Taylor (NC)
Thompson
Thornberry
Thune
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Wamp
Waters
Watt (NC)
Waxman
Weldon (PA)
Wexler
Weygand
White
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)

NAYS—94

Aderholt
Bachus
Bartlett
Bilbray
Bilirakis
Bishop
Blunt
Brown (FL)
Bunning
Burr
Canady
Cannon
Chambliss
Chenoweth
Christensen
Coburn
Collins
Condit
Cook
Cox
Cubin
Cunningham
Danner
Davis (FL)
Deal
Deutsch
Evans
Ewing
Filner
Forbes
Fowler
Gekas
Gibbons
Goodling
Green
Gutknecht
Hansen
Hastings (FL)
Hefley
Hostettler
Hunter
Jefferson
Johnson (CT)
Jones
King (NY)
Kingston
Klink
Largent
Lewis (CA)
Lucas
McCarthy (NY)
McHugh
McIntyre
McKeon
Miller (FL)
Moran (KS)
Myrick
Ney
Norwood
Pappas
Pease
Pickering
Redmond
Regula
Riley
Roemer
Rogers
Royce
Ryun
Salmon
Scarborough
Schaffer, Bob
Sensenbrenner
Shadegg
Shaw
Shimkus
Smith (MI)
Smith (NJ)
Snowbarger
Souder
Stearns
Sununu
Talent
Tauzin
Taylor (MS)
Thomas
Thurman
Tiahrt
Walsh
Watkins
Watts (OK)
Weldon (FL)
Weller
Young (AK)

NOT VOTING—11

DeGette
English
Istook
Lipinski
Miller (CA)
Pombo
Pomeroy
Reyes
Schiff
Stokes
Whitfield

☐ 1402

Mr. GREEN, Mr. LARGENT, Mrs. CHENOWETH, Mr. WELDON of Florida, and Mr. SHADEGG changed their vote from ''yea'' to ''nay.''

Mr. LINDER, Mrs. CLAYTON, Mrs. MEEK of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, and Messrs. KOLBE, FOLEY, THOMPSON, and BAESLER changed their vote from ''nay'' to ''yea.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GILCHREST). The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mrs. FOWLER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 322, noes 101, not voting 11, as follows:

[Roll No.213]

AYES—322

Abercrombie
Ackerman
Allen
Andrews
Archer
Armey
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Blagojevich
Bliley
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Carson
Castle
Chabot
Clement
Coble
Combest
Costello
Coyne
Cramer
Crane
Cubin
Cummings
Cunningham
Danner
Davis (VA)
Delahunt
DeLauro
DeLay
Dellums
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Ensign
Eshoo
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Flake
Foley
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jefferson
Jenkins
John
Johnson (WI)
Johnson, E.B.
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lowey
Luther
Maloney (CT)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Miller (FL)
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Mink
Moakley
Molinari
Mollohan
Morella
Murtha
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Owens
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Sabo
Sanchez
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Serrano
Sessions
Shadegg
Shays
Sherman
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stenholm
Strickland
Stump
Stupak
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tierney
Torres
Traficant
Turner
Upton
Velázquez
Visclosky
Walsh
Wamp
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Wexler
Weygand
Wicker
Wise
Wolf
Woolsey
Young (FL)

NOES—101

Aderholt
Bachus
Baesler
Barrett (WI)
Bartlett
Bishop
Blumenauer
Blunt
Brown (FL)
Cannon
Cardin
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clyburn
Coburn
Collins
Condit
Conyers
Cook
Cooksey
Cox
Crapo
Davis (FL)
Davis (IL)
Deal
DeFazio
Deutsch
Dingell
Etheridge
Evans
Filner
Forbes
Fowler
Furse
Gibbons
Goodling
Green
Hall (TX)
Hansen
Hastings (FL)
Hefner
Hilliard
Hostettler
Hoyer
Jackson-Lee (TX)
Johnson (CT)
Jones
Klug
Largent
Lewis (GA)
Lofgren
Lucas
Maloney (NY)
Markey
McCarthy (NY)
McDermott
McIntyre
McKeon
Millender-McDonald
Moran (KS)
Moran (VA)
Myrick
Nadler
Norwood
Ortiz
Pallone
Payne
Pickett
Rangel
Riley
Roemer
Rohrabacher
Rush
Salmon
Sanders
Sandlin
Sensenbrenner
Shaw
Shimkus
Sisisky
Snowbarger
Stearns
Sununu
Talent
Taylor (MS)
Thompson
Thurman
Tiahrt
Towns
Vento
Waters
Watkins
Watts (OK)
Weller
White
Wynn
Yates
Young (AK)

NOT VOTING—11

DeGette
English
Foglietta
Istook
Lipinski
Miller (CA)
Pombo
Pomeroy
Schiff
Stokes
Whitfield

☐ 1421

Ms. MILLENDER-MCDONALD, Mr. HALL of Texas and Mr. SISISKY changed their vote from ''aye'' to ''no.''

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. GILCHREST). Pursuant to House Resolution 169, House Resolutions 161, 162 and 165 are laid on the table.

GENERAL LEAVE

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 169, the resolution just adopted.

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

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The SPEAKER pro tempore. Pursuant to House Resolution 169 and rule

XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1119.

☐ 1424

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1119) to authorize appropriations for fiscal years 1998 and 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 1998 and 1999, and for other purposes, with Mr. YOUNG of Florida in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] each will control 1 hour.

The Chair recognizes the gentleman from South Carolina (Mr. SPENCE).

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, once again the Committee on National Security has reported a bipartisan bill that attempts to address many of the problems facing our Nation's military. H.R. 1119 also reflects the committee's deep concern over the difficulty in managing the risks posed by continued forced downsizing and budget reductions.

The fundamental dilemma facing the Department of Defense remains the same: how to maintain a viable all-volunteer force in an environment where the number, scope, and duration of military missions, especially peacekeeping and humanitarian missions, continue to grow while military forces and defense budgets continue to decline. A long-standing gap between the U.S. military strategy and resources persists. In fact, it is widening.

In looking at the challenges to our national security interests over the past year, the committee has continued to focus on China, an emerging power, and Russia, a once and perhaps future power. While neither nation is currently an enemy of the United States, they do represent the nations most likely and able to amass military power sufficient to challenge our vital interests.

I support efforts to bolster the democratic process in Russia. However, Russia's future will be shaped less by our policy than by its own internal decisionmaking over whether to remain independent and driven by its own history and character or to form working partnerships with the United States and the West.

But history has demonstrated that the transition to democracy is often tumultuous and violent. Russia is a vast yet collapsed empire, governed by a weak central authority, and armed with an arsenal of nuclear weaponry. It provides cause for both concern and caution.

China is an emerging power and poses a different problem. I agree with the Department of Defense's recent report concluding that China's goal is to become one of the world's great powers. Whether or not an emerging China becomes an enemy of our country remains to be seen, but China's strategic goals would appear to be at odds with our Nation's role and influence in East Asia.

Yet, I believe that the surest way to optimize the chances of an American strategic partnership with either Russia or China is for us to continue to be the world's most powerful force for peace and stability in the world. It would be dangerous and shortsighted to base the United States' security strategy on the assumption that either Russia or China will acquiesce to American global leadership indefinitely.

In the post-cold war environment of shrinking military forces and constrained defense budgets, the imperative to maintain strategic priorities grows while the margin for error gets smaller. The Committee on National Security's efforts to begin revitalizing our military forces will take longer and will involve acceptance of higher risk in light of constrained resources.

But in truth, the making of strategy has always been a process of managing risk. The projected real decline in future defense budgets, assumed by the Quadrennial Defense Review and ratified in the defense budget agreement, adds to this risk. The QDR has not eased my skepticism regarding the administration's commitment to a defense program that properly prioritizes and balances the critical elements of readiness, quality of life, and modernization.

Secretary Cohen has admitted that the defense posture outlined in the QDR will allow United States' forces to execute the national military strategy, but at increased risk. And I pause for emphasis. But at increased risk. The Secretary also quantified the budgetary risk, the amount of defense spending required to close the strategy-resources gap, at approximately $15 billion per year.

While I believe that the annual shortfall is greater than $15 billion a year, what is most striking to me is the relatively small size of the shortfall in comparison to the tremendous strategic risk associated with a failure to address it; $15 billion represents one-tenth of 1 percent of the Federal budget, yet the military's strategic and political risk of not addressing it are monumental. The risk of inaction or failure far outweigh the cost of addressing such budgetary shortfalls.

The Nation's military strategy demands that we maintain forces sufficient to fight and win two major regional conflicts nearly simultaneously, for instance, a Persian Gulf-like conflict and a conflict on the Korean peninsula.

☐ 1430

Yet while the Nation maintains an expansive military strategy, we continue to cut back on our force structure and reduce our defense budgets to the point where I personally doubt that we could today execute another operation like Desert Storm as quickly, effectively, or with the relatively small loss of life as we did just 6 short years ago.

We have cut from an 18–Army division since then down to 10, from 57 reserve component brigades down to 42, from 546 naval battle force ships down to 346, from 16 aircraft carriers down to 12, and from 36 Air Force fighter wings down to 20.

In 1990, the Nation built 20 more ships, while this year we will build only 4. In 1990 we bought 511 tactical aircraft, but we will buy only 53 this year. And 7 years ago we approved construction of 448 tanks, while today we are authorizing zero, none.

We will not always be able to count on the backing of allied coalitions as we did in the gulf when it comes to protecting our vital national interests, nor should we assume that our next adversary will allow us time to build up our forces in a benign environment for 6 months before the outbreak of hostilities.

As our forces and resources decline, the Nation's risk still grows. We would all prefer to be raising and maintaining military forces capable of an unquestioned response to challenges anywhere in the world, rather than struggling to manage budgetary, military, and strategic risk with no margin for error. In this context, H.R. 1119 reflects the attempt of the Committee on National Security to address serious shortfalls in the effort to mitigate risk in a resource-constrained environment.

Mr. Chairman, H.R. 1119 provides $268.2 billion in budget authority for Department of Defense and Energy programs for fiscal year 1998. This figure is consistent with the fiscal year 1998 budget resolution and represents an increase of $2.6 billion over the President's request. The bill provides $3.3 billion more than the current fiscal year 1997 spending which, when adjusted for inflation, represents a real decline of 1.3 percent. This is not an increase in spending.

I will leave discussion of the many important initiatives in the bill to my colleagues on the Committee on National Security, who have worked hard since February to get us to this point in the process.

In particular, I would like to recognize the hard work of the subcommittee and panel chairmen and ranking members. Putting this bill together requires a lot of coordination and teamwork, which I have consistently been able to rely on.

I would like to also personally thank the gentleman from California [Mr.

DELLUMS], the committee's ranking Democrat, for his contributions. He is a strong advocate not only for his personal position, but for the role of the minority in a process that continues to produce a bipartisan bill.

Mr. Chairman, this bill, I might add, was reported out of the committee by a bipartisan vote, 51 to 3.

Finally, Mr. Chairman, I would like to thank the staff. We have a small staff relative to the size of the committee and the magnitude of our oversight responsibilities. The work gets done only through great expertise, dedication, and effort.

Mr. Chairman, I urge strong bipartisan support for this bipartisan bill.

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

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and Members of the House, as the ranking Democrat of the House Committee on National Security, I rise to offer the following observations on the bill, H.R. 1119, and the process that brought this bill to the floor for consideration today.

First, Mr. Chairman, let me congratulate the distinguished gentleman from South Carolina [Mr. SPENCE], the chairman, who returned the committee to its bipartisan moorings. Not only did he and I work cooperatively on a number of issues within the committee, but the staff that serves the minority party were included in much more deliberative deliberations that led to the crafting of the committee consideration and recommendation and the report.

I have appreciated the gentleman's openness to my discussions, both substantive and procedural, Mr. Chairman, as well as the receptivity of the majority staff to inputs that our side made on important issues contained in this bill and in this report.

Despite, Mr. Chairman, the successful resolution this morning on the question of the rule, and for that I would like to thank the gentleman from New York [Mr. SOLOMON] and the leadership for working with this gentleman and this side of the aisle, I remain concerned that we are moving forward much too rapidly on the consideration of the bill, H.R. 1119.

There are numerous issues, Mr. Chairman, in this bill, ones deserving much more study before we proceed to consideration, and ones deserving of more time for debate than the rule has provided. Given the time, this gentleman will work as diligently as possible to ensure that as much explanation and illumination of these issues as is possible will indeed occur.

On procedure, Mr. Chairman, let me also note for the RECORD, and it is not unusual, that I did not and cannot support the committee report. As the gentleman from South Carolina [Mr. SPENCE] noted, a broad bipartisan vote reports this bill from the Committee on National Security. Therefore, I do not claim at this moment to speak for all the Members on our side of the aisle regarding their support of this bill.

Despite this caveat, we will have the opportunity to hear from my colleagues on this side of the aisle, the ranking members of the subcommittees, on their views as to what transpired within their subcommittee jurisdiction that led to the bill being reported from the full committee.

Mr. Chairman, some Members may have read my dissenting views in the committee report. For those who have not, let me offer my thoughts in an effort to frame the debate from the perspective of those who think we have failed, Mr. Chairman, to completely align our military structure and its operations with the new requirements and opportunities that are emerging into the next century.

I have said on more than one occasion, Mr. Chairman, that we are now in a new era, an era so special that we have no real name for it. We call it the post-cold war era, an era fraught with the need for changes and transition and uncertainty, fraught with great challenges but yet with great opportunities.

One of my frustrations with the rule was its failure to include my amendment proposing that the Congress express its sense that the national security strategy of the United States contains elements far beyond and equally important to the funding of the departments charged with executing the military portion of this strategy.

Mr. Chairman, I believe that this post-cold-war era has ushered in an opportunity for us to redefine a new national security agenda. Let me propose the following question: If we took whatever resources necessary to develop the most powerful military force that the human mind could conceive, and our society simultaneously was deteriorating culturally, socially, politically and economically, question: What are we defending?

Therefore, Mr. Chairman, one of the extraordinarily vital national security interests must be a healthy, vibrant economy and a well-educated, well-informed, well-trained citizenry capable of engaging the economic and social institutions of our society. That has implications for what we spend to educate our children, retrain our dislocated people, house our people, protect and preserve the environment, provide for health care.

If our Nation is not a vital national security interest, what are we out there building this extraordinary military apparatus for? This is a moment in the context of change and challenge that we can redefine. That is one element.

A second element, Mr. Chairman, is an engaged foreign policy. Martin Luther King probably said it best when he said that peace is more than simply the absence of war; it is the absence of conditions that create war, that give rise to war.

And what gives rise to war? It is hunger, malnutrition, violation of human rights, denial of democratic principles, lack of sustainable economics, regional instability, brought on by man's inhumanity to man.

So, our foreign policy must engage the world. We are a major superpower. We are the last superpower standing, and our foreign policy should engage the world, commit it to democratic principles, human rights, economic development, stability in regions around the world. We should stand for something. And our foreign policy and our foreign assistance act should engage, and that account should be adequately funded.

Third, we should have a properly sized, properly trained, properly equipped military to meet the realities of a changing world as we move into the next millennium. All I have argued for is that there be balance in these accounts. Let the debate go forward. What should be the investment in our society as a vital national security interest? What goes into creating a healthy, well-educated, well-trained citizenry? What goes into creating a vibrant economy? How much money should we invest and engage in foreign policy that ends up precluding war, which at the end of the day, Mr. Chairman, is much more cost-effective in terms of human life and economic resources than waging war. Preventing war.

And fourth, we ought to have an honest debate over what is a properly sized, properly trained, properly equipped military. I did not come here to guarantee that my point of view should necessarily prevail, but this is the people's house. This is a place where we should debate and deliberate openly, so we should have a discussion over these matters. These are significant issues here.

The American people are saying the world has changed. They know viscerally that the cold war is over. They know instinctively that there is no more Soviet Union and Warsaw Pact. They know intuitively that in this changing world we do not need to spend as much money on our military. But we need to be honest and open with them, not engage in 30-second scare tactics, but use the brilliance and the genius of our minds to talk about these issues substantively.

I do not have to win, but let us just make it all fair. But rushing this bill to the floor that spends $260-plus billion, that is an incredible amount of money at an extraordinary time when we can say to our children and our children's children that there is need to go in a different direction.

Some may agree or disagree with me, but I think we stand on the threshold much less of waging major war in the world than we are of engaging in peacekeeping, peacemaking, peace enforcement, humanitarian assistance, low-intensity conflicts.

But I have no locks on truth. Other people may have different points of

view, but let us engage each other in a debate that is dignified and respectful and thoughtful. But we rush to judgment.

□ 1445

''Let me buy your weapons system. You buy mine.''

Billions of dollars buying yesterday's technology, mortgaging into the future. We had a great discussion about mortgaging the children's future.

We will have an opportunity in the course of this debate, for example, to look at the B–2 bomber, a program that was not contemplated in this 5-year budget agreement that we marched to the microphones and told America we balanced the budget. In the 5-year budget agreement, we established the parameters of the budget for 5 years. Now people want to walk into that budget what the Congressional Budget Office has defined as a $27 billion program, of which nearly $14 billion will be spent in the 5 years.

One does not have to be a Ph.D. in economics to understand that if we signed onto a 5-year budget deal that did not contemplate a $27 billion weapons system and we are going to put that $27 billion dollar weapons system within the context of that 5-year budget agreement, something has got to go out. One does not have to be brilliant, no great genius. One can be a fool or a knave and come to that determination. We need to grapple over what is proper and what is appropriate.

I have been here now in my 27th year. It is fascinating, Mr. Chairman. This is the first time that my colleagues are going to be forced to have to choose which weapons system, which direction, what policy shall guide us at this moment. But in the past, you scratch my back, I scratch yours, I buy your plane, you buy my ship, you buy my this, you buy my that. Now the world is different, Mr. Chairman. I have been waiting almost 27 years for this moment to come when everybody has got to get honest, everybody has got to walk up to the table, and we have got to start looking at each other eyeball to eyeball to talk about where we are going. I am saying this is an opportunity for a new national security agenda and that ought to frame the nature of this debate. The only thing that is framing the debate now is the 5-year budget agreement. But we are charged with the opportunity of developing a new national security agenda.

Mr. Chairman, I applaud the committee in its retreat from an ABM Treaty busting approach to missile defenses. The last several years many of our colleagues were hell-bent to develop a national missile defense system that challenged the ABM system, the ABM Treaty. I have always argued that any time one moved to abrogate a treaty, when we are holding the public trust, when we have fiduciary responsibility for our children and our children's children, we ought to walk in a very fragile manner when we start to talk about moving beyond treaties. In this bill, I am pleased that we have sort of retreated from that.

I believe that it is implicit embraced, this bill, of the administration's beefed up 3-plus-3 missile program, seeks to accelerate a program for which the requirements, and, Mr. Chairman, as my colleagues well knows, and its capabilities have yet to be demonstrated. We have spent billions. Requirements have not been demonstrated. Capabilities have not been demonstrated. We stand on the verge of spending too much too fast in a quest for defenses against threats that remain remote and manageable by other strategies in the near future. If that is true, slow down the train and let us start to talk about these matters before we spend so much money.

How often do we go home in our town meetings and talk about wasting money, moving too fast, not throwing money after a problem? This bill is a classic example of this. We need to stop and America needs to pause from whatever it is doing and look at this and see what it is we are doing and become informed and engaged in a discussion that affects their lives and the lives of their children and their children's children. This is not just this gentleman. It is far beyond that.

Mr. Chairman, the committee report also raids environmental cleanup accounts in the Department of Energy designed for use to clean up the most critically contaminated sites in the United States. Do my colleagues know why? To finance the acquisition of this additional hardware. What a shortsighted approach. There is broad alarm at what this portends, as the additional views of the gentleman from South Carolina [Mr. SPRATT] illuminate eloquently in the committee report.

We cut $2.6 billion from the Department of Energy request, a big chunk of that the environmental cleanup. For what reason? To buy more hardware, to buy more planes, to have more money for more modernization, rather than grappling with what are the realities. Do my colleagues think the American people do not want these sites cleaned up that were contaminated with goodness knows what? But we took money from there. ''Well, that's enough. We're going to build more weapons systems.''

America needs to know that. We need to discuss this out in the open. And if the people want that, this is democracy, I stand with democracy, but at least let us have an open discussion on it. The reductions in the cooperative threat reduction funding, the whole pot of which is now threatened by the Solomon amendment made in order by the rule, pursue a strategy of being penny wise and pound foolish.

Mr. Chairman, as my colleagues know, the cooperative threat reduction funding program, euphemistically known as Nunn-Lugar funds, to date what has transpired as a result of spending these few dollars on cooperative threat reduction? The safe removal to secure facilities of more than 3,300 strategic nuclear warheads from missiles. Three thousand three hundred nuclear warheads in the context of the former Soviet Union have now been moved to safe facilities. We were spending $300 billion per year prepared to wage war with the Soviet Union. Yet for a handful of dollars with the Nunn-Lugar program we have removed 3,300 nuclear warheads.

I daresay most of our children do not know this. Many of the American people do not know this. In darkness and in areas where there is lack of knowledge, then we can do these things, we can make reductions, because people do not know. But maybe if they knew, they would say, ''Wait a minute. If there is one program you ought to fund fully, it is this program.'' If it is that cheap to remove nuclear weapons that threaten the lives of our children, then why would we want to cut that? For what reason? Build some more weapons.

Mr. Chairman, finally, I want to urge all of my freshman colleagues and my sophomore colleagues who make up a huge percentage of this institution, a big number, the freshman and sophomore Members, come, pay attention to this debate, engage. Because they are the future, the new Members of Congress here. Many of us old heads, Mr. Chairman, we have been knocking heads with each other for over a quarter of a century. Many of us know these issues backwards and forwards. We can say ditto to your last year's speech and vice versa. But the new Members must engage this process so that there is some healthy new energy into this debate.

I am prepared to be a man of change. The cold war is over. Let us move on and get ourselves out of the narrow confines of ideology and viewing the world through the narrow prism of ideology. Take off old paradigms, think fresh, think anew, think real, think young, think change. New people, engage. You have not had the repeated opportunities enjoyed by many of us to discuss and debate these issues.

These should be viewed as challenging matters because we are getting ready to commit half of the discretionary resources of the U.S. Government to programs that will be stabilizing or destabilizing, wasteful or required, redundant or critical. These are the decisions we have to make. Engage this process. Knowing the issues and voting in the best interests of all of the elements of our national security strategy will hopefully be the hallmark of the debate and votes yet to come.

A final comment. Out of all of these things I have said, Mr. Chairman, first I appreciate the work of my distinguished colleague, the gentleman from South Carolina [Mr. SPENCE]. We have now returned to a sense of bipartisanship. We sort of lost our way there for a while. I appreciate that. We have worked together. There are politics that divide us, but as long as there is

an atmosphere that our national security agenda ought to be bipartisan, let us fight out the issues.

The second point that I simply make is that I think there is a rush to judgment to bring this bill to the floor to the tune of $260 some odd billion. If we cannot slow down when we are getting ready to spend $263 billion, what will make us slow down? $270 billion? $300 billion? $1.5 trillion? What makes you stop and think? We have had more debate on bills that contain a microscopic amount of money, but the issue was so controversial we talked for days. But when it comes to an issue that has such dramatic and profound impact, we move with great alacrity and great speed. Why? Because the faster we run it through, the less it gets looked at. And the less it gets looked at, the easier it can get worked on.

I get paid to be right here. I have been frustrated all year, Mr. Chairman. This is my one time when we can stop. I will take my vitamins and drink my tea and we can have at it and stay here for several days and debate this matter. Hopefully, the American people will turn off the drama programs, what have you, and the talk shows and focus in on the real talk show, the real drama, the real educational channel, the real place where we make life-and-death decisions, right here. Sometimes it is even the comedy station because we can get funny around here, too.

But this is a serious set of issues. Maybe if we took enough time and the American people started to focus, we could do it in such a manner that we could be educative.

Mr. Chairman, with those remarks, it is my hope that we can open this discussion with vitality and energy.

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

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HUNTER], chairman of the Subcommittee on Military Procurement.

Mr. HUNTER. Mr. Chairman, I want to thank the gentleman from South Carolina [Mr. SPENCE], the great chairman of our full committee, for his wonderful leadership. I want to compliment the gentleman from California [Mr. DELLUMS], the ranking member, for his tireless energy on the other side and his great attendance at our marathon hearings that went in some cases into 7, 8 o'clock at night. He had good endurance. And to my great friend the gentleman from Missouri from [Mr. SKELTON], I thank the gentleman for working as a partner on this very important committee and to all of my colleagues who are a part of this committee, I think it is the most bipartisan committee in the House, and I think we did good work.

Mr. Chairman, I want to engage with some of the propositions that the previous speaker put out. Let us review the bidding. Where are we on the big scale? This century we have undertaken a series of cycles that America, this great democracy, tends to go through.

After World War I, we referred to that war as the war to end all wars. We hear that phrase recurring now after the cold war is over. We call it the post cold war period. The implication is there is not going to be any more wars. But my colleague, the gentleman from California [Mr. DELLUMS], mentioned something that I think hits the heart of the matter. He said, ''These are uncertain times.'' If we follow history, we should meet uncertain times with preparedness.

It has been mentioned that every capital ship that was used in World War II had the keel laid before World War II, before the attack on Pearl Harbor. That means that we have to be prepared for war, and the best way to deter war is to be prepared for it, and the best way to win one when we have it is to be prepared for it. I do not think we are any smarter today in terms of intelligence than we were in the 1920's when we did not see World War II coming, than we were right after World War II, we had an army of 9.8 million people, and a few years later on the Korean peninsula we were pushed down the peninsula by a third-rate military. That is because we did not know what was going to happen.

I have reviewed the words of Louis Johnson, then Secretary of Defense, and they sound a lot like President Clinton's leadership in the military now. They talked about a small core, changing fat into muscle, getting people out of their desk jobs and into the field. Only Omar Bradley really told it like it was in 1950, 4 months before the Korean war started when he said that we could not win a major war with what we have right now.

Here is what we have done, Mr. Chairman. We have cut the Army since Desert Storm from 18 Army divisions to 10. We have cut our Air Force from 24 fighter air wings to 13. We have cut our air power almost in half. And we have cut the Navy from 546 Navy ships to 346 ships.

Even President Clinton says we have to modernize and increase the modernization budget to $60 billion. That is not the gentleman from South Carolina [Mr. SPENCE], the chairman, that is not me, that is not other members of the committee. That is the President of the United States.

□ 1500

And he had that on his blueprint; this year we were going to spend $60 billion giving good equipment to our troops. But we did not go into it.

As we walked down and got closer to and closer this fiscal year we went from $60 billion to about $55 billion. Then it was $48 billion, then $46, and when the rubber meets the road it is $42 billion, meaning that our men and women in the military do not have the right equipment, they do not have the best equipment they could possibly have because we have short changed them.

And, Mr. Chairman, let me tell my colleagues in 1985 we spent $404 billion in today's dollars, in 1997 dollars, on defense. Today we are spending about $258 billion. That means we have cut on an annual basis $140 billion out of the defense budget. That is where most of the cuts have come for the Clinton administration.

But we did the best we could do with very little resources to try to bolster the military. We asked military leaders, we asked President Clinton's leaders to come in and tell us what their unfunded priorities were. They used to tell us that in private sessions in back rooms, but our great chairman, our great chairman, said we are not going to do that any more, we are not going to let editors call this pork and say it is stuff that the military did not want because it is not on the record. So he made them go on the record. He said ''You come tell us what you need in written form that's not funded,'' and they did that to the tune, this year, in excess of $10 billion that the President did not put in the budget for them and that the budget deal did not include.

So in fixed wing aircraft and helicopters and track vehicles and ammunition, in small arms, we have tried to provide more, about $2.9 billion more in the procurement budget, $3.9 billion more in the procurement budget than the President had. I think we did a pretty good job with limited resources, and our motto should be, be strong, be prepared, these are uncertain times.

This is a good bill, and I hope everybody will support it.

Mr. DELLUMS. Mr. Chairman, I yield 6 minutes to the distinguish gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. I thank my friend and colleague from California for yielding me this time. First let me compliment him on two fronts. The first is the framing of the debate so well regarding the three aspects of national security: domestic, foreign policy and the properly sized military, and, second, I would be remiss if I did not complement the gentleman on his eloquence because this Chamber through the years has seldom heard such persuasive and eloquent words as we hear from our friend from California, and I salute him for that.

Let us look at these elements very briefly in the time that we have. I think it is absolutely right; what are we defending?

Then, on the domestic front, we have the grandest civilization ever known in the history of mankind. That is what we are defending, and we have interests all over this world, whether they be moral interests, or whether they be trade interests or other economic interests. So we must maintain a strong domestic pattern in our life.

Second, the foreign policy. As my friend from California says, we must be engaging in the world, and we engaging in the world. I think we are doing a fair job of that, whether it be by diplomacy, or whether it be by military,

whether it be by economics, whether it be by trade. We are the sole surviving superpower, and our foreign policy has brought us to that point.

I might say that regarding diplomacy the need for the third element is very apparent. To back up diplomacy from time to time it is necessary to have an adequate and strong military. Otherwise the words spoken are empty.

Third, and this is the primary reason we are here today, on having a proper sized military. Now of course everyone looks at it, I suppose, through our own individual eyes and through the eyes of the people we represent. Maybe the installations are the factories that we have in our own part of the country. But it is a broader issue than that. We must have a properly sized military that is capable of protecting this country and capable of protecting our interests throughout the world.

Our interests throughout the world, of course, include precluding war, keeping the peace, because we know so full and well that small conflicts develop into major conflicts. I think the QDR, the quadrennial defense review, has the strategy right, and it looks at shaping and responding and preparing. Actually it is a broader strategy than that put forth by our late friend, Les Aspin, which was limited to two major regional contingencies. This one, I think, is more on balance.

So I suggest in using the words of my California colleague, let the debate go forward.

Had this debate taken place in this Chamber, had this debate taken place in the French Parliament, had this debate taken place in the Parliament of the United Kingdom in the 1920's, the second world war might well have been averted because we know from history that all three of those countries, particularly the United Kingdom and France, allowed their military to slip drastically. It was the late George C. Marshal as a major in the Army, gave a speech here in Washington to a small education group one day, 1923 when he decried the doing and undoing of those things for national defense, and he put the finger right on the Congress of the United States. And, my colleagues, under the constitution the buck stops with us in Harry Truman's words. We under article I section 8 are charged with raising and maintaining the military and charged with establishing the rules by which they shall live. That is our job.

So I welcome this debate, and I compliment my friend for engaging in it. Looking into the future is like a kaleidoscope, we do not know what the next pattern is going to be, but we know the pieces of which it is made. I think our major challenge in the military is keeping good people. We have operational tempo that is high on keeping families happy and keeping a stability. A stability means a stable budget. We are blessed with the weapons systems that others do not have when they be satellite GPS's, global positioning systems, smart weapons or stealth technology which is so very important as reflected by the B–2 bomber and by the F–117 which did so well in the gulf war.

We must look to the future in the light of what our friend has said, to protect the grandest civilization we have, to develop and keep that engaging foreign policy that is successful and to have a properly sized military that George Marshal did not have, that France did not have, that Great Britain did not have. So in the days ahead we will have a more peaceful and a better opportunity for those young people who grow and follow in our footsteps.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I thank the chairman of the Committee on National Security for yielding this time to me and appreciate the tremendous job that he has been doing.

I rise today in strong support of H.R. 1119, the National Defense Authorization Act for fiscal year 1998. After an extensive series of hearings here in Washington and in field, the Committee on National Security has reached the conclusion that positive action must be taken to arrest what we believe to be a decline in the readiness of our military forces. These concerns were also highlighted in a readiness report issued by Chairman SPENCE a few weeks ago, and then in the interests of time I will not go into specific details of the many readiness issues that we have brought to light by the committee's investigation and the chairman's report, but I would urge everyone to pay close attention to these concerns.

H.R. 1119 begins the process by which we address these readiness problems. To address many of the issues that I believe have a direct impact on readiness, H.R. 1119 includes several provisions that get to the heart of the problem which is how our military leaders report on readiness conditions of our forces and how our military leaders spend the funds Congress provides for readiness. To get at the problem of reporting on the readiness condition of the forces there is a provision that will expand the number of readiness indicators that must be reported on to give us a more accurate readiness picture.

To address our current concerns on how readiness funds are used there is a provision that will require the Department of Defense to report to Congress before large amounts of money is moved from critical readiness accounts to other accounts. I believe these and other provisions found in H.R. 1119 will provide the necessary information so that the situation continues to decline, we should be in a position to take action before the system breaks down.

Over the past 2 years this committee identified several areas for priority attention and provided additional funding. These areas included real property maintenance, maintenance, depot maintenance, base operation support and reserve readiness. For the second year in a row the President's fiscal year 1998 budget request cuts funding in all these areas to a level below what was provided last year. H.R. 1119 provides additional resources in these and other areas where the Department of Defense has failed to provide sufficient adequate funding.

Unlike the previous 2 years, the committee has not received any additional funding. Therefore to accomplish increases in the traditional readiness sensitive areas we will have to make some reductions in the budget request, particularly the accounts that reflect program growth in excess administrative support. I am convinced these reductions will not directly affect the readiness capabilities of our combat forces but will directly affect and improve the day to day readiness and quality of life for our service men and women.

I would like to thank the ranking member of the Subcommittee on Military Readiness, my colleague the gentleman from Virginia [Mr. SISISKY], for his outstanding cooperation, his knowledge, ability, and leadership through the years. The Subcommittee on Military Readiness has had to deal with several difficult issues that have transcended political lines which would have been more difficult if it were not for his expertise and assistance.

Mr. Chairman, H.R. 1119 is a responsible, meaningful bill that appropriately allocates limited resources for the continued readiness of our military forces. I urge my colleagues to vote ''yes'' on the bill.

Mr. DELLUMS. Mr. Chairman, I yield 5 minutes to my distinguished colleague the gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Chairman, I thank my ranking member, and adviser and other things. Although we do not agree ail the time, I do agree with his opinions; at least not agree with them, but I do respect all of his opinions, and I want to thank the chairman of the committee for the many courtesies that he has shown me and other Members of the minority. Of course, the chairman of the subcommittee, not many people realize it, but the gentleman from Virginia [Mr. BATEMAN] has control over some $90 billion. That is a lot of money for a subcommittee, and I do respect what he is do doing.

The ranking member, Mr. DELLUMS, talked about the new national security agenda, and it just dawned on me, and right after him the gentleman from California talked about preparedness and talked about Secretary Lewis Johnson living in the Korean thing. Let me tell my colleagues an interesting story about myself:

I joined the Navy when I was 17, 1 day before I was 18, and I had lived through the depression, had not traveled very much, and I wanted to see the world, and that is why I joined the Navy. I went to a separation center in Bainbridge, MD. This was in the summer of 1946, and getting ready to get out of

boot camp and scheduled to go on a destroyer escort someplace in California and very excited. Guess what?

The war ended. V–J Day happened. I did not see the world. They put me back in the separation center at Bainbridge, discharged members who had come back from the Pacific, 4 and 5 years in the Pacific.

And what was my job and another group of us? Our job was to sign up these people for the inactive naval reserve, and we, as my colleagues know, I was a young guy. They just fed me information.

I said, ''We've fought the war to end all wars.'' We were the only one at that time with the atom bomb, we had almost 10 million people in uniform, all the equipment, the world is a disaster, do not worry about it, never be called up, inactive naval reserve.

□ 1515

I did not sign up, I did not sell myself. But I can assure my colleagues, in 4½ years, a lot of people that I signed up went back to a country that I did not even know existed, to be very honest, and that was Korea; and for a while we really got beat there.

The point I am making is, even though the agenda, and the gentleman is absolutely right, the agenda may be different, the agenda is still the same in the world, and that is be prepared and have insurance.

Now, having said that, in light of the many challenges facing this Congress, it really is exciting for those of us who have been focusing on military readiness and quality of life concerns, we had the opportunity to hear firsthand the views of the personnel who will be carrying out our military strategy. We received input from general flag officers, enlisted personnel and in some cases, from family members. Their responses were as diverse as the population they represented.

I have no doubt that they all had sincere interest in readiness and quality of life matters and expressed what they thought would be in the best interests of this Nation and the forces. The Congress and those military personnel and family members who shared their concerns with us can be assured that H.R. 1119 reflects their input to the degree that we could afford.

There is no doubt that our military forces are ready today to face the challenges that may confront them in the many parts of the world where the U.S. national interests might be threatened. But I remain concerned about tomorrow. What will they look like in 18 months or 2 years?

I also remained concerned about the readiness, believe it or not, of our civilian workers, those dedicated employees who have superbly served this Nation during times of crisis over the years while enduring personnel drawdowns and, even worse, continuous rumors about reductions. Simply stated, the department and we here in Congress have not given them the attention they deserve.

Notwithstanding their dedication, I am uncertain at this time about our ability to mobilize a crisis based on how we are managing them today. My feedback indicates that our civilian employees frequently feel abandoned because of the absence of security and, yes, predictability in their status.

Mr. Chairman, we all recognize the difficulty in addressing the readiness and associate quality of life issues and making tough choices in this severely budget-constrained environment. And we will talk about the other parts of the budget constraint with the other amendments, but we address a number of difficult issues; but in our subcommittee we could not solve them all. I wish we could have done more.

What we did, Mr. Chairman, was to begin to lay the foundation to sustain the military readiness we all agree is necessary for today and tomorrow.

I again express my support for H.R. 1119 and urge my colleagues to do the same.

Mr. SPENCE. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Military Research and Development.

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise in strong support of the legislation and applaud both the Chairman and the ranking member for their leadership and the cooperation of our subcommittee chairs and the ranking members.

There are those in this country who think that we have mistakenly increased defense spending dramatically. The facts are, if we compare to what we are spending today to John Kennedy's tenure, and I raise that point in time because we had relative peace, it was after Korea and before Vietnam; we were spending 9 percent of our country's gross national product in the military. We were spending 52 cents of every Federal tax dollar on defense.

In this year's budget, we are spending less than 3 percent of the GNP on the military. We are spending 16 cents of the Federal taxpayer dollar on the military.

Now, in spite of that dramatic decrease, we have to consider the fact that in John Kennedy's era we had a draft. All of our young people were drafted out of high school, they were paid less than the minimum wage, they served for 2 years, they were not married, they did not have higher education; and therefore, we did not have the quality of life costs that we have today.

Our troops today are all volunteer. They get better pay. Many of them are married. They have advanced degrees, they have children, we have housing, education, quality of life costs that we never had before. So in spite of reducing defense spending to this lower level, a much larger percentage of this smaller amount of money is going for quality of life issues. It is not going for sophisticated systems. And in fact, I have publicly said that we should cancel some major weapons systems. But the facts are that the bulk of our money is going to pay for the troops to take care of the family members who serve this country.

We are hurting right now, because on top of the increased quality of life costs, the fastest growing portion of our defense budget is in, guess what? Environmental mitigation. Almost $12 billion this year to clean up the environment. And on top of that, we have an OPTEMPO deployment rate that we have not seen for the last 50 years.

We have an internationalist foreign policy with an isolationist defense budget. We are committing our troops to more locations at higher costs and not planning for those expenditures, so are taking the money to pay for those operations out of the accounts to modernize our forces and to take care of our quality of life issues. And in fact, to add insult on top of injury, we are even paying the cost of our allies who come into these operations.

Mr. Chairman, we had a very difficult process. In my subcommittee we focused on three major 21st century threats that we see emerging, and we plussed up funding in each area above what the administration requested. First of all, dealing with weapons of mass destruction, missile proliferation is our No. 1 concern. In a bipartisan vote, we plussed it up significantly. We never wanted to see an incident occur like we saw over in Saudi Arabia where in 1991 we lost a number of our young kids to a low-class Scud missile.

Second, we increased significantly funds for antiterrorism. So yes, we can locate those attempts to bring in weapons, not necessarily from missiles, but sneaking them through our ports. Our committee increased funding for the third consecutive year in antiterrorism, both in technology and, more importantly this year, in training first responders all across the Nation.

Third, we put a new focus on information warfare. When a foreign adversary can electronically transfer illegally $100 million from one of our banks, when they can potentially shut down the information systems of this Nation, we as a Committee on National Security are coming to the forefront and saying yes, we want our military prepared for that eventuality as well.

We put $90 million of additional funding in this year's bill over what the President asked for so that we can help address the issues of encryption and protection of information systems that could bring down the economy of our country.

Mr. Chairman, we have done it all. We have done the best that we could with an impossible budget number. Unfortunately, it is not enough. I would have liked to have seen us had more money to meet these threats in a more robust manner. We talk about the cost-effectiveness of acquisition reform; and

while the administration talks about that, we drive up the costs of our program dramatically. But I ask our colleagues to vote in the affirmative on this very important bill.

Mr. DELLUMS. Mr. Chairman, I yield 5 minutes to my distinguished colleague from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Chairman, I thank the gentleman for yielding me this time, and to my colleague from South Carolina and my good friend, the gentleman from California [Mr. DELLUMS], I commend the gentleman on the work product he brought to the floor.

I want to address in the time allotted to me a common misperception now out in the public and a misstatement that is likely to be made a number of times before this debate is over, and that is that the reason this budget is stretched so tight that it is so difficult to come up with extra funds to do things we would like to do is that the Clinton administration has not asked for more money for national defense. In fact, the facts tell a different story.

Last year's budget resolution in the last Congress was the last blueprint we received from the Republicans on what they would spend on national defense. That resolution spelled out, budget function by budget function, what every different function would be funded at. And for the function we call 050, which is national defense comprehensively, the Pentagon and the Department of Energy both, the requests over 5 years, the amount of money allotted to national defense over 5 years in that budget resolution was $1 trillion 371 billion. That was the Republican budget resolution which passed the House last year, 1 trillion 371 billion for the period 1998 through 2002.

When the President sent his budget up this year for that same period of time, 1998 through 2002, the President requested and proposed spending $1 trillion 383 billion on national defense comprehensively over that same 5-year period of time. This is $12 billion more than the amount of money that was provided in the last budget resolution passed by the House, which was a Republican-sponsored plan.

This year, this was $12 billion ahead of where we left off. We then entered into negotiations which the administration fully supported, and as a result of those budget negotiations, we added $4.4 billion to function 050, national defense comprehensively.

So through this bipartisan budget resolution, which the Democrats and Republicans both have supported and the President has blessed and supported himself, we have added $17 billion more to defense spending than the Republican budget provided when we adjourned in the last Congress. That is a significant increment in spending.

The committee, and this is a matter of concern to me also, the committee has gone beyond that budget agreement and has taken $2.6 billion which were specifically provided for function 053, the Department of Energy, specifically earmarked to certain programs there that are necessary for cleaning up the environmental mess that was left over from 40 to 50 years of building nuclear weapons, taken that $2.6 billion and put it in the Department of Defense instead of the Department of Energy.

Now, I would be one of the last to say that the money is misspent. It is being spent on some good programs, on O&M, operations and maintenance, and on procuring some things that I think add to our national defense. But in fact, the requirement for these funds, this $2.6 billion in DOE, will not go away simply because we do not fund it this year. It is still there. It will come back next year. We have simply pushed it into the future.

In the meantime, by adding $2.6 billion to the procurement budget and to an R&D budget, we have started up programs which will not be fully completed and will not be fully sustained by that $2.6 billion. So we have generated more demands for funds to complete what we started this year in the outyears, and that is going to create fiscal problems in the outyears, as $2.6 billion that we moved out of DOE into DOD.

Frank Raines, the very distinguished and able Director of the Office of Management and Budget, warned the House in a letter on June 5 that this funding, taken from DOE and shifted to DOD, violates the bipartisan budget agreement. And it is bound to come up again in the conference that we will go to when this bill comes to the floor and in reconciliation, because we have not settled the problem of what to do in the future for the problems that are not addressed with this $2.6 billion.

So I say to my colleagues who have participated in bringing this to the floor, I think on the whole it is a job well done. I commend the Chairman and I commend the ranking member for working together, but not every problem has been resolved and some of the rabbits we have pulled out of the hat to satisfy all of our demands this year will not be there next year when we try to do the same thing.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado [Mr. HEFLEY], the chairman of our Subcommittee on Military Installations and Facilities.

Mr. HEFLEY. Mr. Chairman, I rise in strong support of this legislation, the National Defense Authorization Act. In the brief time that I have available, I want to discuss the key parts of this bill as they relate to the military construction and military family housing programs of the Department of Defense.

The Subcommittee on Military Installations and Facilities, which I have the honor of chairing, continues to be concerned about the serious shortfalls in basic infrastructure, military housing, and other facilities that affect the readiness of the armed forces and the quality of life of military personnel and their families.

□ 1530

The budget requested by the administration for fiscal year 1998 continued a pattern of significant deterioration in the funding program by the Department of Defense for military construction, in spite of the very clear and obvious shortfalls. The budget request submitted in February was 16 percent below current spending levels and, in constant dollars, the administration requested 25 percent less in funding for military construction for the coming fiscal year than it sought just 2 years ago.

More significant, despite all of the rhetoric we hear from the administration about the importance of improving the quality of life for military personnel and military families, the budget request again this year cut construction funding that directly affects the living conditions of the very soldiers, sailors, airmen, and marines that the President professes to support.

Military family housing construction, for example, would have been cut by one-third, $326 million, from current levels in spite of the fact that 64 percent of the housing is classified as unsuitable. Barracks construction would have been cut by over $130 million, or 17 percent.

We owe the young Americans and the young families who volunteer to serve the Nation and defend our freedoms more than that. Just a few months ago the Chairman of the Joint Chiefs testified before the Committee on National Security that with regard to housing for the troops and military families, no one can be satisfied with where we are today, no one, he said. He asked us to keep the pressure on, and in this legislation that is exactly what we are trying to do.

This bill puts an additional $750 million toward military construction. That amount would restore less than half of the administration's cut to the MILCON top line, but with those funds we have brought back nearly all of the President's cuts to quality of life construction.

This bill would authorize funding for 50 new barracks and dormitories, the construction or improvement of 8,400 family housing units, six new child development centers, and other quality of life improvements. It improves public safety and working conditions. This bill also provides additional funding for important operational readiness and training facilities for the active and the reserve components.

The House has always responded to the clear and compelling need of the military services. This bill reflects a bipartisan consensus on military construction. I urge the House to keep the faith with the men and women in uniform, and continue our efforts to improve their living and working conditions. I ask for the Members' support of this bill.

Mr. SKELTON. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Chairman, I want to thank the gentleman from Missouri for yielding me this time.

Mr. Chairman, I want to encourage my fellow Members to support this measure. As many other people have pointed out, it does not do everything that we would like to do. But in a budget environment where, unfortunately, the only committee in Congress that has had its budget reduced in real dollars is the Department of Defense, I do believe that we have done as much good as we could with what we have.

There are certain disappointments that I would like to articulate, things that I hope that we can address during this session. I will start by talking about health care for military retirees. Since most of those people have spent at least 20 years serving their country in the military, I think they, better than most, understand the chain of command, who is responsible for what.

Unfortunately, this was not a decision that could be made alone by the Committee on Armed Services. Unfortunately, the funding for the program that they have told me they had the most interest in, which is Medicare subvention, flows through the Committee on Ways and Means, because the funding for that will have to come out of the Medicare budget. I am sorry that as of today that committee has chosen not to act upon this. What I mean by ''acting upon this'' is to create a program that would allow military retirees over 65 years of age to continue going to the base hospitals, and then have the base hospital bill Medicare for that service.

We will get a chance this year. I want to assure the retirees that when the Medicare portion of reconciliation reaches the House floor, this will be an effort that I will be a part of to see to it that Medicare subvention becomes the law of the land. I would hope the leadership would allow a straight up-or-down vote on this, it is that important. Because quite honestly, they were the only people in America who were promised health care, and they are the only people in America in that age group who are not getting it. That is simply not fair.

One of the other disappointments of this session, but something I hope we can address in future years, is the inequity of the way pay raises are granted. For about the past 25 years pay raises have been granted on a percentage basis, which, if you are a general or a colonel or an admiral is not so bad, because after all, 2.8 percent of a general or an admiral or colonel's pay is pretty good pay. If you happen to be an E–1, an E–2, an E–3, an E–4, and in particular one with a family, then 2.8 percent of your pay, even as a raise, amounts to only about $20 or $30 a month. That is not much money, and as a matter of fact, it would barely buy one box of Pampers for one of your children each month.

Mr. Chairman, I would hope in the future that we will, as a committee, seriously study an alternative to give those people at the lower ranks who occupy better than one-half of the U.S. Marine Corps a flat rate on the lower scale, to allow them to make a little bit more money and make a life in the military, a career in the military, a more attractive option.

Something I am very proud of, we were able to balance the budget this year in the Subcommittee on Military Personnel, and it was a bipartisan effort and could not even have been done without the help of many of my Republican colleagues, was the passage and retention of a very good program, in fact, the opportunity to expand a program, called Youth Challenge.

It is a program where at-risk youth, high school dropouts, people between the ages of 16 and 18 who have dropped out of school, and in many if not most instances have gotten into some trouble with the law, but have not yet been convicted of anything, where they are given the opportunity to get drug-free. They go through a boot camp type environment for 22 weeks. It is run, I believe, in 15 States, and it has a 96-percent success ratio.

That means that 96 percent of the over 8,000 young people who participated in this program have gotten their GED and have gone on to go to work, further their education, or have joined the military. Some of them are doing all three by joining the National Guard, continuing their education, and getting a part-time job to help with their expenses.

Mr. Chairman, I cannot think of another program in the United States of America that has a 96-percent success ratio. We have funded this program at $50 million this year. We have called for an increased participation on the part of the States, with the understanding that this allows the Federal dollars to go further, and it is my hope that every single State in the Union will participate in this great program.

I want to compliment our subcommittee chairman, the gentleman from Indiana [Mr. BUYER], for taking some steps to lessen the financial blow to people who are on active duty who are sent away from their families for training. There have been a number of measures included in this bill that will lessen the financial blow that they have when they are separated from their families, because the last thing we want people to do is actually lose money while they are away from their families.

Mr. Chairman, I would close by saying I would encourage every Member to support this bill. I think it is the best we can do with the resources available.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. HANSEN], a very valuable member of our committee who would probably be a subcommittee chairman, were he not chairman of the Committee on Standards of Official Conduct.

(Mr. HANSEN asked and was given permission to revise and extend his remarks.)

Mr. HANSEN. Mr. Chairman, I thank the gentleman from South Carolina for his courtesy in yielding time to me.

Mr. Chairman, years ago I walked into this place, and every 2 years I put my arm in the air and I take an oath to obey the law of the land. I did that as a city councilman, I did that as a State legislator, and I notice even the President of the United States has to do that.

In the 1980's we passed a particular law and we called it the base closing law. In that particular law we said there would be certain rounds, and how that works is first the people in uniform say what they need to defend this Nation. Then they turn it over to the Secretary. He can add or take away. Then he turns that over to a base closing commission. They have from March to July to look at it. Then they turn their work over to the President of the United States. The President of the United States has 15 days.

What does the law say the President of the United States can do? He can say yes, I accept, or no, I do not accept. If he does not accept, it goes back to the BRAC Commission.

In this particular instance, in the last round of base closings in 1995, our President, it does not matter if it was Republican or Democrat, our President elected to add something that is not in the law. He added a provision that said, however, in two very popular States with a lot of votes, I will privatize in place. That is not in the law. In 45 days Congress then has the same right as the President, accept or reject. I am talking about what happened in the last go-around.

I have asked for a legal opinion from the Pentagon, tell us if the President can do that. The chairman signed a letter with me. So far, Secretary Perry neglected to do that. Secretary Cohen has neglected to do that. It is amazing, though, that last year Secretary Cohen talked in great, dramatic terms about how important it was that they do it right and they follow the law. Now he is in the funny building across the river, and we will hope that he will obey the law.

What do we have in the chairman's markup this time? We have provisions and language that will make the President of the United States obey the law. What is so wrong with obeying the law? I think we all have to do it.

That language, let me tell the Members briefly what that does. The language, contrary to what has been floating around this floor and in these halls of Congress, does not affect any current private contracts. It does not require work to be moved into the public sector. The language does not require any service to increase the percentage of depot workload. The language does not define which weapon systems and

equipment are core. The language does not preclude further downsizing.

What does it ask them to do? It asks that they bring the bases that are now operating at this low capacity, that are costing these big dollars up to the percent and capacity they should have. We asked the GAO, we said, let us know what this is costing the American taxpayers, all you folks in America, by this disobeying of the law.

The GAO came back with a figure of $468 million. Then we went to the Air Force and asked, what does it cost because a certain group of folks are disobeying the law? They came up with a figure of $689 million because they are not following the law.

Do we have to downsize? You bet we do, but when we close bases and we cannot because of political expediency, let us keep this one in California open, let us keep this one in Texas open, we have to come down and say, look, everybody has to square their shoulders and do this right.

The Navy had six depots, they closed three, and they lived with it. The Air Force should do the same thing, and so should the Army. But for political reasons, I think it is abhorrent to the American people that we do this.

Let me say, the people who will be arguing for a certain amendment around here are in effect saying, it is okay to obey the law if the benefits inure to me, but if they do not inure to me, you cannot. I think it is just a wee bit on the greedy side and extremely parochial when we all say we obey the law.

Let me say it one time, in the base that I represent, and incidentally I had four and three are closed now, but the last one, I stood in front of our committee and said, if we come out very last on the COBRA formula, I will stand up and say, close that base. I mean that from the bottom of my heart. Yet, when they came out number one, how come the people who are last now will not say the same thing? That really bothers me.

Mr. SKELTON. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I note that the gentleman from California [Mr. DELLUMS] is temporarily off the floor, but would like to take a second to commend his opening remarks and him. He always shows incredible professionalism, passion, and poetry which I believe are unmatched in this body.

Mr. Chairman, I rise in support of H.R. 1119, the National Defense Authorization Act of 1997. I support better defense forces prepared to fight the next war, not the last one. Unlike some colleagues, I think we can provide that for less money. We can do this if we make tough choices to fund weapons that make sense, and to cut weapons, forces, and infrastructure that do not make sense.

I am proud to have been part of the bipartisan effort to draft this bill, and want to publicly commend the leadership of the gentleman from California [Mr. DELLUMS] and the gentleman from South Carolina [Mr. SPENCE], the staff, and my committee colleagues.

Mr. Chairman, this bill does much to restore the balance between the readiness of America's forces, the quality of life of America's service men and women, and the need to modernize America's forces to deal with future threats. It supports our commitments to our allies, especially through joint programs such as the tactical high energy laser program they have with Israel, programs which are mutually beneficial, reduce the time required to develop systems, and conserve resources.

It encourages innovative approaches in R&D by rewarding partnerships between military and commercial enterprises which leverage cutting edge technologies and save scarce dollars.

☐ 1545

Such cost-sharing partnerships are now routine in the private sector but the Pentagon, used to the cold war way of doing business, has been slow to utilize them.

As a member of the task force investigating sexual misconduct, I am pleased to note that the bill mandates serious study of improvements in the selection, training and on-the job assessment of all drill sergeants.

True, the bill does not go far enough in some areas such as instituting best business practices throughout the department to reduce infrastructure, ensuring the rights of service women to equal health care overseas or providing long lead funding for nine more B–2s.

If we are to have a revolution in military affairs that brings to the Pentagon the best technology, we must first have a revolution in business affairs to reduce the bloated overhead and help pay for recapitalization.

We owe it to our service women and the women who are dependents of service members to ensure that they have access to the same health care services that are available to CONUS civilian and military counterparts.

And, Mr. Chairman, we cannot achieve the objectives of the QDR to shape, respond and prepare without three wings or 30 B–2s, the only system that can fly great distances, penetrate hostile air space and deliver massive amounts of munitions on key targets with acceptable, even minimal risk. Amendments are going to be offered to correct these deficiencies. I will be offering one and will be supporting the others.

Mr. Chairman, this bill is the bridge between cold war military forces, cold war ways of doing business and the military of the future. This bill helps build a military that is less expensive, more effective and ready for the next war. I urge its support.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. BUYER], the chairman of the Subcommittee on Military Personnel.

Mr. BUYER. Mr. Chairman, let me congratulate the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] again for their fine work on this bill.

I rise in strong support of H.R. 1119, the National Defense Authorization Act for fiscal year 1998. My support stems in no small part to the fact that the bill addresses major personnel issues like manpower, pay, compensation, and health care that confront the military today.

Moreover, H.R. 1119's military personnel titles represent a bipartisan consensus and commitment to ensuring that the needs of the military members are addressed directly and effectively.

As the committee began looking at the needs of the people and quality of life in the fiscal year 1998 defense bill, several major challenges dominated our focus. Among those challenges were, insufficient military manpower for the required range of missions and a Quadrennial Defense Review that prescribed a cut of another 155,000 uniformed personnel; an enduring picture of distressing financial need being experienced by military men and women; also increasing difficulties by DOD in recruiting sufficient manpower of the requisite quality; the termination of military leave for more than 120,000 Federal employees who also have volunteered to serve as members of the Reserve components; and, for a second year in a row, a budget request that significantly underfunded defense health care programs.

To address these and other issues in this bill, we are working on the growing gap between military and civilian pay by mandating that military pay raises be based on a full employment cost index [ECI], and not the ECI minus a half percent.

We also are requiring the Secretary of Defense to implement a system of pay and allowance that would prevent the loss of income for military personnel when they are deployed and authorize $50 million to facilitate the initiative.

We also are increasing the housing allowance in high cost areas to ensure that military personnel experience the same amount of out-of-pocket costs regardless of location.

We also want to continue reducing the out-of-pocket housing costs toward the goal of having military personnel absorb no more than 15 percent of the cost of adequate housing.

We are retaining the statutory floors on end strength for each of the services and are also temporarily taking away the 15-year retirement for one year. We are increasing the funding for military recruiting and direct a series of reforms to improve recruiter performance and reduce recruit attrition.

We retain military leave for Federal civilians in the Selected Reserve and restore the $85 million cut by the President's budget from the Reserve component budgets. We restore $274

million to the Defense Health Program, and I appreciate the cooperation of the Comptroller of Defense on that issue.

We also direct the Secretary of Defense to report to Congress on the feasibility of extending a mail-order pharmacy program to all Medicare eligible beneficiaries who do not live near a military medical treatment facility.

In addition, we restore the POW–MIA provisions to the Missing Persons Act. We also address a range of issues that have emerged during the subcommittee's and full committee's examination of sexual misconduct in the military by providing a review of the ability of the military criminal investigative services to investigate crimes of sexual misconduct and mandate a series of reforms to drill sergeant selection and training.

H.R. 1119 would also require an independent panel to assess reforms to military basic training, including a determination of the merits of gender-integrated or gender-segregated basic training as a method to attain the training objectives established by each service.

Mr. Chairman, H.R. 1119 does many good things for the people who serve our Nation in uniform. For that reason, I urge my colleagues to support its adoption.

Mr. DELLUMS. Mr. Chairman, I yield 2½ minutes to my distinguished colleague, the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Mr. Chairman, as the ranking member of the Subcommittee on Military Construction, I rise in support of the military construction provision in the national defense authorization bill, and I would like to express thanks for the leadership of the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] that they have provided throughout the course of these hearings that we have held.

The bill has $267 million more for military family housing, a significant increase for the quality of life issues. Despite the fact that the military has seen significant downsizing, we are still very concerned about the men and women who serve us in the armed services. It also contains $117 million more for barracks and dormitories to house the men and women who protect our Nation including those stationed overseas.

We all take seriously the obligation to address the quality of life concerns of our military personnel. How and where they live has a direct effect on their lives and missions. In fact, of the $750 million that we added to the administration's numbers, 63 percent is to be spent on quality of life facilities.

Further funding of $88 million will be spent on facilities like child development centers, fitness centers and items of that nature.

I want to thank the gentleman from Colorado [Mr. HEFLEY], chairman of the subcommittee, who is one of the finest men in this Congress, and again the gentleman from South Carolina [Mr. SPENCE], and the gentleman from California [Mr. DELLUMS], thank them for their support. I urge support of the military construction authorization.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. MCHUGH], the chairman of our Special Oversight Panel on Morale, Welfare and Recreation.

Mr. MCHUGH. Mr. Chairman, let me begin my adding my words of deep appreciation both to the gentleman from South Carolina [Mr. SPENCE], the chairman of the full committee, and the gentleman from California [Mr. DELLUMS], the ranking member, for their very diligent work on this particular piece of legislation.

As we have heard already, a matter as complex as this brings about some disagreement. I think it is a tribute to these two gentlemen particularly but also the entire committee that we have been able to craft such, I think, a fair and balanced piece of legislation in this particular bill.

I would like to spend my time, Mr. Chairman, on a portion of the bill on which I think and I hope we can all agree. That is the provision relating to morale, welfare, and recreation activities of the Department of Defense. Let me also add my words of appreciation to all of the members of the MWR panel, Democrat and Republican alike, particularly to the gentleman from Massachusetts [Mr. MEEHAN], the ranking member, for their constructive and always, always bipartisan participation in the panel's work on H.R. 1119.

The Special Oversight Panel on Morale, Welfare, and Recreation of the Committee on National Security considered several issues that year that have significant implications for the military resale system, for service MWR activities, and, most importantly, for service members and their families. The panel's goal this year, as it has been in the past, has been to ensure the health of the military resale system, the commissaries and exchanges, in such a way that we preserve the benefit and quality of life for our service men and women who make such great sacrifices in order to serve us and to serve our country.

Perhaps just as important at a time when we are, as we all know, under increased pressure to do more with less, the panel has tried to make the MWR system more efficient and at the same time more cost-effective. I believe the provisions in this particular bill represent a significant step in achieving these objectives. I certainly urge my colleagues on both sides of the aisle to support this bill for that reason.

Let me highlight, Mr. Chairman, very briefly some of the more significant MWR provisions in the bill. First, in partial response to some of the actions of the department over the last year, we have included a provision that would tighten up existing merchandise and pricing requirements at commissaries. Other provisions in the bill make more rigorous the requirements for brand-name commercial items sold at commissaries to be acquired noncompetitively and transfer administrative responsibility for MWR programs to the office of the Comptroller of the Department of Defense.

We have also increased the financial management flexibility of the Defense Commissary Agency by expanding the categories of revenues that may be deposited in that organization's operational account. Finally, Mr. Chairman, we have included provision giving the department the authority to go forward with public-private ventures as long as those activities will benefit MWR activities and its patrons.

By supporting this initiative, Mr. Chairman, all Members of this House can clearly demonstrate our commitment to the men and women in uniform. It is a good bill, good provisions. I strongly urge its acceptance.

Mr. DELLUMS. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. PALLONE].

(Mr. PALLONE asked and was given permission to revise and extend his remarks.)

Mr. PALLONE. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, I want to commend the committee for producing what is an excellent bipartisan effort.

I share the committee's concern regarding the state of Nation's military infrastructure. The Committee's report on the fiscal year 1998 Defense Authorization bill, expressed concern that military construction projects at bases across the Nation have been underfunded.

Indeed, the committee was right to add an additional $750 million on top of the administration's request for military construction.

The committee has done an excellent job in making do with the limited resources. At Fort Monmouth in Monmouth County, NJ, for instance, the committee recognized the serious need to rebuild the fort's firehouse. The existing firehouse, Mr. Chairman, was severely damaged by fire in 1994. Currently, the firefighters who protect the fort's childcare center, family housing, and high-technology research centers. Live in and operate out of a house-trailer that does not provide minimum essential operational and living requirements.

The committee also recognized the need to upgrade some housing facilities at Fort Monmouth that had not, other than roof and window replacements, had any major modernizations in 50 years. The importance of such improvements really cannot be underestimated. Modernizing and preserving infrastructure must be done not only to ensure our military personnel live in safe environments, but to ensure they receive, in exchange for their service, the finest possible quality of life benefits—and along those lines I am pleased to see the committee included a 2.8-percent pay raise for military personnel.

Mr. Chairman, like the military construction and personnel sections, the other parts of the bill were well thought out and developed. Funding for the operations and maintenance section is at an appropriate level—a fact I know to be of importance to Fort Monmouth, where CECOM—the Communications and Electronics Command—the Army's leader in communications and electronics research, continues to do cutting edge work.

Mr. Chairman, I intend to vote for this bill and urge my colleagues to do the same.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MCKEON], a very valuable member of our committee.

Mr. MCKEON. Mr. Chairman, I rise in strong support of H.R. 1119, the National Defense Authorization Act. I thank the gentleman from South Carolina [Mr. SPENCE], the chairman, and the gentleman from California [Mr. DELLUMS], the ranking member, for their work in bringing this product to the floor.

I would like to use my time to discuss an issue of vital importance that we will be considering as part of this bill. This issue involves future production of the B–2 Stealth bomber. A lot of people think I am supportive of the B–2 because it is built in my district and simply is my responsibility to provide jobs for my constituents. While we all know that jobs are important, this is not my motivation. At one time it was, but the more I have learned about the B–2 and its importance to our defense, the more supportive I have become of this plane.

I think we need to look beyond the short term, beyond the issue of jobs in our districts, beyond the next election. We need to look down the road 30 or 40 years from now. What kind of world will our children and our grandchildren live in during the year 2020 or 2030? Who will our adversaries be? We can speculate on the answer to these questions, but we must also be prepared to defend our national security against whatever happens in the future.

The B–2 bomber is cutting-edge technology that is one of the cornerstones of our future national defense strategy. Could our future leaders depend on 70- or 80-year-old B–52's to defend our interests 30 years from now? I do not think so. Since World War I, every time we cut the defense budget, every time we cut back, we have had to rebuild again at a cost both financial and at great loss of human life. While the B–2 was conceived during the cold war, it is not a cold war weapon. Instead, it is a deterrent. And it is deterrence that helped us win the cold war and guard our Nation from the threat of outside aggression.

We will have ample opportunity to debate the B–2 as this bill is considered. We must remember, however, that we have already cut 18 Army divisions down to 10 and 24 fighter wings down to 13 since Desert Storm, and we are reducing the presence of U.S. forces overseas. Authorizing the production of additional B–2's will allow the United States to compensate for these and other reductions and deter future aggression.

I respectfully urge defeat of the Dellums amendment and passage of this Defense Authorization Act.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. RYUN], world record holder in the mile event.

(Mr. RYUN asked and was given permission to revise and extend his remarks.)

Mr. RYUN. Mr. Chairman, as a freshman member of the Committee on National Security, I rise in strong support of H.R. 1119, the fiscal year 1998 National Defense Authorization Act. Although hampered by a limited budget, this bill funds quality of life initiatives, modernization efforts and reforms to increase efficiency, and cut waste in the Defense Department.

Unfortunately, the President's request for military construction, which includes family housing, was 16 percent below current spending levels. This bill, however, adds $750 million to his request. Fort Riley and Fort Leavenworth, which are in the Second District of Kansas, are historic posts that were built over 100 years ago to help open and expand the American frontier.

□ 1600

Unfortunately, many of the buildings at the post date from the era when General Custer left Fort Riley to ride off to the Little Big Horn battle. Corroding pipes, lead paint, aging plumbing and electrical systems are some of the problems plaguing these structures. It is simply not right to require our service men and women to live and work in these conditions. The Committee on National Security recognizes this situation and has made military construction a priority in the bill before us today.

Finally, the committee addressed an issue that I believe in, a very important one, and that is the issue of active duty end strength. It maintains our current force levels, and I believe these levels are necessary to carry out our national security requirements and to be able to fight two nearly simultaneous major theater wars.

I am strongly opposed to further cuts in the military personnel. Why am I so concerned about the number of soldiers in today's Army? Well, I hope these facts will have the impact on my colleagues that they have had on me.

Today's Army is the smallest active force since 1939. It is at the highest operations tempo since the Vietnam war. From 1950 through 1989 the United States has engaged in 10 deployments. Since 1990 we have deployed 27 times just in the Army.

We have asked the Army to do more with less over these past 7 years and their performance has been exceptional, but as deployments continue to go up and the size and funding continues to go down, I am concerned that we will reach a breaking point and that our readiness and retention will suffer.

I urge support. I believe this is a great measure for the country and I hope all my colleagues will vote for it.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas, [Ms. GRANGER], a new Member of this body, the former mayor of Fort Worth, who is doing a great job.

Ms. GRANGER. Mr. Chairman, I rise today in strong support of H.R. 1119, the defense authorization bill. My support comes primarily because H.R. 1119 reverses the dangerous decline in defense spending that past Congresses have imposed on America's soldiers, sailors, airmen, and marines in recent years.

The United States still boasts the finest Armed Forces in the world, but in recent years we have made our military the bill payer for every other function of government. Over the past decade, domestic discretionary spending and entitlement spending have increased over 20 percent in today's dollars. Our Army, Navy, Air Force, and Marines have paid the price for this expansion.

As measured in 1998 dollars, defense spending has declined every year since 1985, so that we are spending 37 percent less on defense than we did that year. As measured as a percentage of gross domestic product, defense spending has fallen to its lowest level since Pearl Harbor.

This decrease in defense spending has also endangered vital procurement needs. We, as a nation, are spending only one third the amount on procurement as we did a decade ago. As our military has had to endure this forced procurement holiday, much-needed modernization has been constantly delayed.

The Air Force, for example, has been forced to rely on an air superiority fighter, the F–15, which features technology developed in the 1960's and 1970's. The rest of the world has been able to catch up with American air superiority, and the price which will ultimately be paid if we do not recapture our overwhelming edge, is the lives of our men and women in uniform, lives which will be spared if we in Congress make the courageous decision to invest in state-of-the-art technology.

I am a strong supporter of H.R. 1119 because it does begin to reverse the dangerous decline in military spending. H.R. 1119 recognizes that we need to continue to invest in state-of-the-art technology which will keep our superiority on the battlefield alive, state-of-the-art technology like the F–22 Raptor. Slated to replace the aging F–15, this fighter combines stealth, supercruise and advanced avionics into its design and will help preserve our overwhelming edge in the skies, an edge that has prevented the death by enemy aircraft of our ground troops.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. JONES].

Mr. JONES. Mr. Chairman, I would also like to thank the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] for their leadership on H.R. 1119.

Mr. Chairman, I have the privilege of representing four military bases in eastern North Carolina. As a member of the Committee on National Security, I feel doubly responsible to make sure that our service men and women are well equipped and trained to fight the right fight.

But, Mr. Chairman, I have to question if after 3 years of United States troop involvement in Bosnia, if it is not time to bring our troops home. I do not believe that the fall of the Berlin Wall meant that the United States had to become the world's police force.

We have spent, Mr. Chairman, $7.5 billion to put out the fires of Bosnia. Our job is done, yet each time an exit strategy is planned, someone in the administration cries foul.

Mr. Chairman, enough is enough. The Constitution states that Congress alone shall raise and maintain the Nation's Armed Forces. Later today we will be debating the Hilleary amendment. By supporting the Hilleary amendment, Congress can finally take action to assure the safe and orderly withdrawal of United States troops from Bosnia.

America has met its commitment to Bosnia. It is time to bring our troops home.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California, [Mr. CUNNINGHAM], our Top Gun fighter pilot.

Mr. CUNNINGHAM. Mr. Chairman, it was very difficult to leave the Committee on National Security to go on the Committee on Appropriations. While I served there, even though we differed in great amounts, I think there was only one time we came to clash, when I thought I was being dealt with unfairly, but we have since resolved that with my friend, the gentleman from California [Mr. DELLUMS], and the gentleman from South Carolina [Mr. SPENCE], a great chairman, and I think they have done just about everything they can do with a budget in a bipartisan way.

But I would say, Mr. Chairman, this budget today, we are going to get American men and women killed. Men and women are going to die on the battlefield. They will not be trained and they are not equipped properly because of this budget.

I am going to support this budget because I feel they have done everything they can with every ounce and every dollar that they can. Are they well equipped? No. Let me give my colleagues some examples.

Before we trained to go to Vietnam and Desert Storm we had F–16's to train us against Mig 29's, Mig 31's, SU–27's, SU–35's. We do not have those anymore. We do not have the dollars to invest in our adversary programs. They are gone.

We have post Vietnam A–4's and F–5's to compete with.

Captain O'Grady, when we talk about training, Captain O'Grady that was shot down in Bosnia, Mr. Chairman, he was not even trained in ACM, that is air combat maneuvering, because the money was not available to do that. That is a crime. We send our men and women to war and we do not even have the dollars to qualify them and train them.

When we say the cold war is over, look what the threat is. The SU–27 is far superior to our F–14's and F–15's. True. We do not have parity. Our last airplanes we bought, the F–14 and 15, are 25 years old. The AA–12 missile that the SU–27 carries is far superior to our AMRAAM. That puts our kids behind the power curve and is going to mean their death. The F–22, which is stealthy, the F–18, and, yes, the B–2 which is stealthy, will keep our men and women alive, but yet there are amendments to cut that.

We need to do more, Mr. Chairman.

Mr. DELLUMS. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. PICKETT], my distinguished colleague.

Mr. PICKETT. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of the bill.

The bill that is reported by the Committee on National Security is one that does a good job in balancing recognized necessary modernization, end strength and quality of life issues for our people.

As a member of the Subcommittee on Military Research and Development, I was very concerned about the technological effort that we are making to make sure that our forces have a technological edge in any battle that they might be called into. I think I can reassure everyone here that the investment accounts that we maintain to ensure those basic research and development activities have been fully funded.

We must remember that in this budget we are not providing money for any contingencies. So if our forces are called to go and carry out any activities outside of their normal training routine, then this has to come out of their training funds, and an unlevel funding stream is one of the things that is very disruptive for our military. I hope we can avoid this in the future, because we find that our military is taking money out of the maintenance and training accounts to do contingency operations, and they are not getting these monies reimbursed in time to keep a level stream of funding for their regular activities.

In the research and development area, Mr. Chairman, I believe that a great deal has been done in the missile defense program, particularly with the theater missile defense and also in bringing on line the required funding for our national missile defense.

Recapitalizing our forces is an absolute necessity. We have to modernize our weapon systems and make sure that we are prepared for the events of the future. Capital items like ships and submarines are expensive, but they are long-lead items. It takes a long time to get them repaired, built, and operational. We have to make certain that these are available and that we have the very latest models so that our forces can be successful on the field of battle in the future.

The tactical Air Force program is one that I believe we have done a great deal to straighten out in this bill, and I think that it will ensure air performance and air superiority for our forces.

Mr. Chairman, the most important thing that we have to think about are our people, and the people are the key to a successful military. There has been an undue amount of turbulence among our people in the military. They are concerned about health care, they are concerned about housing, they are concerned about other benefits like the military resale system. And with the increasing operations tempo and personnel tempo, we know that they are being called upon to do more and more with less and less.

So I think of all the things that we do here today, trying to make certain that we have adequate provision to make sure that our military people and their families are taken care of is one of the most important things that we will be doing.

I believe that the health care issue is one that we have to make certain that we fulfill our commitments on. The housing issue for our families is one that we may need to ensure that they have housing that is adequate and decent in the communities where they are required to live. And we should maintain all the other programs that are set up to supplement the income of our military members and to make their lives as nearly normal as can be with those of our other government employees.

Mr. Chairman, this bill is one that I think we can all live with in the future, one that will be a step in the right direction in providing a balanced program for our military, and I look forward to the other Members of our body here supporting this very reasonable bill that I think does a good job for our military people.

Mr. SPENCE. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, it is difficult in times of peace, or what people perceive as a time of peace, to prepare for war. During the cold war and other times it was not difficult to point out to our people the perils we faced in a very hostile world, and so, therefore, it was not difficult to sustain a robust defense budget.

In times of peace, people naturally ask, what is the threat? Why do we need a robust? We need it because, as someone said a long time ago, if we fail to prepare, we prepare to fail. I think it was Benjamin Franklin.

History has shown that we continue to commit the same sins. After every war we always say, this is the end of conflict. The gentleman from Virginia [Mr. SISISKY] referred to it in his remarks earlier today. Around the end of World War II, we disbanded in a headlong way the greatest military that the world has ever known. We came back home, and tried to get on with our Nation's business.

But we cannot control conflict. Who would have predicted Korea at the end of World War II? We were caught unprepared for Korea. We were, as the gentleman from California [Mr. HUNTER] said, pushed all over the Korean peninsula.

And, incidentally, we did not win in Korea. We had an armistice. We drew a line and tried to recoup and let it go at that.

□ 1615

Then the same thing again, in Vietnam. It is not a matter of if we will have another war, it is just when it is going to be and where it is going to be. And our peril and the peril of all our citizens is great.

I might say that I believe the primary duty of any central Federal Government is to do those things for people they cannot do for themselves or that local government cannot do. And national defense is the Federal Government's primary responsibility. If we are not strong and do not have a defense that can protect our freedoms and they can be plundered away.

I am reminded of the gospel according to Mark, when Jesus admonished the crowd, that ''no one can enter a strong man's house and plunder his property without first tying up the strong man that indeed the house can be plundered.''

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague from Florida, [Mrs. THURMAN].

Mrs. THURMAN. Mr. Chairman, I thank the gentleman from California [Mr. DELLUMS] for yielding me the time.

I really stand here today because, Mr. Chairman, I really want to highlight and commend the gentleman from California [Mr. DELLUMS] and the gentleman from South Carolina [Mr. SPENCE] for including in this committee bill a study of a proposal that I introduced to expand the national mail-order pharmacy program to all Medicare-eligible military retirees. This mail-order program would ensure the availability of an eligible pharmacy benefit for all eligible beneficiaries regardless of their geographic location.

Unfortunately, the program today does not include the vast majority of our Nation's Medicare-eligible military retirees. That is why on June 3, I introduced legislation H.R. 1773 to expand the mail-order program to all our Nation's Medicare-eligible military retirees. This measure is supported by both the Air Force Sergeants Association and the Army Retirement Council.

Mr. Chairman, one of the greatest hardships Medicare-eligible military retirees face is the inability to obtain prescription drugs at reasonable prices. While Congress has authorized a mail-order pharmacy program and allowed retirees near designated base closure areas to participate, hundreds of thousands of other brave retired servicemen and women will be locked out unless action is taken.

In 1993, Congress unanimously affirmed in the National Defense Authorization Act that members and former members of the uniformed services should have access under the health care delivery system of the uniformed services regardless of age. I could not agree more. The DOD has an implied moral commitment to provide this care to all military beneficiaries.

Mr. Chairman, let us not just make this a study; let us make it a reality. By supporting the expansion of the mail-order program, we can send a clear message that the passage of time does not erase either the service that our military retirees gave nor our Government's obligation to their well-being.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, just to continue to emphasize what I spoke to earlier, and that is that we have got young Americans in over 40 countries of the world housed, in many occasions, in quarters that are Third World conditions or in some cases worse than Third World conditions.

Now, we can say that we understand that when we deploy people in 40 nations of the world, when they are employed, it may not be the best living conditions. But when we have them in the United States, it is shameful, shameful for us not to provide decent living conditions for our young men and women in the services.

My colleague, the gentleman from California [Mr. DELLUMS] was a marine. The Marine Corps is 40 years behind in modernizing their living facilities, their dormitories, their barracks, and their family housing. Forty years. They are the worst of any of the services.

In fact, I had lunch the other day with the Commandant of the Marines; and I said, ''What is the matter with you guys? Don't you care about that aspect of this?'' And he said, ''Of course we do. But they struggle to get through the process over in the Pentagon.''

What we try to do in this bill is take care of this shame. What we try to do in this bill is to provide, and about 60 percent of all the money that we are putting into the adds that we are putting into this bill in military construction go to take care of the shamefulness of the way we are making some of these people live. We cannot get there from here just with MILCON dollars. We use maintenance dollars. We use initiative force, privatization, and all kinds of things. But if we do not have the MILCON dollars too, we never get there from here.

Mr. Chairman, the ranking member and the chairman have been awfully good to help us toward this goal because I think they see this as an important goal, too. But let us not forget this when we are dealing with this bill.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman form Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me the time.

I have been listening to this debate for about 1 hour and 45 minutes here on the floor, and I have some specifics that I can reference and I will revise and extend and include those.

But I rise, Mr. Chairman, because we talk about specific items. I want to follow up on the comments of the gentleman from South Carolina [Mr. SPENCE].

I am one of those who believes that both sides of the aisle are putting at risk defense. One side of the aisle argues that we need tax cuts. I would like to have tax cuts. The other side, my side, argues that we must pay attention to domestic priorities. My view is that our Nation will not be strong no matter how much defense we have if we do not pay attention to domestic priorities.

This Nation is the wealthiest nation on the face of the Earth. Yet, I tell my friends on both sides of the aisle that we are reducing the portion of our GDP that we spend on both defense and domestic priorities since the 1950's. I say to my friends that they ought to listen to the gentleman from South Carolina [Mr. SPRATT]. It is not the Democrats who are trying to undermine defense and, in my opinion, not the Republicans. But other priorities are driving us to not pay attention to one of the primary responsibilities the Nation has, and that is ensuring the defense of its people.

All of us know that the United States is unique in the world in that the rest of the world looks to us to maintain international security. Is that fair? Perhaps not. Is it reality? Quite obviously.

We will have some debates on withdrawing from Bosnia. I was one of those, as so many of my colleagues know, for deploying troops to Bosnia. Why? Because genocide was occurring in Bosnia. And we stood silent in the 1930's and we did not in the 1980's and the 1990's, and for that America is a better place and there is more security in the world.

I say to the chairman and I say to the ranking member that their priorities are right for America, both domestic and defense, we need to pursue those and stand up for those.

I rise in support of this bill to authorize $268 billion for critical defense needs in fiscal 1998.

The spending level in this bill mirrors the budget resolution. As a co-chair of the National Security Caucus, I believe this represents the minimum we should spend on our national defense.

I believe Chairman SPENCE was correct in his statement to the press that ''This bill maintains the committee's long-standing sense of urgency over restoring a proper balance among readiness, quality of life, modernization, innovation, and reform.''

I will speak later in opposition to the additional reform package that the committee leadership hopes to add that contains a misguided 40-percent cut in our acquisition work force.

But, at this time, I want to commend them for what is in the bill before us:

A 2.8-percent military pay raise.

The $1.3 billion for procurement of 12 FA–18 E/F's and $425 million for continued R and

D—however, I regret that the President's request for $2.1 billion for 20 planes was not fully funded.

The $2.6 billion for the first of four new attack submarines and $154 million to complete the third *Seawolf* submarine.

The $661 million for procurement of seven V–22 Ospreys.

Advance procurement funds for LPD–18, the second in this new class of amphibious ships.

As a member of the Military Construction Appropriations Subcommittee, I also want to commend Chairman HEFLEY for his work on authorizing $9.1 billion for military construction.

I commend the committee for funding these DOD and Navy priorities and for addressing important Maryland needs.

I hope that we will pass the bill without unwise amendments like the acquisition work force cut.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WELDON].

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise again to pay tribute to both the chairman and the ranking member and the appropriate subcommittee leaders and also to follow up on the comments of my good friend, the gentleman from Maryland [Mr. HOYER].

My colleague makes a good statement that defense has always been a bipartisan issue in this city, and it still is today. We have all acknowledged that the success of enduring what has been a very difficult pattern of cuts over the past 5 years has basically been provided by both Democrats and Republicans. It is not something that we on the Republican side take credit for. In fact, I think many of our disagreements are more between this institution and the White House than it is between Republicans and Democrats in this body.

Now we are criticized the last several years for our add-ons. We are told that we were putting money that was not needed by the troops, by the chiefs. What we heard this year, Mr. Chairman, were requests by the chiefs for $20 billion of additional program needs that were not requested by the administration.

Every one of us who serves as a chairman of a subcommittee or ranking member was visited by all the services saying these are absolute priorities. But Mr. Chairman, it was not limited to the service chiefs. We had the administration come back to us, the President, after criticizing us for increasing funding for national missile defense for 3 straight years, and say to us this year, we made a mistake, we want you to provide $2.3 billion of additional money for national missile defense.

We had to find $474 million this year above what the President asked for because the President said we need more money for missile defense. The President said we had needed to fund a high energy laser program for Israel's protection called THEL. Yet the President never gave us a dollar amount.

We had to beg the Army on the day of the markup to give us a figure. We are finally able to arrive at a $38 million figure even though the administration had told us last year it was their No. 1 priority when, in fact, the facts did not bear out the rhetoric.

Mr. Chairman, our bill is based on the threat. We are not saying we want to recreate the cold war, but we know what is happening in Russia. We see the demise of the conventional forces in Russia; and with that demise, we see a heightened reliance on strategic offensive weapons.

Just a year ago, in January, the Russian long-range ICBM's were out on full alert. Boris Yeltsin himself announced publicly that he had activated the black box because of a Norwegian rocket launch to detect weather conditions.

Now, Mr. Chairman, that is reality. There have been numerous records of threats from Russia of missile material. We have the evidence of accelerometers and gyroscopes going from Russia to Iraq which were used for long-range ICBM's. We were told by the intelligence community that no one would deploy a system that would threaten our troops because we would see it tested first.

Yet just 1 month ago, as reported in every major international media, North Korea fully deployed the No Dong missile system after one test. That No Dong missile system, with the range of 1,300 kilometers, now poses a real risk that we cannot defend against to every one of our troops in Japan, South Korea, and Okinawa. That is what this bill is about.

Mr. DELLUMS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California is recognized for 5½ minutes.

Mr. DELLUMS. Mr. Chairman, we come to the end of general debate on a very important and substantive matter, the defense authorization for fiscal year 1998. I listened carefully during the general debate, and I would like to make a couple of comments, first to my distinguished colleague from South Carolina, [Mr. SPENCE]. I listened very carefully to his most recent remarks.

I would suggest that, Mr. Chairman, when one argues that our national defense is the most important or the only responsibility of the Federal Government, I would challenge that assertion. My reading of the Preamble to the Constitution is as follows:

> We, the people of the United States, in order to form a more perfect Union, establish justice, ensure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty for ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

□ 1600

My read of that is that the founding persons of this country establishing this Constitution did not say national defense was the No. 1 or most important. It gave equal weight to all of these functions, which is precisely why I argue that in the context of this post cold war environment, we must now begin to shape the parameters of the debate to move us to a new national security agenda that brings equal weight to what the founding persons envisioned and established in the Constitution.

That is why a vibrant and healthy economy is important. We do not fight battles simply with military capability. We fight battles also with our economy. The extent to which it is healthy and vibrant is an integral part of our national security strategy.

An enlightened and informed, well-trained, well-educated citizenry capable of engaging the economic and civic institutions of our Nation is what makes us different, is what makes us a democracy. Informed and enlightened citizens who can engage makes this country a democracy. It is not just about national defense as part of the national security strategy. The people and the children and the children's children are an integral part of that.

Mr. Chairman, when I talked about an engaged foreign policy, an enlightened society should be attempting to prevent war. Only a fool wants to march off to war if it is not necessary. The way we prevent war is to address the issues that create war. People become violent and angry when we violate their personhood, when we violate their capacity to function, impact their Government, when they are victims of human rights violations, when they are hungry and malnourished, when there is no economic development. That is what generates wars.

So our foreign policy is also a part of our national security strategy.

A number of times I heard the quote, ''If you don't understand the past, you're doomed to repeat the failures of the past.''

Mr. Chairman, as we downsize this budget in the context of the post cold war, I would assert that we have learned from the past. Our military fighters who come before the committee are not asserting that we have a hollow force. We learned from the past. We are now gradually downsizing. None of the CINCs who came before us, none of the Joint Chiefs of Staff, none of the Secretaries of Defense have suggested that we have a hollow force. I would suggest that no person credibly can assert that at this moment.

Every one of our military people have come before us and said we have the greatest fighting force in history on the Planet Earth. When this country went to war in the context of the Persian Gulf, what did the President of the United States then say? We were going to fight the fourth largest army on the face of the Earth, and within hours we annihilated them with our incredible military and technological superiority and capability. The American

people watched us wage war on CNN with smart missiles and smart bombs that went down Broadway, turned left and dropped into 1052. People may not know it, but we have even greater technology at this moment than we had when we fought in the Persian Gulf.

When we talk about history, that sounds good as a 30-second soundbite, but the reality is we are not in a hollow force, we are not repeating the past. Remembering the past in World War I, World War II, we failed in the League of Nations, we failed in the international arena, but at this point, the last times we have gone to war, how did we go to war? We went to war with coalitions, we went to war with alliances. We have learned from the past. It is counterintuitive to everything we know that we will go it alone in the world. The world has changed, Mr. Chairman, and that is the reality.

I just wanted to assert that, to put it in the RECORD. Maybe over the next 4 days we can elaborate. I look forward to a vigorous and intelligent and informed debate.

Mr. SPENCE. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from South Carolina is recognized for 5 minutes.

Mr. SPENCE. Mr. Chairman, it never ceases to amaze me that our Maker endowed us as human beings with minds that can look at the same set of facts or view history and arrive at conclusions 180 degrees apart from one another. As a fact of life, I guess people have been debating since the very beginning of time. This is one of the most amazing things that we deal with, here, and it makes our interchanges back and forth here all the more interesting every day.

I happen to be a person with a more conservative viewpoint on life. Those of more liberal mind come to much different conclusions on many issues than this gentleman. The fact is that this country of ours has provided our people with more of the material things in life and other freedoms in life, too, than any nation in the history of mankind. People in other parts of the world cannot believe what we have. That is why we see other people around the world now shedding their shackles and trying to adopt our way of life.

As I travel around the world and meet other people in other places, they are always asking me, how we can do these things for our people? They are amazed at what we do. Our domestic spending has increased while the defense budget has been steadily going down, to its lowest levels since the Korean war.

I repeat that I am not saying that we should increase defense at the expense of providing our people with other things. Those things are important. In fact, that is why I want to defend this country. What good is it to have our freedoms we if we are not free or alive to enjoy them? That is the only point I am making.

As Jesus referred to in the parable I mentioned earlier, your House gets plundered when you tie up a strong man. I do not want to tie up this strong man.

Mr. GEPHARDT. Mr. Chairman, I rise today to urge my colleagues to support this burdensharing amendment, which I am proud to have co-authored. This amendment seeks to continue the progress we made last year in embarking on a comprehensive approach to achieving more participation by our allies in our common defense. A virtually identical amendment was adopted by the House last year by a vote of 353 to 62; I hope that we can again demonstrate our resolve this year in obtaining greater burdensharing by our allies.

Since the beginning of the cold war, the United States has contributed trillions of dollars to the defense of the West. As we all know, the people of the United States accepted this burden willingly, because we understood after two world wars that the defense of Europe was essential to the stability of the West and the security of America.

Since the end of the cold war, many of us have called on our allies to accept a greater share of the burden toward our mutual defense. With the demise of the Soviet Union, we knew that our military infrastructure in Europe could be reduced and our allies could be expected to perform more significant roles in their own—and our common—defense.

Beginning in 1992, I joined others in Congress in offering the first burdensharing amendments of the post-cold war period. We called for a reduction in the number of U.S. troops stationed overseas, and urged the administration to seek greater financial contributions from our allies to support the U.S. presence. And we achieved some success, particularly with our Asian allies.

But burdensharing by our allies should not simply consist of digging deeper into their treasuries to pay for a U.S. troop presence, for American soldiers are not mercenaries. Instead, we must demand that our allies bear more of the roles, risks and responsibilities of full partners in regional security, whether it be in Europe, Asia or elsewhere. With the likelihood of global nuclear confrontation declining and the risks to the United States itself reduced, Americans should no longer be expected to bear an inordinate share of the defense burden.

To achieve this goal, last year my colleagues and I altered our strategy to achieve increased allied burdensharing. For the first time, we sought a comprehensive, long-range approach with the view that other nations should take more concrete actions, and that the administration can work harder to achieve our objectives.

First, our legislation called on the President to seek increases in allied burdensharing in four areas: additional host nation financial support, increased defense expenditures to support the common defense, greater participation in multinational military operations like United Nations peacekeeping or the NATO Bosnia operation, and a larger share of foreign assistance worldwide. It also provided the President with certain authorities to use as leverage in seeking these increases.

Second, it broadened U.S. burdensharing efforts by seeking allied actions beyond simply providing contributions to the payment of costs incurred by the U.S. Government for stationing personnel overseas. This will contribute substantially to a more far-reaching, long-term goal of promoting responsibility-sharing rather than just cash payments, by our allies.

Third, it avoided the limited approach of previous legislation which required reductions in U.S. forces stationed overseas if our allies failed to increase their burdensharing contributions. Instead, it provided proper incentives to achieve greater burdensharing by our allies, and it initiated the necessary and substantive analysis that will enable Congress to take unilateral action—if necessary—in the future.

In promoting greater burdensharing, this amendment also sought to save taxpayer dollars. That's why several citizens groups, including Citizens Against Government Waste, Taxpayers for Common Sense, and The Concord Coalition, heartily endorsed our initiative.

With agreement by the Senate and enactment by the President, our burdensharing provision became law last September and we received the Defense Department's first burdensharing report required by the legislation in March of this year. The report notes that our allies are performing well in one of the areas of the areas of concern specified in the measure—increased foreign assistance spending—but notes that serious deficiencies remain in others. For example, the report states that:

> We are concerned about current and prospective levels of defense spending in Europe, and continue to urge our allies to maintain defense budgets at appropriate levels and reverse negative trends in spending.

As the Defense Department has acknowledged, our comprehensive burdensharing agenda is making progress in achieving greater efforts by our allies. But we must do more. That's why I believe we must renew our comprehensive approach again this year—and demonstrate to both our allies and the administration that we are serious about getting other nations to contribute their fair share to our common defense. Vote for this important amendment.

Mr. VENTO. Mr. Chairman, I rise today in opposition to the defense authorization bill and the rule under which it is being considered. There was a time when this Chambers' walls rang with debate on the important issues facing our great Nation. Not long ago, the defense authorization bill, the source of nearly half of all the discretionary spending in the Federal budget, was considered under an open rule. The present rule fails to offer much of any opportunity for Members of Congress outside of the National Security Committee and the defense appropriators to influence and impact the defense authorization process. The committee has asked for $2.6 billion beyond the President's request for a total defense authorization of $268.2 billion. Yet, discourse today has disappointedly been reduced to essentially a rubber stamp. Curtailing debate to preapproved topics guarantees that the pressing issues before us are not discussed, much less resolved. We are squandering the opportunity to restructure our military during a period in which the United States faces no credible threat or military equal. We should be engaging in the comprehensive discussion of defense strategy and force structure necessary to prepare us for the uncertain challenges of tomorrow.

Change seems to be the buzzword of the upcoming century. Wherever one turns,

change is emphasized. Unfortunately, the bill offered by the House National Security Committee neither reflects nor embraces change. This bill focuses on keeping what existed rather than addressing in a serious manner, how U.S. military policy should move forward. The committee simply decided to retain as much of the cold war assumptions within the context of the authorization measure, as much at least as this military budget will allow. For example, H.R. 1119 continues funding for major weapons programs that were specifically designed for use against a military configuration and challenge that collapsed with the dissolution of the Soviet Union. Yet, it keeps us in the race to design and fund weapons systems, which responds to a measuring stick which continues to be whether or not our weapons can outperform their Russian counterparts. No one, including Pentagon officials, holds privileged insight into the security and political landscape of tomorrow, but I would advance that the world will not require the identical military capabilities that characterized cold war strategies. H.R. 1119 dangerously and wastefully assumes that our long term future will resemble our recent past.

H.R. 1119 includes an additional $331 million for advance procurement of the B–2 stealth bomber beyond the 21 aircraft previously authorized. Yet, the Department of Defense's [DOD] 1995 heavy bomber force study concluded that a fleet of only 20 B–2 stealth bombers would be adequate to meet any current or future threats against the United States. And both the Secretary of Defense and the Chairman of the Joint Chiefs of Staff support this conclusion, adding that the high cost of additional B–2 bombers will require the retirement of forces with greater overall capability and the misuse of funds to achieve this purpose. Secretary Cohen stated that ''the disadvantages far outweigh the advantages of additional B–2s.'' Arguments in favor of additional B–2 bombers stress that there will be no substitute for long-range air power in the security environment of tomorrow. I wholeheartedly disagree, and would submit that we are entering an era in which the value of an education and the investment in people has assumed as much or more importance than a weapon. What would make the American people feel safer? Knowing that their government is building additional B–2 bombers and constructing a national defense missile system to thwart an unlikely attack, or knowing that their children will be able to attend college and that their parents will receive the Social Security and Medicare benefits they tirelessly worked for over the years? This bill may increase the likelihood of victory on the battlefields of the 21st century, but is it worth handicapping our chances for success in the classroom? H.R. 1119 simply does not defend our genuine vital interests.

The winners in this bill are clearly the weapons manufacturers, whose programs the Pentagon will continue to be forced fed. Weapons manufacturers furthermore will continue to benefit from and receive taxpayer financed subsidies for merger-related costs which results in laid off workers and shut down plants. Although, the DOD itself has admitted that it can not directly attribute any savings to military related industries restructuring, the Rules Committee rejected an amendment I supported that would have ensured that taxpayers realize actual cost savings in the form of reduced contract prices before defense contractors are awarded subsidies. Apparently, accountability and smart investment of taxpayer dollars are not viewed as a required policy path to the Rules Committee, which denied the House the opportunity to discuss this questionable program and practice of misusing taxpayer dollars.

By realizing that our national defense requires investment in people and not only the weapons they operate, I am encouraged by some provisions included in H.R. 1119. Capable weapons do not guarantee victory in and of themselves; investment in personnel and maintenance is equally important. Since 1989, we have appropriately downsized the uniformed services by 25 percent while stepping up the pace of operations abroad. The net result, familiar to so many Federal employees these days, is that service members are asked to do much more with less. By addressing shortfalls in compensation, housing, and health care, H.R. 1119 takes giant steps toward improving the quality of life for U.S. service members. Furthermore, these provisions will also improve our ability to recruit high quality personnel and enhance retention levels. All new initiatives are intimately linked to readiness and therefore bolster the safety of our Nation.

National security in the next century will not be confined to the national security establishment per se. Accordingly, we must incorporate other elements, such as diplomacy, sound trade policies, and foreign assistance programs in any national security strategy. By pursuing other policies outside the traditional realm of military programs, we can proactively shape our international environment to protect our vital interests. More resources should be diverted to minimizing the risks of the uncertain security environment of the future. Yet, despite the remarkable achievements of the Nunn-Lugar program that has greatly accelerated the safe dismantling, destruction, and storage of thousands of nuclear warheads once pointed at the United States, H.R. 1119 shamefully decreases program funding by $97.5 million.

We must also make a concerted effort to call on others around the globe that benefit from our military's presence to take on greater responsibility in matters of their own national defense. American citizens are eager to reap the rewards of the peace dividend they were promised after the end of the cold war. With so many domestic programs—quality housing, affordable education, environmental protection, and job training—suffering from inadequate funding, it is necessary that we hold the defense budget to the same level of scrutiny, accountability, and constraint that govern the appropriations of other Federal programs. Our Federal budget must adequately reflect the integral components of a national security strategy—namely economic, educational, and environmental security. I intend to vote no if this measure H.R. 1119 is not substantially modified—it isn't just the dollar figure but the programs and policy path it commits us to—this policy persists within the time warp of the cold war when we need a military and defense policy for the 21st century.

Mr. LAZIO of New York. Mr. Chairman, today, as part of the Defense Authorization Act, we are honoring those Americans who served during the cold war.

With the collapse of the Soviet Union in 1991, a 46-year conflict between the Free World and Soviet totalitarianism ended. Yet little was said to acknowledge the close of this momentous struggle. Perhaps because the cold war was like no other conflict in our Nation's history, we have seemed slow to recognize our debt to those who made victory possible.

We have passed a supreme test of our national character. This 46-year-long struggle placed unprecedented burdens on our Nation. We lived with the threat of a nuclear war that could shatter the Earth's environment and destroy civilization. We shouldered the awesome responsibilities of standard-bearer for the Free World. We sent our military personnel to the far corners of the globe.

During the cold war, dedicated Americans, in and out of uniform, rose to the long-term challenge of protecting their democratic institutions and the future of the Free World. Some 24 million soldiers, sailors, airmen, and marines served around the world. More than 100,000 lost their lives fighting communism in Korea, Vietnam, and other foreign battlegrounds.

Our intelligence personnel vigilantly monitored our adversaries. Our diplomats held alliances together, defused crises, and negotiated treaties to limit the risk of nuclear war. Our scientists, engineers, and technicians brought America's overwhelming technological capabilities to our defense. And Americans of all walks of life accepted the responsibilities of world leadership and the risks of nuclear war—and kept our economy growing and our democratic institutions strong.

It is now time to recognize all Americans who served during the long, demanding years of the cold war. Because of them, our country and the world can look ahead to a brighter future, unclouded by fears of a nuclear holocaust or the triumph of totalitarianism.

Mr. UNDERWOOD. Mr. Chairman, I rise today in support of H.R. 1119. This is an important measure that makes positive steps toward balancing budgetary constraints with defense needs. I would like to thank Chairman SPENCE and Congressman DELLUMS for their assistance in dealing with issues of concern to me and the people of Guam. I would also like to thank Chairmen HEFLEY, BUYER, and BATEMAN for their leadership in the subcommittees as we dealt with issues surrounding the bill. Though I have some minor reservations regarding certain provisions of the authorization, I am encouraged by the balance struck financially and within Defense Department priorities.

As members of the House National Security Committee, we and other Members of Congress have realized, the quality of life for our service men and women must be protected. I am encouraged by measures in this bill that serve to improve the quality of life for our Armed Forces. First, a 2.8-percent pay raise shows our commitment to the men and women in uniform. The pay raise is badly needed and will help to alleviate the disparity between military and private sector pay. Second, this measure recommends the use of a portion of funding allocated for family housing improvements by the Air Force to be used at Andersen AFB, Guam. As is the case with other bases across the country and overseas, family housing at Andersen is below standards. This important quality of life issue for families stationed at Andersen can now be addressed.

I am grateful for the assistance of members of the committee and their staff in including two other important provisions. I have long been concerned that my district, and other U.S. territories, have not been given serious consideration during Theater Missile Defense planning and ultimately, National Missile Defense planning. I am encouraged by the cooperation I received from Chairman WELDON to ensure that this does not continue. While Guam may be an unlikely target for any nation that developed the capabilities and possessed the will, the time to ensure proper protection for the territories is now, during the development phase, not when the United States is deploying a system.

I also thank the members of the committee for accepting my amendment concerning the use of foreign workers for A–76 base operating contracting. This measure will help ensure that American citizens are not displaced by foreign workers in the execution of this competitive contracting assessment.

Mr. Chairman, I do have to express some concern regarding a few items within the authorization. First, I am sure I am not alone in expressing disappointment that the bill does not authorize funding for the construction of a National Guard Readiness Center. This is of grave concern to me. The Guam Army National Guard is the only guard unit that does not have an armory. The Guam Guard uses formerly abandoned construction company barracks. The National Guard borrows space from the Navy. The Navy Armory is over 10 miles from the guard training site. This causes continually training delays and problems. Unfortunately, this type of situation does not seem to be of concern to the National Guard Bureau. I find it shocking that we broaden our dependence on the guard yet cannot properly equip them for training. Second, I am concerned about misguided, jingoistic measures which prohibit property from being conveyed to a State-owned shipping company. This has broad implications beyond the narrow concerns of competitiveness between ports. In my district, the local community has worked hard to recover from the impacts of BRAC and this action would be a further impediment to the right of local determination of reuse plans best for the community and their progress toward full economic recovery.

Mr. Chairman, though there may be individual concerns for each Member of this House, I urge my colleagues to support this measure and vote for H.R. 1119.

Mr. SPENCE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to House Resolution 169, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered as having been read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 1119

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 ''National Defense Authorization Act for Fiscal Year 1998''.

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

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

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical Demilitarization Program.
Sec. 108. Defense health programs.
Sec. 109. Defense Export Loan Guarantee Program.

Subtitle B—Other Matters

Sec. 121. Limitation on obligation of funds for the Seawolf Submarine program.
Sec. 122. Report on annual budget submission regarding the reserve components.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.
Sec. 203. Dual-use technology program.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Manufacturing technology program.
Sec. 212. Report on Strategic Environmental Research and Development Program.
Sec. 213. Tactical unmanned aerial vehicles.
Sec. 214. Revisions to membership of and appointment authority for National Ocean Research Leadership Council.
Sec. 215. Maintenance and repair of real property at Air Force installations.
Sec. 216. Expansion of eligibility for Defense Experimental Program to Stimulate Competitive Research.
Sec. 217. Limitation on use of funds for adaption of Integrated Defensive Electronic Countermeasures (IDECM) program to F/A–18E/F aircraft and A/V–8B aircraft.
Sec. 218. Bioassay testing of veterans exposed to ionizing radiation during military service.

Subtitle C—Ballistic Missile Defense Programs

Sec. 231. Budgetary treatment of amounts requested for procurement for Ballistic Missile Defense programs.
Sec. 232. Cooperative ballistic missile defense program.
Sec. 233. Deployment dates for core theater missile defense programs
Sec. 234. Annual report on threat posed to the United States by weapons of mass destruction, ballistic missiles, and cruise missiles.
Sec. 235. Director of Ballistic Missile Defense Organization.
Sec. 236. Tactical high energy laser program.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
Sec. 305. Refurbishment and installation of air search radar.
Sec. 306. Refurbishment of M1–A1 tanks.
Sec. 307. Procurement and electronic commerce technical assistance program.
Sec. 308. Availability of funds for separation pay for defense acquisition personnel.

Subtitle B—Military Readiness Issues

Sec. 311. Expansion of scope of quarterly readiness reports.
Sec. 312. Limitation on reallocation of funds within operation and maintenance appropriations.
Sec. 313. Operation of prepositioned fleet, National Training Center, Fort Irwin, California.
Sec. 314. Prohibition of implementation of tiered readiness system.
Sec. 315. Reports on transfers from high-priority readiness appropriations.
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TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

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Sec. 3303. Disposal of titanium sponge in National Defense Stockpile.
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Sec. 3502. Authorization of expenditures.
Sec. 3503. Purchase of vehicles.
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Sec. 3522. Post-Canal Transfer Personnel Authorities.
Sec. 3523. Enhanced authority of Commission to establish compensation of Commission officers and employees.
Sec. 3524. Travel, transportation, and subsistence expenses for Commission personnel no longer subject to Federal Travel Regulation.
Sec. 3525. Enhanced recruitment and retention authorities.
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Sec. 3528. Availability of Panama Canal Revolving Fund for severance pay for certain employees separated by Panama Canal Authority after Canal Transfer Date.

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TITLE XXXVI—MARITIME ADMINISTRATION

Sec. 3601. Authorization of appropriations for fiscal year 1998.
Sec. 3602. Repeal of obsolete annual report requirement concerning relative cost of shipbuilding in the various coastal districts of the United States.
Sec. 3603. Provisions relating to maritime security fleet program.
Sec. 3604. Authority to utilize replacement vessels and capacity.
Sec. 3605. Authority to convey national defense reserve fleet vessel.

SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term ''congressional defense committees'' means—

(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

(2) the Committee on National Security and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Army as follows:

(1) For aircraft, $1,535,264,000.

(2) For missiles, $1,176,516,000.

(3) For weapons and tracked combat vehicles, $1,519,527,000.

(4) For ammunition, $1,093,802,000.

(5) For other procurement, $2,640,277,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Navy as follows:

(1) For aircraft, $6,172,950,000.

(2) For weapons, including missiles and torpedoes, $1,214,687,000.

(3) For shipbuilding and conversion, $7,654,977,000.

(4) For other procurement, $3,073,432,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Marine Corps in the amount of $442,807,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for procurement of ammunition for the Navy and the Marine Corps in the amount of $470,355,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Air Force as follows:

(1) For aircraft, $6,770,900,000.

(2) For missiles, $2,389,183,000.

(3) For ammunition, $436,984,000.

(4) For other procurement, $6,574,096,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1998 for Defense-wide procurement in the amount of $1,836,989,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $102,700,000.

(2) For the Air National Guard, $117,775,000.

(3) For the Army Reserve, $90,400,000.

(4) For the Naval Reserve, $118,000,000.

(5) For the Air Force Reserve, $167,630,000.

(6) For the Marine Corps Reserve, $98,600,000.

(7) For the Coast Guard Reserve, $5,250,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Inspector General of the Department of Defense in the amount of $1,800,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1998 the amount of $610,700,000 for—

(1) the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and

(2) the destruction of chemical warfare materiel of the United States that is not covered by section 1412 of such Act.

SEC. 108. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $279,068,000.

SEC. 109. DEFENSE EXPORT LOAN GUARANTEE PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the Department of Defense for carrying out the Defense Export Loan Guarantee Program in the total amount of $1,231,000.

Subtitle B—Other Matters

SEC. 121. LIMITATION ON OBLIGATION OF FUNDS FOR THE SEAWOLF SUBMARINE PROGRAM.

(a) LIMITATION.—The Secretary of the Navy may not obligate more than 50 percent of the funds appropriated for fiscal year 1998 for Shipbuilding and Conversion for the Navy that are specified as being available for the Seawolf submarine program until the Secretary certifies to the congressional defense committees that the Secretary will include in the future-years defense program accompanying the fiscal year 1999 budget for the Department of Defense not less than 50 percent of the amount necessary to fully fund incorporation into each of the first four vessels in the New Attack Submarine program the technology insertion opportunities specified in subsection (b).

(b) TECHNOLOGY INSERTION OPPORTUNITIES.—The technology insertion opportunities referred to in subsection (a) are those technology insertion opportunities available for the first four vessels in the New Attack Submarine program that were presented by the Assistant Secretary of the Navy (Research, Development, and Acquisition) in testimony before the Procurement Subcommittee of the Committee on National Security of the House of Representatives on March 18, 1997.

SEC. 122. REPORT ON ANNUAL BUDGET SUBMISSION REGARDING THE RESERVE COMPONENTS.

(a) IN GENERAL.—Chapter 1013 of title 10, United States Code, is amended by adding at the end the following new section:

''§10544. Budget information

''(a) REPORT.—The Secretary of Defense shall submit to the congressional committees specified in subsection (d), at the same time that the President submits the budget for a fiscal year under section 1105(a) of title 31, United States Code, a report on amounts requested in that budget for the reserve components.

''(b) CONTENT.—The report shall include the following:

''(1) A description of the anticipated effect that the amounts requested (if approved by Congress) will have to enhance the capabilities of each of the reserve components.

''(2) A listing, with respect to each such component, of each of the following:

''(A) The amount requested for each major weapon system for which funds are requested in the budget for that component.

''(B) The amount requested for each item of equipment (other than a major weapon system) for which funds are requested in the budget for that component.

''(c) INCLUSION OF INFORMATION IN NEXT FYDP.—The Secretary of Defense shall specifically display in the each future-years defense program (or program revision) submitted to Congress under section 221 of this title the amounts programmed for procurement of equipment for each of the reserve components.

''(d) CONGRESSIONAL COMMITTEES SPECIFIED.—The congressional committees referred to in subsection (a) are the following:

''(1) The Committee on Armed Services and the Committee on Appropriations of the Senate.

''(2) The Committee on National Security and the Committee on Appropriations of the House of Representatives.

''(e) EXCLUSION OF COAST GUARD RESERVE.—In this section, the term 'reserve components' does not include the Coast Guard Reserve.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''10544. Budget information.''.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,752,913,000.

(2) For the Navy, $7,946,996,000.

(3) For the Air Force, $14,659,736,000.

(4) For Defense-wide activities, $9,914,080,000, of which—

(A) $279,683,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $23,384,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 1998.—Of the amounts authorized to be appropriated by section 201, $4,131,871,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term ''basic research and applied research'' means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

SEC. 203. DUAL-USE TECHNOLOGY PROGRAM.

(a) FUNDING REQUIREMENT.—Of the amounts appropriated pursuant to the authorizations in section 201 for the Department of Defense for science and technology programs for each of fiscal years 1998 through 2001, at least the following percentages of such amounts shall be available in the applicable fiscal year only for dual-use projects of the Department of Defense:

(1) For fiscal year 1998, 5 percent.

(2) For fiscal year 1999, 7 percent.

(3) For fiscal year 2000, 10 percent.

(4) For fiscal year 2001, 15 percent.

(b) SENIOR OFFICIAL FOR DUAL-USE PROGRAM.—The person responsible for developing policy relating to, and ensuring effective implementation of, the dual-use technology program of the Department of Defense is the senior official designated by the Secretary of Defense under section 203(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2451).

(c) LIMITATION ON OBLIGATIONS.—(1) Except as provided in paragraph (2), funds made available pursuant to subsection (a) may not be obligated until the senior official referred to in subsection (b) approves the obligation.

(2) Paragraph (1) does not apply with respect to funds made available pursuant to subsection (a) to the Defense Advanced Research Projects Agency.

(3) Funds made available pursuant to subsection (a) may be used for a dual-use project only if the contract, cooperative agreement, or other transaction by which the project is carried out is entered into through the use of competitive procedures.

(d) TRANSFER AUTHORITY.—In addition to the transfer authority provided in section 1001, the Secretary of Defense may transfer funds made available pursuant to subsection (a) for a dual-use project from a military department or defense agency to another military department or defense agency to ensure efficient implementation of the dual-use technology program. The Secretary may delegate the authority provided in the preceding sentence to the senior official referred to in subsection (b).

(e) FEDERAL COST SHARE.—(1) The share contributed by the Secretary of a military department or the head of a defense agency for the cost of a dual-use project during fiscal years 1998, 1999, 2000, and 2001 may not be greater than 50 percent of the cost of the project for that fiscal year.

(2) In calculating the share of the costs of a dual-use program contributed by a military department or a non-Government entity, the Secretaries of the military departments may not consider in-kind contributions.

(f) DEFINITIONS.—In this section, the terms ''dual-use technology program'', ''dual-use project'', and ''science and technology program'' have the meanings provided by section 203(h) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2452).

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. MANUFACTURING TECHNOLOGY PROGRAM.

Section 2525 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(e) FUNDING REQUIREMENT.—(1) Subject to paragraph (2), the Secretary of Defense shall make available each fiscal year for the Manufacturing Technology Program the greater of the following amounts:

''(A) 0.25 percent of the amount available for the fiscal year concerned for the demonstration and validation, engineering and manufacturing development, operational systems development, and procurement programs of the military departments and Defense Agencies.

''(B) The amount authorized to be appropriated by law for the fiscal year concerned for projects of the military departments and Defense Agencies under the Manufacturing Technology Program.

''(2) Paragraph (1) applies to fiscal years 1998, 1999, and 2000.

''(f) TRANSFER AUTHORITY.—The Secretary of Defense may transfer funds made available pursuant to subsection (e) from a military department or Defense Agency to another military department or Defense Agency to ensure efficient implementation of the Manufacturing Technology Program. The Secretary may delegate the authority provided in the preceding sentence to the Under Secretary of Defense for Acquisition and Technology. Authority to transfer funds under this subsection is in addition to any other authority provided by law to transfer funds (whether enacted before, on, or after the date of the enactment of this section) and is not subject to any dollar limitation or notification requirement contained in any other such authority to transfer funds.

''(g) REPORT.—(1) At the same time the President submits to Congress the budget for fiscal year 1999 pursuant to section 1105(a) of title 31, the Secretary of Defense shall submit to Congress a report that—

''(A) specifies the plans of the Secretary for expenditures under the program during fiscal years 1998, 1999, and 2000; and

''(B) assesses the effectiveness of the program.

''(2) The Secretary shall submit an updated version of such report at the same time the President submits the budget for each fiscal year after fiscal year 1999 during which the program is in effect shall include—

''(A) an assessment of whether the funding of the program, as provided pursuant to the funding requirement of subsection (e), is sufficient; and

''(B) any recommendations considered appropriate by the Secretary for changes in, or an extension of, the funding requirement of subsection (e).''.

SEC. 212. REPORT ON STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

(a) REPORT.—Not later than February 28, 1998, the Secretary of Defense shall submit to Congress a report containing, for each project or activity of the Strategic Environmental Research and Development Program—

(1) an explanation of why the project or activity is not duplicative of environmentally related research, development, and demonstration activities of other departments and agencies of the Federal Government, of State and local governments, or of other organizations engaged in such activities; and

(2) an explanation of why the project or activity is uniquely related to and necessary for the mission of the Department of Defense.

(b) LIMITATION ON USE OF FUNDS PENDING SUBMISSION OF REPORT.—Not more than 50 percent of the funds appropriated for the Strategic Environmental Research and Development Program pursuant to the authorization of appropriations in section 201(4) may be expended until the Secretary of Defense submits the report required under this section.

SEC. 213. TACTICAL UNMANNED AERIAL VEHICLES.

(a) PROHIBITION ON FUNDING FOR OUTRIDER ACTD PROGRAM.—No funds authorized to be appropriated under section 201 may be obligated for the Outrider Advanced Concept Technology Demonstration (ACTD) program.

(b) FUNDING REQUIREMENTS.—Of the funds authorized to be appropriated for tactical unmanned aerial vehicles (TUAV) under section 201—

(1) $10,000,000 shall be available to carry out a competition for an unmanned aerial vehicle capable of vertical takeoff and landing; and

(2) $11,500,000 shall be available to provide a Predator Unmanned Aerial Vehicle system equipped with synthetic aperture radar and associated equipment to facilitate the development of a common Tactical Control System for unmanned aerial vehicles.

SEC. 214. REVISIONS TO MEMBERSHIP OF AND APPOINTMENT AUTHORITY FOR NATIONAL OCEAN RESEARCH LEADERSHIP COUNCIL.

(a) MEMBERSHIP REVISIONS.—Section 7902(b) of title 10, United States Code, is amended—

(1) by striking out paragraph (11); and

(2) in paragraph (17), by striking out ''One member'' and inserting in lieu thereof ''Not more than four members''.

(b) APPOINTMENT AUTHORITY REVISIONS.—Section 7902 of such title is amended—

(1) in paragraphs (14), (15), (16), and (17) of subsection (b), by striking out ''chairman'' each place it appears and inserting in lieu thereof ''President''; and

(2) by adding at the end the following new subsection:

''(j) DELEGATION OF APPOINTMENT AUTHORITY.—The President may delegate the authority to make appointments under subsection (b) to the head of a department, without authority to redelegate.''.

(c) CONFORMING AMENDMENTS.—(1) Section 7902 of such title is further amended—

(A) in subsection (b), by redesignating paragraphs (12), (13), (14), (15), (16), and (17) as paragraphs (11), (12), (13), (14), (15), and (16), respectively; and

(B) in subsection (d), by striking out ''(14), (15), (16), or (17)'' and inserting in lieu thereof ''(13), (14), (15), or (16)''.

(2) Section 282 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2473) is amended by striking out subsection (c).

SEC. 215. MAINTENANCE AND REPAIR OF REAL PROPERTY AT AIR FORCE INSTALLATIONS.

(a) IN GENERAL.—Chapter 949 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 9782. Maintenance and repair of real property

''(a) ALLOCATION OF FUNDS.—The Secretary of the Air Force shall allocate funds authorized to be appropriated by a provision described in subsection (c) and a provision described in subsection (d) for maintenance and repair of real property at military installations of the Department of the Air Force without regard to whether the installation is supported with funds authorized by a provision described in subsection (c) or (d).

''(b) MIXING OF FUNDS PROHIBITED ON INDIVIDUAL PROJECTS.—The Secretary of the Air

Force may not combine funds authorized to be appropriated by a provision described in subsection (c) and funds authorized to be appropriated by a provision described in subsection (d) for an individual project for maintenance and repair of real property at a military installation of the Department of the Air Force.

''(c) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS.—The provision described in this subsection is a provision of a national defense authorization Act that authorizes funds to be appropriated for a fiscal year to the Air Force for research, development, test, and evaluation.

''(d) OPERATION AND MAINTENANCE FUNDS.—The provision described in this subsection is a provision of a national defense authorization Act that authorizes funds to be appropriated for a fiscal year to the Air Force for operation and maintenance.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''9782. Maintenance and repair of real property.''.

SEC. 216. EXPANSION OF ELIGIBILITY FOR DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Section 257 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; U.S.C. 2358 note) is amended by adding at the end of subsection (d) the following new paragraph:

''(3) In this section, the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.''.

SEC. 217. LIMITATION ON USE OF FUNDS FOR ADAPTION OF INTEGRATED DEFENSIVE ELECTRONIC COUNTERMEASURES (IDECM) PROGRAM TO F/A–18E/F AIRCRAFT AND A/V–8B AIRCRAFT.

Not more than 50 percent of the amount authorized to be appropriated in section 201(2) for development of the Integrated Defensive Electronic Countermeasures (IDECM) program for adaption to the F/A–18E/F aircraft and the AV–8B aircraft may be obligated until the amount authorized in section 201(2) for development of the IDECM program for adaption to the F/A–18C/D aircraft is obligated.

SEC. 218. BIOASSAY TESTING OF VETERANS EXPOSED TO IONIZING RADIATION DURING MILITARY SERVICE.

Of the amount provided in section 201(4), $300,000 shall be available for the Nuclear Test Personnel Review Program conducted by the Defense Special Weapons Agency.

Subtitle C—Ballistic Missile Defense Programs

SEC. 231. BUDGETARY TREATMENT OF AMOUNTS REQUESTED FOR PROCUREMENT FOR BALLISTIC MISSILE DEFENSE PROGRAMS.

(a) REQUIREMENT FOR INCLUSION IN BUDGET OF BMDO.—(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 222 the following new section:

''§224. Ballistic missile defense programs: amounts for procurement

''(a) REQUIREMENT.—Any amount in the budget submitted to Congress under section 1105 of title 31 for any fiscal year for procurement for the National Missile Defense program or for any system that is part of the core theater missile defense program shall be set forth under the account of the Department of Defense for Defense-wide procurement and, within that account, under the subaccount (or other budget activity level) for the Ballistic Missile Defense Organization.

''(b) CORE THEATER BALLISTIC MISSILE DEFENSE PROGRAM.—For purposes of this section, the core theater missile defense program consists of the systems specified in section 234 of the Ballistic Missile Defense Act of 1995 (10 U.S.C. 2431 note).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:

''224. Ballistic missile defense programs: amounts for procurement.''.

SEC. 232. COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM.

(a) REQUIREMENT FOR NEW PROGRAM ELEMENT.—The Secretary of Defense shall establish a program element for the Ballistic Missile Defense Organization, to be referred to as the ''Cooperative Ballistic Missile Defense Program'', to support technical and analytical cooperative efforts between the United States and other nations that contribute to United States ballistic missile defense capabilities. All international cooperative ballistic missile defense programs of the Department of Defense shall be budgeted and administered through that program element.

(b) RELATIONSHIP TO OTHER PROGRAM ELEMENTS.—The program element established pursuant to subsection (a) is in addition to the program elements for activities of the Ballistic Missile Defense Organization required under section 251 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 233; 10 U.S.C. 221 note).

SEC. 233. DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.

(a) CHANGE IN DEPLOYMENT DATES.—Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104–106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended—

(1) in the matter preceding paragraph (1), by striking out '', to be carried out so as to achieve the specified capabilities'';

(2) in paragraph (1), by striking out '', with a first unit equipped (FUE) during fiscal year 1998'';

(3) in paragraph (2), by striking out ''Navy Lower Tier (Area) system'' and all that follows through ''fiscal year 1999'' and inserting in lieu thereof ''Navy Area Defense system'';

(4) in paragraph (3)—

(A) by striking out ''with a'' and inserting in lieu thereof ''to be carried out so as to achieve a''; and

(B) by striking out ''fiscal year 1998'' and ''fiscal year 2000'' and inserting in lieu thereof ''fiscal year 2000'' and ''fiscal year 2004'', respectively; and

(5) in paragraph (4), by striking out ''Navy Upper Tier (Theater Wide) system, with'' and inserting in lieu thereof ''Navy Theater Wide system, to be carried out so as to achieve''.

(b) CONFORMING AMENDMENTS FOR PROGRAM ELEMENT NAME CHANGES.—Section 251(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 233; 10 U.S.C. 221 note) is amended—

(1) in paragraph (2), by striking out ''Navy Lower Tier (Area) system'' and inserting in lieu thereof ''Navy Area Defense system''; and

(2) in paragraph (4), by striking out ''Navy Upper Tier (Theater Wide) system'' and inserting in lieu thereof ''Navy Theater Wide system''.

SEC. 234. ANNUAL REPORT ON THREAT POSED TO THE UNITED STATES BY WEAPONS OF MASS DESTRUCTION, BALLISTIC MISSILES, AND CRUISE MISSILES.

(a) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress by January 30 of each year a report on the threats posed to the United States and allies of the United States—

(1) by weapons of mass destruction, ballistic missiles, and cruise missiles; and

(2) by the proliferation of weapons of mass destruction, ballistic missiles, and cruise missiles.

(b) CONSULTATION.—Each report submitted under subsection (a) shall be prepared in consultation with the Director of Central Intelligence.

(c) MATTERS TO BE INCLUDED.—Each report submitted under subsection (a) shall include the following:

(1) Identification of each foreign country and non-State organization that possesses weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.

(2) A description of the means by which any foreign country and non-State organization that has achieved capability with respect to weapons of mass destruction, ballistic missiles, or cruise missiles has achieved that capability, including a description of the international network of foreign countries and private entities that provide assistance to foreign countries and non-State organizations in achieving that capability.

(3) An examination of the doctrines that guide the use of weapons of mass destruction in each foreign country that possesses such weapons.

(4) An examination of the existence and implementation of the control mechanisms that exist with respect to nuclear weapons in each foreign country that possesses such weapons.

(5) Identification of each foreign country and non-State organization that seeks to acquire or develop (indigenously or with foreign assistance) weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.

(6) An assessment of various possible timelines for the achievement by foreign countries and non-State organizations of capability with respect to weapons of mass destruction, ballistic missiles, and cruise missiles, taking into account the probability of whether the Russian Federation and the People's Republic of China will comply with the Missile Technology Control Regime, the potential availability of assistance from foreign technical specialists, and the potential for independent sales by foreign private entities without authorization from their national Governments.

(7) For each foreign country or non-State organization that has not achieved the capability to target the United States or its territories with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.

(8) For each foreign country or non-State organization that has not achieved the capability to target members of the United States Armed Forces deployed abroad with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.

(d) CLASSIFICATION.—Each report under subsection (a) shall be submitted in classified and unclassified form.

SEC. 235. DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION.

(a) IN GENERAL.—Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:

''§203. Director of Ballistic Missile Defense Organization

''(a) GRADE.—The position of Director of the Ballistic Missile Defense Organization—

''(1) may only be held by an officer of the armed forces on the active-duty list; and

''(2) shall be designated under section 601 of this title as a position of importance and responsibility to carry the grade of general or admiral or lieutenant general or vice admiral.

''(b) LINE OF AUTHORITY TO SECRETARY OF DEFENSE.—The Director of the Ballistic Missile Defense Organization reports directly to the

Secretary of Defense and (if so directed by the Secretary) the Deputy Secretary of Defense, without intervening review or approval by any other officer of the Department of Defense, with respect to all matters pertaining to the management of ballistic missile defense programs for which the Director has responsibility (including matters pertaining to the status of those programs and the budgets for those programs).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

''203. Director of Ballistic Missile Defense Organization.''.

SEC. 236. TACTICAL HIGH ENERGY LASER PROGRAM.

(a) TRANSFER OF PROGRAM.—The Secretary of Defense shall transfer the Tactical High Energy Laser program from the Secretary of the Army to the Director of the Ballistic Missile Defense Organization, to be carried out under the Cooperative Ballistic Missile Defense Program established pursuant to section 232(a).

(b) AUTHORIZATION.—Of the amount authorized to be appropriated in section 201, $38,200,000 is authorized for the Tactical High Energy Laser program.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $17,185,034,000.
(2) For the Navy, $21,372,699,000.
(3) For the Marine Corps, $2,381,245,000.
(4) For the Air Force, $18,745,985,000.
(5) For Defense-wide activities, $10,030,057,000.
(6) For the Army Reserve, $1,202,891,000.
(7) For the Naval Reserve, $849,711,000.
(8) For the Marine Corps Reserve, $110,366,000.
(9) For the Air Force Reserve, $1,629,120,000.
(10) For the Army National Guard, $2,266,432,000.
(11) For the Air National Guard, $2,985,969,000.
(12) For the Defense Inspector General, $136,580,000.
(13) For the United States Court of Appeals for the Armed Forces, $6,952,000.
(14) For Environmental Restoration, Army, $377,337,000.
(15) For Environmental Restoration, Navy, $277,500,000.
(16) For Environmental Restoration, Air Force, $378,900,000.
(17) For Environmental Restoration, Defense-wide, $27,900,000.
(18) For Environmental Restoration, Formerly Used Defense Sites, $202,300,000.
(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $50,000,000.
(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $661,671,000.
(21) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $10,000,000.
(22) For Medical Programs, Defense, $9,975,382,000.
(23) For Cooperative Threat Reduction programs, $284,700,000.
(24) For Overseas Contingency Operations Transfer Fund, $1,467,500,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $971,952,000.
(2) For the National Defense Sealift Fund, $1,181,626,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1998 from the Armed Forces Retirement Home Trust Fund the sum of $79,977,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1998 in amounts as follows:

(1) For the Army, $50,000,000.
(2) For the Navy, $50,000,000.
(3) For the Air Force, $50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 305. REFURBISHMENT AND INSTALLATION OF AIR SEARCH RADAR.

Of the amount authorized to be appropriated pursuant to section 301(2) for operation and maintenance for the Navy, $6,000,000 shall be available only for the refurbishment and installation of the AN/SPS-48E air search radar for the Ship Self Defense System at the Integrated Ship Defense Systems Engineering Center, Naval Surface Warfare Center, Wallops Islands, Virginia.

SEC. 306. REFURBISHMENT OF M1–A1 TANKS.

Of the amount authorized to be appropriated pursuant to section 301(1) for operation and maintenance for the Army, $35,000,000 shall be available only for refurbishment of M1–A1 tanks at the Anniston Army Depot under the AIM-XXI program if the Secretary of Defense determines that the cost effectiveness of the pilot AIM-XXI program is validated through user trials conducted at the National Training Center, Fort Irwin, California.

SEC. 307. PROCUREMENT AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE PROGRAM.

(a) AUTHORIZATION.—Subject to subsection (c), of the amount authorized to be appropriated under section 301(5), $15,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) PROHIBITION.—Subject to subsection (c), the Secretary of Defense may not obligate or expend any funds available for research, development, test, and evaluation to establish or operate a resource center or program to provide technical assistance relating to electronic commerce.

(c) LIMITATION.—Subsections (a) and (b) apply only in the event of the consolidation of the procurement technical assistance program and the electronic commerce resource program as a single technical assistance program funded with amounts available for operation and maintenance.

SEC. 308. AVAILABILITY OF FUNDS FOR SEPARATION PAY FOR DEFENSE ACQUISITION PERSONNEL.

Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $100,000,000 shall be available only for the payment of separation pay for defense acquisition personnel (other than pursuant to section 5597 of title 5, United States Code).

Subtitle B—Military Readiness Issues

SEC. 311. EXPANSION OF SCOPE OF QUARTERLY READINESS REPORTS.

(a) EXPANDED REPORTS REQUIRED.—Section 482 of title 10, United States Code, is amended to read as follows:

''§482. Quarterly readiness reports

''(a) QUARTERLY REPORTS REQUIRED.—Not later than 30 days after the end of each calendar-year quarter, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on military readiness. The report for a quarter shall contain the information required by subsections (b) (d), and (e).

''(b) READINESS PROBLEMS AND REMEDIAL ACTIONS.—Each report shall specifically describe—

''(1) readiness problems or deficiencies identified using the assessments considered under subsection (c);

''(2) planned remedial actions; and

''(3) the key indicators and other relevant information related to the identified problem or deficiency.

''(c) CONSIDERATION OF READINESS ASSESSMENTS.—The information required under subsection (b) to be included in the report for a quarter shall be based on readiness assessments that are provided during that quarter—

''(1) to any council, committee, or other body of the Department of Defense—

''(A) that has responsibility for readiness oversight; and

''(B) whose membership includes at least one civilian officer in the Office of the Secretary of Defense at the level of Assistant Secretary of Defense or higher;

''(2) by senior civilian and military officers of the military departments and the commanders of the unified and specified commands; and

''(3) as part of any regularly established process of periodic readiness reviews for the Department of Defense as a whole.

''(d) COMPREHENSIVE READINESS INDICATORS.—Each report shall also include information regarding each military department (and an evaluation of such information) with respect to each of the following readiness indicators:

''(1) PERSONNEL STRENGTH.—
''(A) Individual personnel status.
''(B) Historical and projected personnel trends.
''(2) PERSONNEL TURBULENCE.—
''(A) Recruit quality.
''(B) Borrowed manpower.
''(C) Personnel stability.
''(3) OTHER PERSONNEL MATTERS.—
''(A) Personnel morale.
''(B) Medical and dental readiness.
''(C) Recruit shortfalls.
''(4) TRAINING.—
''(A) Training unit readiness and proficiency.
''(B) Operations tempo.
''(C) Training funding.
''(D) Training commitments and deployments.
''(5) LOGISTICS—EQUIPMENT FILL.—
''(A) Deployed equipment.
''(B) Equipment availability.
''(C) Equipment that is not mission capable.
''(D) Age of equipment.
''(E) Condition of nonpacing items.
''(6) LOGISTICS—EQUIPMENT MAINTENANCE.—
''(A) Maintenance backlog.
''(7) LOGISTICS—SUPPLY.—
''(A) Availability of ordnance and spares.

''(e) UNIT READINESS INDICATORS.—Each report shall also include information regarding the readiness of each unit of the armed forces at the battalion, squadron, or an equivalent level (or a higher level) that received a readiness rating of C–3 (or below) for any month of the calendar-year quarter covered by the report. With respect to each such unit, the report shall separately provide the following information:

''(1) The unit designation and level of organization.

''(2) The overall readiness rating for the unit for the quarter and each month of the quarter.

''(3) The resource area or areas (personnel, equipment and supplies on hand, equipment condition, or training) that adversely affected the unit's readiness rating for the quarter.

''(4) If the unit received a readiness rating below C–1 in personnel for the quarter, the primary reason for the lower rating, by reason code and definition.

''(5) If the unit received a readiness rating below C–1 in equipment and supplies on hand for the quarter, the primary reason for the lower rating, by reason code and definition.

''(6) If the unit received a readiness rating below C–1 in equipment condition for the quarter, the primary reason for the lower rating, by reason code and definition.

''(7) If the unit received a readiness rating below C–1 in training for the quarter, the primary reason for the lower rating, by reason code and definition.

''(f) CLASSIFICATION OF REPORTS.—A report under this section shall be submitted in unclassified form. To the extent the Secretary of Defense determines necessary, the report may also be submitted in classified form.''.

(b) IMPLEMENTATION PLAN TO EXAMINE READINESS INDICATORS.—Not later than January 15, 1998, the Secretary of Defense shall submit to the congressional defense committees a plan—

(1) specifying the manner in which the Secretary will implement the additional reporting requirement of subsection (d) of section 482 of title 10, United States Code, as added by this section; and

(2) specifying the criteria proposed to be used to evaluate the readiness indicators identified in such subsection (d).

(c) LIMITATION PENDING RECEIPT OF IMPLEMENTATION PLAN.—Of the amount available for fiscal year 1998 for operation and support activities of the Office of the Secretary of Defense, 10 percent may not be obligated until after the date on which the implementation plan required by subsection (b) is submitted.

(d) FIRST REPORT; TRANSITION.—The first report required under section 482 of title 10, United States Code, as amended by subsection (a), shall be submitted not later than October 31, 1997. Until the report required for the third quarter of 1998 is submitted, the Secretary of Defense may omit the information required by subsection (d) of such section if the Secretary determines that it is impracticable to comply with such subsection with regard to the preceding reports.

SEC. 312. LIMITATION ON REALLOCATION OF FUNDS WITHIN OPERATION AND MAINTENANCE APPROPRIATIONS.

(a) LIMITATION.—Whenever the Secretary of Defense proposes to reallocate funds within an O&M budget activity in a manner described in subsection (b), the reallocation may be made only—

(1) after the Secretary submits to the congressional defense committees notice of the proposed reallocation; and

(2) if the procedures generally applicable to transfers of funds between appropriations of the Department of Defense have been followed with respect to such reallocation.

(b) COVERED REALLOCATIONS.—Subsection (a) applies in the case of any reallocation of funds from a subactivity of an O&M budget activity to another subactivity within the same O&M budget activity or to another O&M budget activity within the same operation and maintenance appropriation if the amount to be reallocated, when added to any previous amounts reallocated from that subactivity for that fiscal year, is in excess of $10,000,000.

(c) O&M BUDGET ACTIVITY DEFINED.—For purposes of this section, the term ''O&M budget activity'' means a budget activity within an operation and maintenance appropriation of the Department of Defense for a fiscal year.

(d) COVERED FISCAL YEARS.—This section applies with respect to funds appropriated for fiscal years 1998, 1999, and 2000.

SEC. 313. OPERATION OF PREPOSITIONED FLEET, NATIONAL TRAINING CENTER, FORT IRWIN, CALIFORNIA.

Of the amount authorized to be appropriated pursuant to section 301(1) for operation and maintenance for the Army, $60,200,000 shall be available only to pay costs associated with the operation of the prepositioned fleet of equipment during training rotations at the National Training Center, Fort Irwin, California.

SEC. 314. PROHIBITION OF IMPLEMENTATION OF TIERED READINESS SYSTEM.

(a) PROHIBITION.—The Secretary of a military department may not implement, or be required to implement, a readiness system for units of the Armed Forces under the jurisdiction of that Secretary under which a military unit would be categorized into one of several categories (or ''tiers'') according to the likelihood that the unit will be required to respond to a military conflict and the time in which the unit will be required to respond, if that system would have the effect of changing the methods used as of October 1, 1996, by the Armed Forces under the jurisdiction of that Secretary for determining the priorities for allocating to such military units funding, personnel, equipment, equipment maintenance, and training resources, and the associated levels of readiness of those units that result from those priorities.

(b) REPORT TO CONGRESS REQUESTING WAIVER.—If the Secretary of Defense determines that implementation, for one or more of the Armed Forces, of a tiered readiness system that is otherwise prohibited by subsection (a) would be in the national security interests of the United States, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth that determination of the Secretary, together with the rationale for that determination, and a request for the enactment of legislation to allow implementation of such a system.

SEC. 315. REPORTS ON TRANSFERS FROM HIGH-PRIORITY READINESS APPROPRIATIONS.

(a) ANNUAL AND QUARTERLY REPORTS REQUIRED.—Chapter 23 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 483. Reports on transfers from high-priority readiness appropriations

''(a) ANNUAL REPORTS.—Not later than the date on which the President submits the budget for a fiscal year to Congress pursuant to section 1105 of title 31, the Secretary of Defense shall submit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives a report on transfers during the preceding fiscal year from funds available for each covered budget activity.

''(b) QUARTERLY REPORTS.—Not later than 30 days after the end of each quarter of a fiscal year, the Secretary of Defense shall submit to the congressional committees specified in subsection (a) a report on transfers, during that fiscal year quarter, from funds available for each covered budget activity.

''(c) MATTERS TO BE INCLUDED.—In each report under subsection (a) or (b), the Secretary of Defense shall include for each covered budget activity the following:

''(1) A statement, for the period covered by the report, of—

''(A) the total amount of transfers into funds available for that activity;

''(B) the total amount of transfers from funds available for that activity; and

''(C) the net amount of transfers into, or out of, funds available for that activity.

''(2) A detailed explanation of the transfers into, and out of, funds available for that activity during the period covered by the report.

''(d) COVERED BUDGET ACTIVITY DEFINED.—In this section, the term 'covered budget activity' means each of the following:

''(1) The budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Army, appropriation that are designated as follows:

''(A) All subactivities under the category of Land Forces.

''(B) Land Forces Depot Maintenance.

''(C) Base Support.

''(D) Maintenance of Real Property.

''(2) The Air Operations budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Navy, appropriation that are designated as follows:

''(A) Mission and Other Flight Operations.

''(B) Fleet Air Training.

''(C) Aircraft Depot Maintenance.

''(D) Base Support.

''(E) Maintenance of Real Property.

''(3) The Ship Operations budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Navy, appropriation that are designated as follows:

''(A) Mission and Other Ship Operations.

''(B) Ship Operational Support and Training.

''(C) Ship Depot Maintenance.

''(D) Base Support.

''(E) Maintenance of Real Property.

''(4) The Expeditionary Forces budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Marine Corps, appropriation that are designated as follows:

''(A) Operational Forces.

''(B) Depot Maintenance.

''(C) Base Support.

''(D) Maintenance of Real Property.

''(5) The Air Operations and Combat Related Operations budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Air Force, appropriation that are designated as follows:

''(A) Primary Combat Forces.

''(B) Primary Combat Weapons.

''(C) Air Operations Training.

''(D) Depot Maintenance.

''(E) Base Support.

''(F) Maintenance of Real Property.

''(6) The Mobility Operations budget activity group (known as a 'subactivity') within the Mobilization budget activity of the annual Operation and Maintenance, Air Force, appropriation that is designated as Airlift Operations.

''(e) TERMINATION.—The requirements specified in subsections (a) and (b) shall terminate upon the submission of the annual report under subsection (a) covering fiscal year 2000.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''483. Reports on transfers from high-priority readiness appropriations.''.

SEC. 316. REPORT ON CHAIRMAN, JOINT CHIEFS OF STAFF EXERCISE PROGRAM AND PARTNERSHIP FOR PEACE PROGRAM.

(a) REPORT.—Not later than February 16, 1998, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the military exercises conducted by the Department of Defense during fiscal years 1995, 1996, and 1997 and the military exercises planned to be conducted during fiscal years 1998, 1999, and 2000, under the training exercises program known as the ''CJCS Exercise Program'' and under the training exercises program known as the Partnership for Peace program.

(b) INFORMATION ON EXERCISES CONDUCTED OR TO BE CONDUCTED.—The report under subsection (a) shall include the following information for each such exercise, which shall be set

forth by fiscal year and shown within fiscal year by the sponsoring command:

(1) Name of the exercise.

(2) Type, description, duration, and objectives of the exercise

(3) Command sponsoring the exercise.

(4) Participating units, including the number of personnel participating in each unit.

(5) For each participating unit, the percentage of the tasks on that unit's specification of tasks knows as a Mission Essential Task List (or comparable specification, in the case of any of the Armed Forces that do not maintain a Mission Essential Task List designation) scheduled to be performed as part of the exercise.

(6) The cost of the exercise to the Chairman of the Joint Chiefs of Staff and the cost to each of the Armed Forces participating in the exercise, with a description of the categories of activities for which those costs are incurred in each such case.

(7) The priority of the exercise in relation to all other exercises planned by the sponsoring command to be conducted during that fiscal year.

(8) In the case of an exercise conducted under the Partnership for Peace program, the country with which each the exercise was conducted.

(c) ASSESSMENT.—The report shall include—

(1) an assessment of the ability of each of the Armed Forces to meet requirements of the CJCS Exercise Program and the Partnership for Peace program with available assets;

(2) an assessment of the training value of each exercise covered in the report to each unit participating in the exercise, including for each such unit an assessment of the value of the percentage under subsection (b)(5) as an indicator of the training value of the exercise for that unit; and

(3) options to minimize the negative effects on operational and personnel tempo resulting from the CJCS Exercise Program and the Partnership for Peace program.

(d) FUNDING LIMITATION PENDING RECEIPT OF REPORT.—Of the funds available for fiscal year 1998 for the conduct of the CJSC Exercise Program, not more than 50 percent may be expended before the report under subsection (a) is submitted.

SEC. 317. QUARTERLY REPORTS ON EXECUTION OF OPERATION AND MAINTENANCE APPROPRIATIONS.

(a) REPORT REQUIRED.—Chapter 23 of title 10, United States Code, is amended by inserting after section 483, as added by section 315, the following new section:

"§ 484. Quarterly reports on execution of operation and maintenance appropriations

"(a) REPORT REQUIRED.—Not later than 60 days after the end of each quarter of a fiscal year, the Secretary of Defense shall submit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives a report containing budget execution data for each budget activity group (known as a 'subactivity') within the annual operation and maintenance appropriations for the period covered by the report. A report shall cover all preceding quarters of the fiscal year involved.

"(b) MANNER OF PRESENTING DATA.—The budget execution data required under subsection (a) shall be displayed for the fiscal year involved in the same manner used in the operation and maintenance tables contained in the budget justification document entitled 'O–1 Exhibit' submitted to Congress in support of the budget of the Department of Defense, as included in the budget of the President submitted under section 1105 of title 31.

"(c) REQUIRED INFORMATION.—The following information shall be provided for each budget activity group:

"(1) Amounts authorized to be appropriated.

"(2) Amounts appropriated.

"(3) Direct obligations.

"(4) Total obligational authority.

"(5) Amounts related to unbudgeted contingency operations.

"(6) Direct obligations related to unbudgeted contingency operations.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 483, as added by section 315, the following new item:

"484. Quarterly reports on execution of operation and maintenance appropriations.".

Subtitle C—Civilian Personnel

SEC. 321. PAY PRACTICES WHEN OVERSEAS TEACHERS TRANSFER TO GENERAL SCHEDULE POSITIONS.

Section 5334(d) of title 5, United States Code, is amended by striking out "is deemed increased by 20 percent" and inserting in lieu thereof "shall be increased by such amount as may be authorized, if any, under regulations issued by the Secretary of Defense, but not to exceed 20 percent,".

SEC. 322. USE OF APPROVED FIRE-SAFE ACCOMMODATIONS BY GOVERNMENT EMPLOYEES ON OFFICIAL BUSINESS.

(a) PERCENTAGE USE REQUIREMENT.—Section 5707a of title 5, United States Code, is amended—

(1) by redesignating subsections (a) through (d) as subsections (b) through (e), respectively; and

(2) by inserting after the section heading the following new subsection:

"(a)(1) For the purpose of making payments under this chapter for lodging expenses incurred in a State, each agency shall ensure that not less than 90 percent of the commercial-lodging room nights for employees of that agency for a fiscal year are booked in approved places of public accommodation.

"(2) Each agency shall establish explicit procedures to satisfy the percentage requirement of paragraph (1).".

(b) DEFINITIONS.—Such section is further amended by adding at the end the following new subsection:

"(f) For purposes of this section:

"(1) The term 'agency' does not include the government of the District of Columbia.

"(2) The term 'approved places of public accommodation' means hotels, motels, and other places of public accommodation that are listed by the Federal Emergency Management Agency as meeting the requirements of the fire prevention and control guidelines described in section 29 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2225).

"(3) The term 'State' means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, the Virgin Islands, Guam, American Samoa, or any other territory or possession of the United States.".

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (b), as redesignated by subsection (a)(1)—

(A) by striking out "places of public accommodation that meet the requirements of the fire prevention and control guidelines described in section 29 of the Federal Fire Prevention and Control Act of 1974" and inserting in lieu thereof "approved places of public accommodation"; and

(B) by striking out "as defined in section 4 of the Federal Fire Prevention and Control Act of 1974";

(2) in subsection (c), as redesignated by subsection (a)(1), by striking out "does not meet the requirements of the fire prevention and control guidelines described in section 29 of the Federal Fire Prevention and Control Act of 1974" and inserting in lieu thereof "is not an approved place of public accommodation"; and

(3) in subsection (e), as redesignated by subsection (a)(1)—

(A) by striking out "encourage" and inserting in lieu thereof "facilitate the ability of"; and

(B) by striking out "places of public accommodation that meet the requirements of the fire prevention and control guidelines described in section 29 of the Federal Fire Prevention and Control Act of 1974" and inserting in lieu thereof "approved places of public accommodation".

(d) REPORT ON IMPLEMENTATION.—Not later than March 31, 1998, the Administrator of General Services, after consultation with the agencies covered by section 5707a of title 5, United States Code, shall submit to Congress a report describing the procedures established by each agency to satisfy the percentage requirement imposed by subsection (a) of such section, as amended by this section.

Subtitle D—Depot-Level Activities

SEC. 331. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425(e) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1684) is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1999".

SEC. 332. EXCLUSION OF CERTAIN LARGE MAINTENANCE AND REPAIR PROJECTS FROM PERCENTAGE LIMITATION ON CONTRACTING FOR DEPOT-LEVEL MAINTENANCE.

Section 2466 of title 10, United States Code, is amended by inserting after subsection (a) the following new subsection:

"(b) TREATMENT OF CERTAIN LARGE PROJECTS.—If a maintenance or repair project concerning an aircraft carrier or submarine that is contracted for performance by non-Federal Government personnel and that accounts for five percent or more of the funds made available in a fiscal year to a military department or a Defense Agency for depot-level maintenance and repair workload, the project and the funds necessary for the project shall not be considered when applying the percentage limitation specified in subsection (a) to that military department or Defense Agency.".

SEC. 333. RESTRICTIONS ON CONTRACTS FOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE AND REPAIR AT CERTAIN FACILITIES.

(a) DEPOT-LEVEL MAINTENANCE AND REPAIR DEFINED.—(1) Chapter 146 of title 10, United States Code, is amended by inserting before section 2461 the following new section:

"§ 2460. Definition of depot-level maintenance and repair

"(a) IN GENERAL.—In this chapter, the term 'depot-level maintenance and repair' means material maintenance or repair requiring the overhaul, upgrading, or rebuilding of parts, assemblies, or subassemblies, and the testing and reclamation of equipment as necessary, regardless of the source of funds for the maintenance or repair. The term includes all aspects of software maintenance and such portions of interim contractor support, contractor logistics support, or any similar contractor support for the performance of services that are described in the preceding sentence.

"(b) EXCEPTION.—The term does not include the procurement of a major weapon system modification or upgrade, except where the changes to the system are primarily for safety reasons, to correct a deficiency, or to improve program performance.".

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 2461 the following new item:

"2460. Definition of depot-level maintenance and repair.".

(b) RESTRICTION ON CERTAIN CONTRACTS.—Section 2469 of title 10, United States Code, is amended—

(1) in subsections (a) and (b), by striking out ''or repair'' and inserting in lieu thereof ''and repair''; and

(2) by adding at the end the following new subsection:

''(d) RESTRICTION ON CONTRACTS AT CERTAIN FACILITIES.—

''(1) RESTRICTION.—The Secretary of Defense may not enter into any contract for the performance of depot-level maintenance and repair of weapon systems or other military equipment of the Department of Defense, or for the performance of management functions related to depot-level maintenance and repair of such systems or equipment, at any military installation where a depot-level maintenance and repair facility was approved in 1995 for closure under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note). In the preceding sentence, the term 'military installation' includes a former military installation closed under the Act that was a military installation when it was approved for closure under the Act.

''(2) EXCEPTION.—Paragraph (1) shall not apply with respect to an installation or former installation described in such paragraph if the Secretary of Defense certifies to Congress, not later than 45 days before entering into a contract for depot-level maintenance and repair at the installation or former installation, that—

''(A) not less than 80 percent of the capacity at each of the depot-level maintenance and repair activities of the military department concerned is being utilized on an ongoing basis to perform industrial operations in support of the depot-level maintenance and repair of weapon systems and other military equipment of the Department of Defense;

''(B) the Secretary has determined, on the basis of a detailed analysis (which the Secretary shall submit to Congress with the certification), that the total amount of the costs of the proposed contract to the Government, both recurring and nonrecurring and including any costs associated with planning for and executing the proposed contract, would be less than the costs that would otherwise be incurred if the depot-level maintenance and repair to be performed under the contract were performed using equipment and facilities of the Department of Defense;

''(C) all of the information upon which the Secretary determined that the total costs to the Government would be less under the contract is available for examination; and

''(D) none of the depot-level maintenance and repair to be performed under the contract was considered, before July 1, 1995, to be a core logistics capability of the military department concerned pursuant to section 2464 of this title.

''(3) CAPACITY OF DEPOT-LEVEL ACTIVITIES.—For purposes of paragraph (2)(A), the capacity of depot-level maintenance and repair activities shall be considered to be the same as the maximum potential capacity identified by the Defense Base Closure and Realignment Commission for purposes of the selection in 1995 of military installations for closure or realignment under the Defense Base Closure and Realignment Act of 1990, without regard, after 1995, to any limitation on the maximum number of Federal employees (expressed as full time equivalent employees or otherwise), Federal employment levels, or the actual availability of equipment to support depot-level maintenance and repair.

''(4) GAO REVIEW.—At the same time that the Secretary submits the certification and analysis to Congress under paragraph (2), the Secretary shall submit a copy of the certification and analysis to the Comptroller General. The Comptroller General shall review the analysis and the information referred to in subparagraph (C) of paragraph (2) and, not later than 30 days after Congress receives the certification, submit to Congress a report containing a statement regarding whether the Comptroller General concurs with the determination of the Secretary included in the certification pursuant to subparagraph (B) of that paragraph.

''(5) APPLICATION.—This subsection shall apply with respect to any contract described in paragraph (1) that is entered into, or proposed to be entered into, after January 1, 1997.''.

SEC. 334. CORE LOGISTICS FUNCTIONS OF DEPARTMENT OF DEFENSE.

Section 2464(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out ''a logistics capability (including personnel, equipment, and facilities)'' and inserting in lieu thereof ''a core logistics capability that is Government-owned and Government-operated (including Government personnel and Government-owned and Government-operated equipment and facilities)'';

(2) in paragraph (2), by striking out ''the logistics'' and inserting in lieu thereof ''the core logistics''; and

(3) by adding at the end the following new paragraphs:

''(3) Those core logistics activities identified under paragraphs (1) and (2) shall include the capability, facilities, and equipment to maintain and repair all types of weapon systems and other military equipment that are identified by the Secretary, in consultation with the Joint Chiefs of Staff, as necessary to enable the armed forces to fulfill the national military strategy, including the capability and capacity to maintain and repair any new mission-essential weapon system or materiel within four years after the system or materiel achieves initial operational capability.

''(4) The Secretary of Defense shall require the performance of core logistics activities identified under paragraphs (1), (2), and (3) at Government-owned, Government-operated facilities of the Department of Defense (including Government-owned, Government-operated facilities of a military department) and shall assign such facilities sufficient workload to ensure cost efficiency and technical proficiency in peacetime while preserving the surge capacity and reconstitution capabilities necessary to meet the military contingencies provided for in the national military strategy.''.

SEC. 335. CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE.

(a) DESIGNATION AND PURPOSE.—(1) Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

''§2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships

''(a) DESIGNATION.—(1) The Secretary of Defense shall designate each depot-level activity of the military departments and the Defense Agencies (other than facilities approved for closure or major realignment under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note)) as a Center of Industrial and Technical Excellence in the recognized core competencies of the activity.

''(2) The Secretary shall establish a policy to encourage the Secretary of each military department and the head of each Defense Agency to reengineer industrial processes and adopt best-business practices at their depot-level activities in connection with their core competency requirements, so as to serve as recognized leaders in their core competencies throughout the Department of Defense and in the national technology and industrial base (as defined in section 2500(1) of this title).

''(b) PUBLIC-PRIVATE PARTNERSHIPS.—The Secretary of Defense shall enable Centers of Industrial and Technical Excellence to form public-private partnerships for the performance of depot-level maintenance and repair and shall encourage the use of such partnerships to maximize the utilization of the capacity at such Centers.

''(c) ADDITIONAL WORK.—The policy required under subsection (a) shall include measures to enable a private sector entity that enters into a partnership arrangement under subsection (b) or leases excess equipment and facilities at a Center of Industrial and Technical Excellence pursuant to section 2471 of this title to perform additional work at the Center, subject to the limitations outlined in subsection (b) of such section, outside of the types of work normally assigned to the Center.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships.''.

(b) REPORTING REQUIREMENT.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report on the policies established by the Secretary pursuant to section 2474 of title 10, United States Code, to implement the requirements of such section. The report shall include—

(1) the details of any public-private partnerships entered into as of that date under subsection (b) of such section;

(2) the details of any leases entered into as of that date under section 2471 of such title with authorized entities for dual-use (military and nonmilitary) purposes; and

(3) the effect that the partnerships and leases had on capacity utilization, depot rate structures, and readiness.

SEC. 336. PERSONNEL REDUCTIONS, ARMY DEPOTS PARTICIPATING IN ARMY WORKLOAD AND PERFORMANCE SYSTEM.

The Secretary of the Army may not carry out a reduction in force of civilian employees at the five Army depots participating in the demonstration and testing of the Army Workload and Performance System until after the date on which the Secretary submits to Congress a report certifying that—

(1) the Army Workload and Performance System is fully operational; and

(2) the manpower audits being performed by the Comptroller General, the Army Audit Agency, and the Inspector General of the Army as of the date of the enactment of this Act have been completed.

Subtitle E—Environmental Provisions

SEC. 341. REVISION OF MEMBERSHIP TERMS FOR STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM SCIENTIFIC ADVISORY BOARD.

Section 2904(b) of title 10, United States Code, is amended in paragraph (4) by striking out ''three'' and inserting in lieu thereof ''not less than two and not more than four''.

SEC. 342. AMENDMENTS TO AUTHORITY TO ENTER INTO AGREEMENTS WITH OTHER AGENCIES IN SUPPORT OF ENVIRONMENTAL TECHNOLOGY CERTIFICATION.

(a) AUTHORITY TO ENTER INTO AGREEMENTS WITH INDIAN TRIBES.—Section 327 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2483) is amended—

(1) in subsection (a), by inserting '', or with an Indian tribe,'' after ''with an agency of a State or local government'';

(2) by redesignating subsection (e) as subsection (f); and

(3) by inserting after subsection (d) the following new subsection:

''(e) DEFINITION.—In this section, the term 'Indian tribe' has the meaning given that term by section 101(36) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(36)).''.

(b) ELIMINATION OF CERTAIN LIMITATION ON AUTHORITY.—Subsection (b)(1) of such section is amended by striking out ''in carrying out its environmental restoration activities''.

SEC. 343. AUTHORIZATION TO PAY NEGOTIATED SETTLEMENT FOR ENVIRONMENTAL CLEANUP AT FORMER DEPARTMENT OF DEFENSE SITES IN CANADA.

(a) AUTHORIZATION.—To the extent provided in appropriations Acts, the Secretary of Defense may pay an amount to the Government of Canada of not more than $100,000,000 (in fiscal year 1996 constant dollars), for purposes of implementing the October 1996 negotiated settlement between the United States and Canada relating to environmental cleanup at various sites in Canada that were formerly used by the Department of Defense.

(b) METHOD OF PAYMENT.—The amount authorized by subsection (a) shall be paid in 10 annual payments, with the first payment made in fiscal year 1998.

(c) FISCAL YEAR 1998 PAYMENT.—The payment under this section for fiscal year 1998 shall be made from amounts appropriated pursuant to section 301(5).

SEC. 344. MODIFICATIONS OF AUTHORITY TO STORE AND DISPOSE OF NON-DEFENSE TOXIC AND HAZARDOUS MATERIALS.

(a) AUTHORITY TO STORE MATERIALS OWNED BY MEMBERS OF THE ARMED FORCES.—Section 2692(a) of title 10, United States Code, is amended—

(1) by inserting ''either'' before ''by the Department''; and

(2) by inserting before the period at the end the following: ''or by a member of the armed forces (or a dependent of the member) assigned to or provided military housing on the installation''.

(b) ADDITIONAL EXCEPTION TO LIMITATION ON STORAGE AND DISPOSAL.—Section 2692(b) of such title is amended—

(1) by redesignating paragraphs (1) through (9) as paragraphs (2) through (10), respectively; and

(2) by inserting before paragraph (2) (as so redesignated) the following new paragraph (1):

''(1) the storage, treatment, or disposal of materials that will be or have been used in connection with an activity of the Department of Defense or in connection with a service to be performed on an installation of the Department for the benefit of the Department;''.

(c) MODIFICATION TO EXCEPTION RELATING TO STORAGE OR DISPOSAL OF EXPLOSIVES TO ASSIST LAW ENFORCEMENT AGENCIES.—Section 2692(b) of such title is amended in paragraph (3) (as redesignated by subsection (b))—

(1) by striking out ''Federal law enforcement'' and inserting in lieu thereof ''Federal, State, or local law enforcement''; and

(2) by striking out ''Federal agency'' and inserting in lieu thereof ''Federal, State, or local agency''.

(d) MODIFICATION TO EXCEPTION RELATING TO STORAGE OF MATERIAL IN CONNECTION WITH USE OF A DEFENSE FACILITY.—Section 2692(b) of such title is amended in paragraph (9) (as redesignated by subsection (b))—

(1) by striking out ''by a private person in connection with the authorized and compatible use by that person of an industrial-type'' and inserting in lieu thereof ''in connection with the authorized use of a''; and

(2) by striking out ''; and'' at the end and inserting in lieu thereof the following: ''including the use of such a facility for testing materiel and training personnel;''.

(e) MODIFICATION TO EXCEPTION RELATING TO TREATMENT AND DISPOSAL OF MATERIAL IN CONNECTION WITH USE OF A DEFENSE FACILITY.—Section 2692(b) of such title is amended in paragraph (10) (as redesignated by subsection (b))—

(1) by striking out ''by a private person in connection with the authorized and compatible commercial use by that person of an industrial-type'' and inserting in lieu thereof ''in connection with the authorized use of a'';

(2) by striking out ''with that person'' and inserting in lieu thereof ''or agreement with the prospective user'';

(3) by striking out ''for that person's'' in subparagraph (B) and inserting in lieu thereof ''for the prospective user's''; and

(4) by striking out the period at the end and inserting in lieu thereof ''; and''.

(f) ADDITIONAL EXCEPTION RELATING TO SPACE LAUNCH FACILITIES.—Section 2692(b) of such title is further amended by adding at the end the following new paragraph:

''(11) the storage of any material that is not owned by the Department of Defense if the Secretary of the military department concerned determines that the material is required or generated in connection with the use of a space launch facility located on an installation of the Department of Defense or on other land controlled by the United States.''.

(g) TECHNICAL AMENDMENTS.—(1) Section 2692(a)(1) of such title is amended by striking out ''storage'' and inserting in lieu thereof ''storage, treatment,''.

(2) The heading for section 2692 of such title is amended to read as follows:

''§2692. Storage, treatment, and disposal of nondefense toxic and hazardous materials''.

(3) The item relating to section 2692 in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

''2692. Storage, treatment, and disposal of nondefense toxic and hazardous materials.''.

SEC. 345. REVISION OF REPORT REQUIREMENT FOR NAVY PROGRAM TO MONITOR ECOLOGICAL EFFECTS OF ORGANOTIN.

Section 333(e) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2486) is amended—

(1) by striking out ''June 1'' and inserting in lieu thereof ''October 30'';

(2) by striking out paragraphs (1) and (2);

(3) by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively; and

(3) by adding at the end the following new paragraph:

''(3) A description of the present and future use, if any, of antifouling paints containing organotin on naval vessels.''.

SEC. 346. PARTNERSHIPS FOR INVESTMENT IN INNOVATIVE ENVIRONMENTAL TECHNOLOGIES.

(a) AUTHORITY.—Subject to subsection (b), the Secretary of Defense may enter into a partnership with one or more private sector entities to demonstrate and validate innovative environmental technologies.

(b) LIMITATIONS.—The Secretary of Defense may enter into a partnership with respect to an environmental technology under subsection (a)—

(1) subject to such terms and conditions as the Secretary considers appropriate and in the national interest; and

(2) only if the Secretary determines that the technology has clear potential to be of significant value to the Department of Defense in carrying out its environmental activities.

(c) FUNDING.—Under a partnership entered into under subsection (a), the Secretary may provide funds to the partner or partners from appropriations available to the Department of Defense for environmental activities, for a period of up to five years.

(d) REPORT.—In the annual report required under section 2706(a) of title 10, United States Code, the Secretary of Defense shall include the following information with respect to partnerships entered into under this section:

(1) The number of such partnerships.

(2) A description of the nature of the technology involved in each such partnership.

(3) A list of all partners in such partnerships.

(e) COORDINATION.—The Secretary of Defense shall ensure that the Department of Defense coordinates with the Administrator of the Environmental Protection Agency in any verification sponsored by the Department of technologies demonstrated and validated by a partnership entered into under this section.

(f) TERMINATION OF AUTHORITY.—The authority to enter into agreements under subsection (a) shall terminate three years after the date of the enactment of this Act.

SEC. 347. PILOT PROGRAM TO TEST AN ALTERNATIVE TECHNOLOGY FOR ELIMINATING SOLID AND LIQUID WASTE EMISSIONS DURING SHIP OPERATIONS.

(a) DETERMINATION BY SECRETARY OF THE NAVY.—(1) The Secretary of the Navy shall make a determination whether the alternative technology described in paragraph (2) has the clear potential for significant benefit to the Navy.

(2) The technology referred to in paragraph (1) is an alternative technology designed to thermally treat on shipboard all kinds of liquid and solid wastes generated on an operating ship by means of a plasma arc melter system that is compact, stationary, and uses a high alumina refractory hearth.

(b) PILOT PROGRAM.—If the determination made under subsection (a)(1) is in the affirmative, the Secretary shall establish a pilot program to test the alternative technology. In conducting the test, the Secretary shall seek to demonstrate whether the technology is valid, cost-effective, and in compliance with environmental laws and regulations.

(c) FUNDING.—From funds appropriated pursuant to the authorization in section 301(2), the Secretary of the Navy may use not more than $4,000,000 to carry out the pilot program.

(d) REPORT.—(1) If the determination made under subsection (a)(1) is in the affirmative, upon completion of the test conducted under the pilot program the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth in detail the results of the test. The report shall include recommendations on whether the alternative technology merits implementation on naval vessels and such other recommendations as the Secretary considers appropriate.

(2) If the determination made under subsection (a)(1) is in the negative, the Secretary shall submit to the committees referred to in paragraph (1) a report containing the analysis and data used by the Secretary in making the determination and such other recommendations as the Secretary considers appropriate.

Subtitle F—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 361. REORGANIZATION OF LAWS REGARDING COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES.

(a) DESCRIPTION OF CHAPTER.—(1) The heading of chapter 147 of title 10, United States Code, is amended to read as follows:

''CHAPTER 147—COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES''.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, of such title are amended by striking out the item relating to chapter 147 and inserting in lieu thereof the following new item:

''147. Commissaries and Exchanges and Other Morale, Welfare, and Recreation Activities ..... 2481''.

(b) TRANSFER AND REDESIGNATION OF UNRELATED PROVISIONS.—(1) Section 2481 of title 10, United States Code, is transferred to chapter 159 of such title, inserted after section 2685, and redesignated as section 2686.

(2) Sections 2483 and 2490 of such title are transferred to the end of subchapter III of chapter 169 of such title and redesignated as sections 2867 and 2868, respectively.

(3) Section 2491 of such title is redesignated as section 2500.

(c) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 147 of title

10, United States Code, is amended by striking out the items relating to sections 2481, 2483, and 2490.

(2) The table of sections at the beginning of chapter 159 of such title is amended by inserting after the item relating to section 2685 the following new item:

''2686. Utilities and services: sale; expansion and extension of systems and facilities.''.

(3) The table of sections at the beginning of subchapter III of chapter 169 of such title is amended by adding at the end the following new items:

''2867. Sale of electricity from alternate energy and cogeneration production facilities.

''2868. Utility services: furnishing for certain buildings.''.

(4) The table of sections at the beginning of subchapter I of chapter 148 of such title is amended by striking out the item relating to section 2491 and inserting in lieu thereof the following new item:

''2500. Definitions.''.

(d) CONFORMING AMENDMENTS.—(1) Section 2534(d) of title 10, United States Code, is amended by striking out ''section 2491(1)'' both places it appears and inserting in lieu thereof ''section 2500(1)''.

(2) Section 2865(b)(2) of such title is amended by striking out ''section 2483(b)(2)'' and inserting in lieu thereof ''section 2867(b)(2)''.

SEC. 362. MERCHANDISE AND PRICING REQUIREMENTS FOR COMMISSARY STORES.

(a) AUTHORIZED COMMISSARY MERCHANDISE CATEGORIES.—Subsection (b) of section 2486 of title 10, United States Code, is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following: ''(b) AUTHORIZED COMMISSARY MERCHANDISE CATEGORIES.—Merchandise sold in, at, or by commissary stores may include items only in the following categories:''; and

(2) by striking out paragraph (11) and inserting in lieu thereof the following new paragraph:

''(11) Subject to the congressional notification requirements of subsection (f), such other merchandise categories as the Secretary of Defense may prescribe.''.

(b) ALTERATION OF UNIFORM SALES PRICE SURCHARGE OR ADJUSTMENT.—Subsection (c) of such section is amended—

(1) by inserting ''UNIFORM SALES PRICE SURCHARGE OR ADJUSTMENT.—'' after ''(c)'';

(2) by striking out ''in commissary stores.'' and inserting in lieu thereof ''in, at, or by commissary stores.''; and

(3) by adding at the end the following new sentence: ''The uniform percentage in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998 may not be changed except by a law enacted after such date.''.

(c) ESTABLISHMENT OF SALES PRICE.—Subsection (d) of such section is amended to read as follows:

''(d) SALES PRICE ESTABLISHMENT.—The Secretary of Defense shall establish the sales price of each item of merchandise sold in, at, or by commissary stores at the level that will recoup the actual product cost of the item (consistent with this section and sections 2484 and 2685 of this title).''.

(d) CONGRESSIONAL NOTIFICATION; SPECIAL RULES.—Such section is further amended by adding at the end the following new subsections:

''(f) CONGRESSIONAL NOTIFICATION.—(1) Any change in the pricing policies for merchandise sold in, at, or by commissary stores, and any addition of a merchandise category under subsection (a)(11), shall not take effect until the Secretary of Defense submits written notice of the proposed change or addition to Congress and a period of 90 days of continuous session of Congress expires following the date on which notice was received.

''(2) For purposes of this subsection, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment or recess of more than three days to a day certain are excluded in a computation of such 90-day period.

''(g) SPECIAL RULE FOR CERTAIN MERCHANDISE.—(1) Notwithstanding the general requirement that merchandise sold in, at, or by commissary stores be commissary store inventory, the Secretary of Defense may authorize the sale of items in the merchandise categories specified in paragraph (2) as noncommissary store inventory. Subsections (c) and (d) shall not apply to the pricing of such items of merchandise.

''(2) The merchandise categories referred to in paragraph (1) are as follows:

''(A) Magazines and other periodicals.

''(B) Tobacco products.''.

(e) CLERICAL AND CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting ''IN GENERAL.—'' after ''(a)''; and

(2) in subsection (e)—

(A) by inserting ''SPECIAL RULE FOR BRAND-NAME COMMERCIAL ITEMS.—'' after ''(e)''; and

(B) by striking out ''in commissary stores'' both places it appears and inserting in lieu thereof ''in, at, or by commissary stores''.

(f) EFFECT OF AMENDMENT.—(1) In the case of merchandise categories authorized, before the date of the enactment of this Act, for sale in, at, or by commissary stores pursuant to regulations prescribed under subsection (b)(11) of section 2486 of title 10, United States Code, as in effect before such date, the Secretary of Defense may continue to authorize the sale of such merchandise categories in, at, or by commissary stores after such date notwithstanding the amendment made by subsection (a)(2). However, the sale in commissary store of such merchandise categories shall be subject to the other requirements of such section 2486.

(2) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report specifying the commissary merchandise categories covered by paragraph (1).

SEC. 363. LIMITATION ON NONCOMPETITIVE PROCUREMENT OF BRAND-NAME COMMERCIAL ITEMS FOR RESALE IN COMMISSARY STORES.

Section 2486(e) of title 10, United States Code, as amended by section 362(e)(2), is further amended by adding at the end the following new sentence: ''In determining whether a brand name commercial item is regularly sold outside of commissary stores, the Secretary shall consider only sales of the item on a regional or national basis by commercial grocery or other retail operations consisting of multiple stores.''.

SEC. 364. TRANSFER OF JURISDICTION OVER EXCHANGE, COMMISSARY, AND MORALE, WELFARE, AND RECREATION ACTIVITIES TO UNDER SECRETARY OF DEFENSE (COMPTROLLER).

(a) COMPTROLLER JURISDICTION.—Section 135(c) of title 10, United States Code, is amended—

(1) by striking out ''and'' at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(6) in the areas of exchange, commissary, and nonappropriated fund instrumentalities regarding morale, welfare, and recreation activities.''.

(b) CONFORMING AMENDMENT.—Section 136(b) of title 10, United States Code, is amended by striking out ''exchange, commissary, and nonappropriated fund activities,''.

SEC. 365. PUBLIC AND PRIVATE PARTNERSHIPS TO BENEFIT MORALE, WELFARE, AND RECREATION ACTIVITIES.

(a) PARTNERSHIPS AUTHORIZED.—Chapter 147 of title 10, United States Code, as amended by section 361, is further amended by inserting before section 2482 the following new section:

''§2481. Morale, welfare, and recreation activities: leases and other contracts to benefit

''(a) LEASES AND OTHER CONTRACTS AUTHORIZED.—The Secretary of Defense may authorize a nonappropriated fund instrumentality to enter into leases, licensing agreements, concession agreements, and other contracts with private persons and State or local governments involving real property (and related personal property) under the control of the nonappropriated fund instrumentality in order to facilitate the provision of facilities, goods, or services to authorized patrons of the nonappropriated fund instrumentality.

''(b) CONDITIONS.—A nonappropriated fund instrumentality may enter into an authorized lease or other contract under subsection (a) only if the nonappropriated fund instrumentality determines, in consultation with the Secretary of Defense, that—

''(1) the use of the property subject to the lease or contract will provide appropriate space, or contribute to the provision of goods and services, for a morale, welfare, or recreation activity of the nonappropriated fund instrumentality;

''(2) the lease or contract will not be inconsistent with and will not adversely affect the mission of the Department or the nonappropriated fund instrumentality; and

''(3) the lease or contract will enhance the use of the property subject to the lease or contract.

''(c) ACCESS TO RESULTING FACILITIES, GOODS, OR SERVICES.—The use of a lease or contract under subsection (a) to provide facilities, goods, or services shall not be construed to permit the use of the resulting facilities, goods, or services by persons who are not authorized patrons of the nonappropriated fund instrumentality that is a party to the lease or contract.

''(d) LEASE AND CONTRACT TERMS.—Subsection (b) of section 2667 of this title shall apply to a lease or contract under subsection (a), except that references to the Secretary concerned shall be deemed to mean the nonappropriated fund instrumentality that is a party to the lease or contract.

''(e) MONEY RENTALS.—Money rentals received pursuant to a lease or contract under subsection (a) shall be treated in the same manner as other receipts of the nonappropriated fund instrumentality that is a party to the lease or contract, except that use of the rentals shall be restricted to the installation at which the property covered by the lease or contract is located.

''(f) DEFINITION.—In this section, the term 'nonappropriated fund instrumentality' means the Army and Air Force Exchange Service, Navy Exchange Service Command, Marine Corps exchanges, or any other instrumentality of the United States under the jurisdiction of the armed forces which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the armed forces.''.

(b) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 147 of such title, as amended by section 361, is further amended by inserting before the item relating to section 2482 the following new item:

''2481. Morale, welfare, and recreation activities: leases and other contracts to benefit.''.

SEC. 366. TREATMENT OF CERTAIN AMOUNTS RECEIVED BY DEFENSE COMMISSARY AGENCY.

Section 2482 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) TREATMENT OF CERTAIN RECEIPTS.—(1) The Defense Commissary Agency shall deposit

amounts received from the sources specified in paragraph (2) into the same account in which the proceeds from the adjustment of, or surcharge on, commissary store prices authorized by subsection (a) of section 2685 of this title are deposited. In such amounts as provided in appropriations Acts, the amounts deposited under this paragraph shall be available for the purposes described in subsection (b) of such section.

''(2) Paragraph (1) shall apply with respect to amounts received by the Defense Commissary Agency from—

''(A) the sale of items for recycling;

''(B) the disposal of excess property;

''(C) license fees, royalties, incentive allowances, and management and other fees; and

''(D) a nonappropriated fund instrumentality of the United States.''.

SEC. 367. AUTHORIZED USE OF APPROPRIATED FUNDS FOR RELOCATION OF NAVY EXCHANGE SERVICE COMMAND.

The Navy Exchange Service Command is not required to reimburse the United States for appropriated funds allotted to the Navy Exchange Service Command during fiscal years 1994, 1995, and 1996 to cover costs incurred by the Navy Exchange Service Command to relocate to Virginia Beach, Virginia, and to lease headquarters space in Virginia Beach.

Subtitle G—Other Matters

SEC. 371. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 1998.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities—

(1) $30,000,000 shall be available for providing educational agencies assistance (as defined in subsection (d)(1)) to local educational agencies; and

(2) $5,000,000 shall be available for making educational agencies payments (as defined in subsection (d)(2)) to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 1998, the Secretary of Defense shall—

(1) notify each local educational agency that is eligible for educational agencies assistance for fiscal year 1998 of that agency's eligibility for such assistance and the amount of such assistance for which that agency is eligible; and

(2) notify each local educational agency that is eligible for an educational agencies payment for fiscal year 1998 of that agency's eligibility for such payment and the amount of the payment for which that agency is eligible.

(c) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse funds made available under paragraphs (1) and (2) of subsection (a) not later than 30 days after the date on which notification to the eligible local educational agencies is provided pursuant to subsection (b).

(d) DEFINITIONS.—In this section:

(1) The term ''educational agencies assistance'' means assistance authorized under section 386(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(2) The term ''educational agencies payments'' means payments authorized under section 386(d) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(3) The term ''local educational agency'' has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

(e) TECHNICAL CORRECTION RELATING TO ORIGINAL ASSISTANCE AUTHORITY.—Section 386(c)(1) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note) is amended—

(1) by striking out ''section 8003(a)'' and inserting in lieu thereof ''section 8003(a)(1)''; and

(2) by striking out ''(20 U.S.C. 7703(a))'' and inserting in lieu thereof ''(20 U.S.C. 7703(a)(1))''.

SEC. 372. CONTINUATION OF OPERATION MONGOOSE.

Section 135 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(f) The Under Secretary of Defense (Comptroller) shall be responsible for investigating evidence of fraud, waste, and abuse uncovered as a result of the Department of Defense program (known as Operation Mongoose) established to identify and prevent fraud, waste, and abuse within the Department of Defense, particularly fraud, waste, and abuse regarding finance and accounting matters. The program shall continue through fiscal year 2003.''.

SEC. 373. INCLUSION OF AIR FORCE DEPOT MAINTENANCE AS OPERATION AND MAINTENANCE BUDGET ACTIVITY GROUP.

For fiscal year 1999 and each fiscal year thereafter, Air Force depot-level maintenance of materiel shall be displayed as one or more budget activity groups (known as ''subactivities'') within the authorization request for Operation and Maintenance, Air Force, in the proposed budget for that fiscal year submitted to Congress pursuant to section 1105 of title 31, United States Code.

SEC. 374. PROGRAMS TO COMMEMORATE 50TH ANNIVERSARY OF MARSHALL PLAN AND KOREAN CONFLICT.

(a) COMMEMORATIVE PROGRAMS.—(1) The Secretary of Defense may conduct a program to commemorate the 50th anniversary of the Marshall Plan that provided for the reconstruction of the economies of Western Europe following World War II.

(2) The Secretary may conduct a program to commemorate the 50th anniversary of the Korean conflict.

(3) In conducting such commemorative programs, the Secretary may coordinate, support, and facilitate other programs and activities of the Federal Government, State and local governments, and other persons in commemoration of the Marshall Plan or the Korean conflict.

(b) MARSHALL PLAN COMMEMORATIVE ACTIVITIES.—The commemorative programs authorized by subsection (a)(1) may include activities and ceremonies—

(1) to honor George C. Marshall, who developed the Marshall Plan, for a lifetime of service to the United States as a commissioned officer of the Army (including service during World War II as Chief of Staff of the Army with the rank of General of the Army) and as Secretary of Defense and Secretary of State at the beginning of the Cold War; and

(2) to provide the people of the United States with a clear understanding and appreciation of the significance of Marshall Plan.

(c) KOREAN CONFLICT COMMEMORATIVE ACTIVITIES.—The commemorative programs authorized by subsection (a)(2) may include activities and ceremonies—

(1) to provide the people of the United States with a clear understanding and appreciation of the lessons and history of the Korean conflict;

(2) to thank and honor veterans of the Korean conflict and their families;

(3) to pay tribute to the sacrifices and contributions made on the home front by the people of the United States during the Korean conflict;

(3) to highlight advances in technology, science, and medicine related to military research conducted during the Korean conflict;

(4) to recognize the contributions and sacrifices made by the allies of the United States in the Korean conflict; and

(5) to highlight the role of the Armed Forces of the United States, then and now, in maintaining world peace through strength.

(d) NAMES AND SYMBOLS.—The Secretary of Defense shall have the sole and exclusive right to use the names ''The Department of Defense 50th Anniversary of the Marshall Plan'', ''50th Anniversary of the Marshall Plan'', and ''The Korean Conflict Commemoration'', and such seal, emblems, and badges incorporating such names as the Secretary may lawfully adopt. Nothing in this section may be construed to supersede rights that are established or vested before the date of the enactment of this Act.

(e) COMMEMORATIVE ACCOUNT.—(1) There is established in the Treasury an account to be known as the ''Department of Defense 50th Anniversary of the Marshall Plan and Korean Conflict Commemoration Account'', which shall be administered by the Secretary of Defense as a single account. There shall be deposited into the account all proceeds derived from the Secretary's use of the exclusive rights described in subsection (d). The Secretary may use funds in the account only for the purpose of conducting the commemorative programs authorized by subsection (a).

(2) Not later than 60 days after completion of all activities and ceremonies conducted as part of the commemorative programs, the Secretary shall submit to Congress a report containing an accounting of all the funds deposited into and expended from the account or otherwise expended under this section, and of any funds remaining in the account. Unobligated funds remaining in the account on that date shall be held in the account until transferred by law.

(f) ACCEPTANCE OF VOLUNTARY SERVICES.—(1) Notwithstanding section 1342 of title 31, United States Code, the Secretary of Defense may accept from any person voluntary services to be provided in furtherance of the commemorative programs authorized by subsection (a).

(2) A person providing voluntary services under this subsection shall be considered to be a Federal employee for purposes of chapter 81 of title 5, United States Code, relating to compensation for work-related injuries. The person shall also be considered a special governmental employee for purposes of standards of conduct and sections 202, 203, 205, 207, 208, and 209 of title 18, United states Code. A person who is not otherwise employed by the Federal Government shall not be considered to be a Federal employee for any other purpose by reason of the provision of voluntary services under this subsection.

(3) The Secretary may provide for reimbursement of incidental expenses incurred by a person providing voluntary services under this subsection. The Secretary shall determine which expenses are eligible for reimbursement under this paragraph.

SEC. 375. PROHIBITION ON USE OF SPECIAL OPERATIONS COMMAND BUDGET FOR BASE OPERATION SUPPORT.

Section 167(f) of title 10, United States Code, is amended

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by inserting ''(1)'' before ''In addition''; and

(3) by adding at the end the following new paragraph:

''(2) Funds provided for the special operations command as part of the budget for the special operations command under paragraph (1) may not be used to cover base operation support expenses incurred at a military installation.''.

SEC. 376. CONTINUATION AND EXPANSION OF DEMONSTRATION PROGRAM TO IDENTIFY OVERPAYMENTS MADE TO VENDORS.

(a) SCOPE OF PROGRAM.—Section 354 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 268; 10 U.S.C. 2461 note) is amended—

(1) in subsection (a), by striking out the second sentence; and

(2) in subsection (b)(1), by striking out ''of the Defense Logistics Agency that relate to (at least) fiscal years 1993, 1994, and 1995'' and inserting in lieu thereof ''relating to fiscal years after fiscal year 1993 of the working-capital funds and industrial, commercial, and support type activities managed through the Defense Business Operations Fund, except the Defense Logistics Agency to the extent such records have already been audited''.

(b) COLLECTION METHOD; CONTRACTOR PAYMENTS.—Such section is further amended by striking out subsections (d) and (e) and inserting in lieu thereof the following new subsections:

''(d) COLLECTION METHOD.—In the case of an overpayment to a vendor identified under the demonstration program, the Secretary shall require the use of the procedures specified in section 32.611 of the Federal Acquisition Regulation, regarding a setoff against existing invoices for payment to the vendor, as the first method by which the Department shall seek to recover the amount of the overpayment (and any applicable interest and penalties) from the vendor.

''(e) FEES FOR CONTRACTOR.—The Secretary shall pay to the contractor under the contract entered into under the demonstration program an amount not to exceed 25 percent of the total amount recovered by the Department (through the collection of overpayments and the use of setoffs) solely on the basis of information obtained as a result of the audits performed by the contractor under the program. When an overpayment is recovered through the use of a setoff, amounts for the required payment to the contractor shall be derived from funds available to the working-capital fund or industrial, commercial, or support type activity for which the overpayment is recovered.''.

SEC. 377. APPLICABILITY OF FEDERAL PRINTING REQUIREMENTS TO DEFENSE AUTOMATED PRINTING SERVICE.

(a) Subchapter I of chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 195. Defense Automated Printing Service: applicability of Federal printing requirements

''The Defense Automated Printing Service shall comply fully with the requirements of chapter 5 of title 44 relating to the production and procurement of printing, binding, and blank-book work.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

''195. Defense Automated Printing Service: applicability of Federal printing requirements.''.

SEC. 378. BASE OPERATIONS SUPPORT FOR MILITARY INSTALLATIONS ON GUAM.

(a) CONTRACTOR USE OF NONIMMIGRANT ALIENS.—Each contract for base operations support to be performed on Guam shall contain a condition that work under the contract may not be performed by any alien who is issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)).

(b) APPLICATION OF SECTION.—This section shall apply to contracts entered into, amended, or otherwise modified on or after the date of the enactment of this Act.

TITLE IV—PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1998, as follows:

(1) The Army, 495,000.
(2) The Navy, 395,000.
(3) The Marine Corps, 174,000.
(4) The Air Force, 381,000.

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1998, as follows:

(1) The Army National Guard of the United States, 366,516.
(2) The Army Reserve, 208,000.
(3) The Naval Reserve, 94,294.
(4) The Marine Corps Reserve, 42,000.
(5) The Air National Guard of the United States, 107,377.
(6) The Air Force Reserve, 73,431.
(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may vary the end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year; and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1998, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 22,310.
(2) The Army Reserve, 11,500.
(3) The Naval Reserve, 16,136.
(4) The Marine Corps Reserve, 2,559.
(5) The Air National Guard of the United States, 10,616.
(6) The Air Force Reserve, 748.

SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS (DUAL STATUS).

(a) AUTHORIZATION FOR FISCAL YEAR 1998.—The minimum number of military technicians (dual status) as of the last day of fiscal year 1998 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 5,503.
(2) For the Army National Guard of the United States, 23,125.
(3) For the Air Force Reserve, 9,802.
(4) For the Air National Guard of the United States, 22,853.

(b) REQUESTS FOR FUTURE FISCAL YEARS.—Section 115(g) of title 10, United States Code, is amended by adding at the end the following new sentence: ''In each budget submitted by the President to Congress under section 1105 of title 31, the end strength requested for military technicians (dual status) for each reserve component of the Army and Air Force shall be specifically set forth.''.

SEC. 414. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO SERVE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) OFFICERS.—The table in section 12011(a) of title 10, United States Code, is amended to read as follows:

''Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	673	140
Lieutenant Colonel or Commander	1,524	520	672	90
Colonel or Navy Captain	437	188	274	30''.

(b) SENIOR ENLISTED MEMBERS.—The table in section 12012(a) of such title is amended to read as follows:

''Grade	Army	Navy	Air Force	Marine Corps
E–9	627	202	371	20
E–8	2,585	429	900	94''.

Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1998 a total of $69,539,862,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1998.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. LIMITATION ON NUMBER OF GENERAL AND FLAG OFFICERS WHO MAY SERVE IN POSITIONS OUTSIDE THEIR OWN SERVICE.

(a) IN GENERAL.—Chapter 41 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 721. General and flag officers: limitation on appointments, assignments, details, and duties outside an officer's own service

''(a) LIMITATION.—An officer described in subsection (b) may not be appointed, assigned, or detailed for a period in excess of 90 days to a position external to that officer's armed force if, immediately following such appointment, assignment, or detail, the number of officers described in subsection (b) serving in positions external to such officers' armed force for a period in excess of 90 days would be in excess of 24.5 percent of the total number of such officers.

''(b) COVERED OFFICERS.—The officers covered by subsection (a), and to be counted for the purposes of the limitation in that subsection, are the following:

''(1) Any general or flag officer counted for purposes of section 526(a) of this title.

''(2) Any general or flag officer serving in a joint duty assignment position designated by the Chairman of the Joint Chiefs of Staff under section 526(b) of this title.

''(3) Any colonel or Navy captain counted for purposes of section 777(d)(1) of this title.

''(c) EXTERNAL POSITIONS.—For purposes of this section, the following positions shall be considered to be external to an officer's armed force:

''(1) Any position (including a position in joint education) that is a joint duty assignment for purposes of chapter 38 of this title.

''(2) Any position in the Office of the Secretary of Defense, a Defense Agency, or a Department of Defense Field Activity.

''(3) Any position in the Joint Chiefs of Staff, the Joint Staff, or the headquarters of a combatant command (as defined in chapter 6 of this title).

''(4) Any position in the National Guard Bureau.

''(5) Any position outside the Department of Defense, including any position in the headquarters of the North Atlantic Treaty Organization or any other international military command, any combined or multinational command, or military mission.

''(d) ASSIGNMENTS, ETC. FOR PERIODS IN EXCESS OF 90 DAYS.—For purposes of this section,

the appointment, assignment, or detail of an officer to a position shall be considered to be for a period in excess of 90 days unless the appointment, assignment, or detail specifies that it is made a period of 90 days or less.

''(e) WAIVER DURING PERIOD OF WAR OR NATIONAL EMERGENCY.—The President may suspend the operation of this section during any period of war or of national emergency declared by Congress or the President.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''721. General and flag officers: limitation on appointments, assignments, details, and duties outside an officer's own service.''.

SEC. 502. EXCLUSION OF CERTAIN RETIRED OFFICERS FROM LIMITATION ON PERIOD OF RECALL TO ACTIVE DUTY.

Effective October 1, 1997, section 688(e) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' before ''A member''; and

(2) adding at the end the following new paragraph:

''(2) Paragraph (1) shall not apply to the following officers:

''(A) A chaplain who is assigned to duty as a chaplain for the period of active duty to which ordered.

''(B) A health care professional (as characterized by the Secretary concerned) who is assigned to duty as a health care professional for the period of active duty to which ordered.

''(C) An officer assigned to duty with the American Battle Monuments Commission for the period of active duty to which ordered.''.

SEC. 503. CLARIFICATION OF OFFICERS ELIGIBLE FOR CONSIDERATION BY SELECTION BOARDS.

(a) OFFICERS ON THE ACTIVE-DUTY LIST.—Section 619(d) of title 10, United States Code, is amended—

(1) by striking out ''grade—'' in the matter preceding paragraph (1) and inserting in lieu thereof ''grade any of the following officers:'';

(2) in paragraph (1)—

(A) by striking out ''an officer'' and inserting in lieu thereof ''An officer''; and

(B) by striking out ''; or'' at the end and inserting in lieu thereof a period; and

(3) by redesignating paragraph (2) as paragraph (3) and in that paragraph striking out ''an officer'' and inserting in lieu thereof ''An officer''; and

(4) by inserting after paragraph (1) the following new paragraph (2):

''(2) An officer who is recommended for promotion to that grade in the report of an earlier selection board convened under that section, in the case of such a report that has not yet been approved by the President.''.

(b) OFFICERS ON THE RESERVE ACTIVE-STATUS LIST.—Section 14301(c) of such title is amended—

(1) by striking out ''grade—'' in the matter preceding paragraph (1) and inserting in lieu thereof ''grade any of the following officers:'';

(2) by striking out ''an officer'' in each of paragraphs (1), (2), and (3) and inserting in lieu thereof ''An officer'';

(3) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period;

(4) by striking out ''; or'' at the end of paragraph (2) and inserting in lieu thereof a period;

(5) by redesignating paragraphs (2) and (3), as so amended, as paragraphs (3) and (4), respectively, and in each such paragraph striking out ''the next higher grade'' and inserting in lieu thereof ''that grade''; and

(6) by inserting after paragraph (1) the following new paragraph (2):

''(2) An officer who is recommended for promotion to that grade in the report of an earlier selection board convened under a provision referred to in paragraph (1), in the case of such a report that has not yet been approved by the President.''.

(c) CLARIFYING AMENDMENTS.—Paragraphs (3) and (4) of section 14301(c) of such title, as redesignated and amended by subsection (b), are each amended by inserting before the period at the end the following: '', if that nomination is pending before the Senate''.

SEC. 504. AUTHORITY TO DEFER MANDATORY RETIREMENT FOR AGE OF OFFICERS SERVING AS CHAPLAINS.

(a) AUTHORITY FOR DEFERRAL OF RETIREMENT FOR CHAPLAINS PROVIDING DIRECT SUPPORT TO UNITS OR INSTALLATIONS.—Subsection (c) of section 1251 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following new paragraph (2):

''(2) The Secretary concerned may defer the retirement under subsection (a) of an officer who is appointed or designated as a chaplain if during the period of the deferment the officer will be performing duties consisting primarily of providing direct support as a chaplain to units or installations.''.

(b) AUTHORITY FOR DEFERRAL OF RETIREMENT FOR CHIEF AND DEPUTY CHIEF OF CHAPLAINS.—Such section is further amended by adding at the end the following new subsection:

''(d) The Secretary concerned may defer the retirement under subsection (a) of an officer who is the Chief of Chaplains or Deputy Chief of Chaplains of that officer's armed force. Such a deferment may not extend beyond the first day of the month following the month in which the officer becomes 68 years of age.''.

(c) QUALIFICATION FOR SERVICE AS NAVY CHIEF OF CHAPLAINS OR DEPUTY CHIEF OF CHAPLAINS.—(1) Section 5142(b) of such title is amended by striking out '', who are not on the retired list,''.

(2) Section 5142a of such title is amended by striking out '', who is not on the retired list,''.

Subtitle B—Reserve Component Matters

SEC. 511. INDIVIDUAL READY RESERVE ACTIVATION AUTHORITY.

(a) IRR MEMBERS SUBJECT TO ORDER TO ACTIVE DUTY OTHER THAN DURING WAR OR NATIONAL EMERGENCY.—Section 10144 of title 10, United States Code, is amended—

(1) by inserting ''(a)'' before ''Within the Ready Reserve''; and

(2) by adding at the end the following new subsection:

''(b)(1) Within the Individual Ready Reserve of each reserve component there is a category of members, as designated by the Secretary concerned, who are subject to being ordered to active duty involuntarily in accordance with section 12304 of this title. A member may not be placed in that mobilization category unless—

''(A) the member volunteers for that category; and

''(B) the member is selected for that category by the Secretary concerned, based upon the needs of the service and the grade and military skills of that member.

''(2) A member of the Individual Ready Reserve may not be carried in such mobilization category of members after the end of the 24-month period beginning on the date of the separation of the member from active service.

''(3) The Secretary shall designate the grades and military skills or specialities of members to be eligible for placement in such mobilization category.

''(4) A member in such mobilization category shall be eligible for benefits (other than pay and training) as are normally available to members of the Selected Reserve, as determined by the Secretary of Defense.''.

(b) CRITERIA FOR ORDERING TO ACTIVE DUTY.—Subsection (a) of section 12304 of title 10, United States Code, is amended by inserting after ''of this title),'' the following: ''or any member in the Individual Ready Reserve mobilization category and designated as essential under regulations prescribed by the Secretary concerned,''.

(c) MAXIMUM NUMBER.—Subsection (c) of such section is amended—

(1) by inserting ''and the Individual Ready Reserve'' after ''Selected Reserve''; and

(2) by inserting '', of whom not more than 30,000 may be members of the Individual Ready Reserve'' before the period at the end.

(d) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (f), by inserting ''or Individual Ready Reserve'' after ''Selected Reserve'';

(2) in subsection (g), by inserting '', or member of the Individual Ready Reserve,'' after ''to serve as a unit''; and

(3) by adding at the end the following new subsection:

''(i) For purposes of this section, the term 'Individual Ready Reserve mobilization category' means, in the case of any reserve component, the category of the Individual Ready Reserve described in section 10144(b) of this title.''.

(e) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

''§ 12304. Selected Reserve and certain Individual Ready Reserve members; order to active duty other than during war or national emergency''.

(2) The item relating to section 12304 in the table of sections at the beginning of chapter 1209 of such title is amended to read as follows:

''12304. Selected Reserve and certain Individual Ready Reserve members; order to active duty other than during war or national emergency''.

SEC. 512. TERMINATION OF MOBILIZATION INCOME INSURANCE PROGRAM.

(a) IN GENERAL.—Chapter 1214 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 12533. Termination of program

''(a) IN GENERAL.—The Secretary shall terminate the insurance program in accordance with this section.

''(b) TERMINATION OF NEW ENROLLMENTS.—The Secretary may not enroll a member of the Ready Reserve for coverage under the insurance program after the date of the enactment of this section.

''(c) TERMINATION OF COVERAGE.—(1) The enrollment under the insurance program of insured members other than insured members described in paragraph (2) is terminated as of the date of the enactment of this section. The enrollment of an insured member described in paragraph (2) is terminated as of the date of the termination of the period of covered service of that member described in that paragraph.

''(2) An insured member described in this paragraph is an insured member who on the date of the enactment of this section is serving on covered service for a period of service, or has been issued an order directing the performance of covered service, that satisfies or would satisfy the entitlement-to-benefits provisions of this chapter.

''(d) TERMINATION OF PAYMENT OF BENEFITS.—The Secretary may not make any benefit payment under the insurance program after the date of the enactment of this section other than to an insured member who on that date (1) is serving on an order to covered service, (2) has been issued an order directing performance of covered service, or (3) has served on covered service before that date for which benefits under the program have not been paid to the member.

''(e) TERMINATION OF INSURANCE FUND.—The Secretary shall close the Fund not later than 60 days after the date on which the last benefit payment from the Fund is made. Any amount remaining in the Fund when closed shall be covered into the Treasury as miscellaneous receipts.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''12533. Termination of program.''.

SEC. 513. CORRECTION OF INEQUITIES IN MEDICAL AND DENTAL CARE AND DEATH AND DISABILITY BENEFITS FOR RESERVE MEMBERS WHO INCUR OR AGGRAVATE AN ILLNESS IN THE LINE OF DUTY.

(a) MEDICAL AND DENTAL CARE FOR DEPENDENTS.—Section 1076(a)(2) of title 10, United States Code, is amended—

(1) by striking out ''or'' at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ''; or''; and

(3) by adding at the end the following new subparagraph:

''(C) who incurs or aggravates an injury or illness in the line of duty while serving on active duty for a period of 30 days or less and whose orders are subsequently modified to extend the period of active duty to a period of more than 30 days.''.

(b) MEDICAL AND DENTAL CARE.—Section 1074a(a)(3) of such title is amended by inserting ''while remaining overnight immediately before the commencement of inactive-duty training, or'' after ''in the line of duty''.

(c) ELIGIBILITY FOR DISABILITY RETIREMENT.—Section 1204(2)(C) of such title is amended by inserting ''while remaining overnight immediately before the commencement of inactive-duty training, or'' after ''aggravated''.

(d) ELIGIBILITY FOR DISABILITY SEPARATION.—Section 1206 of such title is amended—

(1) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5) respectively; and

(2) by inserting after paragraph (1) the following new paragraph:

''(2) the disability was incurred in the line of duty as a result of—

''(A) performing active duty or inactive-duty training;

''(B) traveling directly to or from the place at which such duty is performed; or

''(C) an injury, illness, or disease incurred or aggravated while remaining overnight immediately before the commencement of inactive-duty training, or while remaining overnight between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training, if the site is outside reasonable commuting distance of the member's residence;''.

(e) RECOVERY, CARE, AND DISPOSITION OF REMAINS.—Section 1481(a)(2)(D) of such title is amended by inserting ''remaining overnight immediately before the commencement of inactive-duty training, or'' after ''(D)''.

(f) ENTITLEMENT TO BASIC PAY.—Section 204 of title 37, United States Code, is amended by inserting ''while remaining overnight immediately before the commencement of inactive-duty training, or'' in subsections (g)(1)(D) and (h)(1)(D) after ''in line of duty''.

(g) COMPENSATION FOR INACTIVE-DUTY TRAINING.—Section 206(a)(3)(C) of such title is amended by inserting ''while remaining overnight immediately before the commencement of inactive-duty training, or'' after ''in line of duty''.

SEC. 514. TIME-IN-GRADE REQUIREMENTS FOR RESERVE COMMISSIONED OFFICERS RETIRED DURING FORCE DRAWDOWN PERIOD.

(a) AUTHORITY COMPARABLE TO ACTIVE-DUTY LIST OFFICERS.—Subsection (d)(3) of section 1370 of title 10, United States Code, is amended by adding at the end the following new subparagraph:

''(F) The Secretary of Defense may authorize the Secretary of a military department to reduce the three-year period specified in subparagraph (A) to a period of not less than two years in the case of retirements effective during the period beginning on the date of the enactment of this subparagraph and ending on September 30, 1999. The number of officers in an armed force in a grade for whom a reduction is made during any fiscal year in the period of service-in-grade otherwise required under this paragraph may not exceed the number equal to two percent of the authorized reserve active status strength for that fiscal year for officers of that armed force in that grade.''.

(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a)(2)(A), by inserting ''of'' after ''reduce such period to a period''; and

(2) in subsection (d)(1), by striking out ''chapter 1225'' and inserting in lieu thereof ''chapter 1223''.

SEC. 515. AUTHORITY TO PERMIT NON-UNIT ASSIGNED OFFICERS TO BE CONSIDERED BY VACANCY PROMOTION BOARD TO GENERAL OFFICER GRADES.

(a) CONVENING OF SELECTION BOARDS.—Section 14101(a)(2) of title 10, United States Code, is amended by striking out ''(except in the case of a board convened to consider officers as provided in section 14301(e) of this title).''.

(b) ELIGIBILITY FOR CONSIDERATION OF CERTAIN ARMY OFFICERS.—Section 14301 of such title is amended—

(1) by striking out subsection (e); and

(2) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(c) GENERAL OFFICER PROMOTIONS.—Section 14308 of such title is amended—

(1) in subsection (e)(2), by inserting ''a grade below colonel in'' after ''(2) an officer in''; and

(2) in subsection (g)—

(A) by inserting ''or the Air Force'' in the first sentence after ''of the Army'' the first place it appears;

(B) by striking out ''in that grade'' in the first sentence and all that follows through ''Secretary of the Army'' and inserting in lieu thereof ''in the Army Reserve or the Air Force Reserve, as the case may be, in that grade''; and

(C) by striking out the second sentence.

(d) VACANCY PROMOTIONS.—Section 14315(b)(1) of such title is amended by striking out ''the duties'' in clause (A) and all that follows through ''as a unit,'' and inserting in lieu thereof ''duties of a general officer of the next higher reserve grade in the Army Reserve,''.

SEC. 516. GRADE REQUIREMENT FOR OFFICERS ELIGIBLE TO SERVE ON INVOLUNTARY SEPARATION BOARDS.

Section 14906(a)(2) of title 10, United States Code, is amended by striking out ''a grade above lieutenant colonel or commander'' and inserting in lieu thereof ''the grade of lieutenant colonel or commander or a higher grade''.

SEC. 517. LIMITATION ON USE OF AIR FORCE RESERVE AGR PERSONNEL FOR AIR FORCE BASE SECURITY FUNCTIONS.

(a) LIMITATION.—The Secretary of the Air Force may not use members of the Air Force Reserve who are AGR personnel for the performance of force protection, base security, or security police functions at an Air Force facility in the United States until six months after the date on which the Secretary submits to Congress a report on such use of AGR personnel.

(b) MATTERS TO BE INCLUDED IN REPORT.—The report under subsection (a) shall include the following:

(1) A statement of the planned scope, including each planned location, of such use of AGR personnel during the year in which the report is submitted and each of the five subsequent years.

(2) A detailed rationale for, and evaluation of, the cost effectiveness of the use of AGR personnel to perform such functions at Air Force facilities in the United States compared to the use of Department of Defense civilian personnel or contractor personnel for the performance of these functions at those facilities.

(3) A plan, including a cost estimate, for the reemployment, conversion to AGR status, or retirement of civilian employees and military technicians who are displaced by the use of Air Force Reserve AGR personnel to perform those functions.

(c) AGR PERSONNEL DEFINED.—For the purposes of this section, the term ''AGR personnel'' means members of the Air Force Reserve who are on active duty (other than for training) in connection with organizing, administering, recruiting, instructing, or training the Air Force Reserve.

Subtitle C—Military Technicians

SEC. 521. AUTHORITY TO RETAIN ON THE RESERVE ACTIVE-STATUS LIST UNTIL AGE 60 MILITARY TECHNICIANS IN THE GRADE OF BRIGADIER GENERAL.

(a) RETENTION.—Section 14702(a) of title 10, United States Code, is amended—

(1) by striking out ''section 14506 or 14507'' and inserting in lieu thereof ''section 14506, 14507, or 14508''; and

(2) by striking out ''or colonel'' and inserting in lieu thereof ''colonel, or brigadier general''.

(b) TECHNICAL AMENDMENT.—Section 14508(c) of such title is amended by striking out ''not later than the date on which the officer becomes 60 years of age'' and inserting in lieu thereof ''not later than the last day of the month in which the officer becomes 60 years of age''.

SEC. 522. MILITARY TECHNICIANS (DUAL STATUS).

(a) DEFINITION.—Subsection (a) of section 10216 of title 10, United States Code, is amended to read as follows:

''(a) IN GENERAL.—(1) For purposes of this section and any other provision of law, a military technician (dual status) is a Federal civilian employee who—

''(A) is employed under section 3101 of title 5 or section 709 of title 32;

''(B) is required as a condition of that employment to maintain membership in the Selected Reserve; and

''(C) is assigned to a position as a technician in the administration and training of the Selected Reserve or in the maintenance and repair of supplies or equipment issued to the Selected Reserve or the armed forces.

''(2) Military technicians (dual status) shall be authorized and accounted for as a separate category of civilian employees.''.

(b) UNIT MEMBERSHIP AND DUAL-STATUS REQUIREMENT.—Subsection (d) of such section is amended to read as follows:

''(d) UNIT MEMBERSHIP REQUIREMENT.—(1) Unless specifically exempted by law, each individual who is hired as a military technician (dual status) after December 1, 1995, shall be required as a condition of that employment to maintain membership in—

''(A) the unit of the Selected Reserve by which the individual is employed as a military technician; or

''(B) a unit of the Selected Reserve that the individual is employed as a military technician to support.

''(2) Paragraph (1) does not apply to a military technician (dual status) who is employed by the Army Reserve in an area other than Army Reserve troop program units.

''(e) DUAL-STATUS REQUIREMENT.—(1) Funds appropriated for the Department of Defense may not (except as provided in paragraph (2)) be used for compensation as a military technician of any individual hired as a military technician after February 10, 1996, who is no longer a member of the Selected Reserve.

''(2) The Secretary concerned may pay compensation described in paragraph (1) to an individual described in that paragraph who is no longer a member of the Selected Reserve for a period not to exceed six months following the individual's loss of membership in the Selected Reserve if the Secretary determines such loss of membership was not due to the failure of that individual to meet military standards.''.

(c) NATIONAL GUARD DUAL-STATUS REQUIREMENT.—Section 709(b) of title 32, United States Code, is amended by striking out ''Except as prescribed by the Secretary concerned, a technician'' and inserting in lieu thereof ''A technician''.

(d) PLAN FOR CLARIFICATION OF STATUTORY AUTHORITY OF MILITARY TECHNICIANS.—(1) The Secretary of Defense shall submit to Congress, as part of the budget justification materials submitted in support of the budget for the Department of Defense for fiscal year 1999, a legislative proposal to provide statutory authority and clarification under title 5, United States Code—

(A) for the hiring, management, promotion, separation, and retirement of military technicians who are employed in support of units of the Army Reserve or Air Force Reserve; and

(B) for the transition to the competitive service of an individual who is hired as military technician in support of a unit of the Army Reserve or Air Force Reserve and who (as determined by the Secretary concerned) fails to maintain membership in the Selected Reserve through no fault of the individual.

(2) The legislative proposal under paragraph (1) shall be developed in consultation with the Director of the Office of Personnel Management.

(e) CONFORMING REPEAL.—Section 8106 of Public Law 104–61 (109 Stat. 654; 10 U.S.C. 10101 note) is repealed.

(f) CROSS-REFERENCE CORRECTIONS.—Section 10216(c)(1) of title 10, United States Code, is amended by striking out ''subsection (a)(1)'' in subparagraphs (A), (B), (C), and (D) and inserting in lieu thereof ''subsection (b)(1)''.

(g) CONFORMING AMENDMENTS TO SECTION 10216.—Section 10216 of title 10, United States Code, is further amended as follows:

(1) The heading of subsection (b) is amended by inserting ''(DUAL STATUS)'' after ''MILITARY TECHNICIANS''.

(2) Subsection (b)(1) is amended—

(A) by inserting ''(dual status)'' after ''for military technicians'';

(B) by striking out ''dual status military technicians'' and inserting in lieu thereof ''military technicians (dual status)'';

(C) by inserting ''(dual status)'' after ''military technicians'' in subparagraph (C).

(3) Subsection (b)(2) is amended by inserting ''(dual status)'' after ''military technicians'' both places it appears.

(4) Subsection (b)(3) is amended by inserting ''(dual status)'' after ''Military technician''.

(5) Subsection (c) is amended—

(A) in the matter preceding paragraph (1)(A), by inserting ''(dual status)'' after ''military technicians'';

(B) in paragraph (1), by striking out ''dual status technicians'' in subparagraphs (A), (B), (C), and (D) and inserting in lieu thereof ''military technicians (dual status)'';

(C) in paragraph (2)(A), by inserting ''(dual status)'' after ''military technician''; and

(D) in paragraph (2)(B), by striking out ''delineate—'' and all that follows through ''or other reasons'' in clause (ii) and inserting in lieu thereof ''delineate the specific force structure reductions''.

(h) CLERICAL AMENDMENTS.—(1) The heading of section 10216 of such title is amended to read as follows:

''§ 10216. Military technicians (dual status)''.

(2) The item relating to such section in the table of sections at the beginning of chapter 1007 of such title is amended to read as follows:

''10216. Military technicians (dual status).''.

(i) OTHER CONFORMING AMENDMENTS.—(1) Section 115(g) of such title is amended by inserting ''(dual status)'' in the first sentence after ''military technicians'' and in the second sentence after ''military technician''.

(2) Section 115a(h) of such title is amended—

(A) by inserting ''(displayed in the aggregate and separately for military technicians (dual status) and non-dual status military technicians)'' in the matter preceding paragraph (1) after ''of the following''; and

(B) by striking out paragraph (3).

SEC. 523. NON-DUAL STATUS MILITARY TECHNICIANS.

(a) IN GENERAL.—(1) Chapter 1007 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 10217. Non-dual status military technicians

''(a) DEFINITION.—For the purposes of this section and any other provision of law, a non-dual status military technician is a civilian employee of the Department of Defense who—

''(1) was hired as a military technician before the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998 under any of the authorities specified in subsection (d); and

''(2) as of the date of the enactment of that Act is not a member of the Selected Reserve or after such date ceases to be a member of the Selected Reserve.

''(b) FISCAL YEAR 1998 LIMITATION.—As of September 30 1998, the number of civilian employees of a military department who are non-dual status military technicians may not exceed the following:

''(1) For the Army Reserve, 1,200.

''(2) For the Army National Guard of the United States, 2,260.

''(3) For the Air Force Reserve, 0.

''(4) For the Air National Guard of the United States, 395.

''(c) REDUCTIONS FOR FUTURE YEARS.—For each of the 10 fiscal years beginning with fiscal year 1999, the Secretary of the military department concerned shall reduce the number of non-dual status military technicians under the jurisdiction of that Secretary, as of the end of that fiscal year, from the authorized number for the preceding fiscal year by not less—

''(1) 120, for the Army Reserve;

''(2) 226, for the Army National Guard of the United States; and

''(3) 39, for the Air National Guard of the United States.

''(d) EMPLOYMENT AUTHORITIES.—The authorities referred to in subsection (a) are the following:

''(1) Section 10216 of this title.

''(2) Section 709 of title 32.

''(3) The requirements referred to in section 8401 of title 5.

''(4) Section 8016 of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 654), and any comparable provision provided on an annual basis in the Department of Defense Appropriations Acts for fiscal years 1984 through 1995.

''(5) Any memorandum of agreement between the Department of Defense and the Office of Personnel Management providing for the hiring of military technicians.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''10217. Non-dual status military technicians.''.

(b) PLAN FOR NON-DUAL STATUS TECHNICIANS.—Not later than March 31, 1998, the Secretary of Defense shall submit to Congress a report setting forth recommendations of the Secretary (including proposals for such legislative changes as may be necessary to implement the recommendations of the Secretary) for eliminating non-dual status military technician positions. In developing the plan, the Secretary shall consider (among other alternatives) the feasibility and cost of each of the following:

(1) Elimination or consolidation of functions and positions.

(2) Contracting for performance by contractor personnel of functions currently performed by personnel in those positions.

(3) Conversion of those technicians and positions, in the case of technicians of the Army National Guard of the United States or the Air National Guard of the United States, to State employment and positions or competitive service employment positions under title 5, United States Code.

(4) Conversion of those technicians or positions to employment and positions in the competitive service under title 5, United States Code, in the case of technicians of the Army Reserve.

(5) Use of incentives to facilitate the reductions required under subsection (c) of section 10217 of title 10, United States Code, as added by subsection (a).

Subtitle D—Measures To Improve Recruit Quality and Reduce Recruit Attrition

SEC. 531. REFORM OF MILITARY RECRUITING SYSTEMS.

(a) IN GENERAL.—The Secretary of Defense shall carry out reforms in the recruiting systems of the Army, Navy, Air Force, and Marine Corps in order to improve the quality of new recruits and to reduce attrition among recruits.

(b) SPECIFIC REFORMS.—As part of the reforms in military recruiting systems to be undertaken under subsection (a), the Secretary shall take the following steps:

(1) Improve the system of separation codes used for recruits who are separated during recruit training by (A) revising and updating those codes to allow more accurate and useful data collection about those separations, and (B) prescribing regulations to ensure that those codes are interpreted in a uniform manner by the military services.

(2) Develop a reliable database for (A) analyzing service-wide data on reasons for attrition of new recruits, and (B) undertaking service-wide measures to control and manage such attrition.

(3) Require that the Secretary of each military department (A) adopt or strengthen incentives for recruiters to thoroughly prescreen potential candidates for recruitment, and (B) link incentives for recruiters, in part, to the ability of a recruiter to screen out unqualified candidates before enlistment.

(4) Require that the Secretary of each military department include as a measurement of recruiter performance the percentage of persons enlisted by a recruiter who complete initial combat training or basic training.

(5) Assess trends in the number and use of waivers over the 1991–1997 period that were issued to permit applicants to enlist with medical or other conditions that would otherwise be disqualifying.

(6) Require the Secretary of each military department to implement policies and procedures (A) to ensure the prompt separation of recruits who are unable to successfully complete basic training, and (B) to remove those recruits from the training environment while separation proceedings are pending.

(c) REPORT.—The Secretary shall submit to Congress a report of the trends assessed under subsection (b)(5). The information on those trends provided in the report shall be shown by armed force and by category of waiver. The report shall include recommendations of the Secretary for changing, revising, or limiting the use of waivers referred to in that subsection and shall be submitted not later than March 31, 1998.

SEC. 532. IMPROVEMENTS IN MEDICAL PRESCREENING OF APPLICANTS FOR MILITARY SERVICE.

(a) IN GENERAL.—The Secretary of Defense shall improve the medical prescreening of applicants for entrance into the Army, Navy, Air Force, or Marine Corps.

(b) SPECIFIC STEPS.—As part of those improvements, the Secretary shall take the following steps:

(1) Require that each applicant for service in the Army, Navy, Air Force, or Marine Corps (A) provide to the Secretary the name of the applicant's medical insurer and the names of past medical providers, and (B) sign a release allowing the Secretary to request and obtain medical records of the applicant.

(2) Require that the forms and procedures for medical prescreening of applicants that are used

by recruiters and by Military Entrance Processing Commands be revised so as to ensure that medical questions are specific, unambiguous, and tied directly to the types of medical separations most common for recruits during basic training and follow-on training.

(3) Add medical screening tests to the examinations of recruits carried out by Military Entrance Processing Station, provide more thorough medical examinations to selected groups of applicants, or both, to the extent that the Secretary determines that to do so could be cost effective in reducing attrition at basic training.

(4) Assign the responsibility for evaluating medical conditions of a recruit that are missed during accession processing to an agency or contractor other than the Military Entrance Processing Command which carried out the accession processing of that recruit (such command being the organization responsible for accession medical exams).

(5) Require that the Secretary of each military department test an applicant for entrance into the Armed Forces for use of illegal drugs at the Military Entrance Processing Station which carries out the accession processing of that recruit (in addition to any subsequent drug testing that may be required).

SEC. 533. IMPROVEMENTS IN PHYSICAL FITNESS OF RECRUITS.

(a) IN GENERAL.—The Secretary of Defense shall take steps to improve the physical fitness of recruits before they enter basic training.

(b) SPECIFIC STEPS.—As part of those improvements, the Secretary shall take the following steps:

(1) Direct the Secretary of each military department to implement programs under which new recruits who are in the Delayed Entry Program are encouraged to participate in physical fitness activities before reporting to basic training.

(2) Develop a range of incentives for new recruits to participate in physical fitness programs, as well as for those recruits who improve their level of fitness while in the Delayed Entry Program, which may include the use of monetary or other incentives, access to Department of Defense military fitness facilities, and access to military medical facilities in the case of a recruit who is injured while participating in physical activities with recruiters or other military personnel.

(3) Evaluate whether partnerships between recruiters and reserve components, or other innovative arrangements, could provide a pool of qualified personnel to assist in the conduct of physical training programs for new recruits in the Delayed Entry Program.

Subtitle E—Military Education and Training

SEC. 541. INDEPENDENT PANEL TO REVIEW MILITARY BASIC TRAINING.

(a) ESTABLISHMENT.—There is hereby established a panel to review the basic training programs of the Army, Navy, Air Force, and Marine Corps and to make recommendations on improvements to those programs.

(b) COMPOSITION.—(1) The panel shall be composed of seven members, appointed as follows:

(A) Three members shall be appointed jointly by the chairman and ranking minority party member of the Committee on National Security of the House of Representatives.

(B) Three members shall be appointed jointly by the chairman and ranking minority party member of the Committee on Armed Services of the Senate.

(C) One member shall be appointed by the Secretary of Defense.

(2) The members of the panel shall choose one of the members to chair the panel.

(c) QUALIFICATIONS.—Members of the panel shall be appointed from among private United States citizens with knowledge and expertise in one or more of the following:

(1) Training of military personnel.

(2) Social and cultural matters affecting entrance into the Armed Forces and affecting military service, military training, and military readiness, such knowledge and expertise to have been gained through recognized research, policy making and practical experience, as demonstrated by retired military personnel, representatives from educational organizations, and leaders from civilian industry and other Government agencies.

(3) Factors that define appropriate military job qualifications, including physical, mental, and educational factors.

(4) Combat or other theater of war operations.

(d) PANEL FUNCTIONS RELATING TO BASIC TRAINING PROGRAMS GENERALLY.—The panel shall review the course objectives, structure, and length of the basic training programs of the Army, Navy, Air Force, and Marine Corps. As part of that review, the panel shall (with respect to each of those services) take the following measures:

(1) Determine the current end-state objectives established for graduates of basic training, particularly in regard to—

(A) physical conditioning;

(B) technical and physical skills proficiency;

(C) knowledge;

(D) military socialization, including the inculcation of service values and attitudes; and

(E) basic combat operational requirements.

(2) Assess whether those current end-state objectives, and basic training itself, should be modified (in structure, length, focus, program of instruction, training methods or otherwise) based, in part, on the following:

(A) An assessment of the perspectives of operational units on the quality and qualifications of the initial entry training graduates being assigned to those units, considering in particular whether the basic training system produces graduates who arrive in operational units with an appropriate level of skills, physical conditioning, and degree of military socialization to meet unit requirements and needs.

(B) An assessment of the demographics, backgrounds, attitudes, experience, and physical fitness of new recruits entering basic training, considering in particular the question of whether, given the entry level demographics, education, and background of new recruits, the basic training systems and objectives are most efficiently and effectively structured and conducted to produce graduates who meet service needs.

(C) An assessment of the perspectives of personnel who conduct basic training with regard to measures required to improve basic training.

(e) PANEL FUNCTIONS RELATING TO GENDER-INTEGRATED AND GENDER-SEGREGATED BASIC TRAINING.—The panel shall review the basic training policies of each of the Army, Navy, Air Force, and Marine Corps with regard to gender-integrated and gender-segregated basic training. As part of that review, the panel shall (with respect to each of those services) take the following measures:

(1) Determine the historical rationales for the establishment and disestablishment of gender-integrated or gender-segregated basic training.

(2) Examine the current rationales for the use of gender-integrated or gender-segregated basic training and, as part of such examination, evaluate whether at the time any of the services made a decision to integrate, or to segregate, basic training by gender, the Secretary of the military department concerned had substantive reason to believe, or has since developed data to support, any of the following:

(A) That gender-integrated basic training, or gender-segregated basic training, improves the readiness or performance of operational units

(B) That the entry level of new recruits with regard to physical condition, attitudes, and values is so different from that required and expected in the military services in general, and in operational units in particular, that an intense period of focused training is required, free from the additional challenges of training males and females together.

(C) That a significant percentage of women entering basic training experienced sexual abuse or assault before entering military service and that gender-segregated basic training (with same-sex drill instructors) provides the best opportunity for such women to have positive military female role models as mentors and to enter gender-integrated operational forces from a position of confidence, strength, and knowledge.

(3) Assess whether the concept of ''training as you will fight'' is a valid rationale for gender-integrated basic training or whether the training requirements and objectives for basic training are sufficiently different from those of operational unit so that such concept, when balanced against other factors relating to basic training, might not be a sufficient rationale for gender-integrated basic training.

(4) Assess the degree to which different standards have been established, or if not established are in fact being implemented, for males and females in basic training for matters such as physical fitness, physical performance (such as confidence and obstacle courses), military skills (such as marksmanship and hand-grenade qualifications), and nonphysical tasks required of individuals and, to the degree that differing standards exist or are in fact being implemented, assess the effect of the use of those differing standards.

(5) Assess the degree to which performance standards in basic training are based on military readiness.

(6) Review Department of Defense and military department efforts to objectively measure or evaluate the effectiveness of gender-integrated basic training, as compared to gender-segregated basic training, particularly with regard to the adequacy and scope of the efforts and with regard to the relevancy of findings to operational unit requirements.

(7) Compare the pattern of attrition in gender-integrated basic training units with the pattern of attrition in gender-segregated basic training units and assess the relevancy of the findings of such comparison.

(8) Compare the level of readiness and morale of gender-integrated basic training units with the level of readiness and morale of gender-segregated units and assess the relevancy of the findings of such comparison.

(f) RECOMMENDATIONS.—The panel shall prepare—

(1) an evaluation of gender-integrated and gender-segregated basic training programs, based upon the review under subsection (e); and

(2) recommendations for such changes to the current system of basic training as the panel considers warranted.

(g) REPORTS.—(1) Not later than six months after the members of the panel are appointed, the panel shall submit an interim report on its findings and conclusions to the Secretary of Defense.

(2) Not later than one year after establishment of the panel, the panel shall submit a final report to the Secretary of Defense. The final report shall include recommendations for legislative and administrative changes to basic training programs to improve the readiness and performance of initial entry training graduates and to reduce attrition, both during training and in the first term of enlistment.

(h) SUBMISSION OF REPORTS TO CONGRESS.—Not later than one month after receipt of the panel's interim report and one month after receipt of the panel's final report, the Secretary of Defense shall submit the report to Congress together with the views of the Secretary regarding the report and the matter covered in the report.

(i) PAY AND EXPENSES OF MEMBERS.—(1) Each member of the panel who is not an employee of the Government shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the panel.

(2) The members of the panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel.

(j) ADMINISTRATIVE SUPPORT.—(1) Upon the request of the chairman of the panel, the Secretary of Defense may detail to the panel, on a nonreimbursable basis, personnel of the Department of Defense to assist the panel in carrying out its duties.

(2) The Secretary of Defense shall furnish to the panel such administrative and support services as may be requested by the chairman of the panel.

(k) FUNDING.—The Secretary of Defense shall, upon the request of the panel, make available to the panel such amounts as the panel may require to carry out its duties under this title.

(l) TERMINATION OF THE PANEL.—The panel shall terminate 60 days after the date on which it submits its final report under subsection (g).

(m) SUBSEQUENT CONSIDERATION BY CONGRESS.—After submission of the final report of the panel to Congress, the Congress shall, based upon the results of the study (and such other matters as Congress considers appropriate), consider whether to require by law that the Secretaries of the military departments conduct basic training on a gender-segregated basis.

SEC. 542. REFORM OF ARMY DRILL SERGEANT SELECTION AND TRAINING PROCESS.

(a) IN GENERAL.—The Secretary of the Army shall reform the process for selection and training of drill sergeants for the Army.

(b) MEASURES TO BE TAKEN.—As part of such reform, the Secretary shall undertake the following measures (unless, in the case of any such measure, the Secretary determines that that measure would not result in improved effectiveness and efficiency in the drill sergeant selection and training process):

(1) Review the overall process used by the Department of the Army for selection of drill sergeants to determine—

(A) if that process is providing drill sergeant candidates in sufficient quantity and quality to meet the needs of the training system; and

(B) whether duty as a drill sergeant is a career-enhancing assignment (or is seen by potential drill sergeant candidates as a career-enhancing assignment) and what steps could be taken to ensure that such duty is in fact a career-enhancing assignment.

(2) Incorporate into the selection process for all drill sergeants the views and recommendations of the officers and senior noncommissioned officers in the chain of command of each candidate for selection (particularly those of senior noncommissioned officers) regarding the candidate's suitability and qualifications to be a drill sergeant.

(3) Establish a requirement for psychological screening for each drill sergeant candidate.

(4) Reform the psychological screening process for drill sergeant candidates to improve the quality, depth, and rigor of that screening process.

(5) Revise the evaluation system for drill sergeants in training to provide for a so-called ''whole person'' assessment that gives insight into the qualifications and suitability of a drill sergeant candidate beyond the candidate's ability to accomplish required performance tasks.

(6) Revise the Army military personnel records system so that, under specified conditions and circumstances, a drill sergeant trainee who fails to complete the training to be a drill sergeant and is denied graduation will not have the fact of that failure recorded in those records. The conditions and circumstances under which the authority provided in the preceding sentence may be shall be prescribed by the Secretary in regulations.

(7) Provide each drill sergeant in training with the opportunity, before or during that training, to work with new recruits in initial entry training and to be evaluated on that opportunity.

(c) REPORT.—Not later than March 31, 1998, the Secretary shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report of the reforms adopted pursuant to this section or, in the case of any measure specified in any of paragraphs (1) through (7) of subsection (b) that was not adopted, the rationale why that measure was not adopted.

SEC. 543. REQUIREMENT FOR CANDIDATES FOR ADMISSION TO UNITED STATES NAVAL ACADEMY TO TAKE OATH OF ALLEGIANCE.

(a) REQUIREMENT.—Section 6958 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(d) To be admitted to the Naval Academy, an appointee must take and subscribe to an oath prescribed by the Secretary of the Navy. If a candidate for admission refuses to take and subscribe to the prescribed oath, the candidate's appointment is terminated.''.

(b) EXCEPTION FOR MIDSHIPMEN FROM FOREIGN COUNTRIES.—Section 6957 of such title is amended by adding at the end the following new subsection:

''(d) A person receiving instruction under this section is not subject to section 6958(d) of this title.''.

SEC. 544. REIMBURSEMENT OF EXPENSES INCURRED FOR INSTRUCTION AT SERVICE ACADEMIES OF PERSONS FROM FOREIGN COUNTRIES.

(a) UNITED STATES MILITARY ACADEMY.—Section 4344(b) of title 10, United States Code, is amended—

(1) in paragraph (2), by striking out the period at the end and inserting in lieu thereof the following: '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a cadet appointed from the United States.''; and

(2) by adding at the end the following new paragraph:

''(3) The amount of reimbursement waived under paragraph (2) may not exceed 25 percent of the per-person reimbursement amount otherwise required to be paid by a foreign country under such paragraph, except in the case of not more than five persons receiving instruction at the Academy under this section at any one time.''.

(b) NAVAL ACADEMY.—Section 6957(b) of such title is amended—

(1) in paragraph (2), by striking out the period at the end and inserting in lieu thereof the following: '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a midshipman appointed from the United States.''; and

(2) by adding at the end the following new paragraph:

''(3) The amount of reimbursement waived under paragraph (2) may not exceed 25 percent of the per-person reimbursement amount otherwise required to be paid by a foreign country under such paragraph, except in the case of not more than five persons receiving instruction at the Naval Academy under this section at any one time.''.

(c) AIR FORCE ACADEMY.—Section 9344(b) of such title is amended—

(1) in paragraph (2), by striking out the period at the end and inserting in lieu thereof the following: '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a cadet appointed from the United States.''; and

(2) by adding at the end the following new paragraph:

''(3) The amount of reimbursement waived under paragraph (2) may not exceed 25 percent of the per-person reimbursement amount otherwise required to be paid by a foreign country under such paragraph, except in the case of not more than five persons receiving instruction at the Academy under this section at any one time.''.

SEC. 545. UNITED STATES NAVAL POSTGRADUATE SCHOOL.

(a) AUTHORITY TO ADMIT ENLISTED MEMBERS AS STUDENTS.—Section 7045 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting ''(1)'' after ''(a)''; and

(B) by adding at the end the following new paragraph:

''(2) The Secretary may permit an enlisted member of the armed forces who is assigned to the Naval Postgraduate School or to a nearby command to receive instruction at the Naval Postgraduate School. Admission of enlisted members for instruction under this paragraph shall be on a space-available basis.'';

(2) in subsection (b)—

(A) by striking out ''the students'' and inserting in lieu thereof ''officers''; and

(B) by adding at the end the following new sentence: ''In the case of an enlisted member permitted to receive instruction at the Postgraduate School, the Secretary of the Navy shall charge that member only for such costs and fees as the Secretary considers appropriate (taking into consideration the admission of enlisted members on a space-available basis).''; and

(3) in subsection (c)—

(A) by striking out ''officers'' both places it appears and inserting in lieu thereof ''members''; and

(B) by striking out ''the same regulations'' and inserting in lieu thereof ''regulations, as determined appropriate by the Secretary of the Navy,''.

(b) EXPANSION OF AUTHORITY TO ADMIT CIVILIANS AS STUDENTS.—Section 7047 of such title is amended to read as follows:

''§7047. Civilian students at institutions of higher education: admission

''(a) ADMISSION ON TUITION-FREE, EXCHANGE BASIS.—(1) The Secretary of the Navy may enter into an agreement with an accredited institution of higher education (or a consortium of such institutions) under which students described in subsection (c) who are enrolled at that institution (or an institution in such consortium) are permitted to receive instruction at the Naval Postgraduate School on a space-available, tuition-free basis in exchange for which the institution of higher education (or each institution in the consortium) agrees to enroll, on a tuition-free basis, officers of the armed forces or other persons properly admitted for instruction at the Naval Postgraduate School.

''(2) Exchange of students under paragraph (1) need not be on a one-for-one basis.

''(3) An exchange under such an agreement shall be on the basis of in-kind reimbursement, with the total value of the instruction provided during a year by the Naval Postgraduate School to civilian students from the institutions that are parties to the agreement being at least as great as the value of instruction provided by those institutions to students from the Naval Postgraduate School.

''(4) In determining the value of the in-kind reimbursement for the instruction provided by the Naval Postgraduate School, the Secretary shall use the same amount charged by the Secretary for the provision of the same instruction to a Federal employee who is not a Department of Defense employee.

''(5) The authority of the Secretary to accept an offer of in-kind reimbursement under this subsection may not be delegated below the level of Assistant Secretary of the Navy.

''(b) ADMISSION ON COST-REIMBURSABLE BASIS.—(1) The Secretary of the Navy may permit a student described in subsection (c) who is enrolled at an accredited institution of higher

education that is a party to an agreement under subsection (a) to receive instruction at the Naval Postgraduate School on a cost-reimbursable, space-available basis.

''(2) The Secretary shall ensure that the value of any reimbursement received under this subsection in the case of any such student is not less than the amount charged by the Secretary for the provision of the same instruction to a Federal employee who is not a Department of Defense employee.

''(c) ELIGIBLE STUDENTS.—A student enrolled at an accredited institution of higher education that is party to an agreement under subsection (a) may be admitted to the Naval Postgraduate School under subsection (a) or (b) if the student—

''(1) is a citizen of the United States or is lawfully admitted for permanent residence in the United States;

''(2) has a demonstrated ability, as determined by the Secretary of the Navy, in a field of study designated by the Secretary as related to naval warfare, armed conflict, or national security; and

''(3) meets the academic requirements for the course or courses for which the student seeks admission to the Naval Postgraduate School.

''(d) STANDARDS OF CONDUCT.—Except as the Secretary of the Navy otherwise determines necessary, a person receiving instruction under this section is subject to the same regulations governing attendance, discipline, dismissal, and standards of study as apply to students who are officers of the naval service.

''(e) RETENTION OF FUNDS RECEIVED.—Amounts received under subsection (b) to reimburse the Naval Postgraduate School for the costs of providing instruction to students permitted to attend the Naval Postgraduate School under this section shall be credited to the current appropriation supporting the operation and maintenance of the Naval Postgraduate School.''.

(c) CLERICAL AMENDMENTS.—(1) The heading of section 7045 of such title is amended to read as follows:

''§ 7045. Officers of the other armed forces; enlisted members: admission''.

(2) The table of sections at the beginning of chapter 605 of such title is amended—

(A) by striking out the item relating to section 7045 and inserting in lieu thereof the following:

''7045. Officers of the other armed forces; enlisted members: admission.'';

and

(B) by striking out the item relating to section 7047 and inserting in lieu thereof the following:

''7047. Civilian students at institutions of higher education: admission.''.

(d) AMENDMENT TO REFLECT REVISED CIVIL SERVICE GRADE STRUCTURE.—Section 7043(b) of such title is amended by striking out ''grade GS–18 of the General Schedule under section 5332 of title 5'' and inserting in lieu thereof ''level IV of the Executive Schedule''.

SEC. 546. AIR FORCE ACADEMY CADET FOREIGN EXCHANGE PROGRAM.

(a) EXCHANGE PROGRAM AUTHORIZED.—Chapter 903 of title 10, United States Code, is amended by inserting after section 9344 the following new section:

''§ 9345. Exchange program with foreign military academies

''(a) EXCHANGE PROGRAM AUTHORIZED.—The Secretary of the Air Force may permit a student enrolled at a military academy of a foreign country to receive instruction at the Air Force Academy in exchange for an Air Force cadet receiving instruction at that foreign military academy pursuant to an exchange agreement entered into between the Secretary and appropriate officials of the foreign country. Students receiving instruction at the Academy under the exchange program shall be in addition to persons receiving instruction at the Academy under section 9344 of this title.

''(b) LIMITATIONS ON NUMBER AND DURATION OF EXCHANGES.—An exchange agreement under this section between the Secretary and a foreign country shall provide for the exchange of students on a one-for-one basis each fiscal year. Not more than 10 Air Force cadets and a comparable number of students from all foreign military academies participating in the exchange program may be exchanged during any fiscal year. The duration of an exchange may not exceed the equivalent of one academic semester at the Air Force Academy.

''(c) COSTS AND EXPENSES.—(1) A student from a military academy of a foreign country is not entitled to the pay, allowances, and emoluments of an Air Force cadet by reason of attendance at the Air Force Academy under the exchange program, and the Department of Defense may not incur any cost of international travel required for transportation of such a student to and from the sponsoring foreign country.

''(2) The Secretary may provide a student from a foreign country under the exchange program, during the period of the exchange, with subsistence, transportation within the continental United States, clothing, health care, and other services to the same extent that the foreign country provides comparable support and services to the exchanged Air Force cadet in that foreign country.

''(3) The Air Force Academy shall bear all costs of the exchange program from funds appropriated for the Academy. Expenditures in support of the exchange program may not exceed $50,000 during any fiscal year.

''(d) APPLICATION OF OTHER LAWS.—Subsections (c) and (d) of section 9344 of this title shall apply with respect to a student enrolled at a military academy of a foreign country while attending the Air Force Academy under the exchange program.

''(e) REGULATIONS.—The Secretary shall prescribe regulations to implement this section. Such regulations may include qualification criteria and methods of selection for students of foreign military academies to participate in the exchange program.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 9344 the following new item:

''9345. Exchange program with foreign military academies.''.

(c) REPEAL OF OBSOLETE LIMITATION.—Section 9353(a) of such title is amended by striking out ''After the date of the accrediting of the Academy, the'' and inserting in lieu thereof ''The''.

SEC. 547. TRAINING IN HUMAN RELATIONS MATTERS FOR ARMY DRILL SERGEANT TRAINEES.

(a) HUMAN RELATIONS TRAINING REQUIRED.—The Secretary of the Army shall include as part of the training program for drill sergeants a course in human relations. The course shall be a minimum of two days in duration.

(b) RESOURCES.—In developing a human relations course under this section, the Secretary shall use the capabilities and expertise of the Defense Equal Opportunity Management Institute (DEOMI).

(c) EFFECTIVE DATE.—This section shall apply with respect drill sergeant trainee classes that begin after the end of the 90–day period beginning on the date of the enactment of this Act.

SEC. 548. STUDY OF FEASIBILITY OF GENDER-SEGREGATED BASIC TRAINING.

Not later than 180 days after the date of the enactment of this Act, the Secretary of each military department shall submit to Congress a report on gender-segregated basic training. Each report shall give the views of the Secretary—

(1) on the feasibility and implications of conducting basic training (or equivalent training) at the company level and below through separate units for male and female recruits, including the costs and other resource commitments required to implement and conduct basic training in such a manner and the implications for readiness and unit cohesion; and

(2) assuming that basic training were to be conducted as described in paragraph (1), on the feasibility and implications of requiring drill instructors for basic training units to be of the same sex as the recruits in those units.

Subtitle F—Military Decorations and Awards

SEC. 551. STUDY OF NEW DECORATIONS FOR INJURY OR DEATH IN LINE OF DUTY.

(a) DETERMINATION OF CRITERIA FOR NEW DECORATION.—(1) The Secretary of Defense shall determine the appropriate name, policy, award criteria, and design for two possible new decorations.

(2) The first such decoration would, if implemented, be awarded to members of the Armed Forces who, while serving under competent authority in any capacity with the Armed Forces, are killed or injured in the line of duty as a result of noncombat circumstances occurring—

(A) as a result of an international terrorist attack against the United States or a foreign nation friendly to the United States;

(B) while engaged in, training for, or traveling to or from a peacetime or contingency operation; or

(C) while engaged in, training for, or traveling to or from service outside the territory of the United States as part of a peacekeeping force.

(3) The second such decoration would, if implemented, be awarded to civilian nationals of the United States who, while serving under competent authority in any capacity with the Armed Forces, are killed or injured in the line of duty under circumstances which, if they were members of the Armed Forces, would qualify them for award of the Purple Heart or the medal described in paragraph (2).

(b) LIMITATION ON IMPLEMENTATION.—Any such decoration may only be implemented as provided by a law enacted after the date of the enactment of this Act.

(c) RECOMMENDATION TO CONGRESS.—Not later than July 31, 1998, the Secretary shall submit to Congress a legislative proposal that would, if enacted, establish the new decorations developed pursuant to subsection (a). The Secretary shall include with that proposal the Secretary's recommendation concerning the need for, and propriety of, each of the decorations.

(d) COORDINATION.—The Secretary shall carry out this section in coordination with the Secretaries of the military departments and the Secretary of Transportation with regard to the Coast Guard.

SEC. 552. PURPLE HEART TO BE AWARDED ONLY TO MEMBERS OF THE ARMED FORCES.

(a) IN GENERAL.—(1) Chapter 57 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1131. Purple Heart: limitation to members of the armed forces

''The decoration known as the Purple Heart (authorized to be awarded pursuant to Executive Order 11016) may only be awarded to a person who is a member of the armed forces at the time the person is killed or wounded under circumstances otherwise qualifying that person for award of the Purple Heart.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''1131. Purple Heart: limitation to members of the armed forces.''.

(b) EFFECTIVE DATE.—Section 1131 of title 10, United States Code, as added by subsection (a), shall apply with respect to persons who are killed or wounded after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 553. ELIGIBILITY FOR ARMED FORCES EXPEDITIONARY MEDAL FOR PARTICIPATION IN OPERATION JOINT ENDEAVOR OR OPERATION JOINT GUARD.

(a) INCLUSION OF OPERATIONS.—For the purpose of determining the eligibility of members

and former members of the Armed Forces for the Armed Forces Expeditionary Medal, the Secretary of Defense shall designate participation in Operation Joint Endeavor or Operation Joint Guard in the Republic of Bosnia and Herzegovina, and in such other areas in the region as the Secretary considers appropriate, as service in an area that meets the general requirements for the award of that medal.

(b) INDIVIDUAL DETERMINATION.—The Secretary of the military department concerned shall determine whether individual members or former members of the Armed Forces who participated in Operation Joint Endeavor or Operation Joint Guard meet the individual service requirements for award of the Armed Forces Expeditionary Medal as established in applicable regulations. A member or former member shall be considered to have participated in Operation Joint Endeavor or Operation Joint Guard if the member—

(1) was deployed in the Republic of Bosnia and Herzegovina, or in such other area in the region as the Secretary of Defense considers appropriate, in direct support of one or both of the operations;

(2) served on board a United States naval vessel operating in the Adriatic Sea in direct support of one or both of the operations; or

(3) operated in airspace above the Republic of Bosnia and Herzegovina, or in such other area in the region as the Secretary of Defense considers appropriate, while the operations were in effect.

(c) OPERATIONS DEFINED.—For purposes of this section:

(1) The term ''Operation Joint Endeavor'' means operations of the United States Armed Forces conducted in the Republic of Bosnia and Herzegovina during the period beginning on November 20, 1995, and ending on December 20, 1996, to assist in implementing the General Framework Agreement and Associated Annexes, initialed on November 21, 1995, in Dayton, Ohio.

(2) The term ''Operation Joint Guard'' means operations of the United States Armed Forces conducted in the Republic of Bosnia and Herzegovina as a successor to Operation Joint Endeavor during the period beginning on December 20, 1996, and ending on such date as the Secretary of Defense may designate.

SEC. 554. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO SPECIFIED PERSONS.

(a) WAIVER OF TIME LIMITATION.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply in the case of awards of decorations described in subsections (b), (c), and (d), the award of each such decoration having been determined by the Secretary of the military department concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) SILVER STAR MEDAL.—Subsection (a) applies to the award of the Silver Star Medal as follows:

(1) To Joseph M. Moll, Jr. of Milford, New Jersey, for service during World War II.

(2) To Philip Yolinsky of Hollywood, Florida, for service during the Korean Conflict.

(c) NAVY AND MARINE CORPS MEDAL.—Subsection (a) applies to the award of the Navy and Marine Corps Medal to Gary A. Gruenwald of Damascus, Maryland, for service in Tunisia in October 1977.

(d) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to awards of the Distinguished Flying Cross for service during World War II or Korea (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate, before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

Subtitle G—Other Matters

SEC. 561. SUSPENSION OF TEMPORARY EARLY RETIREMENT AUTHORITY.

Notwithstanding subsection (i) of section 4403 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 1293 note), the Secretary of a military department may not use the authority provided under such section to retire a member of the Armed Forces during fiscal year 1998.

SEC. 562. TREATMENT OF EDUCATIONAL ACCOMPLISHMENTS OF NATIONAL GUARD CHALLENGE PROGRAM PARTICIPANTS.

Section 509 of title 32, United States Code, as added by section 1057, is amended by adding at the end of subsection (f) the following new paragraph:

''(3) In the case of a person who is selected for training in a State program conducted under the National Guard Challenge Program and who obtains a general education diploma in connection with such training, the general education diploma shall be treated as equivalent to a high school diploma for purposes of determining the eligibility of the person for enlistment in the armed forces.''.

SEC. 563. AUTHORITY FOR PERSONNEL TO PARTICIPATE IN MANAGEMENT OF CERTAIN NON-FEDERAL ENTITIES.

(a) MILITARY PERSONNEL.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1032 the following new section:

''§ 1033. Participation in management of specified non-Federal entities: authorized activities

''(a) AUTHORIZATION.—The Secretary concerned may authorize a member of the armed forces under the Secretary's jurisdiction, as part of that member's official duties, to serve without compensation as a director, officer, or trustee, or to otherwise participate, in the management of an entity designated under subsection (b). Any such authorization shall be made on a case-by-case basis, for a particular member to participate in a specific capacity with a specific designated entity. Such authorization may be made only for the purpose of providing oversight and advice to, and coordination with, the designated entity, and participation of the member in the activities of the designated entity may not extend to participation in the day-to-day operations of the entity.

''(b) DESIGNATED ENTITIES.—(1) The Secretary of Defense, and the Secretary of Transportation in the case of the Coast Guard when it is not operating as a service in the Navy, shall designate those entities for which authorization under subsection (a) may be provided. The list of entities so designated may not be revised more frequently than semiannually. In making such designations, the Secretary shall designate each military welfare society and may designate any other entity described in paragraph (3). No other entities may be designated.

''(2) In this section, the term 'military welfare society' means the following:

''(A) Army Emergency Relief.

''(B) Air Force Aid Society, Inc.

''(C) Navy-Marine Corps Relief Society.

''(D) Coast Guard Mutual Assistance.

''(3) An entity described in this paragraph is an entity that—

''(A) regulates and supports the athletic programs of the service academies (including athletic conferences);

''(B) regulates international athletic competitions;

''(C) accredits service academies and other schools of the armed forces (including regional accrediting agencies); or

''(D)(i) regulates the performance, standards, and policies of military health care (including health care associations and professional societies), and (ii) has designated the position or capacity in that entity in which a member of the armed forces may serve if authorized under subsection (a).

''(c) PUBLICATION OF DESIGNATED ENTITIES AND OF AUTHORIZED PERSONS.—A designation of an entity under subsection (b), and an authorization under subsection (a) of a member of the armed forces to participate in the management of such an entity, shall be published in the Federal Register.

''(d) REGULATIONS.—The Secretary of Defense, and the Secretary of Transportation in the case of the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1032 the following new item:

''1033. Participation in management of specified non-Federal entities: authorized activities.''.

(b) CIVILIAN PERSONNEL.—(1) Chapter 81 of such title is amended by inserting after section 1588 the following new section:

''§ 1589. Participation in management of specified non-Federal entities: authorized activities

''(a) AUTHORIZATION.—(1) The Secretary concerned may authorize an employee described in paragraph (2), as part of that employee's official duties, to serve without compensation as a director, officer, or trustee, or to otherwise participate, in the management of an entity designated under subsection (b). Any such authorization shall be made on a case-by-case basis, for a particular employee to participate in a specific capacity with a specific designated entity. Such authorization may be made only for the purpose of providing oversight and advice to, and coordination with, the designated entity, and participation of the employee in the activities of the designated entity may not extend to participation in the day-to-day operations of the entity.

''(2) Paragraph (1) applies to any employee of the Department of Defense or, in the case of the Coast Guard when not operating as a service in the Navy, of the Department of Transportation. For purposes of this section, the term 'employee' includes a civilian officer.

''(b) DESIGNATED ENTITIES.—(1) The Secretary of Defense, and the Secretary of Transportation in the case of the Coast Guard when it is not operating as a service in the Navy, shall designate those entities for which authorization under subsection (a) may be provided. The list of entities so designated may not be revised more frequently than semiannually. In making such designations, the Secretary shall designate each military welfare society and may designate any other entity described in paragraph (3). No other entities may be designated.

''(2) In this section, the term 'military welfare society' means the following:

''(A) Army Emergency Relief.

''(B) Air Force Aid Society, Inc.

''(C) Navy-Marine Corps Relief Society.

''(D) Coast Guard Mutual Assistance.

''(3) An entity described in this paragraph is an entity that—

''(A) regulates and supports the athletic programs of the service academies (including athletic conferences);

''(B) regulates international athletic competitions;

''(C) accredits service academies and other schools of the armed forces (including regional accrediting agencies); or

''(D)(i) regulates the performance, standards, and policies of military health care (including health care associations and professional societies), and (ii) has designated the position or capacity in that entity in which a Federal employee described in subsection (a)(2) may serve if authorized under subsection (a).

''(c) PUBLICATION OF DESIGNATED ENTITIES AND OF AUTHORIZED PERSONS.—A designation of an entity under subsection (b), and an authorization under subsection (a) of an employee to participate in the management of such an entity, shall be published in the Federal Register.

''(d) CIVILIANS OUTSIDE THE MILITARY DEPARTMENTS.—In this section, the term 'Secretary concerned' includes the Secretary of Defense with respect to employees of the Department of Defense who are not employees of a military department.

''(e) REGULATIONS.—The Secretary of Defense, and the Secretary of Transportation in the case of the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1588 the following new item:

''1589. Participation in management of specified non-Federal entities: authorized activities.''.

SEC. 564. CREW REQUIREMENTS OF WC–130J AIRCRAFT.

(a) STUDY.—The Secretary of the Air Force shall conduct a study of the crew requirements for WC–130J aircraft engaged in the aerial weather reconnaissance mission involving the eyewall penetration of tropical cyclones. The study shall involve the operation of WC–130J aircraft in weather reconnaissance missions configured to carry five crewmembers, including a navigator. The study shall include the participation of members of the Armed Forces assigned to units currently engaged in weather reconnaissance operations.

(b) REPORT.—The Secretary shall submit to Congress a report on the results of the study. The report shall include the views of members of the Armed Forces assigned to units currently engaged in weather reconnaissance operations who participated in the study.

(c) LIMITATION ON REVISION TO PERSONNEL REQUIREMENTS.—The Secretary of the Air Force may not reduce the personnel requirement levels of units that, as of the date of the enactment of this Act, are engaged in weather reconnaissance operations involving the eyewall penetration of tropical cyclones, including requirements for navigators, below the requirements established for those units as of October 1, 1997, until the end of the six-month period beginning on the date on which the report required under subsection (b) is submitted to Congress.

SEC. 565. COMPTROLLER GENERAL STUDY OF DEPARTMENT OF DEFENSE CIVIL MILITARY PROGRAMS.

(a) STUDY REQUIRED.—The Comptroller General shall conduct a study to evaluate the following:

(1) The nature, extent, and cost to the Department of Defense of the support and services being provided by units and members of the Armed Forces to non-Department of Defense organizations and activities under the authority of section 2012 of title 10, United States Code.

(2) The degree to which the Armed Forces are in compliance with the requirements of such section in the provision of such support and services, especially the requirements that the assistance meet specific requirements relative to military training and that the assistance provided be incidental to military training.

(3) The degree to which the regulations and procedures for implementing such section, as required by subsection (f) of such section, are consistent with the requirements of such section.

(4) The effectiveness of the Secretary of Defense and the Secretaries of the military departments in conducting oversight of the implementation of such section, and the provision of such support and services under such section, to ensure compliance with the requirements of such section.

(b) SUBMISSION OF REPORT.—Not later than March 31, 1998, the Comptroller General shall submit to Congress a report containing the results of the study required by subsection (a).

SEC. 566. TREATMENT OF PARTICIPATION OF MEMBERS IN DEPARTMENT OF DEFENSE CIVIL MILITARY PROGRAMS.

Section 2012 of title 10, United States Code, is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f) the following new subsection:

''(g) TREATMENT OF MEMBER'S PARTICIPATION IN PROVISION OF SUPPORT OR SERVICES.—(1) The Secretary of a military department may not require or request a member of the armed forces to submit for consideration by a selection board (including a promotion board, command selection board, or any other kind of selection board) evidence of the member's participation in the provision of support and services to non-Department of Defense organizations and activities under this section or the member's involvement in, or support of, other community relations and public affairs activities of the armed forces. A selection board may not evaluate a member on the basis of the member's participation or involvement in, or support of, such support, services, or activities.

''(2) Paragraph (1) shall not apply with respect to the following members:

''(A) A member who is in a public affairs career field.

''(B) A member who is not in a public affairs career field, but who is serving, at the time the member is considered by a selection board, in a public affairs position specified in service authorization documents or who served in such a position within three years before being considered by a selection board.''.

SEC. 567. CONTINUATION OF SUPPORT TO SENIOR MILITARY COLLEGES.

(a) DEFINITION OF SENIOR MILITARY COLLEGES.—For purposes of this section, the term ''senior military colleges'' means the following:

(1) Texas A&M University.

(2) Norwich University.

(3) The Virginia Military Institute.

(4) The Citadel.

(5) Virginia Polytechnic Institute and State University.

(6) North Georgia College and State University.

(b) FINDINGS.—Congress finds the following:

(1) The senior military colleges consistently have provided substantial numbers of highly qualified, long-serving leaders to the Armed Forces.

(2) The quality of the military leaders produced by the senior military colleges is, in part, the result of the rigorous military environment imposed on students attending the senior military colleges by the colleges, as well as the result of the long-standing close support relationship between the Corps of Cadets at each college and the Reserve Officer Training Corps personnel at the colleges who serve as effective leadership role models and mentors.

(3) In recognition of the quality of the young leaders produced by the senior military colleges, the Department of Defense and the military services have traditionally maintained special relationships with the colleges, including the policy to grant active duty service in the Army to graduates of the colleges who desire such service and who are recommended for such service by their ROTC professors of military science.

(4) Each of the senior military colleges has demonstrated an ability to adapt its systems and operations to changing conditions in, and requirements of, the Armed Forces without compromising the quality of leaders produced and without interruption of the close relationship between the colleges and the Department of Defense.

(c) SENSE OF CONGRESS.—In light of the findings in subsection (b), it is the sense of Congress that—

(1) the proposed initiative of the Secretary of the Army to end the commitment to active duty service for all graduates of senior military colleges who desire such service and who are recommended for such service by their ROTC professors of military science is short-sighted and contrary to the long-term interests of the Army;

(2) as they have in the past, the senior military colleges can and will continue to accommodate to changing military requirements to ensure that future graduates entering military service continue to be officers of superb quality who are quickly assimilated by the Armed Forces and fully prepared to make significant contributions to the Armed Forces through extended military careers; and

(3) decisions of the Secretary of Defense or the Secretary of a military department that fundamentally and unilaterally change the long-standing relationship of the Armed Forces with the senior military colleges are not in the best interests of the Department of Defense or the Armed Forces and are patently unfair to students who made decisions to enroll in the senior military colleges on the basis of existing Department and Armed Forces policy.

(d) CONTINUATION OF SUPPORT FOR SENIOR MILITARY COLLEGES.—Section 2111a of title 10, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (g); and

(2) by inserting after subsection (c) the following new subsections:

''(d) ADDITIONAL SUPPORT.—(1) The Secretaries of the military departments shall ensure that each unit of the Senior Reserve Officers' Training Corps at a senior military college provides support to the Corps of Cadets at the college over and above the level of support associated with the conduct of the formal Senior Reserve Officers' Training Corps course of instruction.

''(2) This additional support shall include the following:

''(A) Mentoring, teaching, coaching, counseling and advising cadets and cadet leaders in the areas of leadership, military, and academic performance.

''(B) Involvement in cadet leadership training, development, and evaluation, as well as drill, ceremonies, parades, and inspections.

''(3) This additional support may include the following:

''(A) Advising cadet teams, clubs, and organizations.

''(B) Involvement in matters of discipline and administration of the Corps of Cadets so long as such involvement does not interfere with the conduct of the formal Senior Reserve Officers' Training Corps course of instruction or the support required by paragraph (2).

''(e) TERMINATION OR REDUCTION OF PROGRAM PROHIBITED.—The Secretary of Defense and the Secretaries of the military departments may not take or authorize any action to terminate or reduce a unit of the Senior Reserve Officers' Training Corps at a senior military college unless the termination or reduction is specifically requested by the college.

''(f) ASSIGNMENT TO ACTIVE DUTY.—(1) The Secretary of the Army shall ensure that a graduate of a senior military college who desires to serve as a commissioned officer on active duty upon graduation from the college, who is medically and physically qualified for active duty, and who is recommended for such duty by the professor of military science at the college, shall be assigned to active duty. This paragraph shall apply to a member of the program at a senior military college who graduates from the college after March 31, 1997.

''(2) Nothing in this section shall be construed to prohibit the Secretary of the Army from requiring a member of the program who graduates from a senior military college to serve on active duty.''.

(e) TECHNICAL CORRECTIONS.—Subsection (g) of such section, as redesignated by subsection (d)(1), is amended—

(1) in paragraph (2), by striking out ''College'' and inserting in lieu thereof ''University''; and

(2) in paragraph (6), by inserting before the period the following: ''and State University''.

(f) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

''§2111a. Support for senior military colleges''.

(2) The item relating to such section in the table of sections at the beginning of chapter 103 of title 10, United States Code, is amended to read as follows:

''2111a. Support for senior military colleges.''.

SEC. 568. RESTORATION OF MISSING PERSONS AUTHORITIES APPLICABLE TO DEPARTMENT OF DEFENSE AS IN EFFECT BEFORE ENACTMENT OF NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997.

(a) APPLICABILITY TO DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES AND CONTRACTOR EMPLOYEES.—(1) Section 1501 of title 10, United States Code, is amended—

(A) by striking out subsection (c) and inserting in lieu thereof the following:

''(c) COVERED PERSONS.—Section 1502 of this title applies in the case of the following persons:

''(1) Any member of the armed forces on active duty who becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for.

''(2) Any civilian employee of the Department of Defense, and any employee of a contractor of the Department of Defense, who serves with or accompanies the armed forces in the field under orders who becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for.'', and

(B) by adding at the end the following new subsection:

''(f) SECRETARY CONCERNED.—In this chapter, the term 'Secretary concerned' includes, in the case of a civilian employee of the Department of Defense or contractor of the Department of Defense, the Secretary of the military department or head of the element of the Department of Defense employing the employee or contracting with the contractor, as the case may be.''.

(2) Section 1503(c) of such title is amended—

(A) in paragraph (1), by striking out ''one military officer'' and inserting in lieu thereof ''one individual described in paragraph (2)'';

(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(C) by inserting after paragraph (1) the following new paragraph (2):

''(2) An individual referred to in paragraph (1) is the following:

''(A) A military officer, in the case of an inquiry with respect to a member of the armed forces.

''(B) A civilian, in the case of an inquiry with respect to a civilian employee of the Department of Defense or of a contractor of the Department of Defense.''.

(3) Section 1504(d) of such title is amended—

(A) in paragraph (1), by striking out ''who are and all the follows in that paragraph and inserting in lieu thereof ''as follows:

''(A) In the case of a board that will inquire into the whereabouts and status of one or more members of the armed forces (and no civilians described in subparagraph (B)), the board shall be composed of officers having the grade of major or lieutenant commander or above.

''(B) In the case of a board that will inquire into the whereabouts and status of one or more civilian employees of the Department of Defense or contractors of the Department of Defense (and no members of the armed forces), the board shall be composed of—

''(i) not less than three employees of the Department of Defense whose rate of annual pay is equal to or greater than the rate of annual pay payable for grade GS–13 of the General Schedule under section 5332 of title 5; and

''(ii) such members of the armed forces as the Secretary considers advisable.

''(C) In the case of a board that will inquire into the whereabouts and status of both one or more members of the armed forces and one or more civilians described in subparagraph (B)—

''(i) the board shall include at least one officer described in subparagraph (A) and at least one employee of the Department of Defense described in subparagraph (B)(i); and

''(ii) the ratio of such officers to such employees on the board shall be roughly proportional to the ratio of the number of members of the armed forces who are subjects of the board's inquiry to the number of civilians who are subjects of the board's inquiry.''; and

(B) in paragraph (4), by striking out ''section 1503(c)(3)'' and inserting in lieu thereof ''section 1503(c)(4)''.

(4) Paragraph (1) of section 1513 of such title is amended to read as follows:

''(1) The term 'missing person' means—

''(A) a member of the armed forces on active duty who is in a missing status; or

''(B) a civilian employee of the Department of Defense or an employee of a contractor of the Department of Defense who serves with or accompanies the armed forces in the field under orders and who is in a missing status.''.

(b) REPORT ON PRELIMINARY ASSESSMENT OF STATUS.—(1) Section 1502 of such title is amended—

(A) in subsection (a)(2)—

(i) by striking out ''10 days'' and inserting in lieu thereof ''48 hours''; and

(ii) by striking out ''Secretary concerned'' and inserting in lieu thereof ''theater component commander with jurisdiction over the missing person'';

(B) by redesignating subsection (b) as subsection (c);

(C) by inserting after subsection (a) the following new subsection (b):

''(b) TRANSMISSION THROUGH THEATER COMPONENT COMMANDER.—Upon reviewing a report under subsection (a) recommending that a person by placed in a missing status, the theater component commander shall ensure that all necessary actions are being taken, and all appropriate assets are being used, to resolve the status of the missing person. Not later than 14 days after receiving the report, the theater component commander shall forward the report to the Secretary of Defense or the Secretary concerned in accordance with procedures prescribed under section 1501(b) of this title. The theater component commander shall include with such report a certification that all necessary actions are being taken, and all appropriate assets are being used, to resolve the status of the missing person.''; and

(D) in subsection (c), as redesignated by subparagraph (B), by adding at the end the following new sentence: ''The theater component commander through whom the report with respect to the missing person is transmitted under subsection (b) shall ensure that all pertinent information relating to the whereabouts and status of the missing person that results from the preliminary assessment or from actions taken to locate the person is properly safeguarded to avoid loss, damage, or modification.''.

(2) Section 1503(a) of such title is amended by striking out ''section 1502(a)'', and inserting in lieu thereof ''section 1502(b)''.

(3) Section 1513 of such title is amended by adding at the end the following new paragraph:

''(8) The term 'theater component commander' means, with respect to any of the combatant commands, an officer of any of the armed forces who (A) is commander of all forces of that armed force assigned to that combatant command, and (B) is directly subordinate to the commander of the combatant command.''.

(c) FREQUENCY OF SUBSEQUENT REVIEWS.—Subsection (b) of section 1505 of such title is amended to read as follows:

''(b) FREQUENCY OF SUBSEQUENT REVIEWS.—(1) In the case of a missing person who was last known to be alive or who was last suspected of being alive, the Secretary shall appoint a board to conduct an inquiry with respect to a person under this subsection—

''(A) on or about three years after the date of the initial report of the disappearance of the person under section 1502(a) of this title; and

''(B) not later than every three years thereafter.

''(2) In addition to appointment of boards under paragraph (1), the Secretary shall appoint a board to conduct an inquiry with respect to a missing person under this subsection upon receipt of information that could result in a change of status of the missing person. When the Secretary appoints a board under this paragraph, the time for subsequent appointments of a board under paragraph (1)(B) shall be determined from the date of the receipt of such information.

''(3) The Secretary is not required to appoint a board under paragraph (1) with respect to the disappearance of any person—

''(A) more than 30 years after the initial report of the disappearance of the missing person required by section 1502 of this title; or

''(B) if, before the end of such 30-year period, the missing person is accounted for.''.

(d) PENALTIES FOR WRONGFUL WITHHOLDING OF INFORMATION.—Section 1506 of such title is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection (e):

''(e) WRONGFUL WITHHOLDING.—Except as provided in subsections (a) through (d), any person who knowingly and willfully withholds from the personnel file of a missing person any information relating to the disappearance or whereabouts and status of a missing person shall be fined as provided in title 18 or imprisoned not more than one year, or both.''.

(e) INFORMATION TO ACCOMPANY RECOMMENDATION OF STATUS OF DEATH.—Section 1507(b) of such title is amended adding at the end the following new paragraphs:

''(3) A description of the location of the body, if recovered.

''(4) If the body has been recovered and is not identifiable through visual means, a certification by a practitioner of an appropriate forensic science that the body recovered is that of the missing person.''.

(f) SCOPE OF PREENACTMENT REVIEW.—(1) Section 1509 of such title is amended—

(A) by redesignating subsection (c) as subsection (d); and

(B) by inserting after subsection (b) the following new subsection (c):

''(c) SPECIAL RULE FOR PERSONS CLASSIFIED AS 'KLA/BNR'.—In the case of a person described in subsection (b) who was classified as 'killed in action/body not recovered', the case of that person may be reviewed under this section only if the new information referred to in subsection (a) is compelling.''.

(2)(A) The heading of such section is amended by inserting **'', special interest''** after **''Preenactment''**.

(B) The item relating to such section in the table of sections at the beginning of chapter 76 of such title is amended by inserting '', special interest'' after ''Preenactment''.

SEC. 569. ESTABLISHMENT OF SENTENCE OF CONFINEMENT FOR LIFE WITHOUT ELIGIBILITY FOR PAROLE.

(a) ESTABLISHMENT OF SENTENCE.—(1) Chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 856 (article 56) the following new section (article):

''§856a. Art. 56a. Sentence of confinement for life without eligibility for parole

''(a) For any offense for which a sentence of confinement for life may be adjudged, a court-martial may adjudge a sentence of confinement for life without eligibility for parole.

''(b) An accused who is sentenced to confinement for life without eligibility for parole shall be confined for the remainder of the accused's life unless—

''(1) the sentence is set aside or otherwise modified as a result of—

''(A) action taken by the convening authority, the Secretary concerned, or another person authorized to act under section 860 of this title (article 60); or

''(B) any other action taken during post-trial procedure and review under any other provision of subchapter IX;

''(2) the sentence is set aside or otherwise modified as a result of action taken by a Court of Criminal Appeals, the Court of Appeals for the Armed Forces, or the Supreme Court; or

''(3) the accused is pardoned.''.

(2) The table of sections at the beginning of subchapter VIII of such chapter is amended by inserting after the item relating to section 856 (article 56) the following new item:

''856a. 56a. Sentence of confinement for life without eligibility for parole.''.

(b) EFFECTIVE DATE.—Section 856a of title 10, United States Code (article 56a of the Uniform Code of Military Justice), as added by subsection (a), shall be applicable only with respect to an offense committed after the date of the enactment of this Act.

SEC. 570. LIMITATION ON APPEAL OF DENIAL OF PAROLE FOR OFFENDERS SERVING LIFE SENTENCE.

(a) EXCLUSIVE AUTHORITY TO GRANT PAROLE ON APPEAL OF DENIAL.—Section 952 of title 10, United States Code, is amended—

(1) by inserting ''(a)'' before ''The Secretary''; and

(2) by adding at the end the following new subsection:

''(b) In a case in which parole for an offender serving a sentence of confinement for life is denied, only the President or the Secretary concerned may grant the offender parole on appeal of that denial. The authority to grant parole on appeal in such a case may not be delegated.''.

(b) EFFECTIVE DATE.—This section shall apply only with respect to any decision to deny parole made after the date of the enactment of this Act.

SEC. 571. ESTABLISHMENT OF PUBLIC AFFAIRS BRANCH IN THE ARMY.

(a) NEW SPECIAL BRANCH.—Section 3064(a) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5); and

(2) by inserting after paragraph (2) the following new paragraph:

''(3) the Public Affairs Corps;''.

(b) PUBLIC AFFAIRS CORPS.—(1) Chapter 307 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 3083. Public Affairs Corps

''There is a Public Affairs Corps in the Army. The Public Affairs Corps consists of—

''(1) the Chief of the Public Affairs Corps;

''(2) commissioned officers of the Regular Army appointed therein; and

''(3) other members of the Army assigned thereto by the Secretary of the Army.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''3083. Public Affairs Corps.''.

(c) TRANSITION.—The Secretary of the Army shall implement the amendments made by this section not later than October 1, 1998.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 1998.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment, to become effective during fiscal year 1998, required by section 1009(b) of title 37, United States Code (as amended by section 602), in the rate of monthly basic pay authorized members of the uniformed services by section 203(a) of such title shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 1998, the rates of basic pay of members of the uniformed services are increased by 2.8 percent.

SEC. 602. ANNUAL ADJUSTMENT OF BASIC PAY AND PROTECTION OF MEMBER'S TOTAL COMPENSATION WHILE PERFORMING CERTAIN DUTY.

(a) IN GENERAL.—Section 1009 of title 37, United States Code, is amended to read as follows:

''§ 1009. Certain elements of compensation: adjustment; protection against change

''(a) ELEMENTS OF COMPENSATION.—In this section, the term 'elements of compensation' means—

''(1) the monthly basic pay authorized members of the uniformed services by section 203(a) of this title;

''(2) the basic allowance for subsistence authorized members of the uniformed services by section 402 of this title; and

''(3) the basic allowance for housing authorized members of the uniformed services by section 403 of this title.

''(b) ANNUAL ADJUSTMENT OF BASIC PAY.—Effective as of the first day of the first applicable pay period beginning on or after January 1 of each calendar year, the rates of basic pay of members of the uniformed services shall be increased by the percentage (rounded to the nearest one-tenth of one percent) equal to the percentage by which the Employment Cost Index for the base quarter of the year before the preceding calendar year exceeds the Employment Cost Index for the base quarter of the second year before the preceding calendar year (if at all).

''(c) ALLOCATION OF ADJUSTMENT.—(1) Subject to paragraph (2), whenever the President determines such action to be in the best interest of the Government, the President may allocate the percentage increase in basic pay among such pay grade and years-of-service categories as the President considers appropriate.

''(2) In making any allocation under paragraph (1), the amount of the increase in basic pay for any given pay grade and years-of-service category after the allocation under paragraph (1) may not be less than 75 percent of the amount of the increase that otherwise would have been effective with respect to such pay grade and years-of-service category under subsection (b).

''(3) Whenever the President plans to use the authority provided under paragraph (1) with respect to any anticipated increase in the compensation of members of the uniformed services, the President shall advise the Congress, at the earliest practicable time before the effective date of the increase, regarding the proposed allocation of the increase among pay grade and years-of-service categories.

''(d) PROTECTION OF MEMBER'S TOTAL COMPENSATION WHILE PERFORMING CERTAIN DUTY.—(1) The total daily amount of the elements of compensation, described in subsection (a), together with other pay and allowances under this title, to be paid to a member of the uniformed services who is temporarily assigned to duty away from the member's permanent duty station or to duty under field conditions at the member's permanent duty station shall not be less, for any day during the assignment period, than the total amount, for the day immediately preceding the date of the assignment, of the elements of compensation and other pay and allowances of the member.

''(2) Paragraph (1) shall not apply with respect to an element of compensation or other pay or allowance of a member during an assignment described in such paragraph to the extent that the element of compensation or other pay or allowance is reduced or terminated due to circumstances unrelated to the assignment.

''(e) OTHER DEFINITIONS.—In this section:

''(1) The term 'Employment Cost Index' means the Employment Cost Index (wages and salaries, private industry workers) published quarterly by the Bureau of Labor Statistics.

''(2) The term 'base quarter', for each year, means the three-month period ending on September 30 of such year.''.

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 19 of such title is amended to read as follows:

''1009. Certain elements of compensation: adjustment; protection against change.''.

SEC. 603. USE OF FOOD COST INFORMATION TO DETERMINE BASIC ALLOWANCE FOR SUBSISTENCE.

(a) FOOD-COST BASED ALLOWANCE.—Section 402 of title 37, United States Code, is amended to read as follows:

''§ 402. Basic allowance for subsistence

''(a) ENTITLEMENT; RATE; ADJUSTMENT.—(1) Except as otherwise provided by law, each member of a uniformed service described in subsection (b) or (c) is entitled to a basic allowance for subsistence. The rate for the allowance shall be prescribed in regulations by the Secretary of Defense after consultation with the Secretaries concerned specified in subparagraphs (D), (E), and (F) of section 101(5) of this title. The allowance may be paid in advance for a period of not more than three months.

''(2) Whenever basic pay is increased pursuant to section 1009 of this title or another law, the Secretary of Defense shall adjust the basic allowance for subsistence at the same rate as the most recent adjustment made to the cost of the moderate food plan of the Department of Agriculture (one of the four official food plans used by the Department of Agriculture under the Food Stamp Act of 1977) to reflect changes in the cost of the diet described by the moderate food plan.

''(b) ENLISTED MEMBERS.—An enlisted member is entitled to the basic allowance for subsistence on a daily basis if the member is entitled to basic pay and one or more of the following applies with respect to the member:

''(1) Rations in kind are not available.

''(2) Rations in kind are available, but the Secretary of Defense authorizes the payment of the basic allowance for subsistence.

''(3) Permission to mess separately is granted.

''(4) The member is assigned to duty under emergency conditions where no messing facilities of the United States are available.

''(5) The member is on an authorized leave of absence, is confined in a hospital, or is performing travel under orders away from the member's designated post of duty (except when rations in kind are available and the Secretary of Defense does not authorize the payment of the basic allowance for subsistence.).

''(c) OFFICERS.—An officer of a uniformed service who is entitled to basic pay is entitled, at all times, to the basic allowances for subsistence. An aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard is entitled to the same basic allowance for subsistence as is provided for an officer of the Navy, Air Force, Marine Corps, or Coast Guard, respectively.

''(d) SPECIAL RULE FOR CERTAIN MEMBERS AUTHORIZED TO MESS SEPARATELY.—Under regulations and in areas prescribed by the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, an enlisted member who is granted permission to mess separately, and whose duties require the member to buy at least one meal from other than a messing facility of the United States, is entitled to not more than the pro rata allowance authorized for each such meal for an enlisted member when rations in kind are not available.

''(e) PAYMENT FOR RATIONS IN KIND ACTUALLY RECEIVED.—The Secretary of Defense may require a member of the uniformed services to pay

for rations in kind actually received by the member while entitled to a basic allowance for subsistence.

''(f) ADMINISTRATION.—(1) The Secretary of Defense may prescribe regulations for the administration of this section.

''(2) For purposes of subsection (b)(5), a member shall not be considered to be performing travel under orders away from his designated post of duty if the member—

''(A) is an enlisted member serving the member's first tour of active duty;

''(B) has not actually reported to a permanent duty station pursuant to orders directing such assignment; and

''(C) is not actually traveling between stations pursuant to orders directing a change of station.

''(g) PERCENTAGE LIMITATION ON ENLISTED MEMBERS RECEIVING ALLOWANCE.—(1) This subsection apples with respect to enlisted members of the Army, Navy, Air Force, and Marine Corps who, when present at their permanent duty station and at which adequate messing facilities of the United States are available, reside without dependents in Government quarters. The Secretary concerned may not provide a basic allowance for subsistence to more than 12 percent of such members under the jurisdiction of the Secretary concerned.

''(2) The Secretary concerned may exceed the percentage limitation specified in paragraph (1) if the Secretary determines that compliance would increase costs to the Government, would impose financial hardships on members otherwise entitled to a basic allowance for subsistence, or would reduce the quality of life for such members.

''(3) This subsection shall not apply to a member described in paragraph (1) when the member is not residing at the member's permanent duty station.

''(h) RATIONS IN KIND FOR CERTAIN RESERVES.—(1) The Secretary concerned may provide rations in kind, or a part thereof, to an enlisted member of a reserve component or of the National Guard when the member's instruction or duty periods, described in section 206(a) of this title, total at least eight hours in a calendar day. The Secretary concerned may provide the member with a commutation when rations in kind are not available.

''(2) This subsection shall not apply with respect to an enlisted member of a reserve component or of the National Guard who is entitled to basic pay.

''(i) USE OF MESSING FACILITIES.—The Secretary of Defense, in consultation with the Secretaries concerned, shall establish policies regarding the use of messing facilities of the United States, including field messing facilities.''.

(b) CONFORMING AMENDMENTS.—(1) Section 404(b)(2) of title 37, United States Code, is amended by striking out ''under section 402(e) of this title'' and inserting in lieu thereof ''by the Secretary of Defense''.

(2) Section 1012 of title 37, United States Code, is amended by striking out ''section 402(b)(3)'' and inserting in lieu thereof ''section 402(h)''.

(3) Section 6912 of title 10, United States Code, is amended by striking out ''section 402(a) and (b)'' and inserting in lieu thereof ''section 402(c)''.

SEC. 604. CONSOLIDATION OF BASIC ALLOWANCE FOR QUARTERS, VARIABLE HOUSING ALLOWANCE, AND OVERSEAS HOUSING ALLOWANCES.

(a) CONSOLIDATION OF ALLOWANCES.—Section 403 of title 37, United States Code, is amended to read as follows:

''§403. Basic allowance for housing

''(a) COMPONENTS OF BASIC ALLOWANCE FOR HOUSING.—The basic allowance for housing consists of the following components:

''(1) A basic allowance for quarters for members of the uniformed services stationed in the United States and, under certain circumstances, members on duty outside of the United States whose dependents continue to reside in the United States.

''(2) A overseas station housing allowance for members on duty outside of the United States to reflect housing costs incurred by the members.

''(3) A family separation housing allowance for members with dependents when the movement of the dependents to the members' permanent station is not authorized at the expense of the United States.

''(b) ELIGIBILITY FOR ALLOWANCE.—(1) Except as otherwise provided by law, a member of a uniformed service who is entitled to basic pay shall receive the component or components of the basic allowance for housing to which the member is entitled under this section at the monthly rates prescribed in connection with the component under this section or other provision of law. The amount of the allowance for a member will vary according to the pay grade in which the member is assigned or distributed for basic pay purposes and the member's dependency status.

''(2) The basic allowance for housing may be paid in advance.

''(c) EFFECT OF ASSIGNMENT TO GOVERNMENT QUARTERS.—(1) Except as otherwise provided by law, a member of a uniformed service who is assigned to quarters of the United States appropriate to the grade, rank, or rating of the member and adequate for the member and dependents, if with dependents, is not entitled to a basic allowance for housing. In this section, the term 'quarters of the United States' includes a housing facility under the jurisdiction of a uniformed service.

''(2) A member without dependents who is in a pay grade above pay grade E–6 and is assigned to quarters of the United States may elect not to occupy those quarters and instead receive the basic allowance for housing to which the member is otherwise entitled.

''(3) A member without dependents who is in pay grade E–6 and is assigned to quarters of the United States that do not meet the minimum adequacy standards established by the Secretary of Defense for members in such pay grade may elect not to occupy those quarters and instead to receive the basic allowance for housing to which the member is otherwise entitled. The Secretary concerned may deny the right to make an election under this paragraph if the Secretary determines that the exercise of such an election would adversely affect a training mission, military discipline, or military readiness.

''(4) In the case of a member with dependents who is assigned to quarters of the United States at a location or under circumstances that, as determined by the Secretary concerned, require the member's dependents to reside at different location, the member shall receive a basic allowance for housing as if the member were assigned to duty in the area in which the dependents reside and did not reside in quarters of the United States.

''(d) EFFECT OF FIELD DUTY AND SEA DUTY.—(1) The Secretary concerned may deny the basic allowance for housing to a member of a uniformed service without dependents when the member is assigned to field duty with a unit conducting field operations.

''(2) A member of a uniformed service without dependents who is in a pay grade below pay grade E–6 is not entitled to a basic allowance for housing while on sea duty. After taking into consideration the availability of quarters for members serving in pay grade E–5, the Secretary concerned may authorize the payment of a basic allowance for housing to a member without dependents who is serving in such pay grade and is assigned to sea duty.

''(3) Notwithstanding section 421 of this title, two members of the uniformed services in a pay grade below pay grade E–6 who are married to each other, have no other dependents, and are simultaneously assigned to sea duty are jointly entitled to one basic allowance for housing during the period of such simultaneous sea duty. The amount of the allowance shall be based on the without dependents rate for the pay grade of the senior member of the couple. However, this paragraph shall not apply to a couple if one or both of the members are entitled to a basic allowance for housing under paragraph (2).

''(4) For purposes of this subsection, the Secretary of Defense shall prescribe, by regulation, definitions of the terms 'field duty' and 'sea duty'.

''(e) BASIC ALLOWANCE FOR QUARTERS.—(1) The Secretary of Defense shall determine the costs of adequate housing in a military housing area for all members of the uniformed services entitled to a basic allowance for quarters in that area. The Secretary shall base the determination upon the costs of adequate housing for civilians with comparable income levels in the same area.

''(2) The monthly amount of a basic allowance for quarters for an area of the United States for a member of a uniformed service is equal to difference between—

''(A) the monthly cost of housing in that area, as determined by the Secretary of Defense, for members of the uniformed services serving in the same pay grade and with the same dependency status as the member; and

''(B) 15 percent of the national average monthly cost of housing in the United States, as determined by the Secretary, for members of the uniformed services serving in the same pay grade and with the same dependency status as the member.

''(3) The rates of basic allowance for quarters shall be reduced as necessary to comply with this paragraph. The total amount that may be paid for a fiscal year for the basic allowance for quarters is the product of—

''(A) the total amount authorized to be paid for such allowance for the preceding fiscal year (as adjusted under paragraph (5)); and

''(B) a fraction—

''(i) the numerator of which is the index of the national average monthly cost of housing for June of the preceding fiscal year; and

''(ii) the denominator of which is the index of the national average monthly cost of housing for June of the fiscal year before the preceding fiscal year.

''(4) An adjustment in the rates of basic allowance for quarters as a result of the Secretary's redetermination of housing costs in an area shall take effect on the same date as the effective date of the next increase in basic pay under section 1009 of this title or other provision of law.

''(5) In making a determination under paragraph (3) for a fiscal year, the amount authorized to be paid for the preceding fiscal year for the basic allowance for quarters shall be adjusted to reflect changes during the year for which the determination is made in the number, grade distribution, geographic distribution, and dependency status of members of the uniformed services entitled to the allowance from the number of such members during the preceding fiscal year.

''(6) So long as a member of a uniformed service retains uninterrupted eligibility to receive a basic allowance for quarters within an area of the United States, the monthly amount of the allowance for the member may not be reduced as a result of changes in housing costs in the area, changes in the national average monthly cost of housing, or the promotion of the member.

''(f) OVERSEAS STATION HOUSING ALLOWANCE.—(1) The Secretary of Defense may prescribe an overseas station housing allowance for a member of a uniformed service who is on duty outside of the United States. The Secretary shall base the station housing allowance on housing costs in the overseas area in which the member is assigned.

''(2) So long as a member of a uniformed service retains uninterrupted eligibility to receive an overseas station housing allowance in an overseas area and the actual monthly cost of housing for the member is not reduced, the monthly

amount of the overseas station housing allowance may not be reduced as a result of changes in housing costs in the area or the promotion of the member. The monthly amount of the allowance may be adjusted to reflect changes in currency rates.

''(g) FAMILY SEPARATION HOUSING ALLOWANCE.—(1) A member of a uniformed service with dependents who is on permanent duty at a location described in paragraph (2) is entitled to a family separation housing allowance under this subsection at a monthly rate equal to the rate of basic allowance for quarters or overseas station housing allowance established for that location for members without dependents in the same grade.

''(2) A permanent duty location referred to in paragraph (1) is a location—

''(A) to which the movement of the member's dependents is not authorized at the expense of the United States under section 406 of this title, and the member's dependents do not reside at or near the location; and

''(B) at which quarters of the United States are not available for assignment to the member.

''(3) The allowance provided under this subsection is in addition to any other allowance or per diem that the member is otherwise entitled to under this title.

''(h) PARTIAL ALLOWANCE.—(1) The Secretary of Defense may prescribe a partial basic allowance for housing for a member of a uniformed service without dependents who is not entitled to the allowance pursuant to subsection (c) or (d).

''(2) In the case of a member of a uniformed service who is assigned to quarters of the United States and pays child support, the Secretary of Defense may authorize the payment of a partial basic allowance for housing, at a rate prescribed by the Secretary, on account of the member's payment of the child support. The allowance shall be at a reduced rate to reflect the member's assignment to quarters of the United States. The amount of the partial allowance shall not exceed the monthly rate of the member's child support. The payment of a partial allowance under this paragraph to a member may be in addition to any allowance paid to the member under paragraph (1).

''(i) SPECIAL RULES FOR CERTAIN MEMBERS.—(1)(A) In the case of a member of a reserve component of a uniformed service without dependents who is called or ordered to active duty (other than for training) or a retired member without dependents ordered to active duty under section 688(a) of title 10, the member shall be considered to be assigned to duty at the location of the primary residence of the member at the time of the call or order for purposes of determining the amount of the member's basic allowance for housing.

''(B) If a member described in subparagraph (A) is called or ordered to active duty for less than 30 days, the Secretary of Defense shall prescribe the amount of the basic allowance for housing to be paid to the member.

''(C) This paragraph shall not apply to a member described in subparagraph (A) if the member is authorized transportation of household goods under section 406 of this title as part of the call or order to active duty or if the primary residence of the member is not owned by the member or the member is not responsible for rental payments.

''(2) A member of a uniformed service without dependents who is in pay grade E–4 (four or more years' service), or above, is entitled to a basic allowance for housing while the member is in a travel or leave status between permanent duty stations, including time granted as delay en route or proceed time, when the member is not assigned to quarters of the United States. Notwithstanding subsection (e)(2), the rate of basic allowance for quarters for such a member shall be equal to the national average monthly cost of housing in the United States, as determined by the Secretary, for members of the uniformed services serving in the same pay grade and with the same dependency status as the member.

''(3) The eligibility of an aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard for a basic allowance for housing shall be determined as if the aviation cadet were a member of the uniformed services in pay grade E–4.

''(4) In the case of a member without dependents who is assigned to duty inside the United States, the location or the circumstances of which make it necessary that the member be reassigned under the conditions of low cost or no cost permanent change of station or permanent change of assignment, the member may be treated as if the member were not reassigned if the Secretary concerned determines that it would be inequitable to base the member's entitlement to, and amount of, a basic allowance for housing on the area to which the member is reassigned.

''(j) ADMINISTRATION.—(1) The Secretary concerned may make such determinations as may be necessary to administer this section, including determinations of dependency and relationship. When warranted by the circumstances, the Secretary concerned may reconsider and change or modify any such determination. This authority may be delegated by the Secretary concerned. Any determination made under this section with regard to a member of the uniformed services is final and is not subject to review by any accounting officer of the United States or a court, unless there is fraud or gross negligence.

''(2) Parking facilities (including utility connections) provided members of the uniformed services for house trailers and mobile homes not owned by the Government shall not be considered to be quarters for the purposes of this section or any other provision of law. Any fees established by the Government for the use of such a facility shall be established in an amount sufficient to cover the cost of maintenance, services, and utilities and to amortize the cost of construction of the facility over the 25-year period beginning with the completion of such construction.

''(k) TEMPORARY CONTINUATION OF ALLOWANCE.—(1) The Secretary of Defense, or the Secretary of Transportation in the case of the Coast Guard when not operating as a service in the Navy, may allow the dependents of a member of the armed forces who dies while on active duty and whose dependents are occupying family housing provided by the Department of Defense, or by the Department of Transportation in the case of the Coast Guard, other than on a rental basis on the date of the member's death to continue to occupy such housing without charge for a period of 180 days.

''(2) The Secretary concerned may pay an allowance for housing to the dependents of a member of the uniformed services who dies while on active duty and whose dependents are not occupying a housing facility under the jurisdiction of a uniformed service on the date of the member's death or are occupying such housing on a rental basis on such date, or whose dependents vacate such housing sooner than 180 days after the date of the member's death. The amount of the allowance shall be the same amount that would otherwise be payable to the deceased member under this section if the member had not died. The payment of an allowance under this paragraph shall terminate 180 days after the date of the member's death.''.

(b) REPEAL OF SUPERSEDED AUTHORITIES.—(1) Section 403a of title 37, United States Code, is repealed.

(2) Section 405 of such title is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(3) Section 427 of such title is amended—

(A) by striking out subsection (a); and

(B) in subsection (b)—

(i) by striking out ''(b) ADDITIONAL SEPARATION ALLOWANCE.—'' and inserting in lieu thereof ''(a) AVAILABILITY OF SEPARATION ALLOWANCE.—'';

(ii) in paragraph (1), by striking out ''including subsection (a)'' and inserting in lieu thereof ''including section 403(g) of this title'';

(iii) in paragraph (4)—

(I) by striking out ''(4) A member'' and inserting in lieu thereof ''(b) EFFECT OF ELECTION TO SERVE UNACCOMPANIED TOUR OF DUTY.—A member'';

(II) by striking out ''paragraph (1)(A) of this subsection'' and inserting in lieu thereof ''subsection (a)(1)(A)''; and

(iv) in paragraph (5)—

(I) by striking out ''(5) Section 421'' and inserting in lieu thereof ''(c) EFFECT OF DEPENDENT ENTITLED TO BASIC PAY.—Section 421''; and

(II) by striking out ''paragraph (1)(D)'' both places it appears and inserting in lieu thereof ''subsection (a)(1)(D)''.

(4) The table of sections at the beginning of chapter 7 of title 37, United States Code, is amended by striking out the items relating to sections 403 and 403a and inserting in lieu thereof the following new item:

''403. Basic allowance for housing.''.

(c) CONFORMING AMENDMENTS.—(1) Title 37, United States Code, is amended—

(A) in section 101(25), by striking out ''basic allowance for quarters (including any variable housing allowance or station housing allowance)'' and inserting in lieu thereof ''basic allowance for housing'';

(B) in section 406(c), by striking out ''sections 404 and 405'' and inserting in lieu thereof ''sections 403(f), 404, and 405'';

(C) in section 420(c), by striking out ''quarters'' and inserting in lieu thereof ''housing'';

(D) in section 551(3)(D), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing''; and

(E) in section 1014(a), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing''.

(2) Title 10, United States Code, is amended—

(A) in section 708(c)(1), by striking out ''basic allowance for quarters or basic allowance for subsistence'' and inserting in lieu thereof ''basic allowance for housing under section 403 of title 37, basic allowance for subsistence under section 402 of such title,'';

(B) in section 2830(a)—

(i) in paragraph (1), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing under section 403 of title 37''; and

(ii) in paragraph (2), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing'';

(C) in section 2882(b)—

(i) in paragraph (1), by striking out ''section 403(b)'' and inserting in lieu thereof ''section 403''; and

(ii) in paragraph (2), by striking out ''basic allowance for quarters'' and all that follows through the end of the paragraph and inserting in lieu thereof ''basic allowance for housing under section 403 of title 37.'';

(D) in section 7572(b)—

(i) in paragraph (1), by striking out ''the total of—'' and all that follows through the end of the paragraph and inserting in lieu thereof ''the basic allowance for housing payable under section 403 of title 37 to a member of the same pay grade without dependents for the period during which the member is deprived of quarters on board ship.''; and

(ii) in paragraph (2), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing''; and

(E) in section 7573, by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing under section 403 of title 37''.

(3) Section 5561(6)(D) of title 5, United States Code, is amended by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing''.

(4) Section 107(b) of title 32, United States Code, is amended by striking out ''and quarters'' and inserting in lieu thereof ''and housing''.

(5) Section 4(k)(10) of the Military Selective Service Act (50 U.S.C. App. 454(k)(10)) is amended by striking out ''as such terms'' and all that follows through ''extended or amended'' and inserting in lieu thereof ''shall be entitled to receive a dependency allowance equal to the basic allowance for quarters provided for persons in pay grade E–1 under section 403 of title 37, United States Code,''.

(d) TRANSITION TO BASIC ALLOWANCE FOR HOUSING.—The Secretary of Defense shall develop and implement a plan to incrementally manage the rate of growth of the various components of the basic allowance for housing authorized by section 403 of title 37, United States Code (as amended by subsection (a)), during a transition period of not more than six years. During the transition period, the Secretary may continue to use the authorities provided under sections 403, 403a, 405(b), and 427(a) of title 37, United States Code (as in effect on the day before the date of the enactment of this Act), but subject to such modifications as the Secretary considers necessary, to provide allowances for members of the uniformed services.

(e) AVAILABILITY OF FUNDS TO REDUCE OUT-OF-POCKET HOUSING COSTS.—Of the amount authorized to be appropriated pursuant to section 421 for military personnel, $35,000,000 shall be available to the Secretary of Defense to increase the rates of basic allowance for quarters authorized members of the Armed Forces by section 403 of title 37, United States Code (as amended by subsection (a)), so as to further reduce out-of-pocket housing costs incurred by members of the Armed Forces.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

SEC. 613. ONE-YEAR EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out ''September 30, 1998,'' and inserting in lieu thereof ''September 30, 1999,''.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(c) ENLISTMENT BONUSES FOR MEMBERS WITH CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(d) SPECIAL PAY FOR NUCLEAR QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE DUTY.—Section 312(e) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(e) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(f) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out ''October 1, 1998'' and inserting in lieu thereof ''October 1, 1999''.

(g) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking out ''October 1, 1998'' and inserting in lieu thereof ''October 1, 1999''.

SEC. 614. INCREASE IN MINIMUM MONTHLY RATE OF HAZARDOUS DUTY INCENTIVE PAY FOR CERTAIN MEMBERS.

(a) AERIAL FLIGHT CREWMEMBERS.—The table in subsection (b) of section 301 of title 37, United States Code, is amended—

(1) by striking out ''110'' each place it appears and inserting in lieu thereof ''150''; and

(2) by striking out ''125'' each place it appears and inserting in lieu thereof ''150''.

(b) AIR WEAPONS CONTROLLER AIRCREW.—The table in subsection (c)(2)(A) of such section is amended—

(1) by striking out ''100'' in the first column of amounts and inserting in lieu thereof ''150'';

(2) by striking out ''110'' in the last column of amounts and inserting in lieu thereof ''150''; and

(3) by striking out ''125'' each place it appears and inserting in lieu thereof ''150''.

(c) OTHER MEMBERS.—Subsection (c)(1) of such section is amended—

(1) by striking out ''$110'' and inserting in lieu thereof ''$150''; and

(2) by striking out ''$165'' and inserting in lieu thereof ''$225''.

SEC. 615. AVAILABILITY OF MULTIYEAR RETENTION BONUS FOR DENTAL OFFICERS.

(a) AVAILABILITY OF RETENTION BONUS.—Chapter 5 of title 37, United States Code, is amended by inserting after section 301d the following new section:

''§ 301e. Multiyear retention bonus: dental officers of the armed forces

''(a) BONUS AUTHORIZED.—(1) A dental officer described in subsection (b) who executes a written agreement to remain on active duty for two, three, or four years after completion of any other active-duty service commitment may, upon acceptance of the written agreement by the Secretary of the military department concerned, be paid a retention bonus as provided in this section.

''(2) The amount of a retention bonus under paragraph (1) may not exceed $14,000 for each year covered by a four-year agreement. The maximum yearly retention bonus for two-year and three-year agreements shall be reduced to reflect the shorter service commitment.

''(b) OFFICERS AUTOMATICALLY ELIGIBLE.—Subsection (a) applies to an officer of the armed forces who—

''(1) is an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer;

''(2) has a dental specialty in oral and maxillofacial surgery;

''(3) is in a pay grade below pay grade 0–7;

''(4) has at least eight years of creditable service (computed as described in section 302b(g) of this title) or has completed any active-duty service commitment incurred for dental education and training; and

''(5) has completed initial residency training (or will complete such training before September 30 of the fiscal year in which the officer enters into an agreement under subsection (a)).

''(c) EXTENSION OF BONUS TO OTHER DENTAL OFFICERS.—At the discretion of the Secretary of the military department concerned, the Secretary may enter into a written agreement described in subsection (a)(1) with a dental officer who does not have the dental specialty specified in subsection (b)(2), and pay a retention bonus to such an officer as provided in this section, if the officer otherwise satisfies the eligibility requirements specified in subsection (b). The Secretaries shall exercise the authority provided in this section in a manner consistent with regulations prescribed by the Secretary of Defense.

''(d) REFUNDS.—(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

''(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) A discharge in bankruptcy under title 11, United States Code, that is entered less than five years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11 after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 301d the following new item:

''301e. Multiyear retention bonus: dental officers of the armed forces.''.

SEC. 616. INCREASE IN VARIABLE AND ADDITIONAL SPECIAL PAYS FOR CERTAIN DENTAL OFFICERS.

(a) VARIABLE SPECIAL PAY FOR JUNIOR OFFICERS.—Paragraph (2) of section 302b(a) of title 37, United States Code, is amended by striking out subparagraphs (C) through (F) and inserting in lieu thereof the following new subparagraphs:

''(C) $7,000 per year, if the officer has at least six but less than eight years of creditable service.

''(D) $12,000 per year, if the officer has at least eight but less than 12 years of creditable service.

''(E) $10,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

''(F) $9,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

''(G) $8,000 per year, if the officer has 18 or more years of creditable service.''.

(b) VARIABLE SPECIAL PAY FOR SENIOR OFFICERS.—Paragraph (3) of such section is amended by striking out ''$1,000'' and inserting in lieu thereof ''$7,000''.

(c) ADDITIONAL SPECIAL PAY.—Paragraph (4) of such section is amended by striking out subparagraphs (B) through (D) and inserting in lieu thereof the following new subparagraphs:

''(B) $6,000 per year, if the officer has at least three but less than 10 years of creditable service.

''(C) $15,000 per year, if the officer has 10 or more years of creditable service.''.

SEC. 617. SPECIAL PAY FOR DUTY AT DESIGNATED HARDSHIP DUTY LOCATIONS.

(a) SPECIAL PAY AUTHORIZED.—Section 305 of title 37, United States Code, is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection:

''(a) SPECIAL PAY AUTHORIZED.—A member of a uniformed service who is entitled to basic pay may be paid special pay under this section at a monthly rate not to exceed $300 while the member is on duty at a location in the United States or outside the United States designated by the Secretary of Defense as a hardship duty location.''.

(b) CROSS REFERENCES AND REGULATIONS.—Such section is further amended—

(1) in subsection (b)—

(A) by inserting ''EXCEPTION FOR CERTAIN MEMBERS SERVING IN CERTAIN LOCATIONS.—'' after ''(b)''; and

(B) by striking out ''as foreign duty pay'' and inserting in lieu thereof ''as hardship duty location pay'';

(2) in subsection (c)—

(A) by inserting ''EXCEPTION FOR MEMBERS RECEIVING CAREER SEA PAY.—'' after ''(c)''; and

(B) by striking out ''special pay under this section'' and inserting in lieu thereof ''hardship duty location pay under subsection (a)''; and

(3) by adding at the end the following new subsection:

''(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the provision of hardship duty location pay under subsection (a), including the actual monthly rates at which the special pay will be available.''.

(c) CLERICAL AMENDMENTS.—(1) the heading of such section is amended to read as follows:

''§305. Special pay: hardship duty location pay''.

(2) The table of sections at the beginning of chapter 5 of title 37, United States Code, is amended by striking out the item relating to section 305 and inserting in lieu thereof the following new item:

''305. Special pay: hardship duty location pay.''.

(d) CONFORMING AMENDMENT.—Section 907(d) of such title is amended by striking out ''duty at certain places'' and inserting in lieu thereof ''duty at a hardship duty location''.

(e) TRANSITION.—Until such time as the Secretary of Defense prescribes regulations regarding the provision of hardship duty location pay under section 305 of title 37, United States Code, as amended by this section, the Secretary may continue to use the authority provided by such section 305, as in effect on the day before the date of the enactment of this Act, to provide special pay to enlisted members of the uniformed services on duty at certain places.

SEC. 618. SELECTED RESERVE REENLISTMENT BONUS.

(a) ELIGIBLE MEMBERS.—Subsection (a)(1) of section 308b of title 37, United States Code, is amended by striking out ''ten years'' and inserting in lieu thereof ''14 years''.

(b) BONUS AMOUNTS; PAYMENT.—Subsection (b) of such section is amended to read as follows:

''(b)(1) The amount of a bonus under this section may not exceed—

''(A) $2,500, in the case of a member who reenlists or extends an enlistment for a period of three years; and

''(B) $5,000, in the case of a member who reenlists or extends an enlistment for a period of six years.

''(2) The bonus shall be paid according to a payment schedule determined by the Secretary concerned, except that the initial payment to a member may not exceed one-half the total bonus amount for the member.''.

(c) NUMBER OF INDIVIDUAL BONUSES.—Subsection (c) of such section is amended to read as follows:

''(c) A member may not be paid more than one six-year bonus or two three-year bonuses under this section.''.

(d) EFFECT OF FAILURE TO SERVE SATISFACTORILY.—Subsection (d) of such section is amended to read as follows:

''(d) A member who receives a bonus under this section and who fails, during the period for which the bonus was paid, to serve satisfactorily in the element of the Selected Reserve of the Ready Reserve with respect to which the bonus was paid shall refund to the United States an amount that bears the same relation to the amount of the bonus paid to the member as the period that the member failed to serve satisfactorily bears to the total period for which the bonus was paid.''.

SEC. 619. SELECTED RESERVE ENLISTMENT BONUS FOR FORMER ENLISTED MEMBERS.

(a) ELIGIBLE PERSONS.—Subsection (a)(2) of section 308i of title 37, United States Code, is amended by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

''(A) has completed a military obligation but has less than 14 years of total military service;'';

(b) BONUS AMOUNTS; PAYMENT.—Subsection (b) of such section is amended to read as follows:

''(b)(1) The amount of a bonus under this section may not exceed—

''(A) $2,500, in the case of a person who enlists for a period of three years; and

''(B) $5,000, in the case of a person who enlists for a period of six years.

''(2) The bonus shall be paid according to a payment schedule determined by the Secretary concerned, except that the initial payment to a person may not exceed one-half the total bonus amount for the person.''.

(c) LIMITATIONS.—Subsection (c) of such section is amended to read as follows:

''(c)(1) A person may not be paid more than one six-year bonus or two three-year bonuses under this section.

''(2) A person may not be paid a bonus under this section unless the specialty associated with the position the person is projected to occupy as a member of the Selected Reserve is a specialty in which—

''(A) the person successfully served while a member on active duty; and

''(B) the person attained a level of qualification while a member commensurate with the grade and years of service of the member.''.

SEC. 620. SPECIAL PAY OR BONUSES FOR ENLISTED MEMBERS EXTENDING TOURS OF DUTY OVERSEAS.

(a) INCLUSION OF BONUS INCENTIVE.—(1) Section 314 of title 37, United States Code, is amended to read as follows:

''§314. Special pay or bonus: qualified enlisted members extending duty at designated locations overseas

''(a) COVERED MEMBERS.—This section applies with respect to an enlisted member of an armed force who—

''(1) is entitled to basic pay;

''(2) has a specialty that is designated by the Secretary concerned for the purposes of this section;

''(3) has completed a tour of duty (as defined in accordance with regulations prescribed by the Secretary concerned) at a location outside the 48 contiguous States and the District of Columbia that is designated by the Secretary concerned for the purposes of this section; and

''(4) at the end of that tour of duty executes an agreement to extend that tour for a period of not less than one year.

''(b) SPECIAL PAY OR BONUS AUTHORIZED.—Under regulations prescribed by the Secretary concerned, an enlisted member described in subsection (a) is entitled, upon acceptance by the Secretary concerned of the agreement providing for extension of the member's tour of duty, to either—

''(1) special pay for duty performed during the period of the extension at a rate of not more than $80 per month, as prescribed by the Secretary concerned; or

''(2) a bonus of up to $2,000 per year, as prescribed by the Secretary concerned, for specialty requirements at designated locations.

''(c) SELECTION AND PAYMENT OF SPECIAL PAY OR BONUS.—Not later than the date on which the Secretary concerned accepts an agreement described in subsection (a)(4) providing for the extension of a member's tour of duty, the Secretary concerned shall notify the member regarding whether the member will receive special pay or a bonus under this section. The payment rate for the special pay or bonus shall be fixed at the time of the agreement and may not be changed during the period of the extended tour of duty. The Secretary concerned may pay a bonus under this section either in a lump sum or installments.

''(d) REPAYMENT OF BONUS.—(1) If a member who receives all or part of a bonus under this section fails to complete the total period of extension specified in the agreement described in subsection (a)(4), the Secretary concerned may require the member to repay the United States, on a pro rata basis and to the extent that the Secretary determines conditions and circumstances warrant, amounts paid to the member under this section.

''(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of the agreement does not discharge the member signing the agreement from a debt arising under the agreement or under paragraph (1). This paragraph applies to any case commenced under title 11 on or after October 1, 1997.

''(e) EFFECT OF REST AND RECUPERATIVE ABSENCE.—A member who elects to receive one of the benefits specified in section 705(b) of title 10 as part of the extension of a tour of duty is not entitled to the special pay or bonus authorized by this section for the period of the extension of duty for which the benefit under such section is provided.''.

(2) The item relating to section 314 in the table of sections at the beginning of chapter 5 of such title is amended to read as follows:

''314. Special pay or bonus: qualified enlisted members extending duty at designated locations overseas.''.

(b) APPLICATION OF AMENDMENT.—Section 314 of title 37, United States Code, as amended by subsection (a), shall apply with respect to an agreement to extend a tour of duty as provided in such section executed on or after October 1, 1997.

SEC. 621. INCREASE IN AMOUNT OF FAMILY SEPARATION ALLOWANCE.

Section 427 of title 37, United States Code (as amended by section 604(b)(3)), is further amended in subsection (a)(1) by striking out ''$75'' and inserting in lieu thereof ''$100''.

SEC. 622. CHANGE IN REQUIREMENTS FOR READY RESERVE MUSTER DUTY ALLOWANCE.

Section 433(c) of title 37, United States Code, is amended—

(1) in the first sentence, by striking out ''and shall be'' and all that follows through ''is performed''; and

(2) by inserting after the first sentence the following new sentence: ''The allowance may be paid to the member on or before the date on which the muster duty is performed, but shall be paid not later than 30 days after the date on which the muster duty is performed.''.

Subtitle C—Travel and Transportation Allowances

SEC. 631. TRAVEL AND TRANSPORTATION ALLOWANCES FOR DEPENDENTS OF MEMBER SENTENCED BY COURT-MARTIAL.

Section 406(h)(2)(C) of title 37, United States Code, is amended by striking out the comma at the end of clause (iii) and all that follows through ''title 10.'' and inserting in lieu thereof a period.

SEC. 632. DISLOCATION ALLOWANCE.

Section 407 of title 37, United States Code, is amended to read as follows:

''§ 407. Travel and transportation allowances: dislocation allowance

''(a) BASIC ELIGIBILITY.—(1) Under regulations prescribed by the Secretary concerned, a member of a uniformed service described in paragraph (2) is entitled to a dislocation allowance at the rate set forth in the tables in subsection (c) for the member's pay grade and dependency status.

''(2) A member of the uniformed services referred to in paragraph (1) is any of the following:

''(A) A member who makes a change of permanent station and the member's dependents actually make an authorized move in connection with the change, including a move by the dependents—

''(i) to join the member at the member's duty station after an unaccompanied tour of duty when the member's next tour of duty is an accompanied tour at the same station; and

''(ii) to a location designated by the member after an accompanied tour of duty when the member's next tour of duty is an unaccompanied tour at the same duty station.

''(B) A member whose dependents actually move pursuant to section 405a(a), 406(e), 406(h), or 554 of this title.

''(C) A member whose dependents actually move from their place of residence under circumstances described in section 406a of this title.

''(D) A member who is without dependents and—

''(i) actually moves to a new permanent station where the member is not assigned to quarters of the United States; or

''(ii) actually moves from a place of residence under circumstances described in section 406a of this title.

''(E) A member who is ordered to move in connection with the closure or realignment of a military installation and, as a result, the member's dependents actually move or, in the case of a member without dependents, the member actually moves.

''(3) If a dislocation allowance is paid under this subsection to a member described in subparagraph (C) or (D)(ii), the member is not entitled to another dislocation allowance as a member described in subparagraph (A) or (E) in connection with the same move.

''(b) SECOND ALLOWANCE AUTHORIZED UNDER CERTAIN CIRCUMSTANCES.—(1) Under regulations prescribed by the Secretary concerned, whenever a member is entitled to a dislocation allowance as a member described in subparagraph (C) or (D)(ii) of subsection (a)(2), the member is also entitled to a second dislocation allowance at the rate set forth in the tables in subsection (c) for the member's pay grade and dependency status if, subsequent to the member or the member's dependents actually moving from their place of residence under circumstances described in section 406a of this title, the member or member's dependents complete that move to a new location and then actually move from that new location to another location also under circumstances described in section 406a of this title.

''(2) If a second dislocation allowance is paid under this subsection, the member is not entitled to a dislocation allowance as a member described in subparagraph (A) or (E) of subsection (a)(2) in connection with those moves.

''(c) DISLOCATION ALLOWANCE RATES.—(1) A dislocation allowance under this section shall be paid at the following monthly rates, based on a member's pay grade and dependency status:

Paygrade	Without dependents	With dependents
O–10	$2,061.75	$2,538.00
O–9	2,061.75	2,538.00
O–8	2,061.75	2,538.00
O–7	2,061.75	2,538.00
O–6	1,891.50	2,285.25
O–5	1,821.75	2,202.75
O–4	1,688.25	1,941.75
O–3	1,353.00	1,606.50
O–2	1,073.25	1,371.75
O–1	903.75	1,226.25

Paygrade	Without dependents	With dependents
O–3E	$1,461.00	$1,726.50
O–2E	1,242.00	1,557.75
O–1E	1,068.00	1,439.25

Paygrade	Without dependents	With dependents
W–5	$1,715.25	$1,874.25
W–4	1,523.25	1,718.25
W–3	1,280.00	1,574.25
W–2	1,137.00	1,448.25
W–1	951.75	1,252.50

Paygrade	Without dependents	With dependents
E–9	$1,251.00	$1,649.25
E–8	1,148.25	1,520.25
E–7	981.00	1,411.50
E–6	888.00	1,304.25
E–5	819.00	1,173.00
E–4	712.50	1,020.00
E–3	699.00	949.50
E–2	567.75	903.75
E–1	506.25	903.75

''(2) For each calendar year after 1997, the Secretary of Defense shall adjust the rates in the tables in paragraph (1) by the percentage equal to the rate of change of the national average monthly cost of housing, as determined by the Secretary under section 403 of this title for that calendar year.

''(d) FISCAL YEAR LIMITATION; EXCEPTIONS.—(1) A member is not entitled to more than one dislocation allowance during a fiscal year unless—

''(A) the Secretary concerned finds that the exigencies of the service require the member to make more than one change of permanent station during the fiscal year;

''(B) the member is ordered to a service school as a change of permanent station;

''(C) the member's dependents are covered by section 405a(a), 406(e), 406(h), or 554 of this title; or

''(D) subparagraph (C) or (D)(ii) of subsection (a)(2) or subsection (b) apply with respect to the member or the member's dependents.

''(2) This subsection does not apply in time of national emergency or in time of war.

''(e) FIRST OR LAST DUTY.—A member is not entitled to payment of a dislocation allowance when ordered from the member's home to the member's first duty station or from the member's last duty station to the member's home.

''(f) RULE OF CONSTRUCTION.—For purposes of this section, a member whose dependents may not make an authorized move in connection with a change of permanent station is considered a member without dependents.

''(g) ADVANCE PAYMENT.—A dislocation allowance payable under this section may be paid in advance.''.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

SEC. 641. TIME IN WHICH CERTAIN CHANGES IN BENEFICIARY UNDER SURVIVOR BENEFIT PLAN MAY BE MADE.

(a) EXTENSION OF TIME FOR CHANGE.—Section 1450(f)(1)(C) of title 10, United States Code, is amended by inserting before the period at the end the following: '', except that such a change of election to change a beneficiary under the Plan from a former spouse to a spouse may be made at any time after the person providing the annuity remarries (rather than only within one year after the date on which that person marries)''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to marriages occurring before, on, or after the date of the enactment of this Act.

Subtitle E—Other Matters

SEC. 651. DEFINITION OF SEA DUTY FOR PURPOSES OF CAREER SEA PAY.

Section 305a(d) of title 37, United States Code, is amended—

(1) in paragraph (1)(A), by striking out '', ship-based staff, or ship-based aviation unit'';

(2) in paragraph (1)(B), by striking out ''or ship-based staff'';

(3) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(4) by inserting after paragraph (1) the following new paragraph:

''(2) The Secretary concerned may designate duty performed by a member while serving on a ship the primary mission of which is accomplished either while under way or in port as 'sea duty' for purposes of this section, even though the duty is performed while the member is permanently or temporarily assigned to a ship-based staff or other unit not covered by paragraph (1).''.

SEC. 652. LOAN REPAYMENT PROGRAM FOR COMMISSIONED OFFICERS IN CERTAIN HEALTH PROFESSIONS.

(a) Chapter 109 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2173. Education loan repayment program: commissioned officers in specified health professions

''(a) AUTHORITY TO REPAY EDUCATION LOANS.—For the purpose of maintaining adequate numbers of commissioned officers of the armed forces on active duty who are qualified in the various health professions, the Secretary of a military department may repay, in the case of a person described in subsection (b), a loan that was used by the person to finance education regarding a health profession and was obtained from a governmental entity, private financial institution, school, or other authorized entity.

''(b) ELIGIBLE PERSONS.—To be eligible to obtain a loan repayment under this section, a person must—

''(1) satisfy one of the academic requirements specified in subsection (c);

''(2) be fully qualified for, or hold, an appointment as a commissioned officer in one of the health professions; and

''(3) sign a written agreement to serve on active duty, or, if on active duty, to remain on active duty for a period in addition to any other incurred active duty obligation.

''(c) ACADEMIC REQUIREMENTS.—One of the following academic requirements must be satisfied for purposes of determining the eligibility of a person for a loan repayment under this section:

''(1) The person must be fully qualified in a health profession that the Secretary of the military department concerned has determined to be necessary to meet identified skill shortages.

''(2) The person must be enrolled as a full-time student in the final year of a course of study at an accredited educational institution leading to a degree in a health profession other than medicine or osteopathic medicine.

''(3) The person must be enrolled in the final year of an approved graduate program leading to specialty qualification in medicine, dentistry, osteopathic medicine, or other health profession.

''(d) CERTAIN PERSON INELIGIBLE.—Participants of the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of this title and students of the Uniformed Services University of the Health Sciences established under section 2112 of this title are not eligible for the repayment of an education loan under this section.

''(e) LOAN REPAYMENTS.—(1) Subject to the limits established by paragraph (2), a loan repayment under this section may consist of payment of the principal, interest, and related expenses of a loan obtained by a person described in subsection (b) for—

''(A) all educational expenses, comparable to all educational expenses recognized under section 2127(a) of this title for participants in the Armed Forces Health Professions Scholarship and Financial Assistance program; and

''(B) reasonable living expenses, not to exceed expenses comparable to the stipend paid under section 2121(d) of this title for participants in the Armed Forces Health Professions Scholarship and Financial Assistance program.

''(2) For each year of obligated service that a person agrees to serve in an agreement described in subsection (b)(3), the Secretary of the military department concerned may pay not more than $22,000 on behalf of the person. This maximum amount shall be increased annually by the Secretary of Defense effective October 1 of each year by a percentage equal to the percent increase in the average annual cost of educational expenses and stipend costs of a single scholarship under the Armed Forces Health Professions Scholarship and Financial Assistance program. The total amount that may be repaid on behalf of any person may not exceed an amount determined on the basis of a four-year active duty service obligation.

''(f) ACTIVE DUTY SERVICE OBLIGATION.—(1) A person entering into an agreement described in subsection (b)(3) incurs an active duty service obligation. The length of this obligation shall be determined under regulations prescribed by the Secretary of Defense, but those regulations may not provide for a period of obligation of less than one year for each maximum annual amount, or portion thereof, paid on behalf of the person for qualified loans.

''(2) For persons on active duty before entering into the agreement, the active duty service obligation shall be served consecutively to any other incurred obligation.

''(g) EFFECT OF FAILURE TO COMPLETE OBLIGATION.—A commissioned officer who is relieved of the officer's active duty obligation under this section before the completion of that obligation may be given, with or without the consent of the officer, any alternative obligation comparable to any of the alternative obligations authorized by section 2123(e) of this title for participants in the Armed Forces Health Professions Scholarship and Financial Assistance program.

''(h) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section, including standards for qualified loans and authorized payees and other terms and conditions for the making of loan repayments.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2173. Education loan repayment program: commissioned officers in specified health professions.''.

SEC. 653. CONFORMANCE OF NOAA COMMISSIONED OFFICERS SEPARATION PAY TO SEPARATION PAY FOR MEMBERS OF OTHER UNIFORMED SERVICES.

(a) ELIMINATION OF LIMITATIONS ON AMOUNT OF SEPARATION PAY.—Section 9 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853h) is amended—

(1) in subsection (b)(1), by striking '', or $30,000, whichever is less'';

(2) in subsection (b)(2), by striking '', but in no event more than $15,000''; and

(3) in subsection (d), by striking ''(1)'', and by striking paragraph (2).

(b) WAIVER OF RECOUPMENT OF AMOUNTS WITHHELD FOR TAX PURPOSES FROM CERTAIN SEPARATION PAY.—Section 9(e)(2) of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853h) is amended in the first sentence by inserting before the period at the end the following: '', less the amount of Federal income tax withheld from such pay (such withholding being at the flat withholding rate for Federal income tax withholding, as in effect pursuant to regulations prescribed under chapter 24 of the Internal Revenue Code of 1986)''.

(c) EFFECTIVE DATE AND APPLICATION.—The amendments made by this section shall take effect on October 1, 1996, and shall apply to payments of separation pay that are made after September 30, 1997.

SEC. 654. REIMBURSEMENT OF PUBLIC HEALTH SERVICE OFFICERS FOR ADOPTION EXPENSES.

Section 221(a) of the Public Health Service Act (42 U.S.C. 213a(a)) is amended by adding at the end the following new paragraph:

''(16) Section 1052, Reimbursement for adoption expenses.''.

SEC. 655. PAYMENT OF BACK QUARTERS AND SUBSISTENCE ALLOWANCES TO WORLD WAR II VETERANS WHO SERVED AS GUERRILLA FIGHTERS IN THE PHILIPPINES.

(a) IN GENERAL.—The Secretary of the military department concerned shall pay, upon request, to an individual described in subsection (b) the amount determined with respect to that individual under subsection (c).

(b) COVERED INDIVIDUALS.—A payment under subsection (a) shall be made to any individual who as a member of the Armed Forces during World War II—

(1) was captured within the territory of the Philippines by Japanese forces;

(2) escaped from captivity; and

(3) served as a guerrilla fighter in the Philippines during the period from January 1942 through February 1945.

(c) AMOUNT TO BE PAID.—The amount of a payment under subsection (a) shall be the amount of quarters and subsistence allowance which accrued to an individual described in subsection (b) during the period specified in paragraph (3) of subsection (b) and which was not paid to that individual. For the purposes of this subsection, the Secretary of War shall be deemed to have determined that conditions in the Philippines during the specified period justified payment under applicable regulations of quarters and subsistence allowances at the maximum special rate for duty where emergency conditions existed. The Secretary shall apply interest compounded at the three-month Treasury bill rate.

(d) PAYMENT TO SURVIVORS.—In the case of any individual described in subsection (b) who is deceased, payment under this section with respect to that individual shall be made to that individual's nearest surviving relative, as determined by the Secretary concerned.

SEC. 656. SPACE AVAILABLE TRAVEL FOR MEMBERS OF SELECTED RESERVE.

(a) IN GENERAL.—Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

''§2646. Space available travel: members of Selected Reserve

''(a) AVAILABILITY.—The Secretary of Defense shall prescribe regulations to allow members of the Selected Reserve in good standing (as determined by the Secretary concerned), and dependents of such members, to receive transportation on aircraft of the Department of Defense on a space available basis under the same terms and conditions as apply to members of the armed forces on active duty and dependents of such members.

''(b) CONDITION ON DEPENDENT TRANSPORTATION.—A dependent of a member of the Selected Reserve may be provided transportation under this section only when the dependent is actually accompanying the member on the travel.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2646. Space available travel: members of Selected Reserve.''.

SEC. 657. STUDY ON MILITARY PERSONNEL AT, NEAR, OR BELOW THE POVERTY LINE.

(a) REQUIREMENT.—The Secretary of Defense shall conduct a study of members of the Armed Forces and their dependents who subsist at, near, or below the poverty line.

(b) MATTERS TO BE INCLUDED.—The study shall include the following:

(1) An analysis of potential solutions for mitigating or eliminating income levels for members of the Armed Forces that result in certain members and their dependents subsisting at, near, or below the poverty line, including potential solutions involving changes in the systems and rates of—

(A) basic allowance for subsistence for members of the Armed Forces under section 402 of title 37, United States Code;

(B) basic allowance for quarters for members of the Armed Forces under section 403 of such title; and

(C) variable housing allowance for members of the Armed Forces under section 403a of such title.

(2) An analysis of the effect of the amendments made by sections 603 and 604 of this Act regarding the calculation of the basic allowance for subsistence and the consolidation of the basic allowance for quarters and variable housing allowance on mitigating or eliminating income levels for members of the Armed Forces that result in certain members and their dependents subsisting at, near, or below the poverty line (as defined in section 673(2) of the Omnibus Budget Reconciliation Act of 1981, including any revision required by that section).

(3) Identification of the populations of members of the Armed Forces and their dependents most likely to need income support under Federal programs (and the number of individuals in each population), including—

(A) the populations living in areas of the United States where housing costs are notably high; and

(B) the populations living outside the United States.

(4) The desirability of increasing rates of basic pay during a defined number of years by varying percentages depending on pay grade, so as to provide for greater increases for members in lower pay grades than for higher pay grades.

(c) SUBMISSION TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress the findings of the study conducted under subsection (a).

SEC. 658. IMPLEMENTATION OF DEPARTMENT OF DEFENSE SUPPLEMENTAL FOOD PROGRAM FOR MILITARY PERSONNEL OUTSIDE THE UNITED STATES.

(a) FUNDING.—Section 1060a(b) of title 10, United States Code, is amended by adding at the

end the following new sentence: ''Pending receipt of such funds from the Secretary of Agriculture for any fiscal year, the Secretary of Defense may use funds appropriated to the Department of Defense for that fiscal year for operations and maintenance to carry out, and to avoid delay in implementation of, the program referred to in subsection (a) during any fiscal year.''.

(b) SUBMISSION OF PLAN TO CONGRESS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a plan for implementing the special supplemental food program under section 1060a of title 10, United States Code, as amended by subsection (a).

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

SEC. 701. EXPANSION OF RETIREE DENTAL INSURANCE PLAN TO INCLUDE SURVIVING SPOUSE AND CHILD DEPENDENTS OF CERTAIN DECEASED MEMBERS.

Section 1076c(b)(4) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking out ''dies'' and inserting in lieu thereof ''died''; and

(B) by striking out ''or'' at the end of the subparagraph;

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ''; or''; and

(3) by adding at the end the following new subparagraph:

''(C) who died while on active duty for a period of more than 30 days and whose eligible dependents are not eligible, or no longer eligible, for dental benefits under section 1076a of this title pursuant to subsection (i)(2) of such section.''.

SEC. 702. PROVISION OF PROSTHETIC DEVICES TO COVERED BENEFICIARIES.

(a) INCLUSION AMONG AUTHORIZED CARE.—Subsection (a) of section 1077 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(15) Prosthetic devices, as determined by the Secretary of Defense to be necessary because of significant conditions resulting from trauma, congenital anomalies, or disease.''.

(b) CONFORMING AMENDMENT.—Subsection (b) of such section is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

''(2) Hearing aids, orthopedic footwear, and spectacles, except that, outside of the United States and at stations inside the United States where adequate civilian facilities are unavailable, such items may be sold to dependents at cost to the United States.''.

Subtitle B—TRICARE Program

SEC. 711. ADDITION OF DEFINITION OF TRICARE PROGRAM TO TITLE 10.

Section 1072 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(7) The term 'TRICARE program' means the managed health care program that is established by the Department of Defense under the authority of this chapter, principally section 1097 of this title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.''.

SEC. 712. PLAN FOR EXPANSION OF MANAGED CARE OPTION OF TRICARE PROGRAM.

(a) EXPANSION PLAN REQUIRED.—The Secretary of Defense shall prepare a plan for the expansion of the managed care option of the TRICARE program, known as TRICARE Prime, into areas of the United States located outside of the catchment areas of medical treatment facilities of the uniformed services, but in which the managed care option is a cost-effective alternative because of—

(1) the significant number of covered beneficiaries under chapter 55 of title 10, United States Code, including retired members of the Armed Forces and their dependents, who reside in the areas; and

(2) the presence in the areas of sufficient nonmilitary health care provider networks.

(b) ALTERNATIVES.—As an alternative to expansion of the managed care option of the TRICARE program to areas of the United States in which there is few or no nonmilitary health care provider networks, the Secretary shall include in the plan required under subsection (a) an evaluation of the feasibility and cost-effectiveness of providing a member of the Armed Forces on active duty who is stationed in such an area, or whose dependents reside in such an area, with one or both of the following:

(1) A monetary stipend to assist the member in obtaining health care services for the member or the member's dependents.

(2) A reduction in the cost-sharing requirements applicable to the TRICARE program options otherwise available to the member to match the reduced cost-sharing responsibilities of the managed care option of the TRICARE program.

(c) SUBMISSION OF PLAN.—Not later than March 1, 1998, the Secretary shall submit to Congress the plan required under subsection (a).

Subtitle C—Uniformed Services Treatment Facilities

SEC. 721. IMPLEMENTATION OF DESIGNATED PROVIDER AGREEMENTS FOR UNIFORMED SERVICES TREATMENT FACILITIES.

(a) COMMENCEMENT OF HEALTH CARE SERVICES UNDER AGREEMENT.—Subsection (c) of section 722 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201, 10 U.S.C. 1073 note) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B);

(2) by inserting ''(1)'' before ''Unless''; and

(3) by adding at the end the following new paragraph:

''(2) The Secretary may modify the effective date established under paragraph (1) for an agreement to permit a transition period of not more than six months between the date on which the agreement is executed by the parties and the date on which the designated provider commences the delivery of health care services under the agreement.''.

(b) TEMPORARY CONTINUATION OF EXISTING PARTICIPATION AGREEMENTS.—Subsection (d) of such section is amended by inserting before the period at the end the following: '', including any transitional period provided by the Secretary under paragraph (2) of such subsection''.

SEC. 722. LIMITATION ON TOTAL PAYMENTS.

Section 726(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201, 10 U.S.C. 1073 note) is amended by adding at the end the following new sentence: ''In establishing the ceiling rate for enrollees with the designated providers who are also eligible for the Civilian Health and Medical Program of the Uniformed Services, the Secretary of Defense shall take into account the health status of the enrollees.''.

SEC. 723. CONTINUED ACQUISITION OF REDUCED-COST DRUGS.

Section 722 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 1073 note) is amended by adding at the end the following new subsection:

''(g) CONTINUED ACQUISITION OF REDUCED-COST DRUGS.—A designated provider shall be treated as part of the Department of Defense for purposes of section 8126 of title 38, United States Code, in connection with the provision by the designated provider of health care services to covered beneficiaries pursuant to the participation agreement of the designated provider under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 42 U.S.C. 248c note) or pursuant to the agreement entered into under subsection (b).''.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

SEC. 731. WAIVER OR REDUCTION OF COPAYMENTS UNDER OVERSEAS DENTAL PROGRAM.

Section 1076a(h) of title 10, United States Code, is amended—

(1) in the first sentence, by striking out ''Secretary'' and inserting in lieu thereof ''Secretary of Defense''; and

(2) by adding at the end the following new sentence: ''In the case of such an overseas dental plan, the Secretary may waive or reduce the copayments otherwise required by subsection (e) to the extent the Secretary determines appropriate for the effective and efficient operation of the plan.''.

SEC. 732. PREMIUM COLLECTION REQUIREMENTS FOR MEDICAL AND DENTAL INSURANCE PROGRAMS.

(a) SELECTED RESERVE DENTAL INSURANCE.—Paragraph (3) of section 1076b(b) of title 10, United States Code, is amended to read as follows:

''(3) The Secretary of Defense shall establish procedures for the collection of the member's share of the premium for coverage by the dental insurance plan. Not later than October 1, 1998, the Secretary shall permit a member to pay the member's share of the premium through a deduction and withholding from basic pay payable to the member for inactive duty training or basic pay payable to the member for active duty.''.

(b) RETIREE DENTAL INSURANCE PLAN.—Paragraph (2) of section 1076c(c) of such title is amended to read as follows:

''(2) In the regulations prescribed under subsection (h), the Secretary of Defense shall establish procedures for the payment by enrolled members and by other enrolled covered beneficiaries of premiums charged for coverage by the dental insurance plan. Not later than October 1, 1998, the Secretary shall permit a member enrolled in the plan and entitled to retired pay to pay the member's share of the premium through a deduction and withholding from the retired pay of the member.''.

(c) IMPLEMENTATION PLAN.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a plan to permit, not later than October 1, 1998—

(1) an enrollee in the Selected Reserve dental insurance plan authorized under section 1076b of title 10, United States Code, to pay the enrollee's share of the premium for such insurance through a deduction and withholding from basic pay payable to the enrollee;

(2) a retired member of the uniformed services enrolled in the dental insurance plan authorized under section 1076c of such title to pay the enrollee's share of the premium for such insurance through a deduction and withholding from retired pay payable to the enrollee; and

(3) a retired member of the uniformed services enrolled in the managed care option of the TRICARE program known as TRICARE Prime to pay the enrollee's share of the premium for such option through a deduction and withholding from retired pay payable to the enrollee.

SEC. 733. CONSISTENCY BETWEEN CHAMPUS AND MEDICARE IN PAYMENT RATES FOR SERVICES.

(a) CONFORMITY BETWEEN RATES.—Section 1079(h) of title 10, United States Code, is amended by striking out paragraphs (1), (2), and (3) and inserting in lieu thereof the following new paragraph:

''(1) Except as provided in paragraphs (2) and (3), payment for a charge for services by an individual health care professional (or other noninstitutional health care provider) for which a

claim is submitted under a plan contracted for under subsection (a) shall be equal to an amount determined to be appropriate, to the extent practicable, in accordance with the same reimbursement rules as apply to payments for similar services under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.). The Secretary of Defense shall determine the appropriate payment amount under this paragraph in consultation with the other administering Secretaries.''.

(b) REDUCED RATES AUTHORIZED.—Paragraph (5) of such section is amended by adding at the end the following new sentence: ''With the consent of the health care provider, the Secretary is also authorized to reduce the authorized payment for certain health care services below the amount otherwise required by the payment limitations under paragraph (1).''.

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in paragraph (5), by striking out ''paragraph (4), the Secretary'' and inserting in lieu thereof ''paragraph (2), the Secretary of Defense''; and

(2) by redesignating paragraphs (4), (5), and (6) as paragraphs (2), (3), and (4), respectively.

SEC. 734. USE OF PERSONAL SERVICES CONTRACTS FOR PROVISION OF HEALTH CARE SERVICES AND LEGAL PROTECTION FOR PROVIDERS.

(a) USE OF CONTRACTS OUTSIDE MEDICAL TREATMENT FACILITIES.—Section 1091(a) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' before ''The Secretary of Defense''; and

(2) by adding at the end the following new paragraph:

''(2) The Secretary of Defense may also enter into personal services contracts to carry out other health care responsibilities of the Secretary, such as the provision of medical screening examinations at Military Entrance Processing Stations, at locations outside medical treatment facilities, as determined necessary pursuant to regulations issued by the Secretary.''.

(b) DEFENSE OF SUITS.—Section 1089 of such title is amended—

(1) in subsection (a), by adding at the end the following new sentence: ''This subsection shall also apply if the physician, dentist, nurse, pharmacist, or paramedical or other supporting personnel (or the estate of such person) involved is serving under a personal services contract entered into by the Secretary of Defense under section 1091 of this title.''; and

(2) in subsection (f)—

(A) by inserting ''(1)'' after ''(f)''; and

(B) by adding at the end the following new paragraph:

''(2) With respect to the Secretary of Defense and the Armed Forces Retirement Home Board, the authority provided by paragraph (1) also includes the authority to provide for reasonable attorney's fees for persons described in subsection (a), as determined necessary pursuant to regulations issued by the head of the agency concerned.''.

SEC. 735. PORTABILITY OF STATE LICENSES FOR DEPARTMENT OF DEFENSE HEALTH CARE PROFESSIONALS.

Section 1094 of title 10, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d)(1) Notwithstanding any law regarding the licensure of health care providers, a health-care professional described in paragraph (2) may practice the health profession or professions of the health-care professional in any State, the District of Columbia, or a Commonwealth, territory, or possession of the United States, regardless of whether the practice occurs in a health care facility of the Department of Defense, a civilian facility affiliated with the Department of Defense, or any other location authorized by the Secretary of Defense .

''(2) A health-care professional referred to in paragraph (1) is a member of the armed forces who—

''(A) has a current license to practice medicine, osteopathic medicine, dentistry, or another health profession; and

''(B) is performing authorized duties for the Department of Defense.''.

SEC. 736. STANDARD FORM AND REQUIREMENTS REGARDING CLAIMS FOR PAYMENT FOR SERVICES.

(a) CLARIFICATION OF EXISTING REQUIREMENTS.—Section 1106 of title 10, United States Code, is amended to read as follows:

''§1106. Submittal of claims: standard form; time limits

''(a) STANDARD FORM.—The Secretary of Defense, after consultation with the other administering Secretaries, shall prescribe by regulation a standard form for the submission of claims for the payment of health care services provided under this chapter.

''(b) TIME FOR SUBMISSION.—A claim for payment for services shall be submitted as provided in such regulations not later than one year after the services are provided.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 55 of title 10, United States Code, is amended by striking out the item relating to section 1106 and inserting in lieu thereof the following new item:

''1106. Submittal of claims: standard form; time limits.''.

SEC. 737. MEDICAL PERSONNEL CONSCIENCE CLAUSE.

(a) SECRETARY OF DEFENSE POLICY.—The Secretary of Defense shall establish a uniform policy for the Army, Navy, and Air Force establishing the circumstances under which covered members (as defined in subsection (d)) of the Army, Navy, and Air Force may refuse, based on conscience, to perform an abortion (or participate in the performance of an abortion) or provide a covered family planning service (or participate in the provision of such a service).

(b) CONSCIENCE CLAUSE.—(1) The policy established under subsection (a) shall provide that a member of the Army, Navy, or Air Force who is a covered member may not be required to perform an abortion (or participate in the performance of an abortion), or to provide a covered family planning service (or participate in the provision of such a service), if the member believes that to do so would be wrong on moral, ethical or religious grounds.

(2) Paragraph (1) does not apply in a case in which refusal to perform an abortion (or participate in the performance of an abortion) or provide a covered family planning service would pose a life-threatening risk to the patient.

(c) COVERED FAMILY PLANNING SERVICES.—For the purposes of this section, a covered family planning service is any of the following:

(1) Contraceptive services, not limited to the prescription or provision of a pharmaceutical preparation, device, or chemical method.

(2) Surgical sterilization.

(d) COVERED MEMBER.—In this section, the term ''covered member'' means a member of the Army, Navy, or Air Force who—

(1) in the case of the Army, is a member of the Medical Corps, Dental Corps, Nurse Corps, Medical Service Corps, Veterinary Corps, or Army Medical Specialist Corps or is an enlisted member directly engaged in or directly supporting medically related activities;

(2) in the case of the Navy, is a member of the Medical Corps, Dental Corps, Nurse Corps, or Medical Service Corps or is an enlisted member directly engaged in or directly supporting medically related activities; and

(3) in the case of the Air Force, is designated as a medical officer, dental officer, Air Force nurse, medical service officer, or biomedical science officer or is an enlisted member directly engaged in or directly supporting medically related activities.

(e) EFFECTIVE DATE.—The policy established pursuant to subsection (a) shall apply with respect to any refusal on or after the date of the enactment of this Act to perform an abortion (or participate in the performance of an abortion) or to provide a covered family planning service.

Subtitle E—Other Matters

SEC. 741. CONTINUED ADMISSION OF CIVILIANS AS STUDENTS IN PHYSICIAN ASSISTANT TRAINING PROGRAM OF ARMY MEDICAL DEPARTMENT.

(a) CIVILIAN ATTENDANCE.—(1) Chapter 407 of title 10, United States Code, is amended by adding at the end the following new section:

''§4416. Academy of Health Sciences: admission of civilians in physician assistant training program

''(a) RECIPROCAL AGREEMENTS WITH COLLEGES.—The Secretary of the Army may enter into an agreement with an accredited institution of higher education under which students of the institution may attend the physician assistant training program conducted by the Army Medical Department at the Academy of Health Sciences at Fort Sam Houston, Texas, during the didactic portion of the program. In exchange for the admission of such students, the institution of higher education shall agree to provide such academic services as the Secretary and the institution consider to be appropriate to support the physician assistant training program at the Academy. The Secretary shall ensure that the Army Medical Department does not incur any additional costs as a result of the agreement than the Department would incur to obtain such academic services in the absence of the agreement.

''(b) SELECTION OF STUDENTS.—The attendance of civilian students at the Academy pursuant to an agreement under subsection (a) may not result in a decrease in the number of members of the armed forces enrolled in the physician assistant training program. In consultation with the institution of higher education that is a party to the agreement, the Secretary shall establish qualifications and methods of selection for students to receive instruction at the Academy. The qualifications established shall be comparable to those generally required for admission to the physician assistant training program at the Academy.

''(c) RULES OF ATTENDANCE.—Except as the Secretary determines necessary, a civilian student who receives instruction at the Academy pursuant to an agreement entered into under subsection (a) shall be subject to the same regulations governing attendance, discipline, discharge, and dismissal as apply to other persons attending the Academy.

''(d) REPORT.—For each year in which an agreement under subsection (a) is in effect, the Secretary shall submit to Congress a report specifying the number of civilian students who received instruction at the Academy under the agreement during the period covered by the report and accessing the benefits to the United States of the agreement.

''(e) ACADEMY DEFINED.—In this section, the term 'Academy' means the Academy of Health Sciences of the Army Medical Department at Fort Sam Houston, Texas.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4416. Academy of Health Sciences: admission of civilians in physician assistant training program.''.

(b) EFFECT ON EXISTING DEMONSTRATION PROGRAM.—An agreement entered into under the demonstration program for the admission of civilians as physician assistant students at the Academy of Health Sciences, Fort Sam Houston, Texas, established pursuant to section 732 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2810)

shall be treated as an agreement entered into under section 4416 of title 10, United States Code (as added by subsection (a)). The agreement may be extended in such manner and for such period as the parties to the agreement consider appropriate consistent with such section 4416.

SEC. 742. EMERGENCY HEALTH CARE IN CONNECTION WITH OVERSEAS ACTIVITIES OF ON-SITE INSPECTION AGENCY OF DEPARTMENT OF DEFENSE.

(a) PAYMENT OF EXPENSES FOR EMERGENCY HEALTH CARE.—Chapter 152 of title 10, United States Code, is amended by inserting after section 2549 the following new section:

''§ 2549a. Emergency health care: overseas activities of On-Site Inspection Agency

''(a) AUTHORITY TO PAY EXPENSES.—From funds appropriated for the necessary expenses of the On-Site Inspection Agency of the Department of Defense, the Secretary of Defense may pay or reimburse an employee of the Agency, a member of the uniformed services or a civilian employee assigned or detailed to the Agency, or an employee of a contractor operating under a contract with the Agency, for emergency health care services obtained by the employee, member, or contractor employee while permanently or temporarily on duty in a state of the former Soviet Union or the former Warsaw Pact.

''(b) INITIAL DEPOSITS.—The expenses for emergency health care that may be paid or reimbursed under subsection (a) include initial deposits for emergency care and inpatient care.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2549 the following new item:

''2549a. Emergency health care: overseas activities of On-Site Inspection Agency.''.

SEC. 743. COMPTROLLER GENERAL STUDY OF ADEQUACY AND EFFECT OF MAXIMUM ALLOWABLE CHARGES FOR PHYSICIANS UNDER CHAMPUS.

(a) STUDY REQUIRED.—The Comptroller General shall conduct a study regarding the adequacy of the maximum allowable charges for physicians established under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) and the effect of such charges on the participation of physicians in CHAMPUS. The study shall include an evaluation of the following:

(1) The methodology used by the Secretary of Defense to establish maximum allowable charges for physicians under CHAMPUS, and whether such methodology conforms to the requirements of section 1079(h) of title 10, United States Code.

(2) The differences between the established charges under CHAMPUS and reimbursement rates for similar services under title XVIII of the Social Security Act and other health care programs.

(3) The basis for physician complaints that the CHAMPUS established charges are too low.

(4) The difficultly of CHAMPUS in ensuring physician compliance with the CHAMPUS established charges in the absence of legal mechanisms to enforce compliance, and the effect of noncompliance on patient out-of-pocket expenses.

(5) The effect of the established charges under CHAMPUS on the participation of physicians in CHAMPUS, and the extent and success of Department of Defense efforts to increase physician participation in areas with low participation rates.

(b) SUBMISSION OF REPORT.—Not later than March 1, 1998, the Comptroller General shall submit to Congress a report containing the results of the study required by subsection (a).

SEC. 744. COMPTROLLER GENERAL STUDY OF DEPARTMENT OF DEFENSE PHARMACY PROGRAMS.

Not later than March 31, 1998, the Comptroller General shall submit to Congress a study evaluating the pharmacy programs of the Department of Defense. The study shall include an examination of the following:

(1) The merits and feasibility of establishing a uniform formulary for military treatment facility pharmacies and civilian contractor pharmacy benefit administrators.

(2) The extent of, and cost impacts from, military treatment facility pharmacies denying covered beneficiaries under chapter 55 of title 10, United States Code, pharmacy care access and shifting such beneficiaries to other sources of pharmacy care.

(3) The merits and feasibility of implementing other pharmacy benefit management best practices at military treatment facility and civilian contractor pharmacies.

(4) The cost impacts of TRICARE program contractors being unable to procure pharmaceuticals at discounted prices pursuant to section 8126 of title 38, United States Code, and potential ways to increase the discounts available to TRICARE program contractors, with appropriate controls.

SEC. 745. COMPTROLLER GENERAL STUDY OF NAVY GRADUATE MEDICAL EDUCATION PROGRAM.

(a) STUDY REQUIRED.—The Comptroller General shall conduct a study to evaluate the validity of the recommendations made by the Medical Education Policy Council of the Bureau of Medicine and Surgery of the Navy regarding restructuring the graduate medical education program of the Department of the Navy. The study shall specifically address the Council's recommendations relating to residency training conducted at Naval Medical Center, Portsmouth, Virginia, and National Naval Medical Center, Bethesda, Maryland.

(b) SUBMISSION OF REPORT.—Not later than March 1, 1998, the Comptroller General shall submit to Congress and the Secretary of the Navy a report containing the results of the study required by subsection (a).

(c) MORATORIUM ON RESTRUCTURING.—Until the report required by subsection (b) is submitted to Congress, the Secretary of the Navy may not make any change in the types of residency programs conducted under the Navy graduate medical education program or the locations at which such residency programs are conducted or otherwise restructure the Navy graduate medical education program.

SEC. 746. STUDY OF EXPANSION OF PHARMACEUTICALS BY MAIL PROGRAM TO INCLUDE ADDITIONAL MEDICARE-ELIGIBLE COVERED BENEFICIARIES.

Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report regarding the feasibility and advisability of expanding the category of persons eligible to participate in the demonstration project for the purchase of prescription pharmaceuticals by mail, as required by section 702(a) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 1079 note), to include persons referred to in section 1086(c) of title 10, United States Code, who are covered by subsection (d)(1) of such section and reside in the United States outside of the catchment area of a medical treatment facility of the uniformed services.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Policy

SEC. 801. CASE-BY-CASE WAIVERS OF DOMESTIC SOURCE LIMITATIONS.

(a) REQUIREMENT FOR CASE-BY-CASE WAIVERS.—Section 2534(d) of title 10, United States Code, is amended in the matter appearing before paragraph (1) by striking out ''waive the limitation in subsection (a) with respect to the procurement of an item listed in that subsection if the Secretary determines'' and inserting in lieu thereof the following: ''waive, on a case-by-case basis, the limitation in subsection (a) in the case of a specific procurement of an item listed in that subsection if the Secretary determines, for that specific procurement,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to contracts entered into after the expiration of the 30-day period beginning on the date of the enactment of this Act.

SEC. 802. EXPANSION OF AUTHORITY TO ENTER INTO CONTRACTS CROSSING FISCAL YEARS TO ALL SEVERABLE SERVICES CONTRACTS NOT EXCEEDING A YEAR.

(a) EXPANDED AUTHORITY.—Section 2410a of title 10, United States Code, is amended to read as follows:

''§ 2410a. Severable services contracts for periods crossing fiscal years

''(a) AUTHORITY.—The Secretary of Defense or the Secretary of a military department may enter into a contract for procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year if (without regard to any option to extend the period of the contract) the contract period does not exceed one year.

''(b) OBLIGATION OF FUNDS.—Funds made available for a fiscal year may be obligated for the total amount of a contract entered into under the authority of subsection (a).''.

(b) CLERICAL AMENDMENT.—The item relating to that section in the table of sections at the beginning of chapter 141 of such title is amended to read as follows:

''2410a. Severable services contracts for periods crossing fiscal years.''.

SEC. 803. CLARIFICATION OF VESTING OF TITLE UNDER CONTRACTS.

Section 2307 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(i) VESTING OF TITLE.—If a contract made by the head of an agency provides for title to property to vest in the United States, such title shall vest in accordance with the terms of the contract, regardless of any security interest in the property asserted by the contractor.''.

SEC. 804. EXCLUSION OF DISASTER RELIEF, HUMANITARIAN, AND PEACEKEEPING OPERATIONS FROM RESTRICTIONS ON USE OF UNDEFINITIZED CONTRACT ACTIONS.

Section 2326 of title 10, United States Code, is amended—

(1) in subsection (b)—

(A) by striking out paragraph (4); and

(B) by redesignating paragraph (5) as paragraph (4); and

(2) in subsection (g)(1), by adding at the end the following new subparagraphs:

''(E) Purchases in support of contingency operations.

''(F) Purchases in support of humanitarian or peacekeeping operations, as defined in 2302(7)(B) of this title.

''(G) Purchases in support of emergency work and other disaster relief operations performed pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).''.

SEC. 805. LIMITATION AND REPORT ON PAYMENT OF RESTRUCTURING COSTS UNDER DEFENSE CONTRACTS.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2324 the following new section:

''§ 2325. Restructuring costs

''(a) LIMITATION ON PAYMENT OF RESTRUCTURING COSTS.—(1) The Secretary of Defense may not pay, under section 2324 of this title, a defense contractor for restructuring costs associated with a business combination of the contractor unless the Secretary determines in writing either—

''(A) that the amount of savings for the Department of Defense associated with the restructuring, based on audited cost data, will be at least twice the amount of the costs allowed; or

''(B) that the amount of savings for the Department of Defense associated with the restructuring, based on audited cost data, will exceed the amount of the costs allowed and that the business combination will result in the preservation of a critical capability that otherwise might be lost to the Department.

''(2) The Secretary may not delegate the authority to make a determination under paragraph (1) to an official of the Department of Defense below the level of an Assistant Secretary of Defense.

''(b) REPORT.—Not later than March 1 in each of 1998, 1999, 2000, 2001, and 2002, the Secretary of Defense shall submit to Congress a report containing the following:

''(1) For each defense contractor to which the Secretary has paid, under section 2324 of this title, restructuring costs associated with a business combination, a summary of the following:

''(A) The amount of savings for the Department of Defense associated with such business combination that has been realized as of the date of the report, based on audited cost data.

''(B) An estimate, as of the date of the report, of the amount of savings for the Department of Defense associated with such business combination that is expected to be achieved in the future.

''(2) An identification of any business combination for which the Secretary has paid restructuring costs under section 2324 of this title during the preceding calendar year and, for each such business combination—

''(A) the supporting rationale for allowing such costs;

''(B) factual information associated with the determination made under subsection (a) with respect to such costs; and

''(C) a discussion of whether the business combination would have proceeded without the payment of restructuring costs by the Secretary.

''(3) An assessment of the degree of vertical integration resulting from business combinations of defense contractors and a discussion of the measures taken by the Secretary of Defense to increase the ability of the Department of Defense to monitor vertical integration trends and address any resulting negative consequences.

''(c) DEFINITION.—In this section, the term 'business combination' includes a merger or acquisition.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2324 the following new item:

''2325. Restructuring costs.''.

(b) EFFECTIVE DATE.—Section 2325 of title 10, United States Code, as added by subsection (a), shall apply with respect to business combinations that occur after the date of the enactment of this Act.

(c) REPEAL OF SUPERSEDED PROVISION.—Subsection (a) of section 818 of the National Defense Authorization Act for Fiscal Year 1995 (10 U.S.C. 2324 note) is repealed.

SEC. 806. AUTHORITY RELATING TO PURCHASE OF CERTAIN VEHICLES.

Section 2253(a)(2) of title 10, United States Code, is amended by striking out ''$12,000'' and inserting in lieu thereof ''$30,000''.

SEC. 807. MULTIYEAR PROCUREMENT CONTRACTS.

(a) REQUIREMENT FOR AUTHORIZATION BY LAW IN ACTS OTHER THAN APPROPRIATIONS ACTS.—(1) Subsection (i) of section 2306b of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) In the case of the Department of Defense, a multiyear contract may not be entered into for any fiscal year under this section unless the contract is specifically authorized by law in an Act other than an appropriations Act.''.

(2) Paragraph (3) of section 2306b(i) of title 10, United States Code, as added by paragraph (1), shall not apply with respect to a contract authorized by law before the date of the enactment of this Act.

(b) CODIFICATION OF ANNUAL RECURRING MULTIYEAR PROCUREMENT REQUIREMENTS.—(1) Such section is further amended by adding at the end the following new subsection:

''(l) VARIOUS ADDITIONAL REQUIREMENTS WITH RESPECT TO MULTIYEAR DEFENSE CONTRACTS.—(1)(A) The head of an agency may not initiate a contract described in subparagraph (B) unless the congressional defense committees are notified of the proposed contract at least 30 days in advance of the award of the proposed contract.

''(B) Subparagraph (A) applies to the following contracts:

''(i) A multiyear contract—

''(I) that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract; or

''(II) that includes an unfunded contingent liability in excess of $20,000,000.

''(ii) Any contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year.

''(2) The head of an agency may not initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability.

''(3) The head of an agency may not initiate a multiyear procurement contract for any system (or component thereof) if the value of the multiyear contract would exceed $500,000,000 unless authority for the contract is specifically provided in an appropriations Act.

''(4) The head of an agency may not terminate a multiyear procurement contract until 10 days after the date on which notice of the proposed termination is provided to the congressional defense committees.

''(5) The execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.

''(6) This subsection does not apply to the National Aeronautics and Space Administration or to the Coast Guard.

''(7) In this subsection, the term 'congressional defense committees' means the following:

''(A) The Committee on Armed Services of the Senate and the Subcommittee on Defense of the Committee on Appropriations of the Senate.

''(B) The Committee on National Security of the House of Representatives and the Subcommittee on National Security of the Committee on Appropriations of the House of Representatives.''.

(2) The amendment made by paragraph (1) shall take effect on October 1, 1998.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Such section is further amended as follows:

(1) Subsection (a) is amended—

(A) by striking out ''finds—'' in the matter preceding paragraph (1) and inserting in lieu thereof ''finds each of the following:'';

(B) by capitalizing the initial letter of the first word in each of paragraphs (1) through (6);

(C) by striking out the semicolon at the end of paragraphs (1) through (4) and inserting in lieu thereof a period; and

(D) by striking out ''; and'' at the end of paragraph (5) and inserting in lieu thereof a period.

(2) Subsection (d)(1) is amended by striking out ''paragraph (1)'' and inserting in lieu thereof ''subsection (a)''.

(3) Subsection (i)(1) is amended by striking ''five-year'' and inserting in lieu thereof ''future-years''.

(4) Subsection (k) is amended by striking out ''subsection'' and inserting in lieu thereof ''section''.

SEC. 808. DOMESTIC SOURCE LIMITATION AMENDMENTS.

(a) ADDITION OF SHIPBOARD WORK STATIONS.—Section 2534(a)(3)(B) of title 10, United States Code, is amended—

(1) by striking out ''and'' before ''totally''; and

(2) by inserting before the period at the end the following: '', and shipboard work stations''.

(b) EXTENSION OF DOMESTIC SOURCE LIMITATION FOR VALVES AND MACHINE TOOLS.—Section 2534(c)(2)(C) of such title is amended by striking out ''October 1, 1996'' and inserting in lieu thereof ''October 1, 2001''.

SEC. 809. REPEAL OF EXPIRATION OF DOMESTIC SOURCE LIMITATION FOR CERTAIN NAVAL VESSEL PROPELLERS.

Section 2534(c) of title 10, United States Code, is amended by striking out paragraph (4).

Subtitle B—Other Matters

SEC. 821. REPEAL OF CERTAIN ACQUISITION REQUIREMENTS AND REPORTS

(a) REPEAL OF REPORTING REQUIREMENT FOR NONMAJOR ACQUISITION PROGRAMS.—Section 2220(b) of title 10, United States Code, is amended by striking out ''and nonmajor''.

(b) REPEAL OF ADDITIONAL DOCUMENTATION REQUIREMENT FOR COMPETITION EXCEPTION FOR INTERNATIONAL AGREEMENTS.—Section 2304(f) of title 10, United States Code, is amended in paragraph (2)(E) by striking out ''procedures and such document is approved by the competition advocate for the procuring activity.'' and inserting in lieu thereof ''procedures.''.

(c) ELIMINATION OF COMPLETION STATUS REQUIREMENT IN CERTAIN SELECTED ACQUISITION REPORTS.—Section 2432(h)(2) of title 10, United States Code, is amended—

(1) by striking out subparagraph (D); and

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively.

(d) REPEAL OF REQUIREMENT TO ESTABLISH PROCUREMENT COMPETITION GOALS.—Section 913 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 687; 10 U.S.C. 2302 note), is repealed.

(e) REPEAL OF ANNUAL REPORT BY ADVOCATES FOR COMPETITION.—Section 20(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 418(b)) is amended—

(1) by striking out ''and'' at the end of paragraph (3)(B);

(2) by striking out paragraph (4); and

(3) by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(f) REPEAL OF REVIEW AND REPORT RELATING TO PROCUREMENT REGULATIONS.—Section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) is amended—

(1) by striking out paragraphs (4), (5), and (6) of subsection (c); and

(2) by striking out subsection (g).

SEC. 822. EXTENSION OF AUTHORITY FOR USE OF TEST AND EVALUATION INSTALLATIONS BY COMMERCIAL ENTITIES.

Section 2681(g) of title 10, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 2000''.

SEC. 823. REQUIREMENT TO DEVELOP AND MAINTAIN LIST OF FIRMS NOT ELIGIBLE FOR DEFENSE CONTRACTS.

(a) DEVELOPMENT AND MAINTENANCE OF LIST.—Section 2327 of title 10, United States Code, is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following new subsection:

''(d) LIST OF FIRMS SUBJECT TO SUBSECTION (b).—(1) The Secretary of Defense shall develop and maintain a list of all firms and subsidiaries of firms that have been subject to the prohibition in subsection (b) since the date occurring five years before the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998. The Secretary shall make the list available to the public.

''(2) A firm or subsidiary included on the list maintained under paragraph (1) may request the Secretary of Defense to remove such firm or subsidiary from the list if its foreign ownership circumstances have significantly changed. Upon receipt of such request, the Secretary shall determine if paragraphs (1) and (2) of subsection (b) still apply to the firm or subsidiary. If the Secretary determines such paragraphs no longer apply, the Secretary shall remove the firm or subsidiary from the list.

''(3) The head of an agency shall provide a copy of the list maintained under paragraph (1) to each firm or subsidiary of a firm that submits a bid or proposal in response to a solicitation issued by the Department of Defense.

''(4) The head of an agency shall prohibit each firm or subsidiary of a firm awarded a contract by the agency from using in the performance of the contract any equipment, parts, or services that are provided by a firm or subsidiary included on the list maintained under paragraph (1).''.

(b) REMOVAL FROM LIST.—Section 2327(c)(1)(A) of such title is amended by inserting after ''United States,'' the following: ''the Secretary shall remove the firm or subsidiary from the list maintained under subsection (d)(1) and''.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. LIMITATION ON OPERATION AND SUPPORT FUNDS FOR THE OFFICE OF THE SECRETARY OF DEFENSE.

(a) REDUCTION IN FUNDS.—The amount of funds appropriated pursuant to section 301 that are available for operation and support activities of the Office of the Secretary of Defense may not exceed the amount equal to 80 percent of the amount of funds requested for such purpose in the budget submitted by the President to Congress under section 1105 of title 31, United States Code, for fiscal year 1998.

(b) LIMITATION PENDING RECEIPT OF PREVIOUSLY REQUIRED REPORTS.—Of the amount available for fiscal year 1998 for operation and support activities of the Office of the Secretary of Defense (as limited pursuant to subsection (a)), not more than 90 percent may be obligated until each of the following reports has been submitted to the congressional defense committees:

(1) The report required by section 901(c) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 401).

(2) The report required by section 904(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2619).

SEC. 902. COMPONENTS OF NATIONAL DEFENSE UNIVERSITY.

(a) EMPLOYMENT AND COMPENSATION OF CIVILIAN FACULTY.—Section 1595(d)(2) of title 10, United States Code, is amended by striking out ''Institute for National Strategic Study,'' and inserting in lieu thereof ''Institute for National Strategic Studies, the Information Resources Management College,''.

(b) PREPARATION OF BUDGET REQUESTS.—Section 2162(d)(2) of such title is amended by inserting after ''the Armed Forces Staff College,'' the following: ''the Institute for National Strategic Studies, the Information Resources Management College,''.

SEC. 903. AUTHORIZATION FOR THE MARINE CORPS UNIVERSITY TO EMPLOY CIVILIAN PROFESSORS.

(a) IN GENERAL.—Subsections (a) and (c) of 7478 of title 10, United States Code, are amended by striking ''or at the Marine Corps Command and Staff College'' and inserting in lieu thereof ''or at a school of the Marine Corps University''.

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

''§ 7478. Naval War College and Marine Corps University: civilian faculty members''.

(2) The item relating to such section in the table of sections at the beginning of chapter 643 of such title is amended to read as follows:

''7478. Naval War College and Marine Corps University: civilian faculty members.''.

SEC. 904. CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.

(a) FINDINGS.—The Congress finds the following:

(1) The strategic relationship between the United States and the People's Republic of China will be very important for future peace and security, not only in the Asia-Pacific region but around the world.

(2) The United States does not view China as an enemy, nor consider that the coming century necessarily will see a new great power competition between the two nations.

(3) The end of the Cold War has eliminated what had been the one fundamental common strategic interest of the United States and China, that of containing the Soviet Union.

(4) The rapid economic rise and stated geopolitical ambitions of China will pose challenges that will require careful management in order to preserve peace and protect the national security interests of the United States.

(5) The ability of the Department of Defense, and the United States Government more generally, to develop sound security and military strategies is hampered by a limited understanding of Chinese strategic goals and military capabilities. The low priority accorded the study of Chinese strategic and military affairs within the Government and within the academic community has contributed to this limited understanding.

(6) There is a need for a United States national institute for research and assessment of political, strategic, and military affairs in the People's Republic of China. Such an institute should be capable of providing analysis for the purpose of shaping United States military strategy and policy with regard to China and should be readily accessible to senior leaders within the Department of Defense, but should maintain academic and intellectual independence so that that analysis is not first shaped by policy.

(b) ESTABLISHMENT OF CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.—(1) Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2165. National Defense University: Center for the Study of Chinese Military Affairs

''(a) ESTABLISHMENT.—(1) The Secretary of Defense shall establish a Center for the Study of Chinese Military Affairs (hereinafter in this section referred to as the 'Center') as part of the National Defense University. The Center shall be organized as an independent institute under the University.

''(2) The Director of the Center shall be a distinguished scholar of proven academic, management, and leadership credentials with a superior record of achievement and publication regarding Chinese political, strategic, and military affairs. The Director shall be appointed by the Secretary of Defense in consultation with the chairman and ranking minority party member of the Committee on National Security of the House of Representatives and the chairman and ranking minority party member of the Committee on Armed Services of the Senate.

''(b) MISSION.—The mission of the Center is to study the national goals and strategic posture of the People's Republic of China and the ability of that nation to develop, field, and deploy an effective military instrument in support of its national strategic objectives.

''(c) AREAS OF STUDY.—The Center shall conduct research relating to the People's Republic of China as follows:

''(1) To assess the potential of that nation to act as a global great power, the Center shall conduct research that considers the policies and capabilities of that nation in a regional and world-wide context, including Central Asia, Southwest Asia, Europe, and Latin America, as well as the Asia-Pacific region.

''(2) To provide a fuller assessment of the areas of study referred to in paragraph (1), the Center shall conduct research on—

''(A) economic trends relative to strategic goals and military capabilities;

''(B) strengths and weaknesses in the scientific and technological sector; and

''(C) relevant demographic and human resource factors on progress in the military sphere.

''(3) The Center shall conduct research on the armed forces of the People's Republic of China, taking into account the character of those armed forces and their role in Chinese society and economy, the degree of their technological sophistication, and their organizational and doctrinal concepts. That research shall include inquiry into the following matters:

''(A) Concepts concerning national interests, objectives, and strategic culture.

''(B) Grand strategy, military strategy, military operations, and tactics.

''(C) Doctrinal concepts at each of the four levels specified in subparagraph (B).

''(D) The impact of doctrine on China's force structure choices.

''(E) The interaction of doctrine and force structure at each level to create an integrated system of military capabilities through procurement, officer education, training, and practice and other similar factors.

''(d) FACULTY OF THE CENTER.—(1) The core faculty of the Center should comprise mature scholars capable of providing diverse perspectives on Chinese political, strategic, and military thought. Center scholars shall demonstrate the following competencies and capabilities:

''(A) Analysis of national strategy, military strategy, and doctrine.

''(B) Analysis of force structure and military capabilities.

''(C) Analysis of—

''(i) issues relating to weapons of mass destruction, military intelligence, defense economics, trade, and international economics; and

''(ii) the relationship between those issues and grand strategy, science and technology, the sociology of human resources and demography, and political science.

''(2) A substantial number of Center scholars shall be competent in the Chinese language. The Center shall include a core of junior scholars capable of providing linguistics and translation support to the Center.

''(e) ACTIVITIES OF THE CENTER.—The activities of the Center shall include other elements appropriate to its mission, including the following:

''(1) The Center should include an active conference program with an international reach.

''(2) The Center should conduct an international competition for a Visiting Fellowship in Chinese Military Affairs and Chinese Security Issues. The term of the fellowship should be for one year, renewable for a second. The visitor should contract to produce a major publication in the visitor's area of expertise.

''(3) The Center shall provide funds to support at least one trip per analyst per year to China and the region and to support visits of Chinese military leaders to the Center.

''(4) The Center shall support well defined, distinguished, signature publications.

''(5) Center scholars shall have appropriate access to intelligence community assessments of Chinese military affairs.

''(f) STUDIES AND REPORTS.—The Director may contract for studies and reports from the private sector to supplement the work of the Center.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2165. National Defense University: Center for the Study of Chinese Military Affairs.''.

(c) IMPLEMENTATION REPORT.—Not later than January 1, 1998, the Secretary of Defense shall

submit to Congress a report stating the timetable and organizational plan for establishing the Center for the Study of Chinese Military Affairs under section 2165 of title 10, United States Code, as added by subsection (b).

(d) STARTUP OF CENTER.—The Secretary shall establish the Center for the Study of Chinese Military Affairs under section 2165 of title 10, United States Code, as added by subsection (b), not later than March 1, 1998, and shall appoint the first Director of the Center not later than June 1, 1998.

(e) FIRST YEAR FUNDING.—Of the amount available to the Secretary of Defense for fiscal year 1998 for Defense-wide operation and maintenance (other than funds otherwise available for the activities of the National Defense University), the Secretary shall make $5,000,000 available for the Center for the Study of Chinese Military Affairs established under section 2165 of title 10, United States Code, as added by subsection (b).

SEC. 905. WHITE HOUSE COMMUNICATIONS AGENCY.

Of the amount appropriated pursuant to section 301 for operation and maintenance for fiscal year 1998, not more than $55,000,000 may be made available for the White House Communications Agency.

SEC. 906. REVISION TO REQUIRED FREQUENCY FOR PROVISION OF POLICY GUIDANCE FOR CONTINGENCY PLANS.

Section 113(g)(2) of title 10, United States Code, is amended—

(1) in the first sentence, by striking out ''annually''; and

(2) in the second sentence, by inserting ''be provided every two years or more frequently as needed and shall'' after ''Such guidance shall''.

SEC. 907. TERMINATION OF THE DEFENSE AIRBORNE RECONNAISSANCE OFFICE.

(a) TERMINATION OF OFFICE.—The organization within the Department of Defense known as the Defense Airborne Reconnaissance Office is terminated. No funds available for the Department of Defense may be used for the operation of that Office after the date specified in subsection (d).

(b) TRANSFER OF FUNCTIONS.—(1) Subject to paragraphs (2) and (3), the Secretary of Defense shall transfer to the Defense Intelligence Agency the functions that were performed on the day before the date of the enactment this Act by the Defense Airborne Reconnaissance Office relating to its responsibilities for management oversight and coordination of defense airborne reconnaissance capabilities.

(2) The Secretary shall determine which functions are appropriate for transfer under paragraph (1). In making such determination, the Secretary shall ensure that program management, development and acquisition, operations, and related responsibilities for individual programs within the Defense Airborne Reconnaissance program remain within the military departments.

(3) Any functions transferred under this subsection shall be subject to the authority, direction, and control of the Secretary.

(c) REPORT.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the committees named in paragraph (2) a report containing the Secretary's plan for terminating and transferring the functions of the Defense Airborne Reconnaissance Office.

(2) The committees referred to in paragraph (1) are—

(A) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

(B) the Permanent Select Committee on Intelligence and the Committee on National Security of the House of Representatives.

(d) EFFECTIVE DATE.—Subsection (a) shall take effect at the end of the 120-day period beginning on the date of the enactment of this Act.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1998 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the Committee on National Security of the House of Representatives to accompany the bill H.R. 1119 of the One Hundred Fifth Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. AUTHORITY FOR OBLIGATION OF UNAUTHORIZED FISCAL YEAR 1997 DEFENSE APPROPRIATIONS.

(a) AUTHORITY.—The amounts described in subsection (b) may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1997 defense appropriations.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1997 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1997 defense authorizations.

(c) DEFINITIONS.—For the purposes of this section:

(1) FISCAL YEAR 1997 DEFENSE APPROPRIATIONS.—The term ''fiscal year 1997 defense appropriations'' means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1997 in the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104–208).

(2) FISCAL YEAR 1997 DEFENSE AUTHORIZATIONS.—The term ''fiscal year 1997 defense authorizations'' means amounts authorized to be appropriated for the Department of Defense for fiscal year 1997 in the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201).

SEC. 1004. AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1997.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 1997 in the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in the 1997 Emergency Supplemental Appropriations Act for Recovery from Natural Disasters, and for Overseas Peacekeeping Efforts, Including Those in Bosnia.

SEC. 1005. INCREASE IN FISCAL YEAR 1996 TRANSFER AUTHORITY.

Section 1001(a)(2) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 100 Stat. 2630) is amended by striking out ''$2,000,000,000'' and inserting in lieu thereof ''$3,100,000,000''.

SEC. 1006. FISHER HOUSE TRUST FUNDS.

Section 2221(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(5) There is hereby authorized to be appropriated for any fiscal year from a trust fund specified in subsection (a) any amount referred to in paragraph (1), (2), or (3) (as applicable to that trust fund), such amount to be available only for the purposes stated in that paragraph. With respect to any such amount, the preceding sentence is the specific authorization by law required by section 1321(b)(2) of title 31.''.

SEC. 1007. FLEXIBILITY IN FINANCING CLOSURE OF CERTAIN OUTSTANDING CONTRACTS FOR WHICH A SMALL FINAL PAYMENT IS DUE.

(a) CLOSURE OF OUTSTANDING CONTRACTS.—The Secretary of Defense may make the final payment on a contract to which this section applies from the account established pursuant to subsection (d).

(b) COVERED CONTRACTS.—This section applies to any contract of the Department of Defense—

(1) that was entered into before December 5, 1990; and

(2) for which an unobligated balance of an appropriation that had been initially applied to the contract was canceled before December 5, 1990, pursuant to section 1552 of title 31, United States Code, as in effect before that date.

(c) AUTHORITY LIMITED TO SMALL FINAL PAYMENTS.—The Secretary may use the authority provided by this section only for a contract for which the amount of the final payment due is not greater than the micro-purchase threshold (as defined in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428)).

(d) ACCOUNT.—The Secretary may establish an account for the purposes of this section. The Secretary may from time to time transfer into the account, from funds available to the Department of Defense for procurement or for research, development, test, and evaluation, such amounts as the Secretary determines to be needed for the purposes of the account, except that no such transfer may be made that would result in the balance of the account exceeding $1,000,000. Amounts in the account may be used only for the purposes of this section.

(e) CLOSURE OF ACCOUNT.—When the Secretary determines that all contracts to which this section applies have been closed and there is no further need for the account established under subsection (d), the Secretary shall close

the account. Any amounts remaining in the account shall be covered into the Treasury as miscellaneous receipts.

Subtitle B—Naval Vessels and Shipyards

SEC. 1021. RELATIONSHIP OF CERTAIN LAWS TO DISPOSAL OF VESSELS FOR EXPORT FROM THE NAVAL VESSEL REGISTER AND THE NATIONAL DEFENSE RESERVE FLEET.

(a) NAVAL VESSEL REGISTER.—(1) Section 7305 of title 10, United States Code, is amended by adding at the end the following:

''(e) RELATIONSHIP TO TOXIC SUBSTANCES CONTROL ACT.—(1) Subject to paragraph (2), the sale of a vessel under this section for export, or any subsequent resale of a vessel sold under this section for export—

''(A) is not a disposal or a distribution in commerce under section 6 or 12(a) of the Toxic Substances Control Act (15 U.S.C. 2605 and 2611(a)) or an export of hazardous waste under section 3017 of the Solid Waste Disposal Act (42 U.S.C. 6938); and

''(B) is not subject to section 12(b) of the Toxic Substances Control Act (15 U.S.C. 2611(b)).

''(2)(A) Paragraph (1) applies to a vessel being sold for export only if, before the sale of such vessel, any item listed in subparagraph (B) containing polychlorinated biphenyls is removed from the vessel.

''(B) Subparagraph (A) covers any transformer, large high or low voltage capacitor, or hydraulic or heat transfer fluid.''.

(2) Section 7306a of such title is amended—

(A) in the heading, by adding at the end the following: ''**or operational training**'';

(B) in subsection (a), by inserting ''or operational training'' after ''purposes''; and

(C) by adding at the end the following:

''(c) RELATIONSHIP TO OTHER LAWS.—The sinking of a vessel for an experimental purpose or for operational training pursuant to subsection (a) is not—

''(1) a disposal or a distribution in commerce under section 6 or 12(a) of the Toxic Substances Control Act (15 U.S.C. 2605 and 2611(a)); or

''(2) the transport of material for the purpose of dumping it into ocean waters, or the dumping of material transported from a location outside the United States, under section 101 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1411).''.

(b) NATIONAL DEFENSE RESERVE FLEET.—(1) Section 510(i) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1160(i)) is amended—

(A) by inserting ''(1)'' after ''(i)''; and

(B) by adding at the end the following new paragraph:

''(2)(A) Subject to subparagraph (B), the sale under this subsection of a vessel from the National Defense Reserve Fleet for export, or any subsequent resale of a vessel sold from the Fleet for export—

''(i) is not a disposal or a distribution in commerce under section 6 or 12(a) of the Toxic Substances Control Act (15 U.S.C. 2605 and 2611(a)) or an export of hazardous waste under section 3017 of the Solid Waste Disposal Act (42 U.S.C. 6938); and

''(ii) is not subject to subsection (b) of section 12 of the Toxic Substances Control Act (15 U.S.C. 2611).

''(B)(i) Subparagraph (A) applies to a vessel being sold for export only if, before the sale of such vessel, any item listed in clause (ii) containing polychlorinated biphenyls is removed from the vessel.

''(ii) Clause (i) covers any transformer, large high or low voltage capacitor, or hydraulic or heat transfer fluid.''.

(2) Section 6 of the National Maritime Heritage Act of 1994 (Public Law 103–451; 108 Stat. 4776; 16 U.S.C. 5405) is amended—

(A) in subsections (a)(1) and (b)(2)—

(i) by inserting ''or 510(i)'' after ''508''; and

(ii) by inserting ''or 1160(i)'' after ''1158''; and

(B) in subsection (c)(1)(A), by striking out ''1999'' and inserting in lieu thereof ''2001''.

SEC. 1022. AUTHORITY TO ENTER INTO A LONG-TERM CHARTER FOR A VESSEL IN SUPPORT OF THE SURVEILLANCE TOWED-ARRAY SENSOR (SURTASS) PROGRAM.

The Secretary of the Navy is authorized to enter into a contract in accordance with section 2401 of title 10, United States Code, for the charter, for a period through fiscal year 2003, of the vessel RV CORY CHOUEST (United States official number 933435) in support of the Surveillance Towed-Array Sensor (SURTASS) program.

SEC. 1023. TRANSFER OF TWO SPECIFIED OBSOLETE TUGBOATS OF THE ARMY.

(a) AUTHORITY TO TRANSFER VESSELS.—The Secretary of the Army may transfer the two obsolete tugboats of the Army described in subsection (b) to the Brownsville Navigation District, Brownsville, Texas.

(b) VESSELS COVERED.—Subsection (a) applies to the following two decommissioned tugboats of the Army, each of which is listed as of the date of the enactment of this Act as being surplus to the needs of the Army: the Normandy (LT–1971) and the Salerno (LT–1953).

(c) TRANSFERS TO BE AT NO COST TO UNITED STATES.—A transfer authorized by this section shall be made at no cost to the United States.

(d) TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the transfers authorized by this section as the Secretary considers appropriate.

SEC. 1024. NAMING OF A DDG–51 CLASS DESTROYER THE U.S.S. THOMAS F. CONNOLLY.

It is the sense of Congress that the Secretary of the Navy should name a guided missile destroyer of the DDG–51 class the U.S.S. Thomas F. Connolly, in honor of Vice Admiral Thomas F. Connolly (1909–1996), of the State of Minnesota, who during an active-duty naval career extending from 1933 to 1971 became a leading architect of the modern United States Navy .

SEC. 1025. CONGRESSIONAL REVIEW PERIOD WITH RESPECT TO TRANSFER OF THE EX-U.S.S. MIDWAY (CV–41).

In applying section 7306 of title 10, United States Code, with respect to the transfer of the decommissioned aircraft carrier ex-U.S.S. MIDWAY (CV–41), subsection (d)(1)(B) of that section shall be applied by substituting ''30 calendar days'' for ''60 days of continuous session of Congress''.

Subtitle C—Counter-Drug Activities

SEC. 1031. PROHIBITION ON USE OF NATIONAL GUARD FOR CIVIL-MILITARY ACTIVITIES UNDER STATE DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES PLAN.

Section 112 of title 32, United States Code, is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f) the following new subsection:

''(g) PROHIBITION ON CERTAIN CIVIL-MILITARY ACTIVITIES.—Funds provided under this section may not be used to conduct activities, including community-outreach programs, designed to reduce the demand for illegal drugs among persons who are not members of the National Guard or their dependents.''.

Subtitle D—Miscellaneous Report Requirements and Repeals

SEC. 1041. REPEAL OF MISCELLANEOUS OBSOLETE REPORTS REQUIRED BY PRIOR DEFENSE AUTHORIZATION ACTS.

(a) REPORT ON REMOVAL OF BASIC POINT DEFENSE MISSILE SYSTEM FROM NAVAL AMPHIBIOUS VESSELS.—Section 1437 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 757), is repealed.

(b) REPORT CONCERNING THE STRETCHOUT OF MAJOR DEFENSE ACQUISITION PROGRAMS.—Section 117 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 1933), is repealed.

(c) REPORT CONCERNING THE B–2 AIRCRAFT PROGRAM.—Section 115 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1373) is repealed.

SEC. 1042. REPEAL OF ANNUAL REPORT REQUIREMENT RELATING TO TRAINING OF SPECIAL OPERATIONS FORCES WITH FRIENDLY FOREIGN FORCES.

Section 2011 of title 10, United States Code, is amended by striking out subsection (e).

Subtitle E—Other Matters

SEC. 1051. AUTHORITY FOR SPECIAL AGENTS OF THE DEFENSE CRIMINAL INVESTIGATIVE SERVICE TO EXECUTE WARRANTS AND MAKE ARRESTS.

(a) AUTHORITY.—Chapter 81 of title 10, United States Code, is amended by inserting after section 1585 the following new section:

''§1585a. Special agents of the Defense Criminal Investigative Service: authority to execute warrants and make arrests

''(a) AUTHORITY.—The Secretary of Defense may authorize any DCIS special agent—

''(1) to execute and serve any warrant or other process issued under the authority of the United States; and

''(2) to make arrests without a warrant—

''(A) for any offense against the United States committed in the presence of that agent; and

''(B) for any felony cognizable under the laws of the United States if the agent has probable cause to believe that the person to be arrested has committed or is committing the felony.

''(b) ATTORNEY GENERAL GUIDELINES.—Authority of a DCIS special agent under subsection (a) may be exercised only in accordance with guidelines approved by the Attorney General.

''(c) DCIS SPECIAL AGENT DEFINED.—In this section, the term 'DCIS special agent' means an employee of the Department of Defense who is a special agent of the Defense Criminal Investigative Service (or any successor to that service).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1585 the following new item:

''1585a. Special agents of the Defense Criminal Investigative Service: authority to execute warrants and make arrests.''.

SEC. 1052. STUDY OF INVESTIGATIVE PRACTICES OF MILITARY CRIMINAL INVESTIGATIVE ORGANIZATIONS RELATING TO SEX CRIMES.

(a) INDEPENDENT STUDY REQUIRED.—(1) The Secretary of Defense shall provide for an independent study of the policies, procedures, and practices of the military criminal investigative organizations for the conduct of investigations of complaints of sex crimes and other criminal sexual misconduct arising in the Armed Forces.

(2) The Secretary shall provide for the study to be conducted by the National Academy of Public Administration. The amount of a contract for the study may not exceed $2,000,000.

(3) The Secretary shall require that all components of the Department of Defense cooperate fully with the organization carrying out the study.

(b) MATTERS TO BE INCLUDED IN STUDY.—The Secretary shall require that the organization conducting the study under this section specifically consider each of the following matters:

(1) The need (if any) for greater organizational independence and autonomy for the military criminal investigative organizations than exists under current chain-of-command structures within the military departments.

(2) The authority of each of the military criminal investigative organizations to investigate allegations of sex crimes and other criminal sexual misconduct and the policies of those organizations for carrying out such investigations.

(3) The training (including training in skills and techniques related to the conduct of interviews) provided by each of those organizations

to agents or prospective agents responsible for conducting or providing support to investigations of alleged sex crimes and other criminal sexual misconduct, including—

(A) the extent to which that training is comparable to the training provided by the Federal Bureau of Investigation and other civilian law enforcement agencies; and

(B) the coordination of training and investigative policies related to alleged sex crimes and other criminal sexual misconduct of each of those organizations with the Federal Bureau of Investigation and other civilian Federal law enforcement agencies.

(4) The procedures and relevant professional standards of each military criminal investigative organization with regard to recruitment and hiring of agents, including an evaluation of the extent to which those procedures and standards provide for—

(A) sufficient screening of prospective agents based on background investigations; and

(B) obtaining sufficient information about the qualifications and relevant experience of prospective agents.

(5) The advantages and disadvantages of establishing, within each of the military criminal investigative organizations or within the Defense Criminal Investigative Service only, of a special unit for the investigation of alleged sex crimes and other criminal sexual misconduct.

(6) The clarity of guidance for, and consistency of investigative tactics used by, each of the military criminal investigative organizations for the investigation of alleged sex crimes and other criminal sexual misconduct, together with a comparison with the guidance and tactics used by the Federal Bureau of Investigation and other civilian law enforcement agencies for such investigations.

(7) The number of allegations of agent misconduct in the investigation of sex crimes and other criminal sexual misconduct for each of those organizations, together with a comparison with the number of such allegations concerning agents of the Federal Bureau of Investigation and other civilian law enforcement agencies for such investigations.

(8) The procedures of each of the military criminal investigative organizations for administrative identification (known as ''titling'') of persons suspected of committing sex crimes or other criminal sexual misconduct, together with a comparison with the comparable procedures of the Federal Bureau of Investigation and other civilian Federal law enforcement agencies for such investigations.

(9) The accuracy, timeliness, and completeness of reporting of sex crimes and other criminal sexual misconduct by each of the military criminal investigative organizations to the National Crime Information Center maintained by the Department of Justice.

(10) Any recommendation for legislation or administrative action to revise the organizational or operational arrangements of the military criminal investigative organizations or to alter recruitment, training, or operational procedures, as they pertain to the investigation of sex crimes and other criminal sexual misconduct.

(c) REPORT.—(1) The Secretary of Defense shall require the organization conducting the study under this section to submit to the Secretary a report on the study not later than one year after the date of the enactment of this Act. The organization shall include in the report its findings and conclusions concerning each of the matters specified in subsection (b).

(2) The Secretary shall submit the report under paragraph (1), together with the Secretary's comments on the report, to Congress not later than 30 days after the date on which the report is submitted to the Secretary under paragraph (1).

(d) MILITARY CRIMINAL INVESTIGATIVE ORGANIZATION DEFINED.—For the purposes of this section, the term ''military criminal investigative organization'' means any of the following:

(1) The Army Criminal Investigation Command.

(2) The Naval Criminal Investigative Service.

(3) The Air Force Office of Special Investigations.

(4) The Defense Criminal Investigative Service.

(e) CRIMINAL SEXUAL MISCONDUCT DEFINED.—For the purposes of this section, the term ''criminal sexual misconduct'' means conduct by a member of the Armed Forces involving sexual abuse, sexual harassment, or other sexual misconduct that constitutes an offense under the Uniform Code of Military Justice.

SEC. 1053. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) The tables of chapters at the beginning of subtitle A, and at the beginning of part I of subtitle A, are each amended by striking out ''471'' in the item relating to chapter 23 and inserting in lieu thereof ''481''.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, are each amended by striking out ''2540'' in the item relating to chapter 152 and inserting in lieu thereof ''2541''.

(3) Section 116(b)(2) is amended by striking out ''such subsection'' and inserting in lieu thereof ''subsection (a)''.

(4) Section 129c(e) is amended by striking out ''section 115a(g)(2)'' and inserting in lieu thereof ''section 115a(e)(2)''.

(5) Section 382(g) is amended by striking out ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997'' and inserting in lieu thereof ''September 23, 1996''.

(6) The table of sections at the beginning of subchapter I of chapter 21 is amended by striking out the items relating to sections 424 and 425 and inserting in lieu thereof the following:

''424. Disclosure of organizational and personnel information: exemption for Defense Intelligence Agency, National Reconnaissance Office, and National Imagery and Mapping Agency.''.

(7) Section 445 is amended—

(A) by striking out ''(1)'' before ''Except with'';

(B) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively;

(C) by striking out ''(2)'' before ''Whenever it appears'' and inserting in lieu thereof ''(b) INJUNCTIVE RELIEF.—''; and

(D) by striking out ''paragraph (1)'' and inserting in lieu thereof ''subsection (a)''.

(8) Section 858b is amended in the first sentence by striking out ''forfeiture'' and all that follows through ''due that member'' and inserting in lieu thereof ''forfeiture of pay, or of pay and allowances, due that member''.

(9) Section 943(c) is amended—

(A) in the third sentence, by striking out ''such positions'' and inserting in lieu thereof ''positions referred to in the preceding sentences''; and

(B) by capitalizing the initial letter of the third word of the subsection heading.

(10) Section 954 is amended by striking out ''this'' and inserting in lieu thereof ''his''.

(11) Section 972(b) is amended by striking out ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996'' in the matter preceding paragraph (1) and inserting in lieu thereof ''February 10, 1996''.

(12) Section 976(f) is amended by striking out ''shall,'' and all that follows and inserting in lieu thereof ''shall be fined under title 18 or imprisoned not more than 5 years, or both, except that, in the case of an organization (as defined in section 18 of such title), the fine shall not be less than $25,000.''.

(13) Section 977 is amended—

(A) in subsection (c), by striking out ''Beginning on October 1, 1996, not more than'' and inserting in lieu thereof ''Not more than''; and

(B) in subsection (d)(2), by striking out ''before October 1, 1996,'' and all that follows through ''so assigned'' the second place it appears.

(14) Section 1129(c) is amended—

(A) by striking out ''the date of the enactment of this section,'' and inserting in lieu thereof ''November 30, 1993,''; and

(B) by striking out ''before the date of the enactment of this section or'' and inserting in lieu thereof ''before such date or''.

(15) Section 1151(b) is amended by striking out ''WITH'' in the subsection heading and inserting in lieu thereof ''WITH''.

(16) Section 1152(g) is amended by inserting ''(1)'' before ''The Secretary may''.

(17) Section 1408(d) is amended—

(A) by striking out ''TO'' in the subsection heading and inserting in lieu thereof ''TO''; and

(B) by redesignating the second paragraph (6) as paragraph (7).

(18) Section 1599c(c)(1)(F) is amended by striking out ''Sections 106(f)'' and inserting in lieu thereof ''Sections 106(e)''.

(19) Section 1763 is amended—

(A) by striking out ''On and after October 1, 1993, the Secretary of Defense'' and inserting in lieu thereof ''The Secretary of Defense''; and

(B) by striking out ''secretaries'' and inserting in lieu thereof ''Secretaries''.

(20) Section 2010(e) is repealed.

(21) Section 2208(k) is repealed.

(22)(A) Section 2306(h) is amended by inserting ''for the purchase of property'' after ''Multiyear contracting authority''.

(B)(i) The heading of section 2306b is amended to read as follows:

''§ 2306b. Multiyear contracts: acquisition of property''.

(ii) The item relating to such section in the table of sections at the beginning of chapter 137 of such title is amended to read as follows:

''2306b. Multiyear contracts: acquisition of property.''.

(23) Section 2306b(k) is amended by striking out ''this subsection'' in the first sentence and inserting in lieu thereof ''this section''.

(24) Section 2315(a) is amended by striking out ''the Information Technology Management Reform Act of 1996'' and inserting in lieu thereof ''division E of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.)''.

(25) Section 2371a is amended by inserting ''Defense'' before ''Advanced Research Projects Agency''.

(26) Section 2401a(a) is amended by striking out ''leasing of such vehicles'' and inserting in lieu thereof ''such leasing''.

(27) Section 2466(e) is repealed.

(28) Section 2684(b) is amended by striking out '', United States Code,''.

(29) Section 2885 is amended by striking out ''five years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996'' and inserting in lieu thereof ''on February 10, 2001''.

(30) Section 12733(3) is amended—

(A) by inserting a comma after ''(B)''; and

(B) by striking out ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997'' and inserting in lieu thereof ''September 23, 1996,''.

(b) TITLE 37, UNITED STATES CODE.—Section 205(d) of title 37, United States Code, is amended by striking out the period after ''August 1, 1979'' and inserting in lieu thereof a comma.

(c) PUBLIC LAW 104–201.—Effective as of September 23, 1996, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) is amended as follows:

(1) Section 367 (110 Stat. 2496) is amended—

(A) in subsection (a), by striking out ''Subchapter II of chapter'' and inserting in lieu thereof ''Chapter''; and

(B) in subsection (b), by striking out ''subchapter'' and inserting in lieu thereof ''chapter''.

(2) Section 614(b)(2)(B) (110 Stat. 2544) is amended by striking out ''the period'' and inserting in lieu thereof ''the semicolon''.

(3) Section 802(1) (110 Stat. 2604) is amended by striking out ''1995'' in the first quoted matter therein and inserting in lieu thereof ''1996''.

(4) Section 829(c) (110 Stat. 2612) is amended—

(A) in paragraph (2), by striking out ''Section 2502(b)'' and inserting in lieu thereof ''Section 2502(c)''; and

(B) by redesignating paragraph (3) as subparagraph (C) of paragraph (2).

(d) OTHER ANNUAL DEFENSE AUTHORIZATION ACTS.—

(1) of The National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) is amended as follows:

(A) Section 533(b) (110 Stat. 315) is amended by inserting before the period at the end the following: ''and the amendments made by subsection (b), effective as of October 5, 1994''.

(B) Section 1501(d)(1) (110 Stat. 500) is amended by striking out ''337(b)'' and ''2717'' and inserting in lieu thereof ''377(b)'' and ''2737'', respectively.

(2) Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) is amended—

(A) in subsection (a), by inserting ''Defense'' before ''Advanced''; and

(B) in the section heading, by inserting ''defense'' after the third word.

(3) The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) is amended as follows:

(A) Section 812(c) (10 U.S.C. 1723 note) is amended by inserting ''and Technology'' after ''for Acquisition''.

(B) Subsection (e) of section 4471 (10 U.S.C. 2501 note) is amended—

(i) by realigning that subsection so as to be flush to the margin; and

(ii) by capitalizing the initial letter of the third word of the subsection heading.

(4) Section 807(b)(2)(A) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 10 U.S.C. 2320 note) is amended by inserting before the period the following: ''and Technology''.

(5) The National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) is amended as follows:

(A) Section 1205 (10 U.S.C. 1746 note) is amended by striking out ''Under Secretary of Defense for Acquisition'' each place it appears and inserting in lieu thereof ''Under Secretary of Defense for Acquisition and Technology''.

(B) Section 2921 (10 U.S.C. 2687 note) is amended—

(i) in subsection (e)(3)(B), by striking out ''Subcommittees'' and inserting in lieu thereof ''Subcommittee''; and

(ii) in subsection (f)(2), by striking out ''the Committees on Armed Services of the Senate and House of Representatives'' and inserting in lieu thereof ''the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives''.

(6) Section 1121(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 10 U.S.C. 113 note) is amended by striking out ''under this section—'' and all that follow through ''fiscal year 1990'' and inserting in lieu thereof ''under this section may not exceed 5,000 during any fiscal year''.

(d) TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended as follows:

(1) Section 3329(b) is amended by striking out ''a position described in subsection (c)'' the second place it appears.

(2) Section 5315 is amended—

(A) in the item relating to the Chief Information Officer of the Department of the Interior, by inserting ''the'' before ''Interior''; and

(B) in the item relating to the Chief Information Officer of the Department of the Treasury, by inserting ''the'' before ''Treasury''.

(3) Section 5316 is amended by striking out ''Atomic Energy'' after ''Assistant to the Secretary of Defense for'' and inserting in lieu thereof ''Nuclear and Chemical and Biological Defense Programs''.

(e) ACQUISITION POLICY STATUTES.—

(1) Section 309 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259) is amended by striking out ''and'' at the end of subsection (b)(2).

(2) The Office of Federal Procurement Policy Act is amended as follows:

(A) The item relating to section 27 in the table of contents in section 1 is amended to read as follows:

''Sec. 27. Restrictions on disclosing and obtaining contractor bid or proposal information or source selection information.''.

(B) Section 6(d) (41 U.S.C. 405(d)) is amended—

(i) by striking out the period at the end of paragraph (5)(J) and inserting in lieu thereof a semicolon;

(ii) by moving paragraph (6) two ems to the left; and

(iii) in paragraph (12), by striking out ''small business'' and inserting in lieu thereof ''small businesses''.

(C) Section 35(b)(2) (41 U.S.C. 431(b)(2)) is amended by striking out ''commercial'' and inserting in lieu thereof ''commercially available''.

(3) Section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) is amended in subsections (d) and (e) by striking out ''(as in effect on September 30, 1995)'' each place it appears.

(4) Subsections (d)(1) and (e) of section 16 of the Small Business Act (15 U.S.C. 645) are each amended by striking out ''concerns'' and inserting in lieu thereof ''concern''.

(f) COORDINATION WITH OTHER AMENDMENTS.—For purposes of applying amendments made by provisions of this Act other than provisions of this section, this section shall be treated as having been enacted immediately before the other provisions of this Act.

SEC. 1054. DISPLAY OF POW/MIA FLAG.

(a) REQUIRED DISPLAY.—The POW/MIA flag shall be displayed at the locations specified in subsection (c) each year on POW/MIA flag display days. Such display shall serve (1) as the symbol of the Nation's concern and commitment to achieving the fullest possible accounting of Americans who, having been prisoners of war or missing in action, still remain unaccounted for, and (2) as the symbol of the Nation's commitment to achieving the fullest possible accounting for Americans who in the future may become prisoners of war, missing in action, or otherwise unaccounted for as a result of hostile action.

(b) DAYS FOR FLAG DISPLAY.—(1) For purposes of this section, POW/MIA flag display days are the following:

(A) Armed Forces Day, the third Saturday in May.

(B) Memorial Day, the last Monday in May.

(C) Flag Day, June 14.

(D) Independence Day, July 4.

(E) National POW/MIA Recognition Day.

(F) Veterans Day, November 11.

(2) In the case of display at United States Postal Service post offices (required by subsection (c)(8)), POW/MIA flag display days in any year include, in addition to the days specified in paragraph (1), the last business day before each such day that itself is not a business day.

(c) LOCATIONS FOR FLAG DISPLAY.—The locations for the display of the POW/MIA flag under this section are the following:

(1) The Capitol.

(2) The White House.

(3) The Korean War Veterans Memorial and the Vietnam Veterans Memorial.

(4) Each national cemetery.

(5) The buildings containing the primary offices of—

(A) the Secretary of State;

(B) the Secretary of Defense;

(C) the Secretary of Veterans Affairs; and

(D) the Director of the Selective Service System.

(6) Each major military installation, as designated by the Secretary of Defense.

(7) Each Department of Veterans Affairs medical center.

(8) Each United States Postal Service post office.

(d) COORDINATION WITH OTHER DISPLAY REQUIREMENT.—Display of the POW/MIA flag at the Capitol pursuant to paragraph (1) of subsection (c) is in addition to the display of that flag in the Rotunda of the Capitol required by Senate Concurrent Resolution 5 of the 101st Congress, agreed to on February 22, 1989 (103 Stat. 2533).

(e) REQUIREMENTS CONCERNING DISPLAY AT SPECIFIED LOCATIONS.—(1) Display of the POW/MIA flag at the buildings specified in paragraphs (1), (2), (5), and (7) of subsection (c) shall be on, or on the grounds of, each such building.

(2) Display of that flag pursuant to paragraph (5) of subsection (c) at the buildings containing the primary offices of the officials specified in that paragraph shall be in an area visible to the public.

(3) Display of that flag at United States Postal Service post offices pursuant to paragraph (8) of subsection (c) shall be on the grounds or in the public lobby of each such post office.

(f) POW/MIA FLAG DEFINED.—As used in this section, the term ''POW/MIA flag'' means the National League of Families POW/MIA flag recognized officially and designated by section 2 of Public Law 101–355 (36 U.S.C. 189).

(g) REGULATIONS FOR IMPLEMENTATION.—Within 180 days after the date of the enactment of this Act, the head of each department, agency, or other establishment responsible for a location specified in subsection (c) (other than the Capitol) shall prescribe such regulations as necessary to carry out this section.

(h) PROCUREMENT AND DISTRIBUTION OF FLAGS.—Within 30 days after the date of the enactment of this Act, the Administrator of General Services shall procure POW/MIA flags and distribute them as necessary to carry out this section.

(i) REPEAL OF PRIOR LAW.—Section 1084 of Public Law 102–190 (36 U.S.C. 189 note) is repealed.

SEC. 1055. CERTIFICATION REQUIRED BEFORE OBSERVANCE OF MORATORIUM ON USE BY ARMED FORCES OF ANTIPERSONNEL LANDMINES.

Any moratorium imposed by law (whether enacted before, on, or after the date of the enactment of this Act) on the use of antipersonnel landmines by the Armed Forces may be implemented only if (and after) the Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff, certifies to Congress that—

(1) the moratorium will not adversely affect the ability of United States forces to defend against attack on land by hostile forces; and

(2) the Armed Forces have systems that are effective substitutes for antipersonnel landmines.

SEC. 1056. PROTECTION OF SAFETY-RELATED INFORMATION VOLUNTARILY PROVIDED BY AIR CARRIERS.

(a) AUTHORITY TO PROTECT INFORMATION.—Section 2640 of title 10, United States Code, is amended—

(1) by redesignating subsections (h) and (i) as subsections (i) and (j), respectively; and

(2) by inserting after subsection (g) the following new subsection:

''(h) AUTHORITY TO PROTECT SAFETY-RELATED INFORMATION VOLUNTARILY PROVIDED BY AN AIR CARRIER.—(1) In any case in which an air carrier voluntarily provides safety-related information to the Secretary for purposes of this section, the Secretary may (notwithstanding any

other provision of law) withhold the information from public disclosure if the Secretary determines that—

''(A) disclosure of the information would inhibit the air carrier from voluntarily providing safety-related information to the Secretary; and

''(B) the information would aid—

''(i) the Secretary in carrying out his responsibilities under this section; or

''(ii) the head of another agency in carrying out the safety responsibilities of the agency.

''(2) If the Secretary provides to the head of another agency safety-related information described in paragraph (1) with respect to which the Secretary has made a determination described in that paragraph, the head of that agency shall (notwithstanding any other provision of law) withhold the information from public disclosure.''.

(b) APPLICABILITY.—Subsection (h) of section 2640 of title 10, United States Code, as added by subsection (a), shall apply with respect to requests for information made on or after the date of the enactment of this Act.

SEC. 1057. NATIONAL GUARD CHALLENGE PROGRAM TO CREATE OPPORTUNITIES FOR CIVILIAN YOUTH.

(a) PROGRAM AUTHORITY.—Chapter 5 of title 32, United States Code, is amended by adding at the end the following new section:

''§ 509. National Guard Challenge Program of opportunities for civilian youth

''(a) PROGRAM AUTHORITY AND PURPOSE.—The Secretary of Defense, acting through the Chief of the National Guard Bureau, may conduct a National Guard civilian youth opportunities program (to be known as the 'National Guard Challenge Program') to use the National Guard to provide military-based training, including supervised work experience in community service and conservation projects, to civilian youth who cease to attend secondary school before graduating so as to improve the life skills and employment potential of such youth.

''(b) CONDUCT OF THE PROGRAM.—The Secretary of Defense shall provide for the conduct of the National Guard Challenge Program in such States as the Secretary considers to be appropriate, except that Federal expenditures under the program may not exceed $50,000,000 for any fiscal year.

''(c) PROGRAM AGREEMENTS.—(1) To carry out the National Guard Challenge Program in a State, the Secretary of Defense shall enter into an agreement with the Governor of the State or, in the case of the District of Columbia, with the commanding general of the District of Columbia National Guard, under which the Governor or the commanding general will establish, organize, and administer the National Guard Challenge Program in the State.

''(2) The agreement may provide for the Secretary to provide funds to the State for civilian personnel costs attributable to the use of civilian employees of the National Guard in the conduct of the National Guard Challenge Program.

''(d) MATCHING FUNDS REQUIRED.—The amount of assistance provided under this section to a State program of the National Guard Challenge Program may not exceed—

''(1) for fiscal year 1998, 75 percent of the costs of operating the State program during that year;

''(2) for fiscal year 1999, 70 percent of the costs of operating the State program during that year;

''(3) for fiscal year 2000, 65 percent of the costs of operating the State program during that year; and

''(4) for fiscal year 2001 and each subsequent fiscal year, 60 percent of the costs of operating the State program during that year.

''(e) PERSONS ELIGIBLE TO PARTICIPATE IN PROGRAM.—A school dropout from secondary school shall be eligible to participate in the National Guard Challenge Program. The Secretary of Defense shall prescribe the standards and procedures for selecting participants from among school dropouts.

''(f) AUTHORIZED BENEFITS FOR PARTICIPANTS.—(1) To the extent provided in an agreement entered into in accordance with subsection (c) and subject to the approval of the Secretary of Defense, a person selected for training in the National Guard Challenge Program may receive the following benefits in connection with that training:

''(A) Allowances for travel expenses, personal expenses, and other expenses.

''(B) Quarters.

''(C) Subsistence.

''(D) Transportation.

''(E) Equipment.

''(F) Clothing.

''(G) Recreational services and supplies.

''(H) Other services.

''(I) Subject to paragraph (2), a temporary stipend upon the successful completion of the training, as characterized in accordance with procedures provided in the agreement.

''(2) In the case of a person selected for training in the National Guard Challenge Program who afterwards becomes a member of the Civilian Community Corps under subtitle E of title I of the National and Community Service Act of 1990 (42 U.S.C. 12611 et seq.), the person may not receive a temporary stipend under paragraph (1)(I) while the person is a member of that Corps. The person may receive the temporary stipend after completing service in the Corps unless the person elects to receive benefits provided under subsection (f) or (g) of section 158 of such Act (42 U.S.C. 12618).

''(g) PROGRAM PERSONNEL.—(1) Personnel of the National Guard of a State in which the National Guard Challenge Program is conducted may serve on full-time National Guard duty for the purpose of providing command, administrative, training, or supporting services for the program. For the performance of those services, any such personnel may be ordered to duty under section 502(f) of this title for not longer than the period of the program.

''(2) A Governor participating in the National Guard Challenge Program and the commanding general of the District of Columbia National Guard (if the District of Columbia National Guard is participating in the program) may procure by contract the temporary full time services of such civilian personnel as may be necessary to augment National Guard personnel in carrying out the National Guard Challenge Program in that State.

''(3) Civilian employees of the National Guard performing services for the National Guard Challenge Program and contractor personnel performing such services may be required, when appropriate to achieve the purposes of the program, to be members of the National Guard and to wear the military uniform.

''(h) EQUIPMENT AND FACILITIES.—(1) Equipment and facilities of the National Guard, including military property of the United States issued to the National Guard, may be used in carrying out the National Guard Challenge Program.

''(2) Activities under the National Guard Challenge Program shall be considered noncombat activities of the National Guard for purposes of section 710 of this title.

''(i) STATUS OF PARTICIPANTS.—(1) A person receiving training under the National Guard Challenge Program shall be considered an employee of the United States for the purposes of the following provisions of law:

''(A) Subchapter I of chapter 81 of title 5 (relating to compensation of Federal employees for work injuries).

''(B) Section 1346(b) and chapter 171 of title 28 and any other provision of law relating to the liability of the United States for tortious conduct of employees of the United States.

''(2) In the application of the provisions of law referred to in paragraph (1)(A) to a person referred to in paragraph (1)—

''(A) the person shall not be considered to be in the performance of duty while the person is not at the assigned location of training or other activity or duty authorized in accordance with a program agreement referred to in subsection (c), except when the person is traveling to or from that location or is on pass from that training or other activity or duty;

''(B) the person's monthly rate of pay shall be deemed to be the minimum rate of pay provided for grade GS–2 of the General Schedule under section 5332 of title 5; and

''(C) the entitlement of a person to receive compensation for a disability shall begin on the day following the date on which the person's participation in the National Guard Challenge Program is terminated.

''(3) A person referred to in paragraph (1) may not be considered an employee of the United States for any purpose other than a purpose set forth in that paragraph.

''(j) SUPPLEMENTAL RESOURCES.—(1) To carry out the National Guard Challenge Program in a State, the Governor of the State or, in the case of the District of Columbia, the commanding general of the District of Columbia National Guard may supplement funds made available under the program out of other resources (including gifts) available to the Governor or the commanding general. The Governor or the commanding general may accept, use, and dispose of gifts or donations of money, other property, or services for the National Guard Challenge Program.

''(k) REPORT.—Within 90 days after the end of each fiscal year, the Secretary of Defense shall submit to Congress a report on the design, conduct, and effectiveness of the National Guard Challenge Program during the preceding fiscal year. In preparing the report, the Secretary shall coordinate with the Governor of each State in which the National Guard Challenge Program is carried out and, if the program is carried out in the District of Columbia, with the commanding general of the District of Columbia National Guard.

''(l) DEFINITIONS.—In this section:

''(1) The term 'State' includes the Commonwealth of Puerto Rico, the territories, and the District of Columbia.

''(2) The term 'school dropout' means an individual who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''509. National Guard Challenge Program of opportunities for civilian youth.''.

SEC. 1058. LEASE OF NON-EXCESS PERSONAL PROPERTY OF THE MILITARY DEPARTMENTS.

(a) RECEIPT OF FAIR MARKET VALUE.—Subsection (b)(4) of section 2667 of title 10, United States Code, is amended by striking out '', in the case of the lease of real property,''.

(b) COMPETITIVE SELECTION.—Such section is further amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following new subsection:

''(g)(1) If a proposed lease under subsection (a) involves only personal property, the lease term exceeds one year, and the fair market value of the lease interest exceeds $100,000, as determined by the Secretary concerned, the Secretary shall use competitive procedures to select the lessee.

''(2) Not later than 45 days before entering into a lease referred to in paragraph (1), the Secretary concerned shall submit to Congress written notice describing the terms of the proposed lease and the competitive procedures used to select the lessee.''.

SEC. 1059. COMMENDATION OF MEMBERS OF THE ARMED FORCES AND GOVERNMENT CIVILIAN PERSONNEL WHO SERVED DURING THE COLD WAR.

(a) FINDINGS.—The Congress finds the following:

(1) During the period of the Cold War, from the end of World War II until the collapse of the Soviet Union in 1991, the United States and the Soviet Union engaged in a global military rivalry.

(2) This rivalry, potentially the most dangerous military confrontation in the history of mankind, has come to a close without a direct superpower military conflict.

(3) Military and civilian personnel of the Department of Defense, personnel in the intelligence community, members of the foreign service, and other officers and employees of the United States faithfully performed their duties during the Cold War.

(4) Many such personnel performed their duties while isolated from family and friends and served overseas under frequently arduous conditions in order to protect the United States and achieve a lasting peace.

(5) The discipline and dedication of those personnel were fundamental to the prevention of a superpower military conflict.

(b) CONGRESSIONAL COMMENDATION.—The Congress hereby commends, and expresses its gratitude and appreciation for, the service and sacrifices of the members of the Armed Forces and civilian personnel of the Government who contributed to the historic victory in the Cold War.

TITLE XI—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

SEC. 1101. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) IN GENERAL.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in subsection (b) of section 406 of title 10, United States Code, as added by section 1110.

(b) FISCAL YEAR 1998 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term ''fiscal year 1998 Cooperative Threat Reduction funds'' means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

SEC. 1102. FISCAL YEAR 1998 FUNDING ALLOCATIONS.

(a) IN GENERAL.—Of the fiscal year 1998 Cooperative Threat Reduction funds, not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $77,900,000.

(2) For strategic nuclear arms elimination in Ukraine, $76,700,000.

(3) For fissile material containers in Russia, $7,000,000.

(4) For planning and design of a chemical weapons destruction facility in Russia, $14,400,000.

(5) For planning, design, and construction of a storage facility for Russian fissile material, $57,700,000.

(6) For weapons storage security in Russia, $23,500,000.

(7) For activities designated as Defense and Military-to-Military Contacts in Russia, Ukraine, and Kazakhstan, $7,000,000.

(8) For military-to-military programs of the United States that focus on countering the threat of proliferation of weapons of mass destruction and that include the security forces of the independent states of the former Soviet Union other than Russia, Ukraine, Belarus, and Kazakstan, $2,000,000.

(9) For activities designated as Other Assessments/Administrative Support $18,500,000.

(b) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) If the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may, subject to paragraph (2), obligate amounts for the purposes stated in any of the paragraphs of subsection (a) in excess of the amount specified for those purposes in that paragraph, but not in excess of 115 percent of that amount. However, the total amount obligated for the purposes stated in the paragraphs in subsection (a) may not by reason of the use of the authority provided in the preceding sentence exceed the sum of the amounts specified in those paragraphs.

(2) An obligation for the purposes stated in any of the paragraphs in subsection (a) in excess of the amount specified in that paragraph may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

SEC. 1103. PROHIBITION ON USE OF FUNDS FOR SPECIFIED PURPOSES.

(a) IN GENERAL.—No fiscal year 1998 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs for any prior fiscal year and remaining available for obligation, may be obligated or expended for any of the following purposes:

(1) Conducting with Russia any peacekeeping exercise or other peacekeeping-related activity.

(2) Provision of housing.

(3) Provision of assistance to promote environmental restoration.

(4) Provision of assistance to promote job retraining.

(b) LIMITATION WITH RESPECT TO DEFENSE CONVERSION ASSISTANCE.—None of the funds appropriated pursuant to this Act or any other Act may be obligated or expended for the provision of assistance to Russia or any other state of the former Soviet Union to promote defense conversion.

SEC. 1104. PROHIBITION ON USE OF FUNDS UNTIL SPECIFIED REPORTS ARE SUBMITTED.

No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended until 15 days after the date that is the latest of the following:

(1) The date on which the President submits to Congress the determinations required under subsection (c) of section 211 of Public Law 102–228 (22 U.S.C. 2551 note) with respect to any certification transmitted to Congress under subsection (b) of that section during the period beginning on September 23, 1996, and ending on the date of the enactment of this Act.

(2) The date on which the Secretary of Defense submits to Congress the annual report required to be submitted not later than January 31, 1998, under section 1206(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 471; 22 U.S.C. 5955 note).

(3) The date on which the Secretary of Defense submits to Congress the report for fiscal year 1997 required under section 1205(c) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2883; 22 U.S.C. 5952 note).

SEC. 1105. LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF CERTIFICATION.

(a) LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF CERTIFICATION.—No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended for strategic offensive arms elimination projects in Russia related to the START II Treaty (as defined in section 1302(d) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2701)) until 30 days after the date on which the President submits to Congress a certification in writing that—

(1) implementation of the projects would benefit the national security interest of the United States; and

(2) Russia has agreed to share the cost for the projects.

(b) REPORT.—Not later than 15 days after the date that the President submits to Congress the certification under subsection (a), the Secretary of Defense shall submit to the congressional defense committees a report describing the arrangement between the United States and Russia with respect to the sharing of costs for strategic offensive arms elimination projects in Russia related to the START II Treaty.

SEC. 1106. USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION FACILITY.

(a) LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF NOTIFICATIONS TO CONGRESS.—No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended for planning and design of a chemical weapons destruction facility until 15 days after the date that is the later of the following:

(1) The date on which the Secretary of Defense submits to Congress notification of an agreement between the United States and Russia with respect to such chemical weapons destruction facility that includes—

(A) an agreement providing for a limitation on the financial contribution by the United States for the facility;

(B) an agreement that the United States will not pay the costs for infrastructure determined by Russia to be necessary to support the facility; and

(C) an agreement on the site of the facility.

(2) The date on which the Secretary of Defense submits to Congress notification that the Government of Russia has formally approved a plan—

(A) that allows for the destruction of chemical weapons in Russia; and

(B) that commits Russia to pay a portion of the cost for the facility.

(b) PROHIBITION ON USE OF FUNDS FOR FACILITY CONSTRUCTION.—No fiscal year 1998 Cooperative Threat Reduction funds authorized to be obligated in section 1102(a)(4) for planning and design of a chemical weapons destruction facility in Russia may be used for construction of such facility.

SEC. 1107. LIMITATION ON USE OF FUNDS FOR STORAGE FACILITY FOR RUSSIAN FISSILE MATERIAL.

(a) LIMITATION ON USE OF FISCAL YEAR 1998 FUNDS.—No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended for planning, design, or construction of a storage facility for Russian fissile material until 15 days after the date that is the later of the following:

(1) The date on which the Secretary of Defense submits to Congress notification of an agreement between the United States and Russia that the total share of the cost to the United States for such facility will not exceed $275,000,000.

(2) The date on which the Secretary submits to Congress notification of an agreement between the United States and Russia incorporating the principle of transparency with respect to the use of the facility.

(b) LIMITATION ON USE OF FUNDS FOR FISCAL YEARS BEFORE FISCAL YEAR 1998.—None of the funds appropriated for Cooperative Threat Reduction programs for a fiscal year before fiscal year 1998 and remaining available for obligation on the date of the enactment of this Act may be obligated or expended for planning, design, or construction of a storage facility for Russian fissile material until—

(1) the Secretary of Defense submits to the congressional defense committees a report on the costs and schedule for the planning, design, and construction of the facility and transparency issues relating to the facility; and

(2) 15 days have elapsed following the date of the notification.

SEC. 1108. LIMITATION ON USE OF FUNDS FOR WEAPONS STORAGE SECURITY.

No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended for weapons storage security in Russia until—

(1) the Secretary of Defense submits to the congressional defense committees notification of an agreement between the United States and Russia on audits and examinations with respect to weapons storage security; and

(2) 15 days have elapsed following the date of the notification.

SEC. 1109. REPORT TO CONGRESS ON ISSUES REGARDING PAYMENT OF TAXES OR DUTIES ON ASSISTANCE PROVIDED TO RUSSIA UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Not later than September 30, 1997, the Secretary of Defense shall submit to Congress a report on—

(1) any disputes between the United States and Russia with respect to payment by the United States of taxes or duties on assistance provided to Russia under a Cooperative Threat Reduction program, including a description of the nature of each dispute, the amount of payment disputed, whether the dispute was resolved, and if the dispute was resolved, the means by which the dispute was resolved;

(2) the actions taken by the Secretary to prevent disputes between the United States and Russia with respect to payment by the United States of taxes or duties on assistance provided to Russia under a Cooperative Threat Reduction program;

(3) any agreements between the United States and Russia with respect to payment by the United States of taxes or duties on assistance provided to Russia under a Cooperative Threat Reduction program; and

(4) any proposals of the Secretary on actions that should be taken to prevent disputes between the United States and Russia with respect to payment by the United States of taxes or duties on assistance provided to Russia under a Cooperative Threat Reduction program.

SEC. 1110. LIMITATION ON OBLIGATION OF FUNDS FOR A SPECIFIED PERIOD.

(a) IN GENERAL.—(1) Chapter 20 of title 10, United States Code, is amended by adding at the end the following new section:

''§406. Use of Cooperative Threat Reduction program funds: limitation

''(a) IN GENERAL.—In carrying out Cooperative Threat Reduction programs during any fiscal year, the Secretary of Defense may use funds appropriated for those programs only to the extent that those funds were appropriated for that fiscal year or for either of the two preceding fiscal years.

''(b) DEFINITION OF COOPERATIVE THREAT REDUCTION PROGRAMS.—In this section, the term 'Cooperative Threat Reduction programs' means the following programs with respect to states of the former Soviet Union:

''(1) Programs to facilitate the elimination, and the safe and secure transportation and storage, of nuclear, chemical, and other weapons and their delivery vehicles.

''(2) Programs to facilitate the safe and secure storage of fissile materials derived from the elimination of nuclear weapons.

''(3) Programs to prevent the proliferation of weapons, components, and weapons-related technology and expertise.

''(4) Programs to expand military-to-military and defense contacts.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''406. Use of Cooperative Threat Reduction program funds: limitation.''.

(b) EFFECTIVE DATE.—Section 406 of title 10, United States Code, as added by subsection (a), shall apply with respect to fiscal years beginning with fiscal year 1998.

SEC. 1111. AVAILABILITY OF FUNDS.

Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

SEC. 1201. REPORTS TO CONGRESS RELATING TO UNITED STATES FORCES IN BOSNIA.

(a) SECRETARY OF DEFENSE REPORTS ON NONMILITARY TASKS CARRIED OUT BY UNITED STATES FORCES.—(1) The Secretary of Defense shall submit to the congressional defense committees two reports identifying each activity being carried out, as of the date of the report, by covered United States forces in Bosnia that is an activity that (as determined by the Secretary) is expected to be performed by an international or local civilian organization once the multinational peacekeeping mission in Bosnia is concluded.

(2) For purposes of this paragraph, covered United States forces in Bosnia are United States ground forces in the Republic of Bosnia and Herzegovina that are assigned to the multinational peacekeeping force known as the Stabilization Force (SFOR) or to any other multinational peacekeeping force that is a successor to the Stabilization Force.

(3) The Secretary shall include in each report under paragraph (1), for each activity identified in that paragraph, the following:

(A) The number of United States military personnel involved.

(B) Whether forces assigned to the SFOR (or successor multinational force) from other nations also participated in that activity.

(C) The justification for using military forces rather than civilian organizations to perform that activity.

(4) The first report under paragraph (1) shall be submitted not later than December 1, 1997. The second such report shall be submitted not later than March 31, 1998.

(b) PRESIDENTIAL REPORT ON POLITICAL AND MILITARY CONDITIONS IN BOSNIA.—(1) Not later than December 15, 1997, the President shall submit to Congress a report on the political and military conditions in the Republic of Bosnia and Herzegovina (hereafter in this section referred to as Bosnia-Herzegovina). Of the funds available to the Secretary of Defense for fiscal year 1998 for the operation of United States ground forces in Bosnia-Herzegovina during that fiscal year, no more than 60 percent may be expended before the report is submitted.

(2) The report under paragraph (1) shall include a discussion of the following:

(A) The date on which the transition from the multinational force known as the Stabilization Force to the planned multinational successor force to be known as the Deterrence Force will occur and how the decision as to that date will impact the estimates of costs associated with the operation of United States ground forces in Bosnia-Herzegovina during fiscal year 1998 as contained in the President's budget for fiscal year 1998.

(B) The military and political considerations that will affect the decision to carry out such a transition.

(C) The incremental, per-month cost increases the Department of Defense resulting from a decision to delay the transition from the Stabilization Force to the Deterrence Force.

(D) The unresolved political, economic, and military issues within Bosnia-Herzegovina that may affect the estimate of the Secretary of the costs of complete withdrawal of United States forces from Bosnia-Herzegovina, the timeframe for force reductions for such withdrawal, and the timing of complete withdrawal of United States forces from Bosnia-Herzegovina.

(E) A detailed explanation and timetable for carrying out the President's commitment to withdraw all United States ground forces from Bosnia-Herzegovina by the end of June 1998, including the planned date of commencement and completion of the withdrawal.

(F) Any plan to maintain or expand other Bosnia-related operations (such as the operation designated as Operation Deliberate Guard) if tensions in Bosnia-Herzegovina remain sufficient to delay the transition from the Stabilization Force to the Deterrence Force and the estimated cost associated with each such operation.

(G) Whether allied nations participating in the Bosnia mission have similar plans to increase and maintain troop strength or maintain ground forces in Bosnia-Herzegovina and, if so, the identity of each such country and a description of that country's plans.

(3) As used in this subsection, the term ''Stabilization Force'' (referred to as ''SFOR'') means the follow-on force to the Implementation Force (known as ''IFOR'') in the Republic of Bosnia and Herzegovina and other countries in the region, authorized under United Nations Security Council Resolution 1008 (December 12, 1996).

SEC. 1202. ONE-YEAR EXTENSION OF COUNTERPROLIFERATION AUTHORITIES.

Section 1505 of the Weapons of Mass Destruction Control Act of 1992 (title XV of Public Law 102–484; 22 U.S.C. 5859a) is amended—

(1) in subsection (d)(3), by striking out ''or'' after ''fiscal year 1996,'' and by inserting '', or $15,000,000 for fiscal year 1998'' before the period at the end; and

(2) in subsection (f), by striking out ''1997'' and inserting in lieu thereof ''1998''.

SEC. 1203. REPORT ON FUTURE MILITARY CAPABILITIES AND STRATEGY OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) REPORT.—The Secretary of Defense shall prepare a report, in both classified and unclassified form, on the future pattern of military modernization of the People's Republic of China. The report shall address the probable course of military-technological development in the People's Liberation Army and the development of Chinese grand strategy, security strategy, and military strategy, and of military organizations and operational concepts, through 2015.

(b) MATTERS TO BE INCLUDED.—The report shall include analyses and forecasts of the following:

(1) The goals of Chinese grand strategy, security strategy, and military strategy.

(2) Trends in Chinese political grand strategy meant to establish the People's Republic of China as the leading political power in the Asia-Pacific region and as a political and military presence in other regions of the world, including Central Asia, Southwest Asia, Europe, and Latin America.

(3) Developments in Chinese military doctrine, focusing on (but not limited to) efforts to exploit the emerging Revolution in Military Affairs or to conduct preemptive strikes.

(4) Efforts by the People's Republic of China to develop long-range air-to-air or air defense missiles designed to target special support aircraft such as Airborne Warning and Control System (AWACS) aircraft, Joint Surveillance and Target Attack Radar System (JSTARS) aircraft, or other command and control, intelligence, airborne early warning, or electronic warfare aircraft.

(5) Efforts by the People's Republic of China to develop a capability to conduct ''information warfare'' at the strategic, operational, and tactical levels of war.

(6) Efforts by the People's Republic of China to develop a capability to establish control of space or to deny access and use of military and commercial space systems in times of crisis or war, including programs to place weapons in space or to develop earth-based weapons capable of attacking space-based systems.

(7) Trends that would lead the People's Republic of China toward the development of advanced intelligence, surveillance, and reconnaissance capabilities, including gaining access to commercial or third-party systems with military significance.

(8) Efforts by the People's Republic of China to develop highly accurate and stealthy ballistic

and cruise missiles, including sea-launched cruise missiles, particularly in numbers sufficient to conduct attacks capable of overwhelming projected defense capabilities in the Asia-Pacific region.

(9) Development by the People's Republic of China of command and control networks, particularly those capable of battle management of long-range precision strikes.

(10) Programs of the People's Republic of China involving unmanned aerial vehicles, particularly those with extended ranges or loitering times or potential strike capabilities.

(11) Exploitation by the People's Republic of China for military purposes of the Global Positioning System or other similar systems (including commercial land surveillance satellites), with such analysis and forecasts focusing particularly on those signs indicative of an attempt to increase accuracy of weapons or situational awareness of operating forces.

(12) Development by the People's Republic of China of capabilities for denial of sea control, including such systems as advanced sea mines, improved submarine capabilities, or land-based sea-denial systems.

(13) Continued development by the People's Republic of China of follow-on forces, particularly forces capable of rapid air or amphibious assault.

(c) SUBMISSION OF REPORT.—The report shall be submitted to Congress not later than March 15, 1998.

SEC. 1204. TEMPORARY USE OF GENERAL PURPOSE VEHICLES AND NONLETHAL MILITARY EQUIPMENT UNDER ACQUISITION AND CROSS SERVICING AGREEMENTS.

Section 2350(1) of title 10, United States Code, is amended by striking out ''other items'' in the second sentence and all that follows through ''United States Munitions List'' and inserting in lieu thereof ''other nonlethal items of military equipment which are not designated as significant military equipment on the United States Munitions List promulgated''.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the ''Military Construction Authorization Act for Fiscal Year 1998''.

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or Location	Amount
Arizona	Fort Huachuca	$20,000,000
California	Fort Irwin	$11,150,000
	Naval Weapons Station, Concord	$23,000,000
Colorado	Fort Carson	$47,300,000
Georgia	Fort Gordon	$22,000,000
	Hunter Army Air Field, Fort Stewart	$54,000,000
Hawaii	Schofield Barracks	$44,000,000
Indiana	Crane Army Ammunition Activity	$7,700,000
Kansas	Fort Leavenworth	$63,000,000
	Fort Riley	$25,800,000
Kentucky	Fort Campbell	$43,700,000
	Fort Knox	$7,200,000
Missouri	Fort Leonard Wood	$3,200,000
New Jersey	Fort Monmouth	$2,050,000
New Mexico	White Sands Missile Range	$6,900,000
New York	Fort Drum	$24,400,000
North Carolina	Fort Bragg	$61,900,000
Oklahoma	Fort Sill	$25,000,000
South Carolina	Fort Jackson	$5,400,000
	Naval Weapons Station, Charleston	$7,700,000
Texas	Fort Bliss	$7,700,000
	Fort Hood	$27,200,000
	Fort Sam Houston	$16,000,000
Virginia	Fort A.P. Hill	$5,400,000
	Fort Myer	$8,200,000
	Fort Story	$2,050,000
Washington	Fort Lewis	$33,000,000
CONUS Classified	Classified Location	$6,500,000
	Total	$614,900,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or Location	Amount
Germany	Ansbach	$22,000,000
	Heidelberg	$8,800,000
	Mannheim	$6,200,000
	Military Support Group, Kaiserslautern	$6,000,000
Korea	Camp Casey	$5,100,000

Army: Outside the United States—Continued

Country	Installation or Location	Amount
Overseas Classified	Camp Castle	$8,400,000
	Camp Humphreys	$32,000,000
	Camp Red Cloud	$23,600,000
	Camp Stanley	$7,000,000
	Overseas Classified	$37,000,000
	Total	$156,100,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation or Location	Purpose	Amount
Arizona	Fort Huachuca	55 Units	$8,000,000
Hawaii	Schofield Barracks	132 Units	$26,600,000
Maryland	Fort George Meade	56 Units	$7,900,000
New Jersey	Picatinny Arsenal	35 Units	$7,300,000
North Carolina	Fort Bragg	174 Units	$20,150,000
Texas	Fort Bliss	91 Units	$12,900,000
	Fort Hood	130 Units	$18,800,000
		Total	$103,950,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $9,550,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in sections 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $89,200,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,055,364,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $425,850,000.

(2) For the military construction projects outside the United States authorized by section 2101(b), $162,600,000.

(3) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $6,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $71,577,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $200,400,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,148,937,000.

(6) For the construction of the National Range Control Center, White Sands Missile Range, New Mexico, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2763), $18,000,000.

(7) For the construction of the whole barracks complex renewal, Fort Knox, Kentucky, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2763), $22,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $14,400,000 (the balance of the amount authorized under section 2101(a) for the construction of the Force XXI Soldier Development School at Fort Hood, Texas);

(3) $24,000,000 (the balance of the amount authorized under section 2101(a) for rail yard expansion at Fort Carson, Colorado);

(4) $43,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a disciplinary barracks at Fort Leavenworth, Kansas);

(5) $36,500,000 (the balance of the amount authorized under section 2101(a) for the construction of a barracks at Hunter Army Airfield, Fort Stewart, Georgia);

(6) $44,200,000 (the balance of the amount authorized under section 2101(a) for the construction of a barracks at Fort Bragg, North Carolina); and

(7) $17,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a barracks at Fort Sill, Oklahoma).

SEC. 2105. CORRECTION IN AUTHORIZED USES OF FUNDS, FORT IRWIN, CALIFORNIA.

In the case of amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3029) and section 2104(a)(1) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 524) for a military construction project for Fort Irwin, California, involving the construction of an air field for the National Training Center at Barstow-Daggett, California, the Secretary of the Army may use such amounts for the construction of a heliport at the same location.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or Location	Amount
Arizona	Marine Corps Air Station, Yuma	$12,250,000
	Navy Detachment, Camp Navajo	$11,426,000
California	Marine Corps Air Station, Camp Pendleton	$24,150,000

Navy: Inside the United States—Continued

State	Installation or Location	Amount
	Marine Corps Air Station, Miramar	$8,700,000
	Marine Corps Air-Ground Combat Center, Twentynine Palms	$3,810,000
	Marine Corps Base, Camp Pendleton	$60,069,000
	Naval Air Facility, El Centro	$11,000,000
	Naval Air Station, North Island	$19,600,000
	Naval Amphibious Base, Coronado	$10,100,000
	Naval Construction Battalion Center, Port Hueneme	$3,200,000
Connecticut	Naval Submarine Base, New London	$18,300,000
Florida	Naval Air Station, Jacksonville	$3,480,000
	Naval Air Station, Whiting Field	$1,300,000
	Naval Station, Mayport	$17,940,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	$19,000,000
	Naval Communications and Telecommunications Area Master Station Eastern Pacific, Honolulu	$3,900,000
	Naval Station, Pearl Harbor	$25,000,000
Illinois	Naval Training Center, Great Lakes	$41,220,000
Indiana	Naval Surface Warfare Center, Crane	$4,120,000
Maryland	Naval Electronics System Command, St. Ingoes	$2,610,000
Mississippi	Naval Air Station, Meridian	$7,050,000
North Carolina	Marine Corps Air Station, Cherry Point	$8,800,000
	Marine Corps Air Station, New River	$19,900,000
Rhode Island	Naval Undersea Warfare Center Division, Newport	$8,900,000
South Carolina	Marine Corps Air Station, Beaufort	$17,730,000
	Marine Corps Reserve Detachment Parris Island	$3,200,000
Texas	Naval Air Station, Corpus Christi	$800,000
Virginia	AEGIS Training Center, Dahlgren	$6,600,000
	Fleet Combat Training Center, Dam Neck	$7,000,000
	Naval Air Station, Norfolk	$18,240,000
	Naval Air Station, Oceana	$34,000,000
	Naval Amphibious Base, Little Creek	$8,685,000
	Naval Shipyard, Norfolk, Portsmouth	$29,410,000
	Naval Station, Norfolk	$18,850,000
	Naval Surface Warfare Center, Dahlgren	$13,880,000
	Naval Weapons Station, Yorktown	$14,547,000
Washington	Naval Air Station, Whidbey Island	$1,100,000
	Puget Sound Naval Shipyard, Bremerton	$4,400,000
	Total	$524,267,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or Location	Amount
Bahrain	Administrative Support Unit, Bahrain	$30,100,000
Guam	Naval Communications and Telecommunications Area Master Station Western Pacific, Guam	$4,050,000
Italy	Naval Air Station, Sigonella	$21,440,000
	Naval Support Activity, Naples	$8,200,000
Puerto Rico	Naval Station, Roosevelt Roads	$500,000
United Kingdom	Joint Maritime Communications Center, St. Mawgan	$2,330,000
	Total	$66,620,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation or Location	Purpose	Amount
California	Marine Corps Air Station, Miramar	166 Units	$28,881,000

Navy: Family Housing—Continued

State	Installation or Location	Purpose	Amount
	Marine Corps Air-Ground Combat Center, Twentynine Palms	132 Units	$23,891,000
	Marine Corps Base, Camp Pendleton	171 Units	$22,518,000
	Naval Air Station, Lemoore	128 Units	$23,226,000
	Naval Complex, San Diego	94 Units	$13,500,000
Hawaii	Naval Complex, Pearl Harbor	84 Units	$17,900,000
Louisiana	Naval Complex, New Orleans	100 Units	$11,930,000
Texas	Naval Complex, Kingsville and Corpus Christi	212 Units	$22,250,000
Washington	Naval Complex, Bangor	118 Units	$15,700,000
		Total	$179,796,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriation in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $15,100,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $214,282,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,053,025,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $524,267,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $66,120,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $9,960,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $46,659,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $409,178,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $976,504,000.

(6) For construction of bachelor enlisted quarters at Naval Hospital, Great Lakes, Illinois, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2766), $5,200,000.

(7) For construction of bachelor enlisted quarters at Naval Station, Roosevelt Roads, Puerto Rico, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2767), $14,600,000.

(8) For construction of a large anecohic chamber facility at Patuxent River Naval Air Warfare Center, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2590), $9,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (8) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $8,463,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2205. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECT AT NAVAL AIR STATION, PASCAGOULA, MISSISSIPPI, FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) AUTHORIZATION.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2766) is amended—

(1) by striking out the amount identified as the total and inserting in lieu thereof ''$594,982,000''; and

(2) by inserting after the item relating to Stennis Space Center, Mississippi, the following new item:

	Naval Air Station, Pascagoula	$4,990,000

(b) CONFORMING AMENDMENTS.—Section 2204(a) of such Act (110 Stat. 2769) is amended—

(1) in the matter preceding the paragraphs, by striking out ''$2,213,731,000'' and inserting in lieu thereof ''$2,218,721,000''; and

(2) in paragraph (1), by striking out ''$579,312,000'' and inserting in lieu thereof ''$584,302,000''.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or Location	Amount
Alabama	Maxwell Air Force Base	$14,874,000
Alaska	Clear Air Station	$67,069,000
	Eielson Air Force Base	$7,764,000
	Indian Mountain	$1,991,000
Arizona	Luke Air Force Base	$10,000,000
Arkansas	Little Rock Air Force Base	$3,400,000
California	Edwards Air Force Base	$2,887,000
	Vandenberg Air Force Base	$26,876,000
Colorado	Buckley Air National Guard Base	$6,718,000

Air Force: Inside the United States—Continued

State	Installation or Location	Amount
	Falcon Air Force Station	$10,551,000
	Peterson Air Force Base	$4,081,000
	United States Air Force Academy	$15,229,000
Florida	Eglin Auxiliary Field 9	$6,470,000
	MacDill Air Force Base	$1,543,000
Georgia	Moody Air Force Base	$9,100,000
	Robins Air Force Base	$27,763,000
Idaho	Mountain Home Air Force Base	$17,719,000
Kansas	McConnell Air Force Base	$11,669,000
Louisiana	Barksdale Air Force Base	$19,410,000
Mississippi	Keesler Air Force Base	$30,855,000
Missouri	Whiteman Air Force Base	$40,419,000
Nevada	Nellis Air Force Base	$1,950,000
New Jersey	McGuire Air Force Base	$18,754,000
North Carolina	Pope Air Force Base	$20,656,000
North Dakota	Grand Forks Air Force Base	$8,560,000
	Minot Air Force Base	$5,200,000
Ohio	Wright-Patterson Air Force Base	$19,350,000
Oklahoma	Tinker Air Force Base	$9,655,000
	Vance Air Force Base	$6,700,000
South Carolina	Shaw Air Force Base	$6,072,000
South Dakota	Ellsworth Air Force Base	$6,600,000
Tennessee	Arnold Air Force Base	$20,650,000
Texas	Dyess Air Force Base	$10,000,000
	Laughlin Air Force Base	4,800,000
	Randolph Air Force Base	$2,488,000
Utah	Hill Air Force Base	$6,470,000
Virginia	Langley Air Force Base	$4,031,000
Washington	Fairchild Air Force Base	$7,366,000
	McChord Air Force Base	$9,655,000
CONUS Classified	Classified Location	$6,175,000
	Total	$511,520,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or Location	Amount
Germany	Spangdahlem Air Base	$18,500,000
Italy	Aviano Air Base	$15,220,000
Korea	Kunsan Air Base	$10,325,000
	Osan Air Base	$11,100,000
Portugal	Lajes Field, Azores	$4,800,000
United Kingdom	Royal Air Force, Lakenheath	$11,400,000
Overseas Classified	Classified Location	$31,100,000
	Total	$102,445,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State	Installation or Location	Purpose	Amount
Arizona	Davis-Monthan Air Force Base	70 Units	$9,800,000
California	Edwards Air Force Base	95 Units	$16,800,000
	Travis Air Force Base	70 Units	$9,714,000
	Vandenberg Air Force Base	108 Units	$17,100,000
Delaware	Dover Air Force Base	Ancillary Facility	$831,000
District of Columbia	Bolling Air Force Base	46 Units	$5,100,000

Air Force: Family Housing—Continued

State	Installation or Location	Purpose	Amount
Florida	MacDill Air Force Base	58 Units	$10,000,000
	Tyndall Air Force Base	32 Units	$4,200,000
Georgia	Robins Air Force Base	60 Units	$6,800,000
Idaho	Mountain Home Air Force Base	60 Units	$11,032,000
Kansas	McConnell Air Force Base	19 Units	$2,951,000
	McConnell Air Force Base	Ancillary Facility	$581,000
Mississippi	Columbus Air Force Base	50 Units	$6,200,000
	Keesler Air Force Base	40 Units	$5,000,000
Montana	Malmstrom Air Force Base	28 Units	$4,842,000
New Mexico	Kirtland Air Force Base	180 Units	$20,900,000
North Dakota	Grand Forks Air Force Base	42 Units	$7,936,000
Texas	Dyess Air Force Base	70 Units	$10,503,000
	Goodfellow Air Force Base	3 Units	$500,000
	Lackland Air Force Base	50 Units	$7,400,000
	Sheppard Air Force Base	40 Units	$7,400,000
Wyoming	F. E. Warren Air Force Base	52 Units	$6,853,000
		Total	$172,443,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $11,971,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2835 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $156,995,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,810,090,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $505,435,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $102,445,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $8,545,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $45,880,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $341,409,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $830,234,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $11,000,000 (the balance of the amount authorized under section 2301(a) for the construction of a B–2 low observability restoration facility at Whiteman Air Force Base, Missouri).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $23,858,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2305. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECT AT MCCONNELL AIR FORCE BASE, KANSAS, FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) AUTHORIZATION.—The table in section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2771) is amended in the item relating to McConnell Air Force Base, Kansas, by striking out ''$19,130,000'' in the amount column and inserting in lieu thereof ''$25,830,000''.

(b) CONFORMING AMENDMENTS.—Section 2304 of such Act (110 Stat. 2774) is amended—

(1) in the matter preceding the paragraph, by striking out ''$1,894,594,000'' and inserting in lieu thereof ''$1,901,294,000'' and

(2) in paragraph (1), by striking out ''$603,834,000'' and inserting in lieu thereof ''$610,534,000''.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States.

Agency	Installation or Location	Amount
Defense Commissary Agency	Fort Lee, Virginia	$9,300,000
Defense Finance and Accounting Service	Columbus Center, Ohio	$9,722,000
	Naval Air Station, Millington, Tennessee	$6,906,000
	Naval Station, Norfolk, Virginia	$12,800,000
	Naval Station, Pearl Harbor, Hawaii	$10,000,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	$7,000,000
	Redstone Arsenal, Alabama	$32,700,000
Defense Logistics Agency	Defense Distribution Depot—DDNV, Virginia	$16,656,000

Defense Agencies: Inside the United States.—Continued

Agency	Installation or Location	Amount
	Defense Distribution New Cumberland—DDSP, Pennsylvania	$15,500,000
	Defense Fuel Support Point, Craney Island, Virginia	$22,100,000
	Defense General Supply Center, Richmond (DLA), Virginia	$5,200,000
	Elmendorf Air Force Base, Alaska	$21,700,000
	Naval Air Station, Jacksonville, Florida	$9,800,000
	Truax Field, Wisconsin	$4,500,000
	Westover Air Reserve Base, Massachusetts	$4,700,000
	CONUS Various, CONUS Various	$11,275,000
Defense Medical Facilities Office	Fort Campbell, Kentucky	$13,600,000
	Fort Detrick, Maryland	$5,300,000
	Fort Lewis, Washington	$5,000,000
	Hill Air Force Base, Utah	$3,100,000
	Holloman Air Force Base, New Mexico	$3,000,000
	Lackland Air Force Base, Texas	$3,000,000
	Marine Corps Combat Dev Com, Quantico, Virginia	$19,000,000
	McGuire Air Force Base, New Jersey	$35,217,000
	Naval Air Station, Pensacola, Florida	$2,750,000
	Naval Station, Everett, Washington	$7,500,000
	Naval Station, San Diego, California	$2,100,000
	Naval Submarine Base, New London, Connecticut	$2,300,000
	Robins Air Force Base, Georgia	$19,000,000
	Tinker Air Force Base, Oklahoma	$6,500,000
	Wright-Patterson Air Force Base, Ohio	$2,750,000
National Security Agency	Fort Meade, Maryland	$29,800,000
Special Operations Command	Eglin Auxiliary Field 3, Florida	$6,100,000
	Fort Benning, Georgia	$12,314,000
	Fort Bragg, North Carolina	$1,500,000
	Hurlburt Field, Florida	$2,450,000
	Naval Amphibious Base, Coronado, California	$7,400,000
	Total	$389,440,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States.

Agency	Installation or Location	Amount
Ballistic Missile Defense Organization	Pacific Missile Range, Kwajalein Atoll	$4,565,000
Defense Logistics Agency	Defense Fuel Support Point, Guam	$16,000,000
	Moron Air Base, Spain	$14,400,000
Defense Medical Facilities Office	Andersen Air Force Base, Guam	$3,700,000
	Total	$38,665,000

SEC. 2402. MILITARY HOUSING PLANNING AND DESIGN.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(13)(A), the Secretary of Defense may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $50,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriation in section 2405(a)(12)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $4,900,000.

SEC. 2404. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(10), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $2,711,761,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $382,390,000

(2) For military construction projects outside the United States authorized by section 2401(a), $34,965,000.

(3) For military construction projects at Anniston Army Depot, Alabama, ammunition demilitarization facility, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of the Public Law 102–484; 106 Stat. 2587), which was originally authorized as an Army construction project, but which became a Defense Agencies construction project by reason of the amendments made by section 142 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2689), $9,900,000.

(4) For military construction projects at Walter Reed Army Institute of Research, Maryland, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599), $20,000,000.

(5) For military construction projects at Umatilla Army Depot, Oregon, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of the Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (110 Stat. 539) and section 2407(2) of this Act, $57,427,000.

(6) For military construction projects at Defense Finance and Accounting Service, Columbus, Ohio, authorized by section 2401(a) of the Military Construction Authorization Act of Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 535), $14,200,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $9,844,000.

(8) For unspecified minor construction projects under section 2805 of title 10, United States Code, $25,257,000.

(9) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $34,350,000.

(10) For Energy Conservation projects authorized by section 2403, $25,000,000.

(11) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $2,060,854,000.

(12) For military family housing functions:

(A) For improvement and planning of military family housing and facilities, $4,950,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $32,724,000 of which not more than $27,673,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2406. CORRECTION IN AUTHORIZED USES OF FUNDS, MCCLELLAN AIR FORCE BASE, CALIFORNIA.

In the case of amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3041) for a military construction project involving the upgrade of the hospital facility at McClellan Air Force Base, California, the Secretary of Defense may use such amounts for the following medical construction projects authorized by section 2401 of this Act:

(1) The Aeromedical Clinic Addition at Andersen Air Base, Guam, in the amount of $3,700,000.

(2) The Occupational Health Clinic Facility at Tinker Air Force Base, Oklahoma, in the amount of $6,500,000.

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1995 PROJECTS.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), under the agency heading relating to Chemical Weapons and Munitions Destruction, is further amended—

(1) in the item relating to Pine Bluff Arsenal, Arkansas, by striking out ''$115,000,000'' in the amount column and inserting in lieu thereof ''$134,000,000''; and

(2) in the item relating to Umatilla Army Depot, Oregon, by striking out ''$186,000,000'' in the amount column and inserting in lieu thereof ''$187,000,000''.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment program authorized by section 2501, in the amount of $166,300,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) IN GENERAL.—There are authorized to be appropriated for fiscal years beginning after September 30, 1997, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $45,098,000; and

(B) for the Army Reserve, $69,831,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $40,561,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $137,275,000; and

(B) for the Air Force Reserve, $34,443,000.

(b) ADJUSTMENT.—The amount authorized to be appropriated pursuant to subsection (a)(1)(B) is reduced by $7,900,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2602. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECTS FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) ARMY NATIONAL GUARD, HILO, HAWAII.—Paragraph (1)(A) of section 2601 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2780) is amended by striking out ''$59,194,000'' and inserting in lieu thereof ''$65,094,000'' to account for a project involving additions and alterations to an Army aviation support facility in Hilo, Hawaii.

(b) NAVAL AND MARINE CORPS RESERVE, NEW ORLEANS.—Paragraph (2) of such section is amended by striking out ''$32,779,000'' and inserting in lieu thereof ''$37,579,000'' to account for a project for the construction of bachelor enlisted quarters at Naval Air Station, New Orleans, Louisiana.

SEC. 2603. ARMY RESERVE CONSTRUCTION PROJECT, SALT LAKE CITY, UTAH.

With regard to the military construction project for the Army Reserve concerning construction of a reserve center and organizational maintenance shop in Salt Lake City, Utah, to be carried out using funds appropriated pursuant to the authorization of appropriations in section 2601(1)(B), the Secretary of the Army may enter into an agreement with the State of Utah under which the State agrees to provide financial or in-kind contributions toward land acquisition, site preparation, environmental assessment and remediation, relocation, and other costs in connection with the project.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2000; or

(2) the date for the enactment of an Act authorizing funds for military construction for fiscal year 2001.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 2000; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2001 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1995 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337, 108 Stat. 3046), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2201, 2202, 2301, 2302, 2401, or 2601 of that Act, shall remain in effect until October 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
California	Fort Irwin	National Training Center Airfield Phase I	$10,000,000

Navy: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
Maryland	Indian Head Naval Surface Warfare Center	Upgrade Power Plant	$4,000,000
	Indian Head Naval Surface Warfare Center	Denitrification/Acid Mixing Facility	$6,400,000
Virginia	Norfolk Marine Corps Security Force Battalion Atlantic	Bachelor Enlisted Quarters	$6,480,000
Washington	Naval Station Puget Sound, Everett	New Construction (Housing Office)	$780,000
Conus Classified	Classified Location	Aircraft Fire/Rescue & Vehicle Maintenance Facility	$2,200,000

Air Force: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
California	Beale Air Force Base	Consolidated Support Center	$10,400,000
	Los Angeles Air Force Station	Family Housing (50 Units)	$8,962,000
North Carolina	Pope Air Force Base	Combat Control Team Facility	$2,400,000
	Pope Air Force Base	Fire Training Center	$1,100,000

Defense Agencies: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
Alabama	Anniston Army Depot	Carbon Filtration System	$5,000,000
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Facility	$115,000,000
California	Defense Contract Management Office, El Segundo	Administrative Facility	$5,100,000
Oregon	Umatilla Army Depot	Ammunition Demilitarization Facility	$186,000,000

Army National Guard: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
California	Camp Roberts	Combat Pistol Range	$952,000

Naval Reserve: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
Georgia	Naval Air Station Marietta	Training Center.	$2,650,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1994 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160, 107 Stat. 1880), authorizations for the projects set forth in the table in subsection (b), as provided in section 2201 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2783), shall remain in effect until October 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Navy: Extension of 1994 Project Authorizations

State	Installation or Location	Project	Amount
California	Camp Pendleton Marine Corps Base	Sewage Facility	$7,930,000
Connecticut	New London Naval Submarine Base	Hazardous Waste Facility	$1,450,000

SEC. 2704. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1993 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2602), the authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101 or 2601 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 541) and section 2703 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2784), shall remain in effect until October 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1993 Project Authorization

State	Installation or location	Project	Amount
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Support Facility	$15,000,000

Army National Guard: Extension of 1993 Project Authorization

State	Installation or Location	Project	Amount
Alabama	Union Springs	Armory	$813,000

SEC. 2705. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535), authorizations for the projects set forth in the table in subsection (b), as provided in section 2101 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3047), section 2703 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 543), and section 2704 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2784), shall remain in effect until October 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Oregon	Umatilla Army Depot	Ammunition Demilitarization Support Facility	$3,600,000
	Umatilla Army Depot	Ammunition Demilitarization Utilities	$7,500,000

SEC. 2706. EXTENSION OF AVAILABILITY OF FUNDS FOR CONSTRUCTION OF OVER-THE-HORIZON RADAR IN PUERTO RICO.

Amounts appropriated under the heading ''DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE'' in the Department of Defense Appropriations Act, 1995 (Public Law 103–335; 108 Stat. 2615), and transferred to the ''Military Construction, Navy'' appropriation for construction of a Relocatable Over-the-Horizon Radar at Naval Station Roosevelt Roads, Puerto Rico, shall remain available for obligation until October 1, 1998, or the date of the enactment of an Act authorizing funds for military

construction for fiscal year 1999, whichever is later.

SEC. 2707. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1997; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. USE OF MOBILITY ENHANCEMENT FUNDS FOR UNSPECIFIED MINOR CONSTRUCTION.

(a) CONGRESSIONAL NOTIFICATION.—Subsection (b)(2) of section 2805 of title 10, United States Code, is amended by adding at the end the following new sentence: ''This paragraph shall apply even though the project is to be carried out using funds made available to enhance the deployment and mobility of military forces and supplies.''.

(b) RESTRICTION ON USE OF OPERATION AND MAINTENANCE FUNDS.—Subsection (c) of such section is amended—

(1) in paragraph (1), by striking out ''paragraph (2)'' and inserting in lieu thereof ''paragraphs (2) and (3)''; and

(2) by adding at the end the following new paragraph:

''(3) The limitations specified in paragraph (1) shall not apply if the unspecified minor military construction project is to be carried out using funds made available to enhance the deployment and mobility of military forces and supplies.''.

(c) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a)(1)—

(A) by striking out ''minor military construction projects'' in the first sentence and inserting in lieu thereof ''unspecified minor military construction projects'';

(B) by striking out ''A minor'' in the second sentence and inserting in lieu thereof ''An unspecified minor''; and

(C) by striking out ''a minor'' in the last sentence and inserting in lieu thereof ''an unspecified minor'';

(2) in subsection (b)(1), by striking out ''A minor'' and inserting in lieu thereof ''An unspecified minor'';

(3) in subsection (b)(2), by striking out ''a minor'' and inserting in lieu thereof ''an unspecified minor''; and

(4) in subsection (c), by striking out ''unspecified military'' each place it appears and inserting in lieu thereof ''unspecified minor military''.

SEC. 2802. LIMITATION ON USE OF OPERATION AND MAINTENANCE FUNDS FOR FACILITY REPAIR PROJECTS.

Section 2811 of title 10, United States Code, is amended by adding at the end the following new subsections:

''(d) CONGRESSIONAL NOTIFICATION.—When a decision is made to carry out a repair project under this section with an estimated cost in excess of $10,000,000, the Secretary concerned shall submit to the appropriate committees of Congress a report containing—

''(1) the justification for the repair project and the current estimate of the cost of the project; and

''(2) the justification for carrying out the project under this section.

''(e) REPAIR PROJECT DEFINED.—In this section, the term 'repair project' means a project to restore a real property facility, system, or component to such a condition that it may effectively be used for its designated functional purpose.''.

SEC. 2803. LEASING OF MILITARY FAMILY HOUSING, UNITED STATES SOUTHERN COMMAND, MIAMI, FLORIDA.

(a) LEASES TO EXCEED MAXIMUM RENTAL.—Section 2828(b) of title 10, United States Code, is amended—

(1) in paragraph (2), by striking out ''paragraph (3)'' and inserting in lieu thereof ''paragraphs (3) and (4)'';

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph:

''(4) The Secretary of the Army may lease not more than eight housing units in the vicinity of Miami, Florida, for key and essential personnel, as designated by the Secretary, for the United States Southern Command for which the expenditure for the rental of such units (including the cost of utilities, maintenance, and operation, including security enhancements) exceeds the expenditure limitations in paragraphs (2) and (3). The total amount for all leases under this paragraph may not exceed $280,000 per year, and no lease on any individual housing unit may exceed $60,000 per year.''.

(b) CONFORMING AMENDMENT.—Paragraph (5) of such section, as redesignated by subsection (a)(2), is amended by striking out ''paragraphs (2) and (3)'' and inserting in lieu thereof ''paragraphs (2), (3), and (4)''.

SEC. 2804. USE OF FINANCIAL INCENTIVES PROVIDED AS PART OF ENERGY SAVINGS AND WATER CONSERVATION ACTIVITIES.

(a) ENERGY SAVINGS.—Section 2865 of title 10, United States Code, is amended—

(1) in subsection (b)(1), by striking out ''and financial incentives described in subsection (d)(2)'';

(2) in subsection (d)(2), by adding at the end the following new sentence: ''Financial incentives received under this paragraph or section 2866(a)(2) of this title shall be credited to an appropriation account designated by the Secretary of Defense.''; and

(3) in subsection (f), by adding at the end the following new sentence: ''Each report shall also describe the types and amount of financial incentives received under subsection (d)(2) and section 2866(a)(2) of this title during the period covered by the report and the appropriation account or accounts to which the incentives were credited.''.

(b) WATER CONSERVATION.—Section 2866(b) of such title is amended—

(1) by striking out ''SAVINGS.—'' in the subsection heading and inserting in lieu thereof ''SAVINGS AND FINANCIAL INCENTIVES.—(1)''; and

(2) by adding at the end the following new paragraph:

''(2) Financial incentives received under this section shall be used as provided in section 2865(d)(2) of this title.''.

SEC. 2805. CONGRESSIONAL NOTIFICATION REQUIREMENTS REGARDING USE OF DEPARTMENT OF DEFENSE HOUSING FUNDS FOR INVESTMENTS IN NONGOVERNMENTAL ENTITIES.

Section 2875 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(e) CONGRESSIONAL NOTIFICATION REQUIRED.—Amounts in the Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund may be used to make a cash investment under this section in a nongovernmental entity only after the end of the 30-day period beginning on the date the Secretary of Defense submits written notice of, and justification for, the investment to the appropriate committees of Congress.''.

Subtitle B—Real Property And Facilities Administration

SEC. 2811. INCREASE IN CEILING FOR MINOR LAND ACQUISITION PROJECTS.

(a) INCREASE.—Section 2672 of title 10, United States Code, is amended by striking out ''$200,000'' both places it appears in subsection (a) and inserting in lieu thereof ''$500,000''.

(b) CLERICAL AMENDMENTS.—(1) The section heading for such section is amended to read as follows:

''§ 2672. Acquisition: interests in land when cost is not more than $500,000''.

(2) The table of sections at the beginning of chapter 159 of such title is amended by striking out the item relating to section 2672 and inserting in lieu thereof the following new item:

''2672. Acquisition: interests in land when cost is not more than $500,000.''.

SEC. 2812. ADMINISTRATIVE EXPENSES FOR CERTAIN REAL PROPERTY TRANSACTIONS.

(a) IN GENERAL.—Chapter 159 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2695. Acceptance of funds to cover administrative expenses relating to certain real property transactions

''(a) AUTHORITY TO ACCEPT.—In connection with a real property transaction described in subsection (b) with a non-Federal person or entity, the Secretary of a military department may accept amounts provided by the person or entity to cover administrative expenses incurred by the Secretary in entering into the transaction.

''(b) COVERED TRANSACTIONS.—Subsection (a) applies to the following transactions:

''(1) The conveyance or exchange of real property.

''(2) The grant of an easement over, in, or upon real property of the United States.

''(3) The lease or license of real property of the United States.

''(c) USE OF AMOUNTS COLLECTED.—Amounts collected under subsection (a) for administrative expenses shall be credited to the appropriation, fund, or account from which the expenses were paid. Amounts so credited shall be merged with funds in such appropriation, fund, or account and shall be available for the same purposes and subject to the same limitations as the funds with which merged.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 159 of such title is amended by adding at the end the following:

''2695. Acceptance of funds to cover administrative expenses relating to certain real property transactions.''.

SEC. 2813. DISPOSITION OF PROCEEDS FROM SALE OF AIR FORCE PLANT 78, BRIGHAM CITY, UTAH.

Notwithstanding subparagraph (A) of section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)), the entire amount derived from the sale of Air Force Plant 78 in Brigham City, Utah, and deposited in the special account in the Treasury established pursuant to such section shall, to the extent provided in appropriations Acts, be available to the Secretary of the Air Force for facility maintenance, repair, or environmental restoration at other industrial plants of the Department of the Air Force.

Subtitle C—Defense Base Closure and Realignment

SEC. 2821. CONSIDERATION OF MILITARY INSTALLATIONS AS SITES FOR NEW FEDERAL FACILITIES.

(a) 1988 LAW.—Section 204(b)(5) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A), by striking out ''subparagraph (B)'' and inserting in lieu thereof ''subparagraphs (B) and (C)''; and

(2) by adding at the end the following new subparagraph:

''(C)(i) Before acquiring non-Federal real property as the location for a new or replacement Federal facility of any type, the head of the Federal agency acquiring the property shall consult with the Secretary regarding the feasibility and cost advantages of using Federal property or facilities at a military installation to be closed or realigned under this title as the location for the new or replacement facility. In considering the availability and suitability of a specific military installation, the Secretary and the head of the Federal agency involved shall consult with the redevelopment authority with

respect to the installation and comply with the redevelopment plan for the installation.

''(ii) Not later than 30 days after acquiring non-Federal real property as the location for a new or replacement Federal facility, the head of the Federal agency acquiring the property shall submit to Congress a report containing the results of the consultation under clause (i) and the reasons why military installations referred to in such clause that are located within the area to be served by the new or replacement Federal facility or within a 200-mile radius of the new or replacement facility, whichever area is greater, were considered to be unsuitable or unavailable for the site of the new or replacement facility.''.

(b) 1990 LAW.—Section 2905(b)(5) of the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A), by striking out ''subparagraph (B)'' and inserting in lieu thereof ''subparagraphs (B) and (C)''; and

(2) by adding at the end the following new subparagraph:

''(C)(i) Before acquiring non-Federal real property as the location for a new or replacement Federal facility of any type, the head of the Federal agency acquiring the property shall consult with the Secretary regarding the feasibility and cost advantages of using Federal property or facilities at a military installation to be closed or realigned under this part as the location for the new or replacement facility. In considering the availability and suitability of a specific military installation, the Secretary and the head of the Federal agency involved shall consult with the redevelopment authority with respect to the installation and comply with the redevelopment plan for the installation.

''(ii) Not later than 30 days after acquiring non-Federal real property as the location for a new or replacement Federal facility, the head of the Federal agency acquiring the property shall submit to Congress a report containing the results of the consultation under clause (i) and the reasons why military installations referred to in such clause that are located within the area to be served by the new or replacement Federal facility or within a 200-mile radius of the new or replacement facility, whichever area is greater, were considered to be unsuitable or unavailable for the site of the new or replacement facility.''.

SEC. 2822. PROHIBITION AGAINST CONVEYANCE OF PROPERTY AT MILITARY INSTALLATIONS TO STATE-OWNED SHIPPING COMPANIES.

(a) PROHIBITION AGAINST DIRECT CONVEYANCE.—In disposing of real property in connection with the closure of a military installation under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), the Secretary of Defense may not convey any portion of the property (by sale, lease, or other method) to a State-owned shipping company.

(b) PROHIBITION AGAINST INDIRECT CONVEYANCE.—The Secretary of Defense shall impose as a condition on each conveyance of real property located at such an installation the requirement that the property may not be subsequently conveyed (by sale, lease, or other method) to a State-owned shipping company.

(c) REVERSIONARY INTEREST.—If the Secretary determines at any time that real property located at such an installation and conveyed under the Defense Base Closure and Realignment Act of 1990 has been conveyed to a State-owned shipping company in violation of subsection (b) or is otherwise being used by a State-owned shipping company in violation of such subsection, all right, title, and interest in and to the property shall revert to the United States, and the United States shall have immediate right of entry thereon.

(d) DEFINITION.—In this section, the term ''State-owned shipping company'' means a commercial shipping company owned or controlled by a foreign country.

Subtitle D—Land Conveyances

Part I—Army Conveyances

SEC. 2831. LAND CONVEYANCE, JAMES T. COKER ARMY RESERVE CENTER, DURANT, OKLAHOMA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to Big Five Community Services, Incorporated, a nonprofit organization operating in Durant, Oklahoma, all right, title, and interest of the United States in and to a parcel of real property located at 1500 North First Street in Durant, Oklahoma, and containing the James T. Coker Army Reserve Center, if the Secretary determines that the Reserve Center is excess to the needs of the Armed Forces.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by Big Five Community Services, Incorporated.

(c) CONDITION ON CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that Big Five Community Services, Incorporated, retain the conveyed property for educational purposes.

(d) REVERSION.—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being used for the purpose specified in subsection (c), all right, title, and interest in and to such real property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2832. LAND CONVEYANCE, FORT A. P. HILL, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to Caroline County, Virginia (in this section referred to as the ''County''), all right, title, and interest of the United States in and to a parcel of unimproved real property consisting of approximately 10 acres located at Fort A. P. Hill, Virginia. The purpose of the conveyance is to permit the County to establish a solid waste transfer and recycling facility on the property.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the County shall permit the Army, at no cost, to dispose of not less than 1,800 tons of solid waste annually at the facility established on the conveyed property. The obligation of the County to accept solid waste under this subsection shall not commerce until after the solid waste transfer and recycling facility on the conveyed property becomes operational, and the establishment of a solid waste collection and transfer site on the .36-acre parcel described in subsection (d)(2) shall not be construed to impose the obligation.

(c) DISCLAIMER.—The United States shall not be responsible for the provision or cost of utilities or any other improvements necessary to carry out the conveyance under subsection (a) or to establish or operate the solid waste transfer and recycling facility intended for the property.

(d) REVERSION.—(1) Except as provided in paragraph (2), if the Secretary determines that a solid waste transfer and recycling facility is not operational, before December 31, 1999, on the real property conveyed under subsection (a), all right, title, and interest in and to such real property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(2) Paragraph (1) shall not apply with respect to a parcel of approximately .36 acres of the approximately 10-acre parcel to be conveyed under subsection (a), which is included in the larger conveyance to permit the County to establish a solid waste collection and transfer site for residential waste.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2833. EXPANSION OF LAND CONVEYANCE, INDIANA ARMY AMMUNITION PLANT, CHARLESTOWN, INDIANA.

(a) ADDITIONAL CONVEYANCE.—Subsection (a) of section 2858 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 571) is amended—

(1) by inserting ''(1)'' before ''The Secretary of the Army''; and

(2) by adding at the end the following new paragraph:

''(2) The Secretary may also convey to the State, without consideration, an additional parcel of real property at the Indiana Army Ammunition Plant consisting of approximately 500 acres located along the Ohio River.''.

(b) CONFORMING AMENDMENTS.—Such section is further amended by striking out ''conveyance'' both places it appears in subsections (b) and (d) and inserting in lieu thereof ''conveyances''.

SEC. 2834. MODIFICATION OF LAND CONVEYANCE, LOMPOC, CALIFORNIA.

(a) CHANGE IN AUTHORIZED USES OF LAND.—Section 834(b)(1) of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1526), is amended by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following new subparagraphs:

''(A) for educational and recreational purposes;

''(B) for open space; or''.

(b) CONFORMING DEED CHANGES.—With respect to the land conveyance made pursuant to section 834 of the Military Construction Authorization Act, 1985, the Secretary of the Army shall execute and file in the appropriate office or offices an amended deed or other appropriate instrument effectuating the changes to the authorized uses of the conveyed property resulting from the amendment made by subsection (a).

SEC. 2835. MODIFICATION OF LAND CONVEYANCE, ROCKY MOUNTAIN ARSENAL, COLORADO.

Section 5(c) of Public Law 102–402 (106 Stat. 1966) is amended by striking out ''The transferred property shall be sold in advertised sales'' and inserting in lieu thereof ''The Administrator shall convey the transferred property to Commerce City, Colorado, in a negotiated sale,''.

SEC. 2836. CORRECTION OF LAND CONVEYANCE AUTHORITY, ARMY RESERVE CENTER, ANDERSON, SOUTH CAROLINA.

(a) IDENTIFICATION OF RECIPIENT.—Subsection (a) of section 2824 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2793) is amended by striking out ''County of Anderson, South Carolina (in this section referred to as the 'County')'' and inserting in lieu thereof ''Board of Education, Anderson County, South Carolina (in this section referred to as the 'Board')''.

(b) CONFORMING AMENDMENTS.—Subsections (b) and (c) of such section are amended by striking out ''County'' each place it appears and inserting in lieu thereof ''Board''.

SEC. 2837. LAND CONVEYANCE, FORT BRAGG, NORTH CAROLINA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Town of Spring Lake, North Carolina (in this section referred to as the ''Town''), all right, title, and interest of the United States in and to a parcel of unimproved real property consisting of approximately 50 acres located at Fort Bragg, North Carolina. The purpose of the

conveyance is to improve access by the Town to a waste treatment facility and to permit economic development.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Town.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2838. LAND CONVEYANCE, GIBSON ARMY RESERVE CENTER, CHICAGO, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Lawndale Business and Local Development Corporation (in this section referred to as the ''Corporation''), a nonprofit organization organized in the State of Illinois, all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 4454 West Cermak Road in Chicago, Illinois, and contains the Gibson Army Reserve Center.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Corporation.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2839. LAND CONVEYANCE, FORT DIX, NEW JERSEY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Borough of Wrightstown, New Jersey (in this section referred to as the ''Borough''), all right, title, and interest of the United States in and to a parcel of real property (including improvements thereon) consisting of approximately 44.69 acres located at Fort Dix, New Jersey, for the purpose of permitting the Borough to develop the parcel for educational and economic purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Borough.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

Part II—Navy Conveyances

SEC. 2851. CORRECTION OF LEASE AUTHORITY, NAVAL AIR STATION, MERIDIAN, MISSISSIPPI.

(a) CORRECTION OF LESSEE.—Subsection (a) of section 2837 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2798) is amended—

(1) by striking out ''State of Mississippi (in this section referred to as the 'State')'' and inserting in lieu thereof ''County of Lauderdale, Mississippi (in this section referred to as the 'County')''; and

(2) by striking out ''The State'' and inserting in lieu thereof ''The County''.

(b) CONFORMING AMENDMENTS.—Subsections (b) and (c) of such section are amended by striking out ''State'' each place it appears and inserting in lieu thereof ''County''.

Part III—Air Force Conveyances

SEC. 2861. LAND TRANSFER, EGLIN AIR FORCE BASE, FLORIDA.

(a) TRANSFER.—Jurisdiction over the real property withdrawn by Executive Order 4525, dated October 1, 1826, which consists of approximately 440 acres of land at Cape San Blas, Gulf County, Florida, and any improvements thereon, is transferred from the administrative jurisdiction of the Secretary of Transportation to the administrative jurisdiction of the Secretary of the Air Force, without reimbursement. Executive Order 4525 is revoked, and the transferred real property shall be administered by the Secretary of the Air Force pursuant to the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) and such other laws as may be applicable to Federal real property.

(b) USE OF PROPERTY.—The real property transferred under subsection (a) may be used in conjunction with operations at Eglin Air Force Base, Florida.

(c) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Air Force. The cost of the survey shall be borne by the Secretary of the Air Force.

SEC. 2862. STUDY OF LAND EXCHANGE OPTIONS, SHAW AIR FORCE BASE, SOUTH CAROLINA.

Section 2874 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 583) is amended by adding at the end the following new subsection:

''(g) STUDY OF EXCHANGE OPTIONS.—To facilitate the use of a land exchange to acquire the real property described in subsection (a), the Secretary of the Air Force shall conduct a study to identify real property in the possession of the Air Force (located in the State of South Carolina or elsewhere) that satisfies the requirements of subsection (b)(2), is acceptable to the party holding the property to be acquired, and is otherwise suitable for exchange under this section. Not later than three months after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998, the Secretary shall submit to Congress a report containing the results of the study.''.

SEC. 2863. LAND CONVEYANCE, MARCH AIR FORCE BASE, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey to Air Force Village West, Incorporated (in this section referred to as the ''Corporation''), of Riverside, California, all right, title, and interest of the United States in and to a parcel of real property located at March Air Force Base, California, and consisting of approximately 75 acres, as more fully described in subsection (c).

(2) If the Secretary does not make the conveyance authorized by paragraph (1) to the Corporation on or before January 1, 2006, the Secretary shall convey the real property instead to the March Joint Powers Authority, the redevelopment authority established for March Air Force Base.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the Corporation shall pay to the United States an amount equal to the fair market value of the real property, as determined by the Secretary.

(c) LAND DESCRIPTION.—The real property to be conveyed under this section is contiguous to land conveyed to the Corporation pursuant to section 835 of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1527), and lies within sections 27, 28, 33, and 34 of Township 3 South, Range 4 West, San Bernardino Base and Meridian, County of Riverside, California. The exact acreage and legal description of the real property shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the party receiving the property.

(d) TECHNICAL CORRECTIONS REGARDING PREVIOUS CONVEYANCE.—Section 835 of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1527), is amended—

(1) in subsection (b), by striking out ''subsection (b)'' and inserting in lieu thereof ''subsection (a)''; and

(2) in subsection (c), by striking out ''Clark Street,'' and all that follows through the period and inserting in lieu thereof ''Village West Drive, on the west by Allen Avenue, on the south by 8th Street, and the north is an extension of 11th Street between Allen Avenue and Clark Street.''.

Subtitle E—Other Matters

SEC. 2881. REPEAL OF REQUIREMENT TO OPERATE NAVAL ACADEMY DAIRY FARM.

(a) OPERATION.—(1) Chapter 603 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 6976. Operation of Naval Academy dairy farm

''(a) DISCRETION REGARDING CONTINUED OPERATION.—(1) Subject to paragraph (2), the Secretary of the Navy may terminate or reduce the dairy or other operations conducted at the Naval Academy dairy farm located in Gambrills, Maryland.

''(2) Notwithstanding the termination or reduction of operations at the Naval Academy dairy farm under paragraph (1), the real property containing the dairy farm (consisting of approximately 875 acres)—

''(A) may not be declared to be excess real property to the needs of the Navy or transferred or otherwise disposed of by the Navy or any Federal agency; and

''(B) shall be maintained in its rural and agricultural nature.

''(b) LEASE AUTHORITY.—(1) Subject to paragraph (2), to the extent that the termination or reduction of operations at the Naval Academy dairy farm permit, the Secretary of the Navy may lease the real property containing the dairy farm, and any improvements and personal property thereon, to such persons and under such terms as the Secretary considers appropriate. In leasing any of the property, the Secretary may give a preference to persons who will continue dairy operations on the property.

''(2) Any lease of property at the Naval Academy dairy farm shall be subject to a condition that the lessee maintain the rural and agricultural nature of the leased property.

''(c) EFFECT OF OTHER LAWS.—Nothing in section 6971 of this title shall be construed to require the Secretary of the Navy or the Superintendent of the Naval Academy to operate a dairy farm for the Naval Academy in Gambrills, Maryland, or any other location.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''6976. Operation of Naval Academy dairy farm.''.

(b) CONFORMING REPEAL OF EXISTING REQUIREMENTS.—Section 810 of the Military Construction Authorization Act, 1968 (Public Law 90–110; 81 Stat. 309), is repealed.

SEC. 2882. LONG-TERM LEASE OF PROPERTY, NAPLES ITALY.

(a) AUTHORITY.—Subject to subsection (d), the Secretary of the Navy may acquire by long-term lease structures and real property relating to a regional hospital complex in Naples, Italy, that the Secretary determines to be necessary for purposes of the Naples Improvement Initiative.

(b) LEASE TERM.—Notwithstanding section 2675 of title 10, United States Code, the lease authorized by subsection (a) shall be for a term of not more than 20 years.

(c) EXPIRATION OF AUTHORITY.—The authority of the Secretary to enter into a lease under subsection (a) shall expire on September 30, 2002.

(d) AUTHORITY CONTINGENT ON APPROPRIATIONS ACTS.—The authority of the Secretary to enter into a lease under subsection (a) is available only to the extent or in the amount provided in advance in appropriations Acts.

SEC. 2883. DESIGNATION OF MILITARY FAMILY HOUSING AT LACKLAND AIR FORCE BASE, TEXAS, IN HONOR OF FRANK TEJEDA, A FORMER MEMBER OF THE HOUSE OF REPRESENTATIVES.

The military family housing developments to be constructed at two locations on Government property at Lackland Air Force Base, Texas, under the authority of subchapter IV of chapter 169 of title 10, United States Code, shall be designated by the Secretary of the Air Force, at an appropriate time, as follows:

(1) The northern development shall be designated as ''Frank Tejeda Estates North''.

(2) The southern development shall be designated as ''Frank Tejeda Estates South''.

TITLE XXIX—SIKES ACT IMPROVEMENT

SEC. 2901. SHORT TITLE.

This title may be cited as the ''Sikes Act Improvement Amendments of 1997''.

SEC. 2902. DEFINITION OF SIKES ACT FOR PURPOSES OF AMENDMENTS.

In this title, the term ''Sikes Act'' means the Act entitled ''An Act to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations'', approved September 15, 1960 (16 U.S.C. 670a et seq.), commonly referred to as the ''Sikes Act''.

SEC. 2903. CODIFICATION OF SHORT TITLE OF ACT.

The Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting before title I the following new section:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'Sikes Act'.''.

SEC. 2904. INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.

(a) PLANS REQUIRED.—Section 101(a) of the Sikes Act (16 U.S.C. 670a(a)) is amended—

(1) by striking out ''is authorized to'' and inserting in lieu thereof ''shall'';

(2) by striking out ''in each military reservation in accordance with a cooperative plan'' and inserting in lieu thereof the following: ''on military installations. Under the program, the Secretary shall prepare and implement for each military installation in the United States an integrated natural resource management plan'';

(3) by inserting after ''reservation is located'' the following: '', except that the Secretary is not required to prepare such a plan for a military installation if the Secretary determines that preparation of such a plan for the installation is not appropriate''; and

(4) by inserting ''(1)'' after ''(a)'' and adding at the end the following new paragraph:

''(2) Consistent with essential military requirements to enhance the national security of the United States, the Secretary of Defense shall manage each military installation to provide—

''(A) for the conservation of fish and wildlife on the military installation and sustained multipurpose uses of those resources, including hunting, fishing, and trapping; and

''(B) public access that is necessary or appropriate for those uses.''.

(b) CONFORMING AMENDMENTS.—Title I of the Sikes Act is amended—

(1) in section 101(b) (16 U.S.C. 670a(b)), in the matter preceding paragraph (1), by striking out ''cooperative plan'' and inserting in lieu thereof ''integrated natural resource management plan'';

(2) in section 101(b)(4) (16 U.S.C. 670a(b)(4)), by striking out ''cooperative plan'' each place it appears and inserting in lieu thereof ''integrated natural resource management plan'';

(3) in section 101(c) (16 U.S.C. 670a(c)), in the matter preceding paragraph (1) by striking out ''a cooperative plan'' and inserting in lieu thereof ''an integrated natural resource management plan'';

(4) in section 101(d) (16 U.S.C. 670a(d)), in the matter preceding paragraph (1) by striking out ''cooperative plans'' and inserting in lieu thereof ''integrated natural resource management plans'';

(5) in section 101(e) (16 U.S.C. 670a(e)), by striking out ''Cooperative plans'' and inserting in lieu thereof ''Integrated natural resource management plans'';

(6) in section 102 (16 U.S.C. 670b), by striking out ''a cooperative plan'' and inserting in lieu thereof ''an integrated natural resource management plan'';

(7) in section 103 (16 U.S.C. 670c), by striking out ''a cooperative plan'' and inserting in lieu thereof ''an integrated natural resource management plan'';

(8) in section 106(a) (16 U.S.C. 670f(a)), by striking out ''cooperative plans'' and inserting in lieu thereof ''integrated natural resource management plans''; and

(9) in section 106(c) (16 U.S.C. 670f(c)), by striking out ''cooperative plans'' and inserting in lieu thereof ''integrated natural resource management plans''.

(c) CONTENTS OF PLANS.—Section 101(b) of the Sikes Act (16 U.S.C. 670a(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by striking out ''and'' after the semicolon;

(B) in subparagraph (D), by striking out the semicolon at the end and inserting in lieu thereof a comma; and

(C) by adding at the end the following new subparagraphs:

''(E) wetland protection and restoration, and wetland creation where necessary, for support of fish or wildlife,

''(F) consideration of conservation needs for all biological communities, and

''(G) the establishment of specific natural resource management goals, objectives, and timeframes for proposed actions;'';

(2) by striking out paragraph (3);

(3) by redesignating paragraph (2) as paragraph (3);

(4) by inserting after paragraph (1) the following new paragraph:

''(2) shall for the military installation for which it is prepared—

''(A) address the needs for fish and wildlife management, land management, forest management, and wildlife-oriented recreation,

''(B) ensure the integration of, and consistency among, the various activities conducted under the plan,

''(C) ensure that there is no net loss in the capability of installation lands to support the military mission of the installation,

''(D) provide for sustained use by the public of natural resources, to the extent that such use is not inconsistent with the military mission of the installation or the needs of fish and wildlife management,

''(E) provide the public access to the installation that is necessary or appropriate for that use, to the extent that access is not inconsistent with the military mission of the installation, and

''(F) provide for professional enforcement of natural resource laws and regulations;''; and

(5) in paragraph (4)(A), by striking out ''collect the fees therefor,'' and inserting in lieu thereof ''collect, spend, administer, and account for fees therefor,''.

(d) PUBLIC COMMENT.—Section 101 of the Sikes Act (16 U.S.C. 670a) is amended by adding at the end the following new subsection:

''(f) PUBLIC COMMENT.—The Secretary of Defense shall provide an opportunity for public comment on each integrated natural resource management plan prepared under subsection (a).''.

SEC. 2905. REVIEW FOR PREPARATION OF INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.

(a) REVIEW OF MILITARY INSTALLATIONS.—

(1) REVIEW.—The Secretary of each military department shall, by not later than nine months after the date of the enactment of this Act—

(A) review each military installation in the United States that is under the jurisdiction of that Secretary to determine the military installations for which the preparation of an integrated natural resource management plan under section 101 of the Sikes Act, as amended by this title, is appropriate; and

(B) submit to the Secretary of Defense a report on those determinations.

(2) REPORT TO CONGRESS.—The Secretary of Defense shall, by not later than 12 months after the date of the enactment of this Act, submit to the Congress a report on the reviews conducted under paragraph (1). The report shall include—

(A) a list of those military installations reviewed under paragraph (1) for which the Secretary of Defense determines the preparation of an integrated natural resource management plan is not appropriate; and

(B) for each of the military installations listed under subparagraph (A), an explanation of the reasons such a plan is not appropriate.

(b) DEADLINE FOR INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.—Not later than two years after the date of the submission of the report required under subsection (a)(2), the Secretary of Defense shall, for each military installation for which the Secretary has not determined under subsection (a)(2)(A) that preparation of an integrated natural resource management plan is not appropriate—

(1) prepare and begin implementing such a plan mutually agreed to by the Secretary of the Interior and the head of the appropriate State agencies under section 101(a) of the Sikes Act, as amended by this title; or

(2) in the case of a military installation for which there is in effect a cooperative plan under section 101(a) of the Sikes Act on the day before the date of the enactment of this Act, complete negotiations with the Secretary of the Interior and the heads of the appropriate State agencies regarding changes to that plan that are necessary for the plan to constitute an integrated natural resource plan that complies with that section, as amended by this title.

(c) PUBLIC COMMENT.—The Secretary of Defense shall provide an opportunity for the submission of public comments on—

(1) integrated natural resource management plans proposed pursuant to subsection (b)(1); and

(2) changes to cooperative plans proposed pursuant to subsection (b)(2).

SEC. 2906. ANNUAL REVIEWS AND REPORTS.

Section 101 of the Sikes Act (16 U.S.C. 670a) is amended by adding after subsection (f) (as added by section 2904(d)) the following new subsection:

''(g) REVIEWS AND REPORTS.—

''(1) SECRETARY OF DEFENSE.—The Secretary of Defense shall, by not later than March 1 of each year, review the extent to which integrated natural resource management plans were prepared or in effect and implemented in accordance with this Act in the preceding year, and submit a report on the findings of that review to the committees. Each report shall include—

''(A) the number of integrated natural resource management plans in effect in the year covered by the report, including the date on which each plan was issued in final form or most recently revised;

''(B) the amount of moneys expended on conservation activities conducted pursuant to those plans in the year covered by the report, including amounts expended under the Legacy Resource Management Program established under section 8120 of the Act of November 5, 1990 (Public Law 101–511; 104 Stat. 1905); and

''(C) an assessment of the extent to which the plans comply with the requirements of subsection (b)(1) and (2), including specifically the extent to which the plans ensure in accordance with subsection (b)(2)(C) that there is no net loss of lands to support the military missions of military installations.

''(2) SECRETARY OF THE INTERIOR.—The Secretary of the Interior, by not later than March 1 of each year and in consultation with State

agencies responsible for conservation or management of fish or wildlife, shall submit a report to the committees on the amount of moneys expended by the Department of the Interior and those State agencies in the year covered by the report on conservation activities conducted pursuant to integrated natural resource management plans.

''(3) COMMITTEES DEFINED.—For purposes of this subsection, the term 'committees' means the Committee on Resources and the Committee on National Security of the House of Representatives and the Committee on Armed Services and the Committee on Environment and Public Works of the Senate.''.

SEC. 2907. TRANSFER OF WILDLIFE CONSERVATION FEES FROM CLOSED MILITARY INSTALLATIONS.

Section 101(b)(4)(B) of the Sikes Act (16 U.S.C. 670a(b)(4)(B)) is amended by inserting before the period at the end the following: '', unless that military installation is subsequently closed, in which case the fees may be transferred to another military installation to be used for the same purposes''.

SEC. 2908. FEDERAL ENFORCEMENT OF INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS AND ENFORCEMENT OF OTHER LAWS.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended—

(1) by redesignating section 106, as amended by section 2904(b), as section 109; and

(2) by inserting after section 105 the following new section:

''SEC. 106. FEDERAL ENFORCEMENT OF OTHER LAWS.

''All Federal laws relating to the conservation of natural resources on Federal lands may be enforced by the Secretary of Defense with respect to violations of those laws which occur on military installations within the United States.''.

SEC. 2909. NATURAL RESOURCE MANAGEMENT SERVICES.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting after section 106 (as added by section 2908) the following new section:

''SEC. 107. NATURAL RESOURCE MANAGEMENT SERVICES.

''The Secretary of each military department shall ensure that sufficient numbers of professionally trained natural resource management personnel and natural resource law enforcement personnel are available and assigned responsibility to perform tasks necessary to comply with this Act, including the preparation and implementation of integrated natural resource management plans.''.

SEC. 2910. DEFINITIONS.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting after section 107 (as added by section 2909) the following new section:

''SEC. 108. DEFINITIONS.

''In this title:

''(1) MILITARY INSTALLATION.—The term 'military installation'—

''(A) means any land or interest in land owned by the United States and administered by the Secretary of Defense or the Secretary of a military department; and

''(B) includes all public lands withdrawn from all forms of appropriation under public land laws and reserved for use by the Secretary of Defense or the Secretary of a military department.

''(2) STATE FISH AND WILDLIFE AGENCY.—The term 'State fish and wildlife agency' means an agency of State government that is responsible under State law for managing fish or wildlife resources.

''(3) UNITED STATES.—The term 'United States' means the States, the District of Columbia, and the territories and possessions of the United States.''.

SEC. 2911. COOPERATIVE AGREEMENTS.

(a) COST SHARING.—Section 103a(b) of the Sikes Act (16 U.S.C. 670c–1(b)) is amended by striking out ''matching basis'' each place it appears and inserting in lieu thereof ''cost-sharing basis''.

(b) ACCOUNTING.—Section 103a(c) of the Sikes Act (16 U.S.C. 670c–1(c)) is amended by inserting before the period at the end the following: '', and shall not be subject to section 1535 of that title''.

SEC. 2912. REPEAL OF SUPERSEDED PROVISION.

Section 2 of the Act of October 27, 1986 (Public Law 99–561; 16 U.S.C. 670a–1), is repealed.

SEC. 2913. CLERICAL AMENDMENTS.

Title I of the Sikes Act, as amended by this title, is amended—

(1) in the heading for the title by striking out ''MILITARY RESERVATIONS'' and inserting in lieu thereof ''MILITARY INSTALLATIONS'';

(2) in section 101(a) (16 U.S.C. 670a(a)), by striking out ''the reservation'' and inserting in lieu thereof ''the installation'';

(3) in section 101(b)(4) (16 U.S.C. 670a(b)(4))—

(A) in subparagraph (A), by striking out ''the reservation'' and inserting in lieu thereof ''the installation''; and

(B) in subparagraph (B), by striking out ''the military reservation'' and inserting in lieu thereof ''the military installation'';

(4) in section 101(c) (16 U.S.C. 670a(c))—

(A) in paragraph (1), by striking out ''a military reservation'' and inserting in lieu thereof ''a military installation''; and

(B) in paragraph (2), by striking out ''the reservation'' and inserting in lieu thereof ''the installation'';

(5) in section 102 (16 U.S.C. 670b), by striking out ''military reservations'' and inserting in lieu thereof ''military installations''; and

(6) in section 103 (16 U.S.C. 670c)—

(A) by striking out ''military reservations'' and inserting in lieu thereof ''military installations''; and

(B) by striking out ''such reservations'' and inserting in lieu thereof ''such installations''.

SEC. 2914. AUTHORIZATIONS OF APPROPRIATIONS.

(a) PROGRAMS ON MILITARY INSTALLATIONS.—Subsections (b) and (c) of section 109 of the Sikes Act (as redesignated by section 1408) are each amended by striking out ''1983'' and all that follows through ''1993,'' and inserting in lieu thereof ''1983 through 2000,''.

(b) PROGRAMS ON PUBLIC LANDS.—Section 209 of the Sikes Act (16 U.S.C. 670o) is amended—

(1) in subsection (a), by striking out ''the sum of $10,000,000'' and all that follows through ''to enable the Secretary of the Interior'' and inserting in lieu thereof ''$4,000,000 for each of fiscal years 1998 through 2000, to enable the Secretary of the Interior''; and

(2) in subsection (b), by striking out ''the sum of $12,000,000'' and all that follows through ''to enable the Secretary of Agriculture'' and inserting in lieu thereof ''$5,000,000 for each of fiscal years 1998 through 2000, to enable the Secretary of Agriculture''.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) STOCKPILE STEWARDSHIP.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $1,733,400,000, to be allocated as follows:

(1) For core stockpile stewardship, $1,257,100,000, to be allocated as follows:

(A) For operation and maintenance, $1,158,290,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $98,810,000, to be allocated as follows:

Project 97–D–102, dual-axis radiographic hydrotest facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $46,300,000.

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $19,810,000.

Project 96–D–103, ATLAS, Los Alamos National Laboratory, Los Alamos, New Mexico, $13,400,000.

Project 96–D–105, contained firing facility addition, Lawrence Livermore National Laboratory, Livermore, California, $19,300,000.

(2) For inertial fusion, $414,800,000, to be allocated as follows:

(A) For operation and maintenance, $217,000,000.

(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto), $197,800,000, to be allocated as follows:

Project 96–D–111, national ignition facility, location to be determined, $197,800,000.

(3) For technology transfer and education, $61,500,000, to be allocated as follows:

(A) For technology transfer, $52,500,000.

(B) For education, $9,000,000.

(b) STOCKPILE MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $2,024,150,000, to be allocated as follows:

(1) For operation and maintenance, $1,868,265,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $155,885,000, to be allocated as follows:

Project 98–D–123, stockpile management restructuring initiative, tritium factory modernization and consolidation, Savannah River Site, Aiken, South Carolina, $11,000,000.

Project 98–D–124, stockpile management restructuring initiative, Y–12 Plant consolidation, Oak Ridge, Tennessee, $6,450,000.

Project 98–D–125, tritium extraction facility, Savannah River Site, Aiken, South Carolina, $9,650,000.

Project 98–D–126, accelerator production of tritium, various locations, $67,865,000.

Project 97–D–122, nuclear materials storage facility renovation, Los Alamos National Laboratory, Los Alamos, New Mexico, $9,200,000.

Project 97–D–124, steam plant wastewater treatment facility upgrade, Y–12 Plant, Oak Ridge, Tennessee, $1,900,000.

Project 96–D–122, sewage treatment quality upgrade (STQU), Pantex Plant, Amarillo, Texas, $6,900,000.

Project 96–D–123, retrofit heating, ventilation, and air conditioning and chillers for ozone protection, Y–12 Plant, Oak Ridge, Tennessee, $2,700,000.

Project 95–D–122, sanitary sewer upgrade, Y–12 Plant, Oak Ridge, Tennessee, $12,600,000.

Project 94–D–124, hydrogen fluoride supply system, Y–12 Plant, Oak Ridge, Tennessee, $1,400,000.

Project 94–D–125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $2,000,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $2,100,000.

Project 92–D–126, replace emergency notification system, various locations, $3,200,000.

Project 88–D–122, facilities capability assurance program, various locations, $18,920,000.

(c) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for program direction in carrying out weapons activities necessary for national security programs in the amount of $208,500,000.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ENVIRONMENTAL RESTORATION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for environmental restoration in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,000,973,000, of which $388,000,000 shall be allocated to the uranium enrichment decontamination and decommissioning fund.

(b) CLOSURE PROJECTS.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7274n) in the amount of $905,800,000.

(c) WASTE MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,536,344,000, to be allocated as follows:

(1) For operation and maintenance, $1,455,576,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $80,768,000, to be allocated as follows:

Project 98–D–401, H-tank farm storm water systems upgrade, Savannah River Site, Aiken, South Carolina, $1,000,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $13,961,000.

Project 96–D–408, waste management upgrades, various locations, $8,200,000.

Project 95–D–402, install permanent electrical service, Waste Isolation Pilot Plant, Carlsbad, New Mexico, $176,000.

Project 95–D–405, industrial landfill V and construction/demolition landfill VII, Y–12 Plant, Oak Ridge, Tennessee, $3,800,000.

Project 95–D–407, 219–S secondary containment upgrade, Richland, Washington, $2,500,000.

Project 94–D–404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $1,219,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $15,100,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $17,520,000.

Project 92–D–172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas, $5,000,000.

Project 89–D–174, replacement high-level waste evaporator, Savannah River Site, Aiken, South Carolina, $1,042,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $11,250,000.

(d) TECHNOLOGY DEVELOPMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $182,881,000.

(e) NUCLEAR MATERIALS AND FACILITIES STABILIZATION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for nuclear materials and facilities stabilization in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,244,021,000, to be allocated as follows:

(1) For operation and maintenance, $1,159,114,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $84,907,000, to be allocated as follows:

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $8,136,000.

Project 98–D–700, road rehabilitation, Idaho National Engineering Laboratory, Idaho, $500,000.

Project 97–D–450, Actinide packaging and storage facility, Savannah River Site, Aiken, South Carolina, $18,000,000.

Project 97–D–451, B-Plant safety class ventilation upgrades, Richland, Washington, $2,000,000.

Project 97–D–470, environmental monitoring laboratory, Savannah River Site, Aiken, South Carolina, $5,600,000.

Project 97–D–473, health physics site support facility, Savannah River Site, Aiken, South Carolina, $4,200,000.

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $16,744,000.

Project 96–D–461, electrical distribution upgrade, Idaho National Engineering Laboratory, Idaho, $2,927,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $14,985,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $8,500,000.

Project 95–D–155, upgrade site road infrastructure, Savannah River Site, South Carolina, $2,713,000.

Project 95–D–456, security facilities consolidation, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $602,000.

(f) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $288,251,000.

(g) POLICY AND MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for policy and management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $20,000,000.

(h) ENVIRONMENTAL SCIENCE PROGRAM.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for the environmental science program in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $55,000,000.

(i) HANFORD TANK WASTE VITRIFICATION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for the Hanford Tank Waste Vitrification project, subject to the provisions of section 3145, in the amount of $70,000,000.

(j) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (h) reduced by the sum of $20,000,000, to be derived from non-safety-related contractor training expenses.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for other defense activities in carrying out programs necessary for national security in the amount of $1,512,551,000, to be allocated as follows:

(1) For verification and control technology, $428,600,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $190,000,000.

(B) For arms control, $205,000,000.

(C) For intelligence, $33,600,000.

(2) For nuclear safeguards and security, $47,200,000.

(3) For security investigations, $25,000,000.

(4) For emergency management, $17,000,000.

(5) For program direction, $68,900,000.

(6) For worker and community transition assistance, $22,000,000, to be allocated as follows:

(A) For worker and community transition, $20,000,000.

(B) For program direction, $2,000,000.

(7) For fissile materials control and disposition, $103,451,000, to be allocated as follows:

(A) For operation and maintenance, $99,451,000.

(B) For program direction, $4,000,000.

(8) For environment, safety, and health, defense, $73,000,000, to be allocated as follows:

(A) For the Office of Environment, Safety, and Health (Defense), $63,000,000.

(B) For program direction, $10,000,000.

(9) For the Office of Hearings and Appeals, $1,900,000.

(10) For nuclear energy, $47,000,000, to be allocated as follows:

(A) For nuclear technology research and development (electrometallurgical), $12,000,000.

(B) For international nuclear safety (Soviet-designed reactors), $25,000,000.

(C) For Russian plutonium reactor core conversion, $10,000,000.

(11) For naval reactors development, $678,500,000, to be allocated as follows:

(A) For operation and maintenance, $648,920,000.

(B) For program direction, $20,080,000.

(C) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $9,500,000, to be allocated as follows:

Project 98–D–200, site laboratory/facility upgrade, various locations, $1,200,000.

Project 97–D–201, advanced test reactor secondary coolant refurbishment, Idaho National Engineering Laboratory, Idaho, $4,100,000.

Project 95–D–200, laboratory systems and hot cell upgrades, various locations, $1,100,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $3,100,000.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $190,000,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be

taken and the facts and circumstances relied upon in support of such proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same period as the authorizations of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY; LIMITATIONS.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than five percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than five percent by a transfer under such paragraph.

(3) The authority provided by this section to transfer

authorizations—

(A) may only be used to provide funds for items relating to weapons activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(B) may not be used to provide authority for an item that has been denied funds by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT FOR CONCEPTUAL DESIGN.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project. The Secretary shall submit to Congress a report on each conceptual design completed under this paragraph.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $2,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including those funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriations Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AUTHORITY RELATING TO TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project. Any such transfer may be made only once in a fiscal year to or from a program or project, and the amount transferred to or from a program or project may not exceed $5,000,000 in a fiscal year.

(b) DETERMINATION.—A transfer may not be carried out by a manager of a field office pursuant to the authority provided under subsection (a) unless the manager determines that such transfer is necessary to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at that field office.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary of Energy, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such a transfer occurs.

(e) LIMITATION.—Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(f) DEFINITIONS.—In this section:

(1) The term ''program or project'' means, with respect to a field office of the Department of Energy, any of the following:

(A) A project listed in subsection (b) or (e) of section 3102 being carried out by the office.

(B) A program referred to in subsection (a), (b), (c), (e), or (g) of section 3102 being carried out by the office.

(C) A project or program not described in subparagraph (A) or (B) that is for environmental restoration or waste management activities necessary for national security programs of the Department of Energy, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term ''defense environmental management funds'' means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(g) DURATION OF AUTHORITY.—The authority provided under subsection (a) to a manager of a field office shall be in effect for the period beginning on October 1, 1997, and ending on September 30, 1998.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM.

(a) PROGRAM.—The Secretary of Energy shall establish a program for purposes of making available to the Secretary of Defense the expertise of the national laboratories for the ballistic missile defense programs of the Department of Defense.

(b) TASK FORCE.—The Secretary of Energy shall conduct the program through a task force consisting of the directors of the Los Alamos National Laboratory, the Sandia National Laboratories, and the Lawrence Livermore National Laboratory. The chairmanship of the task force

shall rotate each year among the directors of the laboratories. The director of the Lawrence Livermore National Laboratory shall serve as the first chairman.

(c) ACTIVITIES.—Under the program, the national laboratories shall carry out those activities necessary to respond to requests for assistance from the Secretary of Defense with respect to the ballistic missile defense programs of the Department of Defense. Such activities may include the identification of technical modifications and test techniques, the analysis of physics problems, the consolidation of range and test activities, and the analysis and simulation of theater missile defense deployment problems.

(d) FUNDING.—Of the amounts authorized to be appropriated by section 3101(a)(1), $50,000,000 shall be available only for the program authorized by this section.

Subtitle D—Other Matters

SEC. 3141. PLAN FOR STEWARDSHIP, MANAGEMENT, AND CERTIFICATION OF WARHEADS IN THE NUCLEAR WEAPONS STOCKPILE.

(a) PLAN REQUIREMENT.—The Secretary of Energy shall develop and annually update a plan for maintaining the nuclear weapons stockpile. The plan shall cover, at a minimum, stockpile stewardship, stockpile management, and program direction and shall be consistent with the programmatic and technical requirements of the most recent annual Nuclear Weapons Stockpile Memorandum.

(b) PLAN ELEMENTS.—The plan and each update of the plan shall set forth the following:

(1) The number of warheads (including active and inactive warheads) for each type of warhead in the nuclear weapons stockpile.

(2) The current age of each warhead type, and any plans for stockpile lifetime extensions and modifications or replacement of each warhead type.

(3) The process by which the Secretary of Energy is assessing the lifetime, and requirements for lifetime extension or replacement, of the nuclear and nonnuclear components of the warheads (including active and inactive warheads) in the nuclear weapons stockpile.

(4) The process used in recertifying the safety, security, and reliability of each warhead type in the nuclear weapons stockpile.

(5) Any concerns which would affect the ability of the Secretary of Energy to recertify the safety, security, or reliability of warheads in the nuclear weapons stockpile (including active and inactive warheads).

(c) ANNUAL SUBMISSION OF PLAN TO CONGRESS.—The Secretary of Energy shall submit to Congress the plan developed under subsection (a) not later than March 15, 1998, and shall submit an updated version of the plan not later than March 15 of each year thereafter. The plan shall be submitted in both classified and unclassified form.

(d) REPEAL OF SUPERSEDED REQUIREMENTS.—The following provisions of law are repealed:

(1) Subsection (d) of section 3138 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1947; 42 U.S.C. 2121 note).

(2) Section 3153 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 624; 42 U.S.C. 2121 note).

(3) Section 3159 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 626; 42 U.S.C. 7271b note).

(4) Section 3156 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2841; 42 U.S.C. 7271c).

SEC. 3142. REPEAL OF OBSOLETE REPORTING REQUIREMENTS.

The following provisions of law are repealed:

(1) Subsection (e) of section 1436 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 2075; 42 U.S.C. 2121 note).

(2) Section 3143 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1681; 42 U.S.C. 7271a).

(3) Section 3134 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2639).

SEC. 3143. REVISIONS TO DEFENSE NUCLEAR FACILITIES WORKFORCE RESTRUCTURING PLAN REQUIREMENTS.

(a) REPEAL OF PERIOD FOR NOTIFICATION OF CHANGES IN WORKFORCE.—Section 3161(c)(1) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h(c)(1)) is amended—

(1) by inserting ''and'' at the end of subparagraph (A); and

(2) by striking out subparagraph (B).

(b) REPEAL OF REQUIREMENTS FOR PLAN UPDATES AND SUBMISSION TO CONGRESS.—Subsections (e) and (f) of section 3161 of such Act are repealed.

(c) PROHIBITION ON USE OF FUNDS FOR LOCAL IMPACT ASSISTANCE.—None of the funds authorized to be appropriated to the Department of Energy pursuant to section 3103(6) may be used for local impact assistance from the Department of Energy under section 3161(c)(6) of such Act (42 U.S.C. 7274h(c)(6)).

(d) TREATMENT OF FEDERAL EMPLOYEES.—Section 3161 of such Act, as amended by subsection (b), is further amended by adding at the end the following new subsection:

''(e) TREATMENT OF FEDERAL EMPLOYEES.—This section does not apply to employees of the Department of Energy.''.

(e) EFFECT ON USEC PRIVATIZATION ACT.—Nothing in this section shall be construed as diminishing the obligations of the Secretary of Energy under section 3110(a)(5) of the USEC Privatization Act (Public Law 104–134; 110 Stat. 1321–341; 42 U.S.C. 2297h–8(a)(5)).

(f) TERMINATION.—Section 3161 of such Act (42 U.S.C. 7274h) is repealed, effective on September 30, 1999.

SEC. 3144. EXTENSION OF AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

Section 3161 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 3095; 42 U.S.C. 7231 note) is amended—

(1) by striking out subsection (c); and

(2) in subsection (d)(1), by striking out ''1997'' and inserting in lieu thereof ''1999''.

SEC. 3145. REPORT ON PROPOSED CONTRACT FOR HANFORD TANK WASTE VITRIFICATION PROJECT.

(a) PRIOR NOTICE TO CONGRESSIONAL DEFENSE COMMITTEES BEFORE ENTERING INTO CONTRACT.—(1) The Secretary of Energy may not enter into a contract for the Hanford Tank Waste Vitrification project until—

(A) the Secretary submits a report on the proposed contract to the congressional defense committees; and

(B) a period of 30 days of continuous session of Congress has expired following the date on which the report is submitted.

(2) For purposes of paragraph (1)(B), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of such 30-day period.

(b) REPORT.—A report under subsection (a)(1) shall include the following:

(A) A description of the activities to be carried out under the contract.

(B) A description of the funds expended, and the funds obligated but not expended, as of the date of the report on remediation of Hanford tank waste since 1989.

(C) A description of the contractual and financial aspects of the contract, including any provisions relating to the risk of nonperformance and risk assumption by the United States and the contractor or contractors.

(D) An analysis of the cost to the United States of the proposed contract, including a detailed analysis of the annual budget authority and outlay requirements for the life of the project.

(E) If the proposed contract contemplates construction of two projects, an analysis of the basis for the selection of the two projects, and a detailed analysis of the costs to the United States of two projects compared to the costs to the United States of one project.

(F) If the proposed contract provides for financing of the project (or projects) by an entity or entities other than the United States, a detailed analysis of the costs of such financing compared to the costs of financing the project (or projects) by the United States.

SEC. 3146. LIMITATION ON CONDUCT OF SUBCRITICAL NUCLEAR WEAPONS TESTS.

The Secretary of Energy may not conduct any subcritical nuclear weapons tests using funds available to the Secretary for fiscal year 1998 until 30 days after the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a detailed report on the manner in which funds available to the Secretary for fiscal years 1996 and 1997 to conduct such tests were used.

SEC. 3147. LIMITATION ON USE OF CERTAIN FUNDS UNTIL FUTURE USE PLANS ARE SUBMITTED.

(a) LIMITATION.—The Secretary of Energy may not use more than 80 percent of the funds available to the Secretary pursuant to the authorization of appropriations in section 3102(f) (relating to policy and management) until the Secretary submits the plans described in subsection (b).

(b) PLANS.—The plans referred to in subsection (a) are the draft future use plan and the final future use plan required under section 3153(f) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2840; 42 U.S.C. 7274k).

SEC. 3148. PLAN FOR EXTERNAL OVERSIGHT OF NATIONAL LABORATORIES.

(a) PLAN REQUIREMENT.—The Secretary of Energy, acting through the Assistant Secretary for Defense Programs, shall develop a plan for the external oversight of the national laboratories.

(b) PLAN ELEMENTS.—The plan shall—

(1) provide for the establishment of an external oversight committee comprised of representatives of industry and academia for the purpose of making recommendations to the Secretary of Energy and the congressional defense committees on the productivity of the laboratories and on the excellence, relevance, and appropriateness of the research conducted by the laboratories; and

(2) provide for the establishment of a competitive peer review process for funding basic research at the laboratories.

(c) SUBMISSION TO CONGRESS.—The Secretary of Energy shall submit the plan to the congressional defense committees not later than 120 days after the date of the enactment of this Act.

(d) NATIONAL LABORATORIES COVERED.—For purposes of this section, the national laboratories are—

(1) the Lawrence Livermore National Laboratory, Livermore, California;

(2) the Los Alamos National Laboratory, Los Alamos, New Mexico;

(3) the Sandia National Laboratories, Albuquerque, New Mexico; and

(4) the Nevada Test Site.

SEC. 3149. UNIVERSITY-BASED RESEARCH CENTER.

(a) FINDINGS.—The Congress finds the following:

(1) The maintenance of scientific and engineering competence in the United States is vital to long-term national security and the defense

and national security missions of the Department of Energy.

(2) Engaging the universities and colleges of the Nation in research on long-range problems of vital national security interest will be critical to solving the technology challenges faced within the defense and national programs of the Department of Energy in the next century.

(3) Enhancing collaboration among the national laboratories, universities and colleges, and industry will contribute significantly to the performance of these Department of Energy missions.

(b) CENTER.—The Secretary of Energy shall establish a university-based research center at a location that can develop the most effective collaboration among national laboratories, universities and colleges, and industry in support of scientific and engineering advancement in key Department of Energy defense program areas.

(c) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy in fiscal year 1998, the Secretary shall make $5,000,000 available for the establishment and operation of the Center.

SEC. 3150. STOCKPILE STEWARDSHIP PROGRAM.

(a) FINDINGS.—Congress finds the following:

(1) Eliminating the threat posed by nuclear weapons to the United States is an important national security goal.

(2) As long as nuclear threats remain, the nuclear deterrent of the United States must be effective and reliable.

(3) A safe, secure, effective, and reliable United States nuclear stockpile is central to the current nuclear deterrence strategy of the United States.

(4) The Secretary of Energy has undertaken a stockpile stewardship and management program to ensure the safety, security, effectiveness, and reliability of the nuclear weapons stockpile of the United States, consistent with all United States treaty requirements and the requirements of the nuclear deterrence strategy of the United States.

(5) It is the policy of the current administration that new nuclear weapon designs are not required to effectively implement the nuclear deterrence strategy of the United States.

(b) POLICY.—It is the policy of the United States that—

(1) activities of the stockpile stewardship program shall be directed toward ensuring that the United States possesses a safe, secure, effective, and reliable nuclear stockpile, consistent with the national security requirements of the United States; and

(2) stockpile stewardship activities of the United States shall be conducted in conformity with the terms of the Treaty on the Non-Proliferation of Nuclear Weapons (TIAS 6839) and the Comprehensive Test Ban Treaty signed by the President on September 24, 1996, when and if that treaty enters into force.

SEC. 3151. REPORTS ON ADVANCED SUPERCOMPUTER SALES TO CERTAIN FOREIGN NATIONS.

(a) REPORTS.—The Secretary of Energy shall require that any company that is a participant in the Accelerated Strategic Computing Initiative (ASCI) program of the Department of Energy report to the Secretary and to the Secretary of Defense each sale by that company to a country designated as a Tier III country of a computer capable of operating at a speed in excess of 2,000,000 theoretical operations per second (MTOPS). The report shall include a description of the following with respect to each such sale:

(1) The anticipated end-use of the computer sold.

(2) The software included with the computer.

(3) Any arrangement under the terms of the sale regarding—

(A) upgrading the computer;

(B) servicing of the computer; or

(C) the furnishing of spare parts for the computer.

(b) COVERED COUNTRIES.—For purposes of this section, the countries designated as Tier III countries are the countries listed as ''computer tier 3'' eligible countries in part 740.7 of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997 (or any successor list).

(c) QUARTERLY SUBMISSION OF REPORTS.—The Secretary of Energy shall require that reports under subsection (a) be submitted quarterly.

(d) ANNUAL REPORT.—The Secretary of Energy shall submit to Congress an annual report containing all information received under subsection (a) during the preceding year. The first annual report shall be submitted not later than July 1, 1998.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1998, $17,500,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

SEC. 3202. PLAN FOR TRANSFER OF FACILITIES FROM JURISDICTION OF DEFENSE NUCLEAR FACILITIES SAFETY BOARD TO JURISDICTION OF NUCLEAR REGULATORY COMMISSION.

(a) PLAN REQUIREMENT.—(1) The Defense Nuclear Facilities Safety Board (in this section referred to as the ''Board'') shall develop, in consultation with the Secretary of Energy and the Nuclear Regulatory Commission, a plan for—

(A) increasing the authority of the Nuclear Regulatory Commission to include the regulation of Department of Energy defense nuclear facilities; and

(B) decreasing or eliminating the functions of the Board with respect to such facilities under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

(2) The plan shall be submitted to Congress not later than six months after the date of the enactment of this Act.

(b) PLAN ELEMENTS.—The plan shall include the following:

(1) A list of facilities as described in subsection (c).

(2) A schedule for the orderly transfer of such facilities from the jurisdiction of the Board to the jurisdiction of the Nuclear Regulatory Commission.

(3) Recommendations on the order in which the facilities should be transferred, including such recommendations as the Board considers appropriate with respect to the suitability of the various facilities for transfer and the appropriateness for the various facilities of the schedule for conducting the transfer.

(4) Such other provisions as the Board considers necessary to carry out an orderly transfer under paragraph (2).

(c) LIST OF FACILITIES.—The plan shall contain a list of all Department of Energy defense nuclear facilities, grouped according to the following criteria:

(1) Facilities that are similar to facilities regulated by the Nuclear Regulatory Commission on the date of the enactment of this Act.

(2) Facilities that are in compliance with Department of Energy nuclear safety requirements and Board recommendations in existence on the date of the enactment of this Act.

(3) Facilities the regulation of which would involve the Nuclear Regulatory Commission in unique national security interests, including the classified design and configuration of a nuclear weapon or explosive device.

(d) FACILITY DEFINED.—In this section, the term ''Department of Energy defense nuclear facility'' has the meaning provided by section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g), except that the term includes such a facility that is under construction or is planned by the Secretary of Energy to be constructed.

(e) REPEAL OF PROHIBITION ON USE OF FUNDS.—Section 210 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1981 (42 U.S.C. 7272) is repealed.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 1998, the National Defense Stockpile Manager may obligate up to $73,000,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)).

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3302. DISPOSAL OF BERYLLIUM COPPER MASTER ALLOY IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZATION.—Pursuant to section 5(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98d(b)), the National Defense Stockpile Manager may dispose of all beryllium copper master alloy from the National Defense Stockpile provided for in section 4 of such Act (50 U.S.C. 98c) as part of continued efforts to modernize the Stockpile.

(b) PRECONDITION FOR DISPOSAL.—Before beginning the disposal of beryllium copper master alloy under subsection (a), the National Defense Stockpile Manager shall certify to Congress that the disposal of beryllium copper master alloy will not adversely affect the capability of the National Defense Stockpile to supply the strategic and critical material needs of the United States.

(c) CONSULTATION WITH MARKET IMPACT COMMITTEE.—In disposing of beryllium copper master alloy under subsection (a), the National Defense Stockpile Manager shall consult with the Market Impact Committee established under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)) to ensure that the disposal of beryllium copper master alloy does not disrupt the domestic beryllium industry.

(d) EXTENDED SALES CONTRACTS.—The National Defense Stockpile Manager shall provide for the use of long-term sales contracts for the disposal of beryllium copper master alloy under subsection (a) so that the domestic beryllium industry can re-absorb this material into the market in a gradual and nondisruptive manner. However, no such contract shall provide for the disposal of beryllium copper master alloy over a period longer than eight years, beginning on the date of the commencement of the first contract under this section.

(e) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding beryllium copper master alloy.

(f) BERYLLIUM COPPER MASTER ALLOY DEFINED.—For purposes of this section, the term ''beryllium copper master alloy'' means an alloy of nominally four percent beryllium in copper.

SEC. 3303. DISPOSAL OF TITANIUM SPONGE IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (b), the National Defense Stockpile Manager shall dispose of 34,800 short tons of titanium sponge contained in the National Defense

Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) and excess to stockpile requirements.

(b) CONSULTATION WITH MARKET IMPACT COMMITTEE.—In disposing of titanium sponge under subsection (a), the National Defense Stockpile Manager shall consult with the Market Impact Committee established under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)) to ensure that the disposal of titanium sponge does not disrupt the domestic titanium industry.

(c) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding titanium sponge.

SEC. 3304. CONDITIONS ON TRANSFER OF STOCKPILED PLATINUM RESERVES FOR TREASURY USE.

(a) IMPOSITION OF CONDITIONS.—Any transfer of platinum contained in the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) to the Secretary of the Treasury for use to mint and issue bullion and proof platinum coins or for any other purpose shall be subject to the conditions contained in this section.

(b) YEARLY LIMITATION.—The quantity of platinum transferred from the stockpile to the Secretary of the Treasury may not exceed 200,000 troy ounces during any fiscal year, of which not more than 81,600 troy ounces per year may be platinum of the highest quality specification.

(c) REPLACEMENT UPON NOTICE.—The Secretary of the Treasury shall replace platinum received from the stockpile within one year after receiving notice from the Secretary of Defense specifying the quantity and quality of transferred platinum to be replaced and the need for replacement.

(d) COSTS.—Any transfer of platinum from the stockpile to the Secretary of the Treasury shall be made without the expenditure of any funds available to the Department of Defense. The Secretary of the Treasury shall be responsible for all costs incurred in connection with the transfer, subsequent to the transfer, or in connection with the replacement of the transferred platinum, such as transportation, storage, testing, refining, or casting costs.

SEC. 3305. RESTRICTIONS ON DISPOSAL OF CERTAIN MANGANESE FERRO.

(a) REQUIREMENT FOR REMELTING BY DOMESTIC FERROALLOY PRODUCERS.—High carbon manganese ferro in the National Defense Stockpile that does not meet the National Defense Stockpile classification of Grade One, Specification 30(a), as revised May 22, 1992, may be sold only for remelting by a domestic ferroalloy producer unless the President determines that a domestic ferroalloy producer is not available to acquire the material. After the date of the enactment of this Act, the President may not reclassify high carbon manganese ferro stored in the National Defense Stockpile as of that date.

(b) DOMESTIC FERROALLOY PRODUCER DEFINED.—For purposes of this section, the term ''domestic ferroalloy producer'' means a company or other business entity that, as determined by the President—

(1) is engaged in operations to upgrade manganese ores of metallurgical grade or manganese ferro; and

(2) conducts a significant level of its research, development, engineering, and upgrading operations in the United States.

(c) CONSULTATION WITH MARKET IMPACT COMMITTEE.—In disposing of high carbon manganese ferro in the National Defense Stockpile, the National Defense Stockpile Manager shall consult with the Market Impact Committee established under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)) to ensure that the disposal of high carbon manganese ferro does not disrupt the domestic manganese ferro industry.

(d) CONFORMING REPEAL.—Section 3304 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 629) is repealed.

SEC. 3306. REQUIRED PROCEDURES FOR DISPOSAL OF STRATEGIC AND CRITICAL MATERIALS.

Section 6(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(b)) is amended in the first sentence by striking out ''materials from the stockpile shall be made by formal advertising or competitive negotiation procedures.'' and inserting in lieu thereof ''strategic and critical materials from the stockpile shall be made in accordance with the next sentence.''.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated to the Secretary of Energy $117,000,000 for fiscal year 1998 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves (as defined in section 7420(2) of such title). Funds appropriated pursuant to such authorization shall remain available until expended.

SEC. 3402. PRICE REQUIREMENT ON SALE OF CERTAIN PETROLEUM DURING FISCAL YEAR 1998.

Notwithstanding section 7430(b)(2) of title 10, United States Code, during fiscal year 1998, any sale of any part of the United States share of petroleum produced from Naval Petroleum Reserves Numbered 1, 2, and 3 shall be made at a price not less than 90 percent of the current sales price, as estimated by the Secretary of Energy, of comparable petroleum in the same area.

SEC. 3403. TERMINATION OF ASSIGNMENT OF NAVY OFFICERS TO OFFICE OF NAVAL PETROLEUM AND OIL SHALE RESERVES.

(a) TERMINATION OF ASSIGNMENT REQUIREMENT.—Section 2 of Public Law 96–137 (42 U.S.C. 7156a) is repealed.

(b) EFFECT ON EXISTING ASSIGNMENTS.—In the case of an officer of the Navy assigned, as of the date of the enactment of this Act, to a management position within the Office of Naval Petroleum and Oil Shale Reserves, the Secretary of the Navy may continue such assignment notwithstanding the repeal of section 2 of Public Law 96–137 (42 U.S.C. 7156a), except that such assignment may not extend beyond the date of the sale of Naval Petroleum Reserve Numbered 1 (Elk Hills) pursuant to subtitle B of title XXXIV of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 7420 note).

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Expenditures From Revolving Fund

SEC. 3501. SHORT TITLE.

This subtitle may be cited as the ''Panama Canal Commission Authorization Act for Fiscal Year 1998''.

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to use amounts in the Panama Canal Revolving Fund to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, improvement, and administration of the Panama Canal for fiscal year 1998.

(b) LIMITATIONS.—For fiscal year 1998, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $85,000 for official reception and representation expenses, of which—

(1) not more than $23,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $12,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $50,000 may be used for official reception and representation expenses of the Administrator of the Commission.

SEC. 3503. PURCHASE OF VEHICLES.

Notwithstanding any other provision of law, the funds available to the Commission shall be available for the purchase and transportation to the Republic of Panama of passenger motor vehicles built in the United States, the purchase price of which shall not exceed $22,000 per vehicle.

SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH TREATIES.

Expenditures authorized under this subtitle may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

Subtitle B—Facilitation of Panama Canal Transition

SEC. 3511. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This subtitle may be cited as the ''Panama Canal Transition Facilitation Act of 1997''.

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

SEC. 3512. DEFINITIONS RELATING TO CANAL TRANSITION.

Section 3 (22 U.S.C. 3602) is amended by adding at the end the following new subsection:

''(d) For purposes of this Act:

''(1) The term 'Canal Transfer Date' means December 31, 1999, such date being the date specified in the Panama Canal Treaty of 1977 for the transfer of the Panama Canal from the United States of America to the Republic of Panama.

''(2) The term 'Panama Canal Authority' means the entity created by the Republic of Panama to succeed the Panama Canal Commission as of the Canal Transfer Date.''.

PART I—TRANSITION MATTERS RELATING TO COMMISSION OFFICERS AND EMPLOYEES

SEC. 3521. AUTHORITY FOR THE ADMINISTRATOR OF THE COMMISSION TO ACCEPT APPOINTMENT AS THE ADMINISTRATOR OF THE PANAMA CANAL AUTHORITY.

(a) AUTHORITY FOR DUAL ROLE.—Section 1103 (22 U.S.C. 3613) is amended by adding at the end the following new subsection:

''(c) The Congress consents, for purposes of the 8th clause of article I, section 9 of the Constitution of the United States, to the acceptance by the individual serving as Administrator of the Commission of appointment by the Republic of Panama to the position of Administrator of the Panama Canal Authority. Such consent is effective only if that individual, while serving in both such positions, serves as Administrator of the Panama Canal Authority without compensation, except for payments by the Republic of Panama of travel and entertainment expenses, including per diem payments.''.

(b) WAIVER OF CERTAIN CONFLICT-OF-INTEREST STATUTES.—Such section is further amended by adding at the end the following new subsections:

''(d) The Administrator, with respect to participation in any matter as Administrator of the Panama Canal Commission (whether such participation is before, on, or after the date of the enactment of the Panama Canal Transition Facilitation Act of 1997), shall not be subject to section 208 of title 18, United States Code, insofar as the matter relates to prospective employment as Administrator of the Panama Canal Authority.

''(e) If the Republic of Panama appoints as the Administrator of the Panama Canal Authority the individual serving as the Administrator of the Commission and if that individual accepts the appointment—

''(1) the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611 et seq.), shall not apply to that individual with respect to service as the Administrator of the Panama Canal Authority;

''(2) that individual, with respect to participation in any matter as the Administrator of the Panama Canal Commission, is not subject to section 208 of title 18, United States Code, insofar as the matter relates to service as, or performance of the duties of, the Administrator of the Panama Canal Authority; and

''(3) that individual, with respect to official acts performed as the Administrator of the Panama Canal Authority, is not subject to the following:

''(A) Sections 203 and 205 of title 18, United States Code.

''(B) Effective upon termination of the individual's appointment as Administrator of the Panama Canal Commission at noon on the Canal Transfer Date, section 207 of title 18, United States Code.

''(C) Sections 501(a) and 502(a)(4) of the Ethics in Government Act of 1978 (5 U.S.C. App.), with respect to compensation received for, and service in, the position of Administrator of the Panama Canal Authority.''.

SEC. 3522. POST-CANAL TRANSFER PERSONNEL AUTHORITIES.

(a) WAIVER OF CERTAIN POST-EMPLOYMENT RESTRICTIONS FOR COMMISSION PERSONNEL BECOMING EMPLOYEES OF THE PANAMA CANAL AUTHORITY.—Section 1112 (22 U.S.C. 3622) is amended by adding at the end the following new subsection:

''(e) Effective as of the Canal Transfer Date, section 207 of title 18, United States Code, shall not apply to an individual who is an officer or employee of the Panama Canal Authority, but only with respect to official acts of that individual as an officer or employee of the Authority and only in the case of an individual who was an officer or employee of the Commission and whose employment with the Commission was terminated at noon on the Canal Transfer Date.''.

(b) CONSENT OF CONGRESS FOR ACCEPTANCE BY RESERVE AND RETIRED MEMBERS OF THE ARMED FORCES OF EMPLOYMENT BY PANAMA CANAL AUTHORITY.—Such section is further amended by adding after subsection (e), as added by subsection (a), the following new subsection:

''(f)(1) The Congress consents to the following persons accepting civil employment (and compensation for that employment) with the Panama Canal Authority for which the consent of the Congress is required by the last paragraph of section 9 of article I of the Constitution of the United States, relating to acceptance of emoluments, offices, or titles from a foreign government:

''(A) Retired members of the uniformed services.

''(B) Members of a reserve component of the armed forces.

''(C) Members of the Commisioned Reserve Corps of the Public Health Service.

''(2) The consent of the Congress under paragraph (1) is effective without regard to subsection (b) of section 908 of title 37, United States Code (relating to approval required for employment of Reserve and retired members by foreign governments).''.

SEC. 3523. ENHANCED AUTHORITY OF COMMISSION TO ESTABLISH COMPENSATION OF COMMISSION OFFICERS AND EMPLOYEES.

(a) REPEAL OF LIMITATIONS ON COMMISSION AUTHORITY.—The following provisions are repealed:

(1) Section 1215 (22 U.S.C. 3655), relating to basic pay.

(2) Section 1219 (22 U.S.C. 3659), relating to salary protection upon conversion of pay rate.

(3) Section 1225 (22 U.S.C. 3665), relating to minimum level of pay and minimum annual increases.

(b) SAVINGS PROVISION.—Section 1202 (22 U.S.C. 3642) is amended by adding at the end the following new subsection:

''(c) In the case of an individual who is an officer or employee of the Commission on the day before the date of the enactment of the Panama Canal Transition Facilitation Act of 1997 and who has not had a break in service with the Commission since that date, the rate of basic pay for that officer or employee on or after that date may not be less than the rate in effect for that officer or employee on the day before that date of enactment except—

''(1) as provided in a collective bargaining agreement;

''(2) as a result of an adverse action against the officer or employee; or

''(3) pursuant to a voluntary demotion.''.

(c) CROSS-REFERENCE AMENDMENTS.—(1) Section 1216 (22 U.S.C. 3656) is amended by striking out ''1215'' and inserting in lieu thereof ''1202''.

(2) Section 1218 (22 U.S.C. 3658) is amended by striking out ''1215'' and ''1217'' and inserting in lieu thereof ''1202'' and ''1217(a)'', respectively.

SEC. 3524. TRAVEL, TRANSPORTATION, AND SUBSISTENCE EXPENSES FOR COMMISSION PERSONNEL NO LONGER SUBJECT TO FEDERAL TRAVEL REGULATION.

(a) REPEAL OF APPLICABILITY OF TITLE 5 PROVISIONS.—(1) Section 1210 (22 U.S.C. 3650) is amended by striking out subsections (a), (b), and (c).

(2) Section 1224 (22 U.S.C. 3664) is amended—

(A) by striking out paragraph (10); and

(B) by redesignating paragraphs (11) through (20) as paragraphs (10) through (19), respectively.

(b) CONFORMING AMENDMENTS.—(1) Section 1210 is further amended—

(A) by redesignating subsection (d)(1) as subsection (a) and in that subsection striking out ''paragraph (2)'' and inserting in lieu thereof ''subsection (b)''; and

(B) by redesignating subsection (d)(2) as subsection (b) and in that subsection—

(i) striking out ''Notwithstanding paragraph (1), an'' and inserting in lieu thereof ''An''; and

(ii) striking out ''referred to in paragraph (1)'' and inserting in lieu thereof ''who is a citizen of the Republic of Panama''.

(2) The heading of such section is amended to read as follows:

''AIR TRANSPORTATION''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1999.

SEC. 3525. ENHANCED RECRUITMENT AND RETENTION AUTHORITIES.

(a) RECRUITMENT, RELOCATION, AND RETENTION BONUSES.—Section 1217 (22 U.S.C. 3657) is amended—

(1) by redesignating subsection (c) as subsection (e);

(2) in subsection (e) (as so redesignated), by striking out ''for the same or similar work performed in the United States by individuals employed by the Government of the United States'' and inserting in lieu thereof ''of the individual to whom the compensation is paid''; and

(3) by inserting after subsection (b) the following new subsections:

''(c)(1) The Commission may pay a recruitment bonus to an individual who is newly appointed to a position with the Commission, or a relocation bonus to an employee of the Commission who must relocate to accept a position, if the Commission determines that the Commission would be likely, in the absence of such a bonus, to have difficulty in filling the position.

''(2) A recruitment or relocation bonus may be paid to an employee under this subsection only if the employee enters into an agreement with the Commission to complete a period of employment with the Commission established by the Commission. If the employee voluntarily fails to complete such period of employment or is separated from service in such employment as a result of an adverse action before the completion of such period, the employee shall repay the entire amount of the bonus.

''(3) A relocation bonus under this subsection may be paid as a lump sum. A recruitment bonus under this subsection shall be paid on a pro rata basis over the period of employment covered by the agreement under paragraph (2). A bonus under this subsection may not be considered to be part of the basic pay of an employee.

''(d)(1) The Commission may pay a retention bonus to an employee of the Commission if the Commission determines that—

''(A) the employee has unusually high or unique qualifications and those qualifications make it essential for the Commission to retain the employee for a period specified by the Commission ending not later than the Canal Transfer Date, or the Commission otherwise has a special need for the services of the employee making it essential for the Commission to retain the employee for a period specified by the Commission ending not later than the Canal Transfer Date; and

''(B) the employee would be likely to leave employment with the Commission before the end of that period if the retention bonus is not paid.

''(2) A retention bonus under this subsection—

''(A) shall be in a fixed amount;

''(B) shall be paid on a pro rata basis (over the period specified by the Commission as essential for the retention of the employee), with such payments to be made at the same time and in the same manner as basic pay; and

''(C) may not be considered to be part of the basic pay of an employee.

''(3) A decision by the Commission to exercise or to not exercise the authority to pay a bonus under this subsection shall not be subject to review under any statutory procedure or any agency or negotiated grievance procedure except under any of the laws referred to in section 2302(d) of title 5, United States Code.''.

(b) EDUCATIONAL SERVICES.—Section 1321(e)(2) (22 U.S.C. 3731(e)(2)) is amended by striking out ''and persons'' and inserting in lieu thereof '', to other Commission employees when determined by the Commission to be necessary for their recruitment or retention, and to other persons''.

SEC. 3526. TRANSITION SEPARATION INCENTIVE PAYMENTS.

Chapter 2 of title I (22 U.S.C. 3641 et seq.) is amended by adding at the end of subchapter III the following new section:

''TRANSITION SEPARATION INCENTIVE PAYMENTS

''SEC. 1233. (a) In applying to the Commission and employees of the Commission the provisions of section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (as contained in section 101(f) of division A of Public Law 104–208; 110 Stat. 3009–383), relating to voluntary separation incentives for employees of certain Federal agencies (in this section referred to as 'section 663')—

''(1) the term 'employee' shall mean an employee of the Commission who has served in the Republic of Panama in a position with the Commission for a continuous period of at least three years immediately before the employee's separation under an appointment without time limitation and who is covered under the Civil Service Retirement System or the Federal Employees' Retirement System under subchapter III of chapter 83 or chapter 84, respectively, of title 5, United States Code, other than—

''(A) an employee described in any of subparagraphs (A) through (F) of subsection (a)(2) of section 663; or

''(B) an employee of the Commission who, during the 24-month period preceding the date

of separation, has received a recruitment or relocation bonus under section 1217(c) of this Act or who, within the 12-month period preceding the date of separation, received a retention bonus under section 1217(d) of this Act;

''(2) the strategic plan under subsection (b) of section 663 shall include (in lieu of the matter specified in subsection (b)(2) of that section)—

''(A) the positions to be affected, identified by occupational category and grade level;

''(B) the number and amounts of separation incentive payments to be offered; and

''(C) a description of how such incentive payments will facilitate the successful transfer of the Panama Canal to the Republic of Panama;

''(3) a separation incentive payment under section 663 may be paid to a Commission employee only to the extent necessary to facilitate the successful transfer of the Panama Canal by the United States of America to the Republic of Panama as required by the Panama Canal Treaty of 1977;

''(4) such a payment—

''(A) may be in an amount determined by the Commission not to exceed $25,000; and

''(B) may be made (notwithstanding the limitation specified in subsection (c)(2)(D) of section 663) in the case of an eligible employee who voluntarily separates (whether by retirement or resignation) during the 90-day period beginning on the date of the enactment of this section or during the period beginning on October 1, 1998, and ending on December 31, 1998;

''(5) in the case of not more than 15 employees who (as determined by the Commission) are unwilling to work for the Panama Canal Authority after the Canal Transfer Date and who occupy critical positions for which (as determined by the Commission) at least two years of experience is necessary to ensure that seasoned managers are in place on and after the Canal Transfer Date, such a payment (notwithstanding paragraph (4))—

''(A) may be in an amount determined by the Commission not to exceed 50 percent of the basic pay of the employee; and

''(B) may be made (notwithstanding the limitation specified in subsection (c)(2)(D) of section 663) in the case of such an employee who voluntarily separates (whether by retirement or resignation) during the 90-day period beginning on the date of the enactment of this section; and

''(6) the provisions of subsection (f) of section 663 shall not apply.

''(b) A decision by the Commission to exercise or to not exercise the authority to pay a transition separation incentive under this section shall not be subject to review under any statutory procedure or any agency or negotiated grievance procedure except under any of the laws referred to in section 2302(d) of title 5, United States Code.''.

SEC. 3527. LABOR-MANAGEMENT RELATIONS.

Section 1271 (22 U.S.C. 3701) is amended by adding at the end the following new subsection:

''(c)(1) This subsection applies to any matter that becomes the subject of collective bargaining between the Commission and the exclusive representative for any bargaining unit of employees of the Commission during the period beginning on the date of the enactment of this subsection and ending on the Canal Transfer Date.

''(2)(A) The resolution of impasses resulting from collective bargaining between the Commission and any such exclusive representative during that period shall be conducted in accordance with such procedures as may be mutually agreed upon between the Commission and the exclusive representative (without regard to any otherwise applicable provisions of chapter 71 of title 5, United States Code). Such mutually agreed upon procedures shall become effective upon transmittal by the Chairman of the Commission to the Congress of notice of the agreement to use those procedures and a description of those procedures.

''(B) The Federal Services Impasses Panel shall not have jurisdiction to resolve any impasse between the Commission and any such exclusive representative in negotiations over a procedure for resolving impasses.

''(3) If the Commission and such an exclusive representative do not reach an agreement concerning a procedure for resolving impasses with respect to a bargaining unit and transmit notice of the agreement under paragraph (2) on or before July 1, 1998, the following shall be the procedure by which collective bargaining impasses between the Commission and the exclusive representative for that bargaining unit shall be resolved:

''(A) If bargaining efforts do not result in an agreement, the parties shall request the Federal Mediation and Conciliation Service to assist in achieving an agreement.

''(B) If an agreement is not reached within 45 days after the date on which either party requests the assistance of the Federal Mediation and Conciliation Service in writing (or within such shorter period as may be mutually agreed upon by the parties), the parties shall be considered to be at an impasse and shall request the Federal Services Impasses Panel of the Federal Labor Relations Authority to decide the impasse.

''(C) If the Federal Services Impasses Panel fails to issue a decision within 90 days after the date on which its services are requested (or within such shorter period as may be mutually agreed upon by the parties), the efforts of the Panel shall be terminated.

''(D) In such a case, the Chairman of the Panel (or another member in the absence of the Chairman) shall immediately determine the matter by a drawing (conducted in such manner as the Chairman (or, in the absence of the Chairman, such other member) determines appropriate) between the last offer of the Commission and the last offer of the exclusive representative, with the offer chosen through such drawing becoming the binding resolution of the matter.

''(4) In the case of a notice of agreement described in paragraph (2)(A) that is transmitted to the Congress as described in the second sentence of that paragraph after July 1, 1998, the impasse resolution procedures covered by that notice shall apply to any impasse between the Commission and the other party to the agreeement that is unresolved on the date on which that notice is transmitted to the Congress.''.

SEC. 3528. AVAILABILITY OF PANAMA CANAL REVOLVING FUND FOR SEVERANCE PAY FOR CERTAIN EMPLOYEES SEPARATED BY PANAMA CANAL AUTHORITY AFTER CANAL TRANSFER DATE.

(a) AVAILABILITY OF REVOLVING FUND.—Section 1302(a) (22 U.S.C. 3712(a)) is amended by adding at the end the following new paragraph:

''(10) Payment to the Panama Canal Authority, not later than the Canal Transfer Date, of such amount as is computed by the Commission to be the future amount of severance pay to be paid by the Panama Canal Authority to employees whose employment with the Authority is terminated, to the extent that such severance pay is attributable to periods of service performed with the Commission before the Canal Transfer Date (and assuming for purposes of such computation that the Panama Canal Authority, in paying severance pay to terminated employees, will provide for crediting of periods of service with the Commission).''.

(b) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) by striking out ''for—'' in the matter preceding paragraph (1) and inserting in lieu thereof ''for the following purposes:'';

(2) by capitalizing the initial letter of the first word in each of paragraphs (1) through (9);

(3) by striking out the semicolon at the end of each of paragraphs (1) through (7) and inserting in lieu thereof a period; and

(4) by striking out ''; and'' at the end of paragraph (8) and inserting in lieu thereof a period.

PART II—TRANSITION MATTERS RELATING TO OPERATION AND ADMINISTRATION OF CANAL

SEC. 3541. ESTABLISHMENT OF PROCUREMENT SYSTEM AND BOARD OF CONTRACT APPEALS.

Title III of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) is amended by inserting after the title heading the following new chapter:

''CHAPTER 1—PROCUREMENT

''PROCUREMENT SYSTEM

''SEC. 3101. (a) PANAMA CANAL ACQUISITION REGULATION.—(1) The Commission shall establish by regulation a comprehensive procurement system. The regulation shall be known as the 'Panama Canal Acquisition Regulation' (in this section referred to as the 'Regulation') and shall provide for the procurement of goods and services by the Commission in a manner that—

''(A) applies the fundamental operating principles and procedures in the Federal Acquisition Regulation;

''(B) uses efficient commercial standards of practice; and

''(C) is suitable for adoption and uninterrupted use by the Republic of Panama after the Canal Transfer Date.

''(2) The Regulation shall contain provisions regarding the establishment of the Panama Canal Board of Contract Appeals described in section 3102.

''(b) SUPPLEMENT TO REGULATION.—The Commission shall develop a Supplement to the Regulation (in this section referred to as the 'Supplement') that identifies both the provisions of Federal law applicable to procurement of goods and services by the Commission and the provisions of Federal law waived by the Commission under subsection (c).

''(c) WAIVER AUTHORITY.—(1) Subject to paragraph (2), the Commission shall determine which provisions of Federal law should not apply to procurement by the Commission and may waive those laws for purposes of the Regulation and Supplement.

''(2) For purposes of paragraph (1), the Commission may not waive—

''(A) section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423);

''(B) the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.), other than section 10(a) of such Act (41 U.S.C 609(a)); or

''(C) civil rights, environmental, or labor laws.

''(d) CONSULTATION WITH ADMINISTRATOR FOR FEDERAL PROCUREMENT POLICY.—In establishing the Regulation and developing the Supplement, the Commission shall consult with the Administrator for Federal Procurement Policy.

''(e) EFFECTIVE DATE.—The Regulation and the Supplement shall take effect on the date of publication in the Federal Register, or January 1, 1999, whichever is earlier.

''PANAMA CANAL BOARD OF CONTRACT APPEALS

''SEC. 3102. (a) ESTABLISHMENT.—(1) The Secretary of Defense, in consultation with the Commission, shall establish a board of contract appeals, to be known as the Panama Canal Board of Contract Appeals, in accordance with section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607). Except as otherwise provided by this section, the Panama Canal Board of Contract Appeals (in this section referred to as the 'Board') shall be subject to the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) in the same manner as any other agency board of contract appeals established under that Act.

''(2) The Board shall consist of three members. At least one member of the Board shall be licensed to practice law in the Republic of Panama. Individuals appointed to the Board shall take an oath of office, the form of which shall be prescribed by the Secretary of Defense.

''(b) EXCLUSIVE JURISDICTION TO DECIDE APPEALS.—Notwithstanding section 10(a)(1) of the Contract Disputes Act of 1978 (41 U.S.C. 609(a)(1)) or any other provision of law, the Board shall have exclusive jurisdiction to decide

an appeal from a decision of a contracting officer under section 8(d) of such Act (41 U.S.C. 607(d)).

''(c) EXCLUSIVE JURISDICTION TO DECIDE PROTESTS.—The Board shall decide protests submitted to it under this subsection by interested parties in accordance with subchapter V of title 31, United States Code. Notwithstanding section 3556 of that title, section 1491(b) of title 28, United States Code, and any other provision of law, the Board shall have exclusive jurisdiction to decide such protests. For purposes of this subsection—

''(1) except as provided in paragraph (2), each reference to the Comptroller General in sections 3551 through 3555 of title 31, United States Code, is deemed to be a reference to the Board;

''(2) the reference to the Comptroller General in section 3553(d)(3)(C)(ii) of such title is deemed to be a reference to both the Board and the Comptroller General;

''(3) the report required by paragraph (1) of section 3554(e) of such title shall be submitted to the Comptroller General as well as the committees listed in such paragraph;

''(4) the report required by paragraph (2) of such section shall be submitted to the Comptroller General as well as Congress; and

''(5) section 3556 of such title shall not apply to the Board, but nothing in this subsection shall affect the right of an interested party to file a protest with the appropriate contracting officer.

''(d) PROCEDURES.—The Board shall prescribe such procedures as may be necessary for the expeditious decision of appeals and protests under subsections (b) and (c).

''(e) COMMENCEMENT.—The Board shall begin to function as soon as it has been established and has prescribed procedures under subsection (d), but not later than January 1, 1999.

''(f) TRANSITION.—The Board shall have jurisdiction under subsection (b) and (c) over any appeals and protests filed on or after the date on which the Board begins to function. Any appeals and protests filed before such date shall remain before the forum in which they were filed.

''(g) OTHER FUNCTIONS.—The Board may perform functions similar to those described in this section for such other matters or activities of the Commission as the Commission may determine and in accordance with regulations prescribed by the Commission.''.

SEC. 3542. TRANSACTIONS WITH THE PANAMA CANAL AUTHORITY.

Section 1342 (22 U.S.C. 3752) is amended—

(1) by designating the text of the section as subsection (a); and

(2) by adding at the end the following new subsections:

''(b) The Commission may provide office space, equipment, supplies, personnel, and other in-kind services to the Panama Canal Authority on a nonreimbursable basis.

''(c) Any executive department or agency of the United States may, on a reimbursable basis, provide to the Panama Canal Authority materials, supplies, equipment, work, or services requested by the Panama Canal Authority, at such rates as may be agreed upon by that department or agency and the Panama Canal Authority.''.

SEC. 3543. TIME LIMITATIONS ON FILING OF CLAIMS FOR DAMAGES.

(a) FILING OF ADMINISTRATIVE CLAIMS WITH COMMISSION.—Sections 1411(a) (22 U.S.C. 3771(a)) and 1412 (22 U.S.C. 3772) are each amended in the last sentence by striking out ''within 2 years after'' and all that follows through ''of 1985,'' and inserting in lieu thereof ''within one year after the date of the injury or the date of the enactment of the Panama Canal Transition Facilitation Act of 1997,''.

(b) FILING OF JUDICIAL ACTIONS.—The penultimate sentence of section 1416 (22 U.S.C. 3776) is amended—

(1) by striking out ''one year'' the first place it appears and inserting in lieu thereof ''180 days''; and

(2) by striking out ''claim, or'' and all that follows through ''of 1985,'' and inserting in lieu thereof ''claim or the date of the enactment of the Panama Canal Transition Facilitation Act of 1997,''.

SEC. 3544. TOLLS FOR SMALL VESSELS.

Section 1602(a) (22 U.S.C. 3792(a)) is amended—

(1) in the first sentence, by striking out ''supply ships, and yachts'' and inserting in lieu thereof ''and supply ships''; and

(2) by adding at the end the following new sentence: ''Tolls for small vessels (including yachts), as defined by the Commission, may be set at rates determined by the Commission without regard to the preceding provisions of this subsection.''.

SEC. 3545. DATE OF ACTUARIAL EVALUATION OF FECA LIABILITY.

Section 5(a) of the Panama Canal Commission Compensation Fund Act of 1988 (22 U.S.C. 3715c(a)) is amended by striking out ''Upon the termination of the Panama Canal Commission'' and inserting in lieu thereof ''By March 31, 1998''.

SEC. 3546. APPOINTMENT OF NOTARIES PUBLIC.

Section 1102a (22 U.S.C. 3612a) is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following new subsection:

''(g)(1) The Commission may appoint any United States citizen to have the general powers of a notary public to perform, on behalf of Commission employees and their dependents outside the United States, any notarial act that a notary public is required or authorized to perform within the United States. Unless an earlier expiration is provided by the terms of the appointment, any such appointment shall expire three months after the Canal Transfer Date.

''(2) Every notarial act performed by a person acting as a notary under paragraph (1) shall be as valid, and of like force and effect within the United States, as if executed by or before a duly authorized and competent notary public in the United States.

''(3) The signature of any person acting as a notary under paragraph (1), when it appears with the title of that person's office, is prima facie evidence that the signature is genuine, that the person holds the designated title, and that the person is authorized to perform a notarial act.''.

SEC. 3547. COMMERCIAL SERVICES.

Section 1102b (22 U.S.C. 3612b) is amended by adding at the end the following new subsection:

''(e) The Commission may conduct and promote commercial activities related to the management, operation, or maintenance of the Panama Canal. Any such commercial activity shall be carried out consistent with the Panama Canal Treaty of 1977 and related agreements.''.

SEC. 3548. TRANSFER FROM PRESIDENT TO COMMISSION OF CERTAIN REGULATORY FUNCTIONS RELATING TO EMPLOYMENT CLASSIFICATION APPEALS.

Sections 1221(a) and 1222(a) (22 U.S.C. 3661(a), 3662(a)) are amended by striking out ''President'' and inserting in lieu thereof ''Commission''.

SEC. 3549. ENHANCED PRINTING AUTHORITY.

Section 1306(a) (22 U.S.C. 3714b(a)) is amended by striking out ''Section 501'' and inserting in lieu thereof ''Sections 501 through 517 and 1101 through 1123''.

SEC. 3550. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CLERICAL AMENDMENTS.—The table of contents in section 1 is amended—

(1) by striking out the item relating to section 1210 and inserting in lieu thereof the following:

''Sec. 1210. Air transportation.'';

(2) by striking out the items relating to sections 1215, 1219, and 1225;

(3) by inserting after the item relating to section 1232 the following new item:

''Sec. 1233. Transition separation incentive payments.'';

and

(4) by inserting after the item relating to the heading of title III the following:

''CHAPTER 1—PROCUREMENT

''Sec. 3101. Procurement system.

''Sec. 3102. Panama Canal Board of Contract Appeals.''.

(b) AMENDMENT TO REFLECT PRIOR CHANGE IN COMPENSATION OF ADMINISTRATOR.—Section 5315 of title 5, United States Code, is amended by striking out the following:

''Administrator of the Panama Canal Commission.''.

(c) AMENDMENTS TO REFLECT CHANGE IN TRAVEL AND TRANSPORTATION EXPENSES AUTHORITY.—(1) Section 5724(a)(3) of title 5, United States Code, is amended by striking out '', the Commonwealth of Puerto Rico,'' and all that follows through ''Panama Canal Act of 1979'' and inserting in lieu thereof ''or the Commonwealth of Puerto Rico''.

(2) Section 5724a(j) of such title is amended—

(A) by inserting ''and'' after ''Northern Mariana Islands,''; and

(B) by striking out ''United States, and'' and all that follows through the period at the end and inserting in lieu thereof ''United States.''.

(3) The amendments made by this subsection shall take effect on January 1,1999.

(d) MISCELLANEOUS TECHNICAL AMENDMENTS.—

(1) Section 3(b) (22 U.S.C. 3602(b)) is amended by striking out ''the Canal Zone Code'' and all that follows through ''other laws'' the second place it appears and inserting in lieu thereof ''laws of the United States and regulations issued pursuant to such laws''.

(2)(A) The following provisions are each amended by striking out ''the effective date of this Act'' and inserting in lieu thereof ''October 1, 1979'': sections 3(b), 3(c), 1112(b), and 1321(c)(1).

(B) Section 1321(c)(2) is amended by striking out ''such effective date'' and inserting in lieu thereof ''October 1, 1979''.

(C) Section 1231(c)(3)(A) (22 U.S.C. 3671(c)(3)(A)) is amended by striking out ''the day before the effective date of this Act'' and inserting in lieu thereof ''September 30, 1979''.

(3) Section 1102a(h), as redesignated by section 3546(1), is amended by striking out ''section 1102B'' and inserting in lieu thereof ''section 1102b''.

(4) Section 1110(b)(2) (22 U.S.C. 3620(b)(2)) is amended by striking out ''section 16 of the Act of August 1, 1956 (22 U.S.C. 2680a),'' and inserting in lieu thereof ''section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927)''.

(5) Section 1212(b)(3) (22 U.S.C. 3652(b)(3)) is amended by striking out ''as last in effect before the effective date of section 3530 of the Panama Canal Act Amendments of 1996'' and inserting in lieu thereof ''as in effect on September 22, 1996''.

(6) Section 1243(c)(2) (22 U.S.C. 3681(c)(2)) is amended by striking out ''retroactivity'' and inserting in lieu thereof ''retroactively''.

(7) Section 1341(f) (22 U.S.C. 3751(f)) is amended by striking out ''sections 1302(c)'' and inserting in lieu thereof ''sections 1302(b)''.

TITLE XXXVI—MARITIME ADMINISTRATION

SEC. 3601. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1998.

Funds are hereby authorized to be appropriated for fiscal year 1998, to be available without fiscal year limitation if so provided in appropriations Act, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $70,000,000.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), $39,000,000 of which—

(A) $35,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) $4,000,000 is for administrative expenses related to loan guarantee commitments under the program.

SEC. 3602. REPEAL OF OBSOLETE ANNUAL REPORT REQUIREMENT CONCERNING RELATIVE COST OF SHIPBUILDING IN THE VARIOUS COASTAL DISTRICTS OF THE UNITED STATES.

(a) REPEAL.—Section 213 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1123), is amended by striking out paragraph (c).

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) by striking out ''on—'' in the matter preceding paragraph (a) and inserting in lieu thereof ''on the following:'';

(2) by redesignating paragraphs (a) and (b) as paragraphs (1) and (2), respectively;

(3) by striking out the semicolon at the end of each of those paragraphs and inserting in lieu thereof a period; and

(4) by realigning those paragraphs so as to be indented 2 ems from the left margin.

SEC. 3603. PROVISIONS RELATING TO MARITIME SECURITY FLEET PROGRAM.

(a) AUTHORITY OF CONTRACTORS TO OPERATE SELF-PROPELLED TANK VESSELS IN NONCONTIGUOUS DOMESTIC TRADES.—Section 656(b) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1187e(b)) is amended by inserting ''(1)'' after ''(b)'', and by adding at the end the following new paragraph:

''(2) Subsection (a) shall not apply to operation by a contractor of a self-propelled tank vessel in a noncontiguous domestic trade, or to ownership by a contractor of an interest in a self-propelled tank vessel that operates in a noncontiguous domestic trade.''.

(b) RELIEF FROM DELAY IN CERTAIN OPERATIONS FOLLOWING DOCUMENTATION.—Section 652(c) of the Merchant Marine Act, 1936 (46 U.S.C. 1187a(c)) is amended by adding at the end the following: ''The third sentence of section 901(b)(1) shall not apply to a vessel included in an operating agreement under this subtitle.''.

SEC. 3604. AUTHORITY TO UTILIZE REPLACEMENT VESSELS AND CAPACITY.

Section 653(d)(1) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1187c(d)(1)) is amended to read as follows:

''(1) a contractor or other person that commits to make available a vessel or vessel capacity under the Emergency Preparedness Program or another primary sealift readiness program approved by the Secretary of Defense may, during the activation of that vessel or capacity under that program, operate or employ in foreign commerce a foreign-flag vessel or foreign-flag vessel capacity as a temporary replacement for the activated vessel or capacity; and''.

SEC. 3605. AUTHORITY TO CONVEY NATIONAL DEFENSE RESERVE FLEET VESSEL.

(a) AUTHORITY TO CONVEY.—The Secretary of Transportation may convey all right, title, and interest of the United States Government in and to the vessel GOLDEN BEAR (United States official number 239932) to the Artship Foundation, located in Oakland, California (in this section referred to as the ''recipient''), for use as a multi-cultural center for the arts.

(b) TERMS OF CONVEYANCE.—

(1) DELIVERY OF VESSEL.—In carrying out subsection (a), the Secretary shall deliver the vessel—

(A) at the place where the vessel is located on the date of conveyance;

(B) in its condition on that date; and

(C) at no cost to the United States Government.

(2) ADDITIONAL TERMS.—The Secretary may require such additional terms in connection with the conveyance authorized by this section as the Secretary considers appropriate.

(c) OTHER UNNEEDED EQUIPMENT.—The Secretary may convey to the recipient of the vessel conveyed under this section any unneeded equipment from other vessels in the National Defense Reserve Fleet, for use to restore the vessel conveyed under this section to museum quality.

The CHAIRMAN. No amendments to the committee amendment in the nature of a substitute are in order except amendments printed in House Report 105–137, amendments considered printed in the report, and amendments en bloc described in section 3 of the resolution.

Except as specified in section 5 of the resolution, each amendment shall be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as having been read, and shall not be subject to a demand for a division of the question.

Unless otherwise specified in the report or in the resolution, each amendment printed in the report shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent of the amendment, and shall not be subject to amendment, except that the chairman and ranking minority member of the Committee on National Security each may offer one pro forma amendment for the purpose of further debate on any pending amendment.

Consideration of amendments 8 and 9 printed in part 1 of the report shall begin with an additional period of general debate, which shall be confined to the subject of the United States forces in Bosnia and shall not exceed 1 hour, equally divided and controlled by the chairman and ranking minority member.

It shall be in order at any time for the chairman of the Committee on National Security or his designee to offer amendments en bloc consisting of amendments printed in part 2 of the report not earlier disposed of or germane modifications of any such amendment. The amendments en bloc shall be considered as having been read, except that modifications shall be reported, shall be debatable for 20 minutes, equally divided and controlled by the chairman and ranking minority member of the committee, or their designees, shall not be subject to amendment and shall not be subject to a demand for a division of the question.

The original proponent of an amendment included in the amendments en bloc may insert a statement in the CONGRESSIONAL RECORD immediately before disposition of the amendments en bloc.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment made in order by the resolution and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

The Chairman of the Committee of the Whole may recognize for consideration of amendments made in order by the resolution out of the order in which they are printed, but not sooner than 1 hour after the chairman of the Committee on National Security or a designee announces from the floor a request to that effect.

It is now in order to consider amendment No. 1 printed in part 1 of House Report 105–137.

AMENDMENT NO. 1 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. SANDERS: At the end of the bill (page 540, after line 21) insert the following new section:

SEC. 3606. REDUCTION OF OVERALL AUTHORIZED SPENDING LEVELS

The total amount provided under Divisions A, B, and C respectively of this bill shall each be reduced by 5% in each of the fiscal years 1998 and 1999.

The CHAIRMAN. Pursuant to the rule, the gentleman from Vermont [Mr. SANDERS] and a Member opposed, the gentleman from South Carolina [Mr. SPENCE] each will control 15 minutes.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill provides for $268 billion in defense spending for fiscal year 1998, $2.6 billion more than was requested by President Clinton. My amendment provides for an across-the-board 5 percent cut in overall defense spending as authorized by this bill. It will cut $13.4 billion.

Mr. Chairman, this amendment is about national priorities and is the only amendment that has been allowed on the floor which calls for a cut in military spending.

The bottom line that we are discussing here is pretty simple. At a time when the cold war is over, when the Soviet Union no longer exists, when we are militarily outspending all of our so-called enemies by huge amounts, we do not need to continue spending this kind of money for the military. We do not need to fund the military at almost the same level it was at the heart of the cold war.

Mr. Chairman, when we talk about U.S. military spending, we must also put it in the context of the current world situation. While we are now spending $264 billion, our NATO allies are also spending over $200 billion. Combined, we and our allies are spending close to $500 billion on the military.

How much are our so-called enemies spending? Cuba, $300 million; Libya, $1.4 billion; Syria, $1.8 billion; North Korea, $2.4 billion; Iraq, $2.7 billion; Iran, $3.4 billion; China, I do not know that China is an enemy, I gather they are going to get MFN status, they are spending $32 billion. I do not believe that Russia is also our enemy, being that we are heavily funding them, but they are spending $82 billion, just to mention.

What all of this means is that the United States alone is spending many times more than all of our so-called enemies combined, and if we add NATO into the equation, the numbers become absurd. Cuba, Libya, Syria, North Korea, Iraq, and Iran combined spend $12 billion a year on the military, while we are proposing in this budget $268 billion, more than 20 times the combined spending of all of these so-called enemies.

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Further, this budget does not include the tens of billions we spend on the intelligence budget.

Mr. Chairman, the question that all of us must ask is when is enough enough?

Yes, all of us want the United States to have the strongest military in the world, but when we spend so much on defense, we are adding to a very large national debt and are terribly ignoring the pressing domestic needs that tens and tens of millions of Americans are facing, needs which are getting worse.

Let us get our priorities straight.

Mr. Chairman, when we spend this much money on the military, we have to cut Medicare by $115 billion. That is wrong. When we spend this much money on the military, we are asked to cut veterans' benefits, veterans' health care over the next 5 years by $5 billion. So we are spending money on B–2 bombers and star wars, and we say, ''Thank you,'' to the men and women who served in World War II, Korea and Vietnam. ''We don't care about you; we're worried about B–2 bombers and star wars.'' That is wrong. When we spend this much money on the military, we are cutting back $13 billion on Medicaid for hospitals that serve the poorest people in America. Yes, let us spend a $100 billion dollars defending Europe, but when someone is poor, they need to go into a hospital, Uncle Sam is not there for them. And when we spend this much money on the military, drastic cut backs take place in housing and other important needs.

There are some people on this Congress who are proposing cuts in Social Security. Yes, more money for B–2 bombers; cutbacks in Social Security. Millions of American families, thousands in the State of Vermont, cannot afford to send their kids to college. We spend $30 billion for higher education, and we are proposing $268 billion for the military. In my view those priorities are absolutely wrong.

Mr. Chairman, this is a great Nation, but our priorities are wrong. People on the other side and on this side talk about balancing the budget. Well, do my colleagues know what? Military spending has something to do with the deficit, too. So I hope that our deficit hawks who talk about the $5 trillion debt will come on board and say, no, if we are serious about moving toward a balanced budget, we have got to cut military spending.

Mr. Chairman, bottom line is priorities, we are spending too much. Let us cut military spending by 5 percent and still retain by far the strongest military on earth.

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

Mr. SPENCE. Mr. Chairman, I yield myself such time as I might consume.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, I rise in strong opposition to the amendment offered by my colleague, the gentleman from Vermont. This amendment would impose a 5 percent reduction across each of the three major parts of the bill and would have a devastating impact. This amendment would reduce the bill's funding levels by $13.4 billion, leaving us with a bill $10 billion less than even the President asked for.

The amendment would impose draconian cuts to important quality of life modernization and readiness programs that are so critical to insuring that our military forces remain the best trained and equipped in the world. In one stroke it would undo all of Congress' efforts over the last 2 years in trying to revitalize our military forces.

Several weeks ago the House adopted the fiscal year 1998 budget resolution and agreed to abide by spending restrictions. H.R. 1119 complies with the budget agreement and the budget resolution, and representing a real decline of 1.3 percent relative to current spending is not enough in this gentleman's mind. However this Congress reached a bipartisan agreement with the White House on a plan to balance the budget by 2002, and H.R. 1119 complies with the agreement. It is refreshing, it is a refreshing change, to be able to say that the President is not contesting this point.

The amendment distributes the $13 billion in cuts as a 5 percent reduction in each of the three major divisions of the bill. The result would be to slash military construction and family housing projects critical to providing a decent quality of life to our military personnel and their families by over $450 million. We heard Mr. HEFLEY talk about what we are doing right now in that area.

The amendment would also cut over $12.3 billion from already underfunded modernization readiness and personnel accounts further widening the dangerous gap between our Nation's military strategy and its defense program. Such a reduction would require the wholesale cancellation of programs, drastic curtailment of operations and possibly the involuntary separation of service personnel.

Finally, as drafted, this amendment would reduce Department of Energy national security and environmental programs by almost $600 million.

I urge all Members to think carefully about the message this amendment sends to our men and women who are throughout this world trying to defend this country. At a time when they are spending more time away from their families supporting forward deployments and contingency operations around the world this amendment will hit them hard, below the belt I might add. Instead of cutting their resources, we should be taking positive steps to insure that military personnel are getting what they need to do their demanding jobs and provide for their families.

I urge Members to demonstrate their commitment to the men and women in our armed services by opposing this amendment and supporting H.R. 1119.

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

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DELLUMS], my friend and colleague.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, first let me say that I rise in support of my distinguished colleague's amendment. Given the constrained balanced budget environment within which we are operating and debating this bill and the strategic realities, we can indeed reduce the military budget by the modest of articulated by my distinguished colleague.

We did our own QDR, Mr. Chairman, and we determined independently that without drastic changes that these cuts could indeed be achieved without the draconian notions that have recently been articulated that has been argued would be the result of the gentleman's amendment.

Now let me underscore for emphasis something that my distinguished colleague who offered the amendment pointed out. Mr. Chairman, people may not know this, but if we balanced on a balanced scale what the United States spends on its military budget and the military budget collectively of the rest of the world, it would be roughly even. We spend as much as every other nation in the world.

Now many of those other nations in the world are our friends and allies in treaties with us, in cooperative relationships. We take them off the other end and place them with us. America and its allies spent in excess of 80 percent of the world's military budget, which means even worse case scenario America and its friends out spend the rest of the world four to one.

Where is our fear? We can indeed cut this budget. This is a modest cut.

I urge my colleagues: the only time we have an opportunity to step up to this and make a cut that American

people understand viscerally the military budget can be cut, the cold war is over, Mr. Chairman, and we need to move on with it. We are spending an extraordinary amount of money, and we can sustain this kind of cut. I urge my colleagues to support the gentleman's amendment.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I rise to speak against the amendment.

The military of the United States is not some amorphous thing, it is not a green glob of protoplasm. Mr. Chairman, it is people, my neighbors, my colleagues' neighbors, mostly young men and young women. In speaking against this amendment I speak for the young sergeants and petty officers who come from all across America. In cutting this budget by $13 billion it would cut into the personnel accounts, it would cause that mother of that sergeant to have that sergeant/husband gone more often because the operational tempo would increase. It would cut the O&M that has the ability to fix the appliances in their rundown place in Germany. It would not allow them to live as they should.

I urge a ''no'' vote on this amendment.

Mr. SANDERS. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Chairman, I thank the gentleman from Vermont [Mr. SANDERS], and I thank him for his amendment.

My colleagues, recently this House approved a balanced budget deal. That budget was and is a bad deal for the residents of my town of San Diego and a bad deal for America. Yes, we balance the budget, but we balance the budget on the backs of our Nation's veterans, our children, our elderly, and our working families. That deal put a deep freeze on funding for our Nation's veterans and cut real dollars from our Department of Veterans Affairs. It cut pensions for the neediest of veterans, froze funding for the veterans hospitals for the next 5 years, and permanently cut compensation for service connected disabled veterans.

Mr. Chairman, what happened to the promise that America made with our Nation's veterans? That promise was forgotten in the budget deal, and that budget deal compromises those promises to the past but ignores also our commitments to the future. It underfunds the Nation's infrastructure needs by billions of dollars and dramatically cuts investments in our Nation's future workers. Head Start, summer jobs, education funding, which serve to give all children an opportunity for a brighter future, are cut in this budget deal, and it makes the transition from welfare to work more difficult by eliminating jobs for job training and child care and housing.

Half of the Nation's 10 million uninsured children remain uninsured in that budget, while lavish tax cuts are doled out to those making $500,000 a year. Medicaid is cut $13 billion. Medicaid is cut $115 billion.

Americans deserve a better deal, a real balanced budget through kept promises, shared sacrifices and necessary investments in the future. We should support the Sanders amendment so we Americans can get a better budget deal.

I thank the gentleman for his amendment.

Mr. SPENCE. Mr. Chairman I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON].

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise in opposition to this amendment.

The ultimate irony here is that I have in fact joined my colleague on efforts involving protecting working people. What he fails to mention is that in our defense in aerospace cuts we have, in fact, caused 1 million union workers in this country to lose their jobs.

Now he talks about compassion. What he does not mention in his amendment are the additional hundreds of thousands of UAW, IAM, IEU, IBEW workers and building trades workers who will walk the streets with the other 1 million workers that have been displaced because of what he wants to do in additional cuts.

Now let me also correct the gentleman. He said that we added over $2 billion above what the President asked for. Well, I would submit to the gentleman he has not done his homework, because after the President gave us his budget he came back and asked for $1 billion of additional money beyond that.

Now if the gentleman would bother to ask the committee, he would have found out that the President asked for $474 million this year, $2.3 billion for everything. That was the President's request after his budget. Or he would have found out the President asked for $300 million for flying hours above his budget. The gentleman would have found out he asked for $30 million for the THEL program above what his budget suggested.

So to stand up here and put out misinformation is just flat out wrong, and to say the Soviet Union no longer exists, I have been to 50 classified briefings this year. I do not know how many the gentleman has been in attendance of, but let me tell you that is not the impression I have. Maybe the gentleman knows about Yermentau Mountain. Maybe he has visited Beloretsk 15 and 16. Maybe he knows what that city of 65,000 people in the Urals has been doing for the past 18 years, spending billions of dollars.

□ 1700

Maybe the gentleman knows all of those answers. Maybe the gentleman knows the instability occurring in the Middle East. Maybe the gentleman is aware of what is happening in North Korea. What we have done, what we have done, is provided for the best defense we can within the budget constraints, and it should be based on fact and not rhetoric for tomorrow morning's newspaper.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time.

One listening to this debate would think that there is not one penny that can be cut from the Pentagon budget without hurting our preparedness, or ignoring the needs of our enlisted families or the working people of America. This cut would total $13.4 billion. That is a lot of money.

However, the Pentagon has $14.6 billion in unneeded inventory that exceeds the war needs of the United States for more than 100 years, and they still have a computer over there placing more orders. Not a penny. This 1 year's cut could be absorbed by their unneeded inventory.

We heard we would have a gap between our strategy and the military program. Well, the strategy is absurd. We are going to fight two wars at once with no allies. Two World War II's at once with no allies. Our budget is two times the total of all our enemies combined. And they are saying we cannot depend on our allies, so we have to be able to fight two wars at once. If we cannot depend on our allies, why are we spending billions of dollars to expand NATO to former Soviet bloc countries.

At one time in my life, we had a great warrior in the White House, and this warrior said it better than anybody else will say it here today. Dwight David Eisenhower. ''This world in arms, it is not spending money alone, it is spending the sweat of our labors, the genius of our scientists, the hopes of our children.''

That is what this debate is all about. Every gun made, every warship launched, every rocket fired is, in a final sense, a theft from those who hunger, those who are not fed, and those who are cold and not clothed. That was a great warrior, Dwight David Eisenhower, a general who led us to victory in World War II. If he were here today, he would urge Members to support these justified cuts in the bloated Pentagon budget.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PICKETT].

Mr. PICKETT. Mr. Chairman, I thank the chairman for yielding me this time. I rise in opposition to this amendment.

The funding for the defense program for 1998 is essentially a level funding. To take out 5 percent at this point would create undue turbulence. It would mean reductions in essential programs that could not be replaced.

Today the United States has the finest military in the Nation's history. We need to keep it that way. The Sanders amendment will undermine our effort to attract and retain our quality of people, it will undermine our today's readiness by undercutting the operations and maintenance program, and it will undermine tomorrow's readiness by compromising our modernization program.

Our Nation, by providing leadership and shaping the international security environment, can continue to help with the spread of peace and prosperity throughout the world. Only by maintaining our military posture to defend and advance U.S. interests and underwrite our commitments can we retain our preeminent position.

Mr. Chairman, I urge my colleagues to defeat this amendment.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. OWENS].

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Chairman, I hope that this amendment sponsored by the gentleman from Vermont is not just another ceremony where we are talking to the wind. I think that the American people, the polls have shown the American people are gradually beginning to understand where the waste is in government. The waste is in the defense budget and we are not doing anything to help national security.

National security right now, the primary component of national security is education. How well-educated our Americans are will determine where we go in the future with respect to our military might, our commercial might, right across the board. A better educated population is what is needed to guarantee that America will be the leader in all areas for the future.

Mr. Chairman, $13.5 billion, we are talking about. Let us stop for a moment and consider the comparative costs. Five percent of the defense budget comes out to $13.5 billion per year, $13.5 billion. One can buy a lot of computers for schools for $13.5 billion. One can wire all the schools in America for $13.5 billion.

We have shown that one of the goals of Congressional Black Caucus budget is to have every child eligible for Head Start, actually be able to go into Head Start by the year 2002. Well, we could get there right away because it would only cost $11 billion to cover every child eligible in America for Head Start. We have a paltry sum of $5 billion that the President proposed for construction, renovation and repair of schools, $5 billion over a 5-year period. The paltry sum of $5 billion was booted out of the budget agreement. It is too much.

Now, ask the American people to take a look at comparative costs. Five percent of the defense budget is $13.5 billion for 1 year. We cannot afford to have a construction initiative sponsored by the President, $5 billion for 5 years? There is something radically wrong. We are blind men and women of the Congress continuing to go down the same road. If we put military in front of something or behind something, we are all for it, but it really has nothing to do with national security. National security means better education for America's future, and for that you have to spend money.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, to quote Ronald Reagan, there you go again.

Every year, liberals in this body think we can reach into the defense budget and take money for whatever the good things are that we want to do and our defense can continue to absorb the loss. The gentleman from New York [Mr. OWENS] talks about let us spend it on education. Mr. Chairman, let me tell the gentleman, we spend over $300 billion a year on education in this country, more than we spend on the Department of Defense.

Let me point out that this is real money that has real ramifications. Let me just talk about the area that I am most familiar with.

The Sanders amendment would compel a $457 million reduction in military construction and military family housing. What would that mean? The amount is equivalent to the entire Navy and Marine Corps family housing construction program and the added funds the committee recommends for the Army family housing construction. Take all of that away. This amendment will mean a cut of funding for 3,345 family housing units, or 41 percent of the housing improvements in this bill.

Mr. Chairman, a $457 million cut is equivalent to wiping out every American barracks project in the President's request and the entire $2,000 added to committee recommendations for all of the services. It is roughly equal to all of the MILCON provided in this bill for the reserve components, and the added funding recommended by the committee for the Army military construction.

This amendment will severely damage the Nation's military infrastructure. It is easy to be cavalier and say, let us get it out of defense, but it does not work when you boil it down to what it actually means in the defense budget.

Mr. Chairman, I urge a no, no, no on the Sanders amendment.

Mr. SANDERS. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, there are 80,000 jobs, high-tech jobs, that cannot be filled right now that are available in America; 80,000, and the number is growing. Our weapons are very sophisticated. If we do not pay more attention to education, we are going to have to call in the Chinese and the Russians to man our weapons, because they will be too sophisticated for our operators to run them.

Education is the number one component of defense and security.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

The previous speaker said real money and real people, so let me tell my colleagues about real money and real people. While we outspent our so-called enemies 20-to-1, 22 percent of the children in this country live in poverty.

We have the highest rate of poverty in the industrialized world, and yet we spend the money on B–2 bombers and star wars and other exotic weapons systems that are not needed today. Real money, real people.

Millions of families in America cannot afford to send their kids to college. The gentleman said $300 million on education; he forgot to say that was at the local level. Local property taxes, State taxes, $30 billion at the Federal level, 8 times more on the military than we spend on education. That is absurd.

Real money, real people. Tens of millions of Americans have no health insurance. They do not know what to do when they get sick, and they are saying, yes, let us take care of the people back home, rather than spending $100 billion a year defending Europe and Asia. Real money, real people.

Real money, real people. Why did my colleagues on the other side cut veterans' programs? They are the people who defended this country. Now they are 70 and 80 and they are dying at VA hospitals. We have cut back on health care for veterans, and yet we have money for exotic weapons systems that we do not need.

Bottom line, Mr. Chairman, we want the strongest military in the world, we have the strongest military in the world, but let us get our priorities straight. Let us talk about health care, education, protect our seniors, protect our veterans, and let us do the right thing and pass, pass, pass this amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. SISISKY].

(Mr. SISISKY asked and was given permission to revise and extend his remarks.)

Mr. SISISKY. Mr. Chairman, I would tell the gentleman from Vermont, I am interested in the same things that he is. Head Start is very important to me. I can assure the gentleman that education is very important to me, so important that I do not want a decline in the education in the military.

I spoke in the general debate a little while ago about the quality of life in the military by making these trips around and what we found. The gentleman would not be very proud of how we are treating the families. Sixty-eight percent, 68 percent of the Army now is married, but guess what is happening?

Let me just tell the gentleman, the biggest thrill that I have, I dug a hole

in the ground in an Army post to build three-, four-, and five-bedroom homes. The smiles on those people's faces was unbelievable.

The gentleman talks about education. If he goes aboard an Aegis cruiser, Aegis destroyer or submarine, it is not the captain of the ship that explains the Aegis system, it is the third-class petty officer that explains it. And why? Because of the education we are giving in the military. This is one Member that does not want to decline the education in the military.

Talk about health care. We ought to be ashamed of ourselves. We are pulling back on the retirees in this country in health care. We are not treating the people as we promised them, and now the gentleman wants to cut just a paltry $13.5 billion.

Sure, there is money wasted in the Department of Defense, but I challenge the gentleman or anybody in this room to see where money is not wasted in some of these other programs, including education that we could save money in.

Please, the gentleman from Colorado said no, no, no on this amendment; I say no, no, no, no, no on this amendment. Please vote against it.

Mr. SPENCE. Mr. Chairman, I yield the remainder of my time to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, everybody agrees, even the proponents of this amendment, that we have to have a national defense, and the question is how much? They have cited that we outspend other countries in the world for defense, and therefore, we should be able to take a $13 billion cut without pain and without effect on our military readiness.

But there is another Congress that thought the same thing.

□ 1715

It was a Congress that voted to put together a defense budget just a few months before South Korea was invaded on June 25, 1950. I have read the transcripts from the testimony that came before that Congress. In fact, the Senate was so convinced that we were on top of the world, that we were so powerful, that we had nuclear weapons, high-tech, like the gentleman speaks of, that nobody would mess with us.

So on June 25, 1950, we were invaded by North Korea, and within 3 days they had taken Seoul and were driving south until we met them at the Puchon perimeter right at the tip of the Peninsula and gradually started to push them back up. We were unready for Korea. We committed 7 army divisions to Korea, but we were unready for it, and 50,000 of those working Americans that the gentleman from Vermont who has propounded this amendment cares about so much came home in body bags.

The folks that fight the wars are the working people of this country, and the greatest benefit we can give them is their return home. We give them a return home when we have overwhelming force, which is what we had in Desert Storm.

We were too strong in Desert Storm. That was the argument. We were too powerful. We had come up with all of these weapons systems that received daily criticism in the Washington Post, like the Apache attack helicopter, the M–1 tank that did not get enough gas mileage, the Patriot missile system that took too long to develop. But when we put those systems in the field, we came home with a minimum of American casualties because we were ready.

We used seven divisions in Korea. We used eight divisions in Desert Storm. So we fought these two regional contingencies. That makes 15 army divisions. We only have 10 today. We have cut from 18 to 10 since Desert Storm. We have cut from 24 to 13 fighter air wings. We have cut from 545 Navy ships to 345.

The President of the United States thinks that our procurement modernization budget should go to $60 billion. I can tell the Members what it was this year, it was $42.6. It was almost $18 billion less than President Clinton thought it should be, and his military advisors.

Let us do what Hallmark Cards says about sending thanks to your friends with respect to our young people in the military. Because we care about them, let us send them the very best, the very best in equipment, and that means that we have to keep this defense budget at a minimum at the level that we have right now. We have really cut too deep.

''Peace through strength'' was a motto that we had all the way through the cold war, and it worked. We brought the Soviet Union to the bargaining table because we were strong. We are going to be able to maintain the peace in the future because we are strong. Please vote against this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 89, noes 332, not voting 13, as follows:

[Roll No. 214]

AYES—89

Barrett (WI)	Danner	Fattah
Becerra	Davis (IL)	Filner
Blumenauer	DeFazio	Frank (MA)
Bonior	Delahunt	Furse
Brown (CA)	Dellums	Gilchrest
Brown (OH)	Doggett	Gutierrez
Campbell	Duncan	Hastings (FL)
Capps	Engel	Hilliard
Carson	English	Hinchey
Clay	Eshoo	Hooley
Coyne	Evans	Jackson (IL)
Cummings	Farr	Kennedy (MA)
Kilpatrick	Minge	Royce
Kind (WI)	Mink	Rush
Klug	Nadler	Sabo
Kucinich	Neal	Sanders
Lewis (GA)	Obey	Sensenbrenner
Lofgren	Olver	Serrano
Lowey	Owens	Shays
Luther	Pascrell	Stark
Maloney (NY)	Paul	Stokes
Markey	Payne	Tierney
McCarthy (MO)	Pelosi	Towns
McDermott	Petri	Velazquez
McGovern	Rahall	Vento
McKinney	Ramstad	Waters
Meehan	Rangel	Watt (NC)
Meek	Rivers	Waxman
Millender-McDonald	Rohrabacher	Woolsey
	Roukema	Yates

NOES—332

Abercrombie	Dicks	Johnson, Sam
Aderholt	Dingell	Jones
Allen	Dixon	Kanjorski
Andrews	Doolittle	Kaptur
Archer	Doyle	Kasich
Armey	Dreier	Kelly
Bachus	Dunn	Kennedy (RI)
Baesler	Edwards	Kennelly
Baker	Ehlers	Kildee
Baldacci	Ehrlich	Kim
Ballenger	Emerson	King (NY)
Barcia	Ensign	Kingston
Barr	Etheridge	Kleczka
Barrett (NE)	Everett	Klink
Bartlett	Ewing	Knollenberg
Barton	Fawell	Kolbe
Bass	Fazio	LaFalce
Bateman	Flake	LaHood
Bentsen	Foglietta	Lampson
Bereuter	Foley	Lantos
Berman	Forbes	Largent
Berry	Ford	Latham
Bilbray	Fowler	LaTourette
Bilirakis	Fox	Lazio
Bishop	Franks (NJ)	Leach
Blagojevich	Frelinghuysen	Levin
Bliley	Frost	Lewis (CA)
Blunt	Gallegly	Lewis (KY)
Boehlert	Ganske	Linder
Boehner	Gejdenson	Livingston
Bonilla	Gekas	LoBiondo
Bono	Gibbons	Lucas
Borski	Gillmor	Maloney (CT)
Boswell	Gilman	Manton
Boucher	Gonzalez	Manzullo
Boyd	Goode	Martinez
Brady	Goodlatte	Mascara
Brown (FL)	Goodling	Matsui
Bryant	Gordon	McCarthy (NY)
Bunning	Goss	McCollum
Burr	Graham	McCrery
Burton	Granger	McDade
Buyer	Green	McHale
Callahan	Greenwood	McHugh
Calvert	Gutknecht	McInnis
Camp	Hall (OH)	McIntosh
Canady	Hall (TX)	McIntyre
Cannon	Hamilton	McKeon
Cardin	Hansen	McNulty
Castle	Harman	Menendez
Chabot	Hastert	Metcalf
Chambliss	Hastings (WA)	Mica
Chenoweth	Hayworth	Miller (FL)
Christensen	Hefley	Moakley
Clayton	Hefner	Molinari
Clement	Hill	Mollohan
Clyburn	Hilleary	Moran (KS)
Coble	Hinojosa	Moran (VA)
Coburn	Hobson	Morella
Collins	Hoekstra	Murtha
Combest	Holden	Myrick
Condit	Horn	Nethercutt
Cook	Hostettler	Neumann
Cooksey	Houghton	Ney
Costello	Hoyer	Northup
Cox	Hulshof	Norwood
Cramer	Hunter	Nussle
Crane	Hutchinson	Ortiz
Crapo	Hyde	Oxley
Cubin	Inglis	Packard
Cunningham	Istook	Pallone
Davis (FL)	Jackson-Lee (TX)	Pappas
Davis (VA)	Jefferson	Parker
Deal	Jenkins	Pastor
DeLauro	John	Paxon
DeLay	Johnson (CT)	Pease
Deutsch	Johnson (WI)	Peterson (MN)
Diaz-Balart	Johnson, E. B.	Peterson (PA)
Dickey		Pickering

Pickett	Scott	Tanner
Pitts	Sessions	Tauscher
Porter	Shadegg	Tauzin
Portman	Shaw	Taylor (MS)
Poshard	Sherman	Taylor (NC)
Price (NC)	Shimkus	Thomas
Pryce (OH)	Shuster	Thompson
Quinn	Sisisky	Thornberry
Radanovich	Skaggs	Thune
Redmond	Skeen	Thurman
Regula	Skelton	Tiahrt
Reyes	Slaughter	Traficant
Riggs	Smith (MI)	Turner
Riley	Smith (NJ)	Upton
Rodriguez	Smith (OR)	Visclosky
Roemer	Smith (TX)	Walsh
Rogan	Smith, Adam	Wamp
Rogers	Smith, Linda	Watkins
Ros-Lehtinen	Snowbarger	Watts (OK)
Rothman	Snyder	Weldon (FL)
Roybal-Allard	Solomon	Weldon (PA)
Ryun	Souder	Weller
Salmon	Spence	Wexler
Sanchez	Spratt	Weygand
Sandlin	Stabenow	White
Sanford	Stearns	Whitfield
Sawyer	Stenholm	Wicker
Saxton	Strickland	Wise
Scarborough	Stump	Wolf
Schaefer, Dan	Stupak	Wynn
Schaffer, Bob	Sununu	Young (AK)
Schumer	Talent	Young (FL)

NOT VOTING—13

Ackerman	Herger	Pomeroy
Conyers	Lipinski	Schiff
DeGette	Miller (CA)	Torres
Dooley	Oberstar	
Gephardt	Pombo	

□ 1737

Mrs. KENNELLY of Connecticut, Ms. JACKSON-LEE of Texas, and Messrs. RYUN, SAWYER, GREENWOOD, SMITH of Michigan, WYNN, and BRADY changed their vote from ''aye'' to ''no.''

Mr. SHAYS and Mrs. ROUKEMA changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. SPENCE was allowed to speak out of order.)

ORDER OF BUSINESS

Mr. SPENCE. Mr. Chairman, I would like to proceed out of order for the purpose of informing Members of the schedule for the remainder of the evening.

Mr. Chairman, in order that Members might be able to plan for the evening, I would like to inform our membership that we plan to continue working. We have had many inquiries as to what our plans are for the evening from many Members.

I would like to inform everyone that we intend to continue working on amendments tonight but to roll the votes until approximately 9. At that time we would vote on whatever amendments we have to vote on. Depending on how much debate there is on the amendments, we might get through 3 or 4 amendments in this order: the Spence-Dellums amendment on reform; the Spence-Dellums amendment on supercomputers; the Harman amendment on abortion; the Shays-Frank on burdensharing.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in part 1 of House Report 105–137.

AMENDMENT NO. 2 OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by MR. SPENCE:

Strike out section 308 (page 47, lines 14 through 21) and, at the end of division A (page 379, after line 19), insert the following new titles:

TITLE XIII—DEFENSE PERSONNEL REFORMS

SEC. 1301. REDUCTION IN PERSONNEL ASSIGNED TO MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES.

(a) IN GENERAL.—(1) Chapter 3 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 130a. Management headquarters and headquarters support activities personnel: limitation

''(a) LIMITATION.—Effective October 1, 2001, the number of management headquarters and headquarters support activities personnel in the Department of Defense may not exceed the 75 percent of the baseline number.

''(b) PHASED REDUCTION.—The number of management headquarters and headquarters support activities personnel in the Department of Defense—

''(1) as of October 1, 1998, may not exceed 90 percent of the baseline number;

''(2) as of October 1, 1999, may not exceed 85 percent of the baseline number; and

''(3) as of October 1, 2000, may not exceed 80 percent of the baseline number.

''(c) BASELINE NUMBER.—In this section, the term 'baseline number' means the number of management headquarters and headquarters support activities personnel in the Department of Defense as of October 1, 1997.

''(d) MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES PERSONNEL DEFINED.—In this section:

''(1) The term 'management headquarters and headquarters support activities personnel' means military and civilian personnel of the Department of Defense who are assigned to, or employed in, functions in management headquarters activities or in management headquarters support activities.

''(2) The terms 'management headquarters activities' and 'management headquarters support activities' have the meanings given those terms in Department of Defense Directive 5100.73, entitled 'Department of Defense Management Headquarters and Headquarters Support Activities', as in effect on November 12, 1996.

''(e) LIMITATION ON REASSIGNMENT OF FUNCTIONS.—In carrying out reductions in the number of personnel assigned to, or employed in, management headquarters and headquarters support activities in order to comply with this section, the Secretary of Defense and the Secretaries of the military departments may not reassign functions in order to evade the requirements of this section.

''(f) FLEXIBILITY.—If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (b) with respect to any fiscal year would adversely affect United States national security, the Secretary may waive the limitation under that subsection with respect to that fiscal year. If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (a) during fiscal year 2001 would adversely affect United States national security, the Secretary may waive the limitation under that subsection with respect to that fiscal year. The authority under this subsection may be used only once, with respect to a single fiscal year.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''130a. Management headquarters and headquarters support activities personnel: limitation.''.

(b) IMPLEMENTATION REPORT.—Not later than January 15, 1998, the Secretary of Defense shall submit to Congress a report—

(1) containing a plan to achieve the personnel reductions required by section 130a of title 10, United States Code, as added by subsection (a); and

(2) including the recommendations of the Secretary regarding—

(A) the revision, replacement, or augmentation of Department of Defense Directive 5100.73, entitled ''Department of Defense Management Headquarters and Headquarters Support Activities'', as in effect on November 12, 1996; and

(B) the revision of the definitions of the terms ''management headquarters activities'' and ''management headquarters support activities'' under that Directive so that those terms apply uniformly throughout the Department of Defense.

(c) CODIFICATION OF PRIOR PERMANENT LIMITATION ON OSD PERSONNEL.—(1) Chapter 4 of title 10, United States Code, is amended by adding at the end a new section 143 consisting of—

(A) a heading as follows:

''§ 143. Office of the Secretary of Defense personnel: limitation'';

and

(B) a text consisting of the text of subsections (a) through (f) of section 903 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2617).

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''143. Office of the Secretary of Defense personnel: limitation.''.

(3) Section 903 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2617) is repealed.

SEC. 1302. ADDITIONAL REDUCTION IN DEFENSE ACQUISITION WORKFORCE.

(a) IN GENERAL.—(1) Chapter 87 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1765. Limitations on number of personnel

''(a) LIMITATION.—Effective October 1, 2001, the number of defense acquisition personnel may not exceed the baseline number reduced by 124,000.

''(b) PHASED REDUCTION.—The number of the number of defense acquisition personnel—

''(1) as of October 1, 1998, may not exceed the baseline number reduced by 40,000;

''(2) as of October 1, 1999, may not exceed the baseline number reduced by 80,000; and

''(3) as of October 1, 2000, may not exceed the baseline number reduced by 102,000.

''(c) BASELINE NUMBER.—For purposes of this section, the baseline number is the total number of defense acquisition personnel as of October 1, 1997.

''(d) DEFENSE ACQUISITION PERSONNEL DEFINED.—(1) In this section, the term 'defense acquisition personnel' means military and civilian personnel (other than civilian personnel described in paragraph (2)) who are assigned to, or employed in, acquisition organizations of the Department of Defense (as specified in Department of Defense Instruction numbered 5000.58 dated January 14, 1992).

''(2) Such term does not include civilian employees of the Department of Defense who are employed at a maintenance depot.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''1765. Limitations on number of personnel.''.

(b) IMPLEMENTATION REPORT.—Not later than January 15, 1998, the Secretary of Defense shall submit to Congress a report—

(1) containing a plan to achieve the personnel reductions required by section 1765 of title 10, United States Code, as added by subsection (a); and

(2) containing any recommendations (including legislative proposals) that the Secretary considers necessary to fully achieve such reductions.

(c) TECHNICAL REFERENCE CORRECTION.—Section 1721(c) of title 10, United States Code, is amended by striking out ''November 25, 1988'' and inserting in lieu thereof ''November 12, 1996''.

SEC. 1303. AVAILABILITY OF FUNDS FOR SEPARATION PAY FOR DEFENSE ACQUISITION PERSONNEL.

Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $100,000,000 shall be available only for the payment of separation pay under section 5597 of title 5, United States Code, to civilian employees of the Department of Defense who are defense acquisition personnel (as defined in section 1765(d) of title 10, United States Code).

SEC. 1304. PERSONNEL REDUCTIONS IN UNITED STATES TRANSPORTATION COMMAND.

(a) PURPOSE OF REDUCTION.—The purpose of the reduction in the number of United States Transportation Command personnel is to recognize and continue the effort of the Secretary of Defense to achieve the United States Transportation Command reengineering reform plan to eliminate administrative duplication and process inefficiencies.

(b) REDUCTION IN UNITED STATES TRANSPORTATION COMMAND PERSONNEL.—(1) Effective October 1, 1998, the number of United States Transportation Command personnel may not exceed the number equal to the baseline number reduced by 1,000.

(2) For purposes of this section, the baseline number is the total number of United States Transportation Command personnel as of September 30, 1997.

(c) UNITED STATES TRANSPORTATION COMMAND PERSONNEL DEFINED.—For purposes of this section, the term ''United States Transportation Command personnel'' means military and civilian personnel who are assigned to, or employed in, the United States Transportation Command Headquarters, Air Force Air Mobility Command, Navy Military Sealift Command, Army Military Traffic Management Command, and Defense Courier Service.

(d) SOURCE OF REDUCTIONS.—In reducing the number of United States Transportation Command personnel as required by subsection (b), the Secretary of Defense shall limit such reductions to the United States Transportation Command personnel who are in the following occupational classifications established to group similar occupations and work positions into a consistent structure:

(1) Enlisted members in the Functional Support and Administration classification (designated as occupational code 5XX), as described in Department of Defense Instruction 1312.1, dated August 9, 1995, regarding ''Department of Defense Occupational Information Collection and Reporting''.

(2) Officers in the General Officers and Executives classification (designated as occupational code 1XX), Administrators (designated as occupational code 7XX), and Supply, Procurement, and Allied Officers classification (designated as occupational code 8XX), as described in such instruction.

(3) Civilian personnel in the Program Management classification (designated as occupational code GS–0340), Accounting and Budget classification (designated as occupational code GS–0500 and related codes), Business and Industry classification (designated as occupational code GS–1100 and related codes), and Supply classification (designated as occupational code GS–2000 and related codes), as described in Office of Personnel Management document El–12, dated November 1, 1995, entitled ''Federal Occupational Groups''.

(e) WAIVER AUTHORITY.—The Secretary of Defense may waive or suspend operation of this section in the event of a war or national emergency.

TITLE XIV—DEFENSE BUSINESS PRACTICES REFORMS

Subtitle A—Competitive Procurement Requirements

SEC. 1401. COMPETITIVE PROCUREMENT OF FINANCE AND ACCOUNTING SERVICES.

(a) COMPETITIVE PROCUREMENT REQUIRED.—Chapter 165 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2784. Competitive procurement of finance and accounting services

''(a) STUDY AND REPORT.—(1) Not later than December 1, 1997, the Secretary of Defense shall initiate a study regarding the competitive procurement of finance and accounting services for the Department of Defense, including non-appropriated fund instrumentalities of the Department of Defense. The study shall analyze the conduct of competitions among private-sector sources and the Defense Finance and Accounting Service and other interested Federal agencies.

''(2) Not later than June 1, 1998, the Secretary of Defense shall submit to Congress a report containing the results of the study conducted under paragraph (1).

''(b) COMPETITIVE PROCUREMENT REQUIRED.—Beginning not later than October 1, 1999, the Secretary of Defense shall competitively procure finance and accounting services for the Department of Defense, including nonappropriated fund instrumentalities of the Department of Defense. The Secretary shall conduct competitions among private-sector sources and the Defense Finance and Accounting Service and other interested Federal agencies. Such a competition shall not involve competition between components of the Defense Finance and Accounting Service.

''(c) IMPROVEMENT OF COMPETITIVE ABILITY.—Before conducting a competition under subsection (b) for the procurement of finance and accounting services that are being provided by a component of the Defense Finance and Accounting Service, the Secretary of Defense shall provide the component with an opportunity to establish its most efficient organization.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2784. Competitive procurement of finance and accounting services.''.

SEC. 1402. COMPETITIVE PROCUREMENT OF SERVICES TO DISPOSE OF SURPLUS DEFENSE PROPERTY.

(a) COMPETITIVE PROCUREMENT REQUIRED.—(1) Chapter 153 of title 10, United States Code, is amended by inserting after section 2572 the following new section:

''§ 2573. Competitive procurement of services to dispose of surplus property

''(a) COMPETITIVE PROCUREMENT OF SERVICES.—Beginning not later than October 1, 1998, the Secretary of Defense shall competitively procure services for the Department of Defense in connection with the disposal of surplus property at each site at which the Defense Reutilization and Marketing Service operates. The Secretary shall conduct competitions among private-sector sources and the Defense Reutilization and Marketing Service and other interested Federal agencies for the performance of all such services at a particular site.

''(b) IMPROVEMENT OF COMPETITIVE ABILITY.—Before conducting a competition under subsection (a) for the procurement of services described in such subsection that are being provided by a component of the Defense Reutilization and Marketing Service, the Secretary of Defense shall provide the component with an opportunity to establish its most efficient organization.

''(c) REPORTING REQUIREMENTS.—Not later than 90 days after the end of each fiscal year in which services for the disposal of surplus property are competitively procured under subsection (a), the Secretary of Defense shall submit to Congress a report specifying—

''(1) the type and volume of such services procured by the Department of Defense during that fiscal year from the Defense Reutilization and Marketing Service and from other sources;

''(2) the former sites of the Defense Reutilization and Marketing Service operated during that fiscal year by contractors (other than the Defense Reutilization and Marketing Service); and

''(3) the total amount of any fees paid by such contractors in connection with the performance of such services during that fiscal year.

''(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to alter the requirements regarding the identification or demilitarization of an item of excess property or surplus property of the Department of Defense before the disposal of the item.

''(e) DEFINITIONS.—In this section:

''(1) The term 'surplus property' means any personal excess property which is not required for the needs and the discharge of the responsibilities of all Federal agencies and the disposal of which is the responsibility of the Department of Defense.

''(2) The term 'excess property' means any personal property under the control of the Department of Defense which is not required for its needs and the discharge of its responsibilities, as determined by the Secretary of Defense.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2572 the following new item:

''2573. Competitive procurement of services to dispose of surplus property.''.

(b) IMPLEMENTATION REPORT.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report—

(1) containing a plan to implement the competitive procurement requirements of section 2573 of title 10, United States Code, as added by subsection (a); and

(2) identifying other functions of the Defense Reutilization and Marketing Service that the Secretary considers suitable for performance by private-sector sources.

SEC. 1403. COMPETITIVE PROCUREMENT OF FUNCTIONS PERFORMED BY DEFENSE INFORMATION SYSTEMS AGENCY.

(a) COMPETITIVE PROCUREMENT REQUIRED.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2474. Competitive procurement of information services

''(a) STUDY AND REPORT.—(1) Not later than December 1, 1997, the Secretary of Defense shall initiate a study regarding the competitive procurement of those commercial and

industrial type functions performed before the date of the enactment of this Act by the Defense Information Systems Agency, with particular regard to the functions performed at the entities known as megacenters. The study shall analyze the conduct of competitions among private-sector sources and the Defense Information Systems Agency and other interested Federal agencies.

''(2) Not later than June 1, 1998, the Secretary of Defense shall submit to Congress a report containing the results of the study conducted under paragraph (1).

''(b) COMPETITIVE PROCUREMENT REQUIRED.—Beginning not later than October 1, 1999, the Secretary of Defense shall competitively procure those commercial and industrial type functions performed before that date by the Defense Information Systems Agency. The Secretary shall conduct competitions among private-sector sources and the Defense Information Systems Agency and other interested Federal agencies.

''(c) IMPROVEMENT OF COMPETITIVE ABILITY.—Before conducting a competition under subsection (b) for the procurement of information services that are being provided by a component of the Defense Information Systems Agency, the Secretary of Defense shall provide the component with an opportunity to establish its most efficient organization.

''(d) EXCEPTION FOR CLASSIFIED FUNCTIONS.—(1) The requirement of subsection (b) shall not apply to the procurement of services involving a classified function performed by the Defense Information Systems Agency.

''(2) In this subsection, the term 'classified function' means any telecommunications or information services that—

''(A) involve intelligence activities;

''(B) involve cryptologic activities related to national security;

''(C) involve command and control of military forces;

''(D) involve equipment that is an integral part of a weapon or weapons system; or

''(E) are critical to the direct fulfillment of military or intelligence missions (other than routine administrative and business applications, such as payroll, finance, logistics, and personnel management applications).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2474. Competitive procurement of information services.''.

SEC. 1404. COMPETITIVE PROCUREMENT OF PRINTING AND DUPLICATION SERVICES.

(a) EXTENSION.—Subsection (a) of section 351 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 266) is amended—

(1) by striking out ''and 1997'' and inserting in lieu thereof ''through 1998''; and

(2) by striking out ''Defense Printing Service'' and inserting in lieu thereof ''Defense Automation and Printing Service''.

(b) PROHIBITION ON SURCHARGE FOR SERVICES.—Such section is further amended by adding at the end the following new subsection:

''(d) PROHIBITION ON IMPOSITION OF SURCHARGE.—The Defense Automation and Printing Service may not impose a surcharge on any printing and duplication service for the Department of Defense that is procured from a source outside of the Department.''.

SEC. 1405. COMPETITIVE PROCUREMENT OF CERTAIN OPHTHALMIC SERVICES.

(a) COMPETITIVE PROCUREMENT REQUIRED.—Beginning not later than October 1, 1998, the Secretary of Defense shall competitively procure from private-sector sources, or other sources outside of the Department of Defense, all ophthalmic services related to the provision of single vision and multivision eyeware for members of the Armed Forces, retired members, and certain covered beneficiaries under chapter 55 of title 10, United States Code, who would otherwise receive such ophthalmic services through the Department of Defense.

(b) EXCEPTION.—Subsection (a) shall not apply to the extent that the Secretary of Defense determines that the use of sources within the Department of Defense to provide such ophthalmic services—

(1) is necessary to meet the readiness requirements of the Armed Forces; or

(2) is more cost effective.

(c) COMPLETION OF EXISTING ORDERS.—Subsection (a) shall not apply to orders for ophthalmic services received on or before September 30, 1998.

SEC. 1406. COMPETITIVE PROCUREMENT OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS BY DEFENSE AGENCIES .

(a) COMPETITION REQUIRED.—Section 2461 of title 10, United States Code, is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following new subsection:

''(g) COMPETITIVE PROCUREMENT BY DEFENSE AGENCIES.—(1) Beginning not later than September 30, 1999 (unless an earlier effective date is otherwise required for a specific Defense Agency), the Secretary of Defense shall competitively procure those commercial and industrial type functions performed before that date by a Defense Agency. The Secretary shall conduct competitions among private-sector sources and the Defense Agency involved and other interested Federal agencies.

''(2) Before conducting a competition under subsection (a) for the procurement of a commercial or industrial type function that is being performed by a component of a Defense Agency, the Secretary of Defense shall provide the component with an opportunity to establish its most efficient organization.

''(3) In this subsection, the term 'Defense Agency' means a program activity specified in the table entitled 'Program and Financing' for operation and maintenance, Defense-wide activities, in the budget of the President transmitted to Congress for fiscal year 1998 pursuant to section 1105 of title 31 (and any successor of such activity).''.

(b) IMPLEMENTATION REPORT.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report containing a plan to implement the competitive procurement requirements of section 2461(g) of title 10, United States Code, as added by subsection (a).

Subtitle B—Reform of Conversion Process

SEC. 1411. DEVELOPMENT OF STANDARD FORMS REGARDING PERFORMANCE WORK STATEMENT AND REQUEST FOR PROPOSAL FOR CONVERSION OF CERTAIN OPERATIONAL FUNCTIONS OF MILITARY INSTALLATIONS.

(a) STANDARD FORMS REQUIRED.—Chapter 146 of title 10, United States Code, is amended by inserting after section 2474, as added by section 1403, the following new section:

''§ 2475. Military installations: use of standard forms in conversion process

''(a) STANDARDIZATION OF REQUIREMENTS.—(1) The Secretary of Defense shall develop standard forms (to be known as a 'standard performance work statement' and a 'standard request for proposal') to be used in the consideration for conversion to contractor performance of those commercial services and functions at military installations that have been converted to contractor performance at a rate of 50 percent or more, as determined under subsection (c).

''(2) A separate standard form shall be developed for each service and function covered by paragraph (1) and the forms shall be used throughout the Department of Defense in lieu of the performance work statement and request for proposal otherwise required under the procedures and requirements of Office of Management and Budget Circular A–76 (or any successor administrative regulation or policy).

''(3) The Secretary shall develop and implement the standard forms not later than October 1, 1998.

''(b) INAPPLICABILITY OF ELEMENTS OF OMB CIRCULAR A–76.—On and after October 1, 1998, the procedures and requirements of Office of Management and Budget Circular A–76 regarding performance work statements and requests for proposals shall not apply with respect to the conversion to contractor performance at a military installation of a service or function for which a standard form is required under subsection (a).

''(c) DETERMINATION OF CONTRACTOR PERFORMANCE PERCENTAGE.—In determining the percentage at which a particular commercial service or function at military installations has been converted to contractor performance, the Secretary of Defense shall take into consideration all military installations and use the final estimate of the percentage of contractor performance of services and functions contained in the most recent commercial and industrial activity inventory database established under Office of Management and Budget Circular A–76.

''(d) EXCLUSION OF MULTI-FUNCTION CONVERSION.—If a commercial service or function for which a standard form is developed under subsection (a) is combined with another service or function (for which such a form is not required) for purposes of considering the services and functions at the military installation for conversion to contractor performance, a standard form developed under subsection (a) may not be used in the conversion process in lieu of the procedures and requirements of Office of Management and Budget Circular A–76 regarding performance work statements and requests for proposals.

''(e) EFFECT ON OTHER LAWS.—Nothing in this section shall be construed to supersede any other requirements or limitations, specifically contained in this chapter, on the conversion to contractor performance of activities performed by civilian employees of the Department of Defense.

''(f) MILITARY INSTALLATION DEFINED.—In this section, the term 'military installation' means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Department of Defense, including any leased facility.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2474, as added by section 1403, the following new item:

''2475. Military installations: use of standard forms in conversion process.''.

SEC. 1412. STUDY AND NOTIFICATION REQUIREMENTS FOR CONVERSION OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS TO CONTRACTOR PERFORMANCE.

(a) NOTIFICATION.—Section 2461 of title 10, United States Code, is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following new subsections:

''(a) NOTIFICATION OF CONVERSION STUDY.—(1) In the case of a commercial or industrial type function of the Department of Defense that on October 1, 1980, was being performed by Department of Defense civilian employees, the Secretary of Defense shall notify Congress of any decision to study the function for possible conversion to performance

by a private contractor. The notification shall include information regarding the anticipated length and cost of the study.

''(2) A study of a commercial or industrial type function for possible conversion to contractor performance shall include the following:

''(A) A comparison of the performance of the function by Department of Defense civilian employees and by private contractor to determine whether contractor performance will result in savings to the Government over the life of the contract.

''(B) An examination of the potential economic effect on employees who would be affected by the conversion, and the potential economic effect on the local community and the United States if more than 75 employees perform the function.

''(C) An examination of the effect of contracting for performance of the function on the military mission of the function.

''(b) NOTIFICATION OF CONVERSION DECISION.—If, as a result of the completion of a study under subsection (a) regarding the possible conversion of a function to performance by a private contractor, a decision is made to convert the function to contractor performance, the Secretary of Defense shall notify Congress of the conversion decision. The notification shall—

''(1) indicate that the study conducted regarding conversion of the function to performance by a private contractor has been completed;

''(2) certify that the comparison required by subsection (a)(2)(A) as part of the study demonstrates that the performance of the function by a private contractor will result in savings to the Government over the life of the contract;

''(3) certify that the entire comparison is available for examination; and

''(4) contain a timetable for completing conversion of the function to contractor performance.''.

(b) WAIVER FOR SMALL FUNCTIONS.—Subsection (d) of such section is amended by striking out ''45 or fewer'' and inserting in lieu thereof ''20 or fewer''.

SEC. 1413. COLLECTION AND RETENTION OF COST INFORMATION DATA ON CONTRACTED OUT SERVICES AND FUNCTIONS.

(a) COLLECTION AND RETENTION REQUIRED.—Section 2463 of title 10, United States Code, is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(2) by inserting after the section heading the following new subsection:

''(a) REQUIREMENTS IN CONNECTION WITH CONVERSION TO CONTRACTOR PERFORMANCE.—With respect to each contract converting the performance of a service or function of the Department of Defense to contractor performance (and any extension of such a contract), the Secretary of Defense shall collect, during the term of the contract or extension, but not to exceed five years, cost information data regarding performance of the service or function by private contractor employees. The Secretary shall provide for the permanent retention of information collected under this subsection.''.

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (b), as redesignated by subsection (a)(1)—

(A) by striking out the subsection heading and inserting in lieu thereof ''REQUIREMENTS IN CONNECTION WITH RETURN TO EMPLOYEE PERFORMANCE.—''; and

(B) by striking out ''to which this section applies'' and inserting in lieu thereof ''described in subsection (c),''; and

(2) in subsection (c), as redesignated by subsection (a)(1)——

(A) by striking out the subsection heading and inserting in lieu thereof ''COVERED FISCAL YEARS.—''; and

(B) by striking out ''This section'' and inserting in lieu thereof ''Subsection (b)''.

(c) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

''§ 2463. Collection and retention of cost information data on contracted out services and functions

(2) The item relating to such section in the table of sections at the beginning of chapter 146 of title 10, United States Code, is amended to read as follows:

''2463. Collection and retention of cost information data on contracted out services and functions.''.

Subtitle C—Other Reforms

SEC. 1421. REDUCTION IN OVERHEAD COSTS OF INVENTORY CONTROL POINTS.

(a) REDUCTION IN COSTS REQUIRED.—The Secretary of Defense shall take such actions as may be necessary to reduce the annual overhead costs of the supply management activities of the Defense Logistics Agency and the military departments (known as Inventory Control Points) so that the annual overhead costs are not more than eight percent of annual net sales at standard price by the Inventory Control Points.

(b) TIME TO ACHIEVE REDUCTION.—The Secretary shall achieve the cost reductions required by subsection (a) not later than September 30, 2000.

(c) IMPLEMENTATION PLAN.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a plan to achieve the reduction in overhead costs required by subsection (a).

(d) DEFINITIONS.—For purposes of this section:

(1) The term ''overhead costs'' means the total expenses of the Inventory Control Points, excluding—

(A) annual materiel costs; and

(B) military and civilian personnel related costs, defined as personnel compensation and benefits under the March 1996 Department of Defense Financial Management Regulations, Volume 2A, Chapter 1, Budget Account Title File (Object Classification Name/Code), object classifications 200, 211, 220, 221, 222, and 301.

(2) The term ''net sales at standard price'' has the meaning given that term in the March 1996 Department of Defense Financial Management Regulations, Volume 2B, Chapter 9, and displayed in ''Exhibit Fund—14 Revenue and Expenses'' for the supply management business areas.

SEC. 1422. CONSOLIDATION OF PROCUREMENT TECHNICAL ASSISTANCE AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE.

(a) CONSOLIDATION OF ASSISTANCE.—Chapter 142 of title 10, United States Code, is amended as follows:

(1) Sections 2412, 2414, 2417, and 2418 are each amended by inserting ''and electronic commerce'' after ''procurement'' each place it appears.

(2) Section 2413 is amended—

(A) in subsection (b), by striking out ''procurement technical assistance'' and inserting in lieu thereof ''both procurement technical assistance and electronic commerce technical assistance''; and

(B) in subsection (c), by inserting ''and electronic commerce'' after ''procurement''.

(b) REQUIREMENT TO USE COMPETITIVE PROCEDURES.—Section 2413 of such title is amended by adding at the end the following new subsection:

''(d) The Secretary shall use competitive procedures in entering into cooperative agreements under subsection (a).''.

(c) LIMITATION ON USE OF FUNDS.—Section 2417 of such title is amended—

(1) by striking out ''The Director'' and inserting in lieu thereof the following: ''(b) ADMINISTRATIVE COSTS.—The Director''; and

(2) by inserting before subsection (b) (as designated by paragraph (1)) the following:

''(a) LIMITATION ON USE OF FUNDS.—In any fiscal year the Secretary of Defense may use for the program authorized by this chapter only funds specifically appropriated for the program for that fiscal year.''.

(d) CLERICAL AMENDMENTS.—(1) The heading for chapter 142 of such title is amended to read as follows:

''CHAPTER 142—PROCUREMENT AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE PROGRAM''.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, of such title are each amended by striking out the item relating to chapter 142 and inserting in lieu thereof the following:

''142. Procurement and Electronic Commerce Technical Assistance Program ..... 2411''.

(3) The heading for section 2417 of such title is amended to read as follows:

''§ 2417. Funding provisions''.

(4) The table of sections at the beginning of chapter 142 of such title is amended by striking out the item relating to section 2417 and inserting in lieu thereof the following:

''2417. Funding provisions.''.

SEC. 1423. PERMANENT AUTHORITY REGARDING CONVEYANCE OF UTILITY SYSTEMS.

(a) IN GENERAL.—Chapter 159 of title 10, United States Code, is amended by inserting after section 2687 the following new section:

''§ 2688. Utility systems: permanent conveyance authority

''(a) CONVEYANCE AUTHORITY.—The Secretary of a military department may convey a utility system, or part of a utility system, under the jurisdiction of the Secretary to a municipal, private, regional, district, or cooperative utility company or other entity. The conveyance may consist of all right, title, and interest of the United States in the utility system or such lesser estate as the Secretary considers appropriate to serve the interests of the United States.

''(b) UTILITY SYSTEM DEFINED.—In this section, the term 'utility system' includes the following:

''(1) Electrical generation and supply systems.

''(2) Water supply and treatment systems.

''(3) Wastewater collection and treatment systems.

''(4) Steam or hot or chilled water generation and supply systems.

''(5) Natural gas supply systems.

''(6) Sanitary landfills or lands to be used for sanitary landfills.

''(7) Similar utility systems.

''(c) CONSIDERATION.—(1) The Secretary of a military department may accept consideration received for a conveyance under subsection (a) in the form of a cash payment or a reduction in utility rate charges for a period of time sufficient to amortize the monetary value of the utility system, including any real property interests, conveyed.

''(2) Cash payments received shall be credited to an appropriation account designated as appropriate by the Secretary of Defense. Amounts so credited shall be available for the same time period as the appropriation credited and shall be used only for the purposes authorized for that appropriation.

''(d) CONGRESSIONAL NOTIFICATION.—A conveyance may not be made under subsection (a) until—

''(1) the Secretary of the military department concerned submits to the appropriate committees of Congress (as defined in section 2801(c)(4) of this title) a report containing an economic analysis (based upon accepted life-cycle costing procedures approved by the Secretary of Defense) which demonstrates that the full cost to the United States of the proposed conveyance is cost-effective when compared with alternative means of furnishing the same utility systems; and

''(2) a period of 21 days has elapsed after the date on which the report is received by the committees.

''(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the military department concerned may require such additional terms and conditions in a conveyance entered into under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2687 the following new item:

''2688. Utility systems: permanent conveyance authority.''.

TITLE XV—MISCELLANEOUS ADDITIONAL DEFENSE REFORMS

SEC. 1501. LONG-TERM CHARTER CONTRACTS FOR ACQUISITION OF AUXILIARY VESSELS FOR THE DEPARTMENT OF DEFENSE.

(a) PROGRAM AUTHORIZATION.—Chapter 631 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 7233. Auxiliary vessels: authority for long-term charter contracts

''(a) AUTHORIZED CONTRACTS.—After September 30, 1998, the Secretary of the Navy, subject to subsection (b), may enter into a contract for the long-term lease or charter of a newly built surface vessel, under which the contractor agrees to provide a crew for the vessel for the term of the long-term lease or charter, for any of the following:

''(1) The combat logistics force of the Navy.

''(2) The strategic sealift program of the Navy.

''(3) Other auxiliary support vessels for the Department of Defense.

''(b) CONTRACTS REQUIRED TO BE AUTHORIZED BY LAW.—A contract may be entered into under this section with respect to specific vessels only if the Secretary is specifically authorized by law to enter into such a contract with respect to those vessels.

''(c) FUNDS FOR CONTRACT PAYMENTS.—The Secretary may make payments for contracts entered into under this section using funds available for obligation during the fiscal year for which the payments are required to be made. Any such contract shall provide that the United States will not be required to make a payment under the contract (other than a termination payment, if required) before October 1, 2000.

''(d) BUDGETING PROVISIONS.—Any contract entered into under this section shall be treated as a multiyear service contract and as an operating lease for purposes of any provision of law relating to the Federal budget and Federal budget accounting procedures, including part C of title II of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.), and any regulation or directive (including any directive of the Office of Management and Budget) prescribed with respect to the Federal budget and Federal budget accounting procedures.

''(e) TERM OF CONTRACT.—In this section, the term 'long-term lease or charter' means a lease, charter, service contract, or conditional sale agreement with respect to a vessel the term of which (including any option period) is for a period of 20 years or more.

''(f) OPTION TO BUY.—A contract entered into under the authority of this section may contain options for the United States to purchase one or more of the vessels covered by the contract at any time during, or at the end of, the contract period (including any option period) upon payment of an amount not in excess of the unamortized portion of the cost of the vessels plus amounts incurred in connection with the termination of the financing arrangements associated with the vessels.

''(g) DOMESTIC CONSTRUCTION.—The Secretary shall require in any contract entered into under this section that each vessel to which the contract applies—

''(1) shall have been constructed in a shipyard within the United States; and

''(2) upon delivery, shall be documented under the laws of the United States.

''(h) VESSEL CREWING.—The Secretary shall require in any contract entered into under this section that the crew of any vessel to which the contract applies be comprised of private sector commercial mariners.

''(i) CONTINGENT WAIVER OF OTHER PROVISIONS OF LAW.—A contract authorized by this section may be entered into without regard to section 2401 or 2401a of this title if the Secretary of Defense makes the following findings with respect to that contract:

''(1) The need for the vessels or services to be provided under the contract is expected to remain substantially unchanged during the contemplated contract or option period.

''(2) There is a reasonable expectation that throughout the contemplated contract or option period the Secretary of the Navy (or, if the contract is for services to be provided to, and funded by, another military department, the Secretary of that military department) will request funding for the contract at the level required to avoid contract cancellation.

''(3) The use of such contract or the exercise of such option is in the interest of the national defense.

''(j) SOURCE OF FUNDS FOR TERMINATION LIABILITY.—If a contract entered into under this section is terminated, the costs of such termination may be paid from—

''(1) amounts originally made available for performance of the contract;

''(2) amounts currently available for operation and maintenance of the type of vessels or services concerned and not otherwise obligated; or

''(3) funds appropriated for those costs.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''7233. Auxiliary vessels: authority for long-term charter contracts.''.

SEC. 1502. FIBER-OPTICS BASED TELECOMMUNICATIONS LINKAGE OF MILITARY INSTALLATIONS.

(a) INSTALLATION REQUIRED.—In at least one metropolitan area of the United States containing multiple military installations of one or more military department or Defense Agency, the Secretary of Defense shall provide for the installation of fiber-optics based telecommunications technology to link as many of the installations in the area as practicable in a privately dedicated telecommunications network. The Secretary shall use a competitive process to provide for the installation of the telecommunications network through one or more new contracts.

(b) FEATURES OF NETWORK.—The telecommunications network shall provide direct access to local and long distance telephone carriers, allow for transmission of both classified and unclassified information, and take advantage of the various capabilities of fiber-optics based telecommunications technology.

(c) TIME FOR INSTALLATION.—The telecommunications network or networks to be installed under this section shall be installed and operational not later than September 30, 1999.

(d) REPORT ON IMPLEMENTATION.—Not later than March 1, 1998, the Secretary of Defense shall submit to the congressional defense committees a report on the implementation of subsections (a) and (b), including the metropolitan area or areas selected for the telecommunications network, the estimated cost of the network, and potential areas for the future use of such fiber-optics based telecommunications technology.

SEC. 1503. REPEAL OF REQUIREMENT FOR CONTRACTOR GUARANTEES ON MAJOR WEAPON SYSTEMS.

(a) REPEAL.—Section 2403 of title 10, United States Code, is repealed.

(b) CLERICAL AND CONFORMING AMENDMENTS.—(1) The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2403.

(2) Section 803 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2604; 10 U.S.C. 2430 note) is amended—

(A) in subsection (a), by striking out ''2403,'';

(B) by striking out subsection (c); and

(C) by redesignating subsection (d) as subsection (c).

SEC. 1504. REQUIREMENTS RELATING TO MICRO-PURCHASES OF COMMERCIAL ITEMS.

(a) IN GENERAL.—Section 2304 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(l) MICRO-PURCHASES.—(1) A contracting officer may not award a contract or issue a purchase order to buy commercial items for an amount equal to or less than the micro-purchase threshold unless a member of the Senior Executive Service or a general or flag officer makes a written determination that—

''(A) the source or sources available for the commercial item do not accept a preferred micro-purchase method, and the contracting officer is seeking a source that does accept such a method; or

''(B) the nature of the commercial item necessitates a contract or purchase order so that terms and conditions can be specified.

''(2) In this subsection:

''(A) The term 'micro-purchase threshold' has the meaning provided in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428).

''(B) The term 'preferred micro-purchase method' means the use of the Government-wide commercial purchase card or any other method for carrying out micro-purchases that Secretary of Defense prescribes in the regulations implementing this subsection.

''(3) The Secretary of Defense shall prescribe regulations to implement this subsection. The regulations shall include such additional preferred methods of carrying out micro-purchases, and such exceptions to the requirement of paragraph (1), as the Secretary considers appropriate.''.

(b) EFFECTIVE DATE.—Subsection (l) of section 2304 of title 10, United States Code, as added by subsection (a), shall apply with respect to micro-purchases made on or after October 1, 1997.

SEC. 1505. AVAILABILITY OF SIMPLIFIED PROCEDURES TO COMMERCIAL ITEM PROCUREMENTS.

(a) ARMED SERVICES ACQUISITIONS.—Section 2304(g) of title 10, United States Code, is amended in paragraph (1)(B) by striking out ''only''.

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C.

253(g)) is amended in paragraph (1)(B) by striking out ''only''.

SEC. 1506. TERMINATION OF THE ARMED SERVICES PATENT ADVISORY BOARD.

(a) TERMINATION OF BOARD.—The organization within the Department of Defense known as the Armed Services Patent Advisory Board is terminated. No funds available for the Department of Defense may be used for the operation of that Board after the date specified in subsection (c).

(b) TRANSFER OF FUNCTIONS.—All functions performed on the day before the date of the enactment of this Act by the Armed Services Patent Advisory Board (including performance of the responsibilities of the Department of Defense for security review of patent applications under chapter 17 of title 35, United States Code) shall be transferred to the Defense Technology Security Administration.

(c) EFFECTIVE DATE.—Subsection (a) shall take effect at the end of the 120-day period beginning on the date of the enactment of this Act.

SEC. 1507. COORDINATION OF DEPARTMENT OF DEFENSE CRIMINAL INVESTIGATIONS AND AUDITS.

(a) BOARD ON CRIMINAL INVESTIGATIONS.—Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 182. Board on Criminal Investigations

''(a) ESTABLISHMENT.—(1) There is in the Department of Defense a Board on Criminal Investigations. The Board consists of the following officials:

''(A) The Assistant Secretary of Defense for Command, Control, Communications, and Intelligence.

''(B) The head of the Army Criminal Investigation Command.

''(C) The head of the Naval Criminal Investigative Service.

''(D) The head of the Air Force Office of Special Investigations.

''(2) To ensure cooperation between the military department criminal investigative organizations and the Defense Criminal Investigative Service, the Inspector General of the Department of Defense shall serve as a nonvoting member of the Board.

''(b) FUNCTIONS OF BOARD.—The Board shall provide for coordination and cooperation between the military department criminal investigative organizations so as to avoid duplication of effort and maximize resources available to the military department criminal investigative organizations.

''(c) REGIONAL WORKING GROUPS.—The Board shall establish working groups at the regional level to address and resolve issues of jurisdictional responsibility that may arise regarding criminal investigations involving a military department criminal investigative organization. A working group shall consist of managers or supervisors of the military department criminal investigative organizations who have the authority to make binding decisions regarding which organization will conduct a particular criminal investigation or whether a criminal investigation should be conducted jointly.

''(d) AUTHORITY OF ASSISTANT SECRETARY.—In the event that a regional working group or the Board is unable to resolve an issue of investigative responsibility, the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence shall have the responsibility to make a final determination regarding the issue.

''(e) MILITARY DEPARTMENT CRIMINAL INVESTIGATIVE ORGANIZATION DEFINED.—In this section, the term 'military department criminal investigative organization' means any of the following:

''(1) The Army Criminal Investigation Command.

''(2) The Naval Criminal Investigative Service.

''(3) The Air Force Office of Special Investigations.''.

(b) BOARD ON AUDITS.—Such chapter is further amended by inserting after section 182, as added by subsection (a), the following new section:

''§ 183. Board on Audits

''(a) ESTABLISHMENT.—(1) There is in the Department of Defense a Board on Audits. The Board consists of the following officials:

''(A) The Under Secretary of Defense (Comptroller).

''(B) The Auditor General of the Army.

''(C) The Auditor General of the Navy.

''(D) The Auditor General of the Air Force.

''(E) The director of the Defense Contract Audit Agency.

''(2) To ensure cooperation between the defense auditing organizations and the Office of the Inspector General of the Department of Defense, the Inspector General of the Department of Defense shall serve as a nonvoting member of the Board.

''(b) FUNCTIONS OF BOARD.—The Board shall provide for coordination and cooperation between the defense auditing organizations so as to avoid duplication of effort and maximize resources available to the defense auditing organizations.

''(c) REGIONAL WORKING GROUPS.—The Board shall establish working groups at the regional level to address and resolve issues of jurisdictional responsibility that may arise regarding audits involving a defense auditing organization. A working group shall consist of managers or supervisors of the defense auditing organizations who have the authority to make binding decisions regarding which defense auditing organization will conduct a particular audit or whether an audit should be conducted jointly.

''(d) AUTHORITY OF UNDER SECRETARY OF DEFENSE (COMPTROLLER).—In the event that a regional working group or the Board is unable to resolve an issue of jurisdictional responsibility, the Under Secretary of Defense (Comptroller) shall have the responsibility to make a final determination regarding the issue.

''(e) DEFENSE AUDITING ORGANIZATION DEFINED.—In this section, the term 'defense auditing organization' means any of the following:

''(1) The Army Audit Agency.

''(2) The Naval Audit Service.

''(3) The Air Force Audit Agency.

''(4) The Defense Contract Audit Agency.''.

(c) WORKING GUIDANCE.—Not later than December 31, 1997, the Secretary of Defense shall prescribe such policies as may be necessary for the operation of the Board on Criminal Investigations and the Board on Audits established pursuant to the amendments made by this section.

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of such chapter is amended by adding at the end the following new items:

''182. Board on Criminal Investigations.
''183. Board on Audits.''.

SEC. 1508. DEPARTMENT OF DEFENSE BOARDS, COMMISSIONS, AND ADVISORY COMMITTEES.

(a) TERMINATION OF EXISTING ADVISORY COMMITTEES.—(1) Effective December 31, 1998, any advisory committee established in, or administered or funded (in whole or in part) by, the Department of Defense that (A) is in existence on the day before the date of the enactment of this Act, and (B) was not established by law, or expressly continued by law, after January 1, 1995, is terminated.

(2) For purposes of this section, the term ''advisory committee'' means an entity that is subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

(b) REPORT ON COMMITTEES FOR WHICH CONTINUATION IS REQUESTED.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report setting forth those advisory committees subject to subsection (a) that the Secretary proposes to continue. The Secretary shall include in the report, for each such committee, the justification for continuing the committee and a statement of the costs of such continuation over the next four fiscal years. The Secretary shall include in the report a proposal for any legislation that may be required for the continuations proposed in the report.

(c) POLICY FOR FUTURE DOD ADVISORY COMMITTEES.—(1) Chapter 7 of title 10, United States Code, is amended by inserting after section 183, as added by section 1507(b), the following new section:

''§ 184. Boards, commissions, and other advisory committees: limitations

''(a) LIMITATION ON ESTABLISHMENT.—No advisory committee may be established in, or administered or funded (in whole or in part) by, the Department of Defense except as specifically provided by law after the date of the enactment of this section.

''(b) TERMINATION OF ADVISORY COMMITTEES.—Each advisory committee of the Department of Defense (whether established by law, by the President, or by the Secretary of Defense) shall terminate not later than the expiration of the four-year period beginning on the date of its establishment or on the date of the most recent continuation of the advisory committee by law.

''(c) EXCEPTION FOR TEMPORARY ADVISORY COMMITTEES.—Subsection (a) does not apply to an advisory committee established for a period of one year or less for the purpose (as set forth in the charter of the advisory committee) of examining a matter that is critical to the national security of the United States.

''(d) ANNUAL REPORT.—Not later than March 1 of each year (beginning in 1999), the Secretary of Defense shall submit to Congress a report on advisory committees of the Department of Defense. In each such report, the Secretary shall identify each advisory committee that the Secretary proposes to support during the next fiscal year and shall set forth the justification for each such committee and the projected costs for that committee for the next fiscal year. In the case of any advisory committee that is to terminate in the year following the year in which the report is submitted pursuant to subsection (b) and that the Secretary proposes be continued by law, the Secretary shall include in the report a request for continuation of the committee and a justification and cost estimate for such continuation.

''(e) ADVISORY COMMITTEE DEFINED.—In this section, the term 'advisory committee' means an entity that is subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 183, as added by section 1507(d), the following new item:

''184. Boards, commissions, and other advisory committees: limitations.''.

SEC. 1509. ADVANCES FOR PAYMENT OF PUBLIC SERVICES.

(a) IN GENERAL.—Subsection (a) of section 2396 of title 10, United States Code, is amended—

(1) by striking out ''and'' at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof ''; and''; and

(3) by adding at the end the following new paragraph:

''(4) public service utilities.''.

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

''§ 2396. Advances for payments for compliance with foreign laws, rent in foreign countries, tuition, public utility services, and pay and supplies of armed forces of friendly foreign countries''.

(2) The item relating to such section in the table of sections at the beginning of chapter 141 of such title is amended to read as follows:

''2396. Advances for payments for compliance with foreign laws, rent in foreign countries, tuition, public utility services, and pay and supplies of armed forces friendly foreign countries.''.

TITLE XVI—COMMISSION ON DEFENSE ORGANIZATION AND STREAMLINING

SEC. 1601. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the ''Commission on Defense Organization and Streamlining'' (hereinafter in this title referred to as the ''Commission'').

(b) COMPOSITION.—The Commission shall be composed of nine members, appointed as follows:

(1) Two members shall be appointed by the chairman of the Committee on National Security of the House of Representatives.

(2) Two members shall be appointed by the ranking minority party member of the Committee on National Security of the House of Representatives.

(3) Two members shall be appointed by the chairman of the Committee on Armed Services of the Senate.

(4) Two members shall be appointed by the ranking minority party member of the Committee on Armed Services of the Senate.

(5) One member, who shall serve as chairman of the Commission, shall be appointed by at least three of the Members of Congress referred to paragraphs (1) through (4) acting jointly.

(c) QUALIFICATIONS.—Members of the Commission shall be appointed from among private United States citizens with knowledge and expertise in organization and management matters.

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(e) INITIAL ORGANIZATION REQUIREMENTS.—(1) All appointments to the Commission shall be made not later than 30 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting not later than 30 days after the date on which all members of the Commission have been appointed.

(f) SECURITY CLEARANCES.—The Secretary of Defense shall expedite the processing of appropriate security clearances for members of the Commission.

SEC. 1602. DUTIES OF COMMISSION.

(a) IN GENERAL.—(1) The Commission shall examine the missions, functions, and responsibilities of the Office of the Secretary of Defense, the management headquarters and headquarters support activities of the military departments and Defense Agencies, and the various acquisition organizations of the Department of Defense (and the relationships among such Office, activities, and organizations).

(2) On the basis of such examination, the Commission shall propose alternative organizational structures and alternative allocations of authorities as it considers appropriate.

(b) DUPLICATION AND REDUNDANCY.— In carrying out its duties, the Commission shall identify areas of duplication and recommend options to streamline, reduce, and eliminate redundancies.

(c) SPECIAL REQUIREMENTS REGARDING OFFICE OF SECRETARY.—The examination of the missions, functions, and responsibilities of the Office of the Secretary of Defense shall include the following:

(1) An assessment of the appropriate functions of the Office and whether the Office of the Secretary of Defense or some of its component parts should be organized along mission lines.

(2) An assessment of the adequacy of the present organizational structure to efficiently and effectively support the Secretary in carrying out responsibilities in a manner that ensures civilian authority in the Department of Defense.

(3) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the Joint Staff.

(4) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the military departments.

(5) An assessment of the appropriate number of Under Secretaries of Defense, Assistant Secretaries of Defense, Deputy Under Secretaries of Defense, and Deputy Assistant Secretaries of Defense.

(6) An assessment of any benefits or efficiencies derived from decentralizing certain functions currently performed by the Office of the Secretary of Defense.

(d) SPECIAL REQUIREMENTS REGARDING HEADQUARTERS.—The examination of the missions, functions, and responsibilities of the management headquarters and headquarters support activities of the military departments and Defense Agencies shall include the following:

(1) An assessment on the adequacy of the present headquarters organization structure to efficiently and effectively support the mission of the military departments and the Defense Agencies.

(2) An assessment of options to reduce the number of personnel assigned to such headquarters staffs and headquarters support activities.

(3) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and headquarters staffs of the military departments and the Defense Agencies.

(4) An assessment of the possible benefits that could be derived from further functional consolidation between the civilian secretariat of the military departments and the staffs of the military service chiefs.

(5) An assessment of the possible benefits that could be derived from reducing the number of civilian officers in the military departments who are appointed by and with the advice and consent of the Senate.

(e) SPECIAL REQUIREMENTS REGARDING ACQUISITION ORGANIZATIONS.—The examination of the missions, functions, and responsibilities of the various acquisition organizations of the Department of Defense shall include the following:

(1) An assessment of benefits of consolidation or selected elimination of Department of Defense acquisition organizations.

(2) An assessment of the opportunities to streamline the defense acquisition infrastructure that were realized as a result of the enactment of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355) and the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) or as result of other acquisition reform initiatives implemented administratively during the period from 1993 through 1997.

(3) An assessment of such other defense acquisition infrastructure streamlining or restructuring options as the Commission considers appropriate.

(f) COOPERATION FROM GOVERNMENT OFFICIALS.—In carrying out its duties, the Commission should receive the full and timely cooperation of the Secretary of Defense and any other United States Government official responsible for providing the Commission with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

SEC. 1603. REPORTS.

The Commission shall submit to Congress an interim report containing its preliminary findings and conclusions not later than March 15, 1998, and a final report containing its findings and conclusions not later than July 15, 1998.

SEC. 1604. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this title, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this title.

SEC. 1605. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum other than for the purpose of holding hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission.

(c) COMMISSION.—The Commission may establish panels composed of less than full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

SEC. 1606. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—Members of the Commission shall serve without pay by reason of their work on the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The appointment of a staff director shall be subject to the approval of the Commission.

(2) The chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule

pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS–15 of the General Schedule.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

SEC. 1607. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Secretary of Defense shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

SEC. 1608. FUNDING.

Funds for activities of the Commission shall be provided from amounts appropriated for the Department of Defense for operation and maintenance for Defense-wide activities for fiscal year 1998. Upon receipt of a written certification from the Chairman of the Commission specifying the funds required for the activities of the Commission, the Secretary of Defense shall promptly disburse to the Commission, from such amounts, the funds required by the Commission as stated in such certification.

SEC. 1609. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the date of the submission of its final report under section 1603.

The CHAIRMAN. Pursuant to the rule, the gentleman from South Carolina [Mr. SPENCE] and a Member opposed, each will control 30 minutes.

Mr. DELLUMS. Mr. Chairman, since no one rises in opposition to the amendment and it is not my intention to rise in opposition, I am in support, but with that explanation, I would ask unanimous consent that the balance of the time be yielded to this gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself 6 minutes.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, I join the ranking Democrat on the Committee on National Security, the gentleman from California [Mr. DELLUMS] in jointly offering this amendment.

This amendment is essentially H.R. 1778, the Defense Reform Act of 1997, which was reported out of the House Committee on National Security last week by voice vote with some minor modifications and without provisions in that bill addressing environmental reforms.

Mr. Chairman, I offer this important amendment in the hope and expectation that it will move us closer to effecting significant and much-needed reform of the Department of Defense. At the appropriate time, I will insert in the RECORD the applicable report language explaining the legislative history and intent of the provisions contained in this amendment.

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Mr. Chairman, defense spending has suffered 13 consecutive years of real decline. At the same time, the Department of Defense is facing billions of dollars in readiness, quality of life, and modernization shortfalls. Complicating this situation, our military forces have been reduced by one-third over the last 10 years, and the recently released Quadrennial Defense Review recommends further force reductions even though our forces are busier than they have ever been.

These realities have dramatically increased the imperative to aggressively pursue reforms in how the Department of Defense is organized, resourced and conducts its day-to-day business.

The Spence-Dellums amendment builds on past committee initiatives to reform the Department of Defense, and it contains a number of organizational, business practice, acquisition, and policy reforms intended to compel the Department of Defense to operate more efficiently. According to the Congressional Budget Office, just the provisions of this amendment dealing with the downsizing of the bureaucracy will save $15.5 billion over the next 5 years and $5 billion the year thereafter. This does not count any of the expected savings resulting from the various business practices and acquisition reforms contained in the bill.

This amendment proposes action on several fronts: First, it addresses work force reductions. Over the past several years the committee has focused attention on the disproportionate size of the work force assigned to the Office of the Secretary of Defense headquarters staff and acquisition organizations. Retaining such an overstaffed bureaucracy is untenable when troops have been reduced by 33 percent.

Second, this amendment also recognizes that there are many commercial functions which are currently performed by the Department which are neither inherently governmental nor directly related to the war-fighting mission. Accordingly, it imposes business practice reforms by mandating that a number of commercial activities of the department, such as finance and accounting, information services and property disposal, be competitively procured. It does not mandate privatization, just competition. And in recognition of the fact that the private sector is not always more cost-effective than the public sector, the bill ensures that the existing work force will be able to compete.

Spending on infrastructure and support services account for nearly 60 percent of the defense budget. According to GAO, 45 percent of all active duty military personnel are assigned to infrastructure functions. This trend must be reversed. As the war-fighting element or the tooth of the military services becomes smaller by comparison to the infrastructure/support or tail, the risk of a hollow force becomes real. In the current budget environment, maintaining an effective combat capability demands a defense establishment that is smaller, more efficient and able to maintain critical war-fighting capability at a lower cost.

This amendment has received the endorsement of the council for Citizens Against Government Waste and Americans For Tax Reform. I pause after that. That should be of interest to everyone, many of whom vote on the recommendations of these two organizations.

Mr. Chairman, the imperative to reform how the Department of Defense conducts its business has never been greater. The Defense Reform Act of 1997, and this amendment, achieves this goal. I strongly urge a ''yes'' vote on the Spence-Dellums defense reform amendment.

Mr. Chairman, the report language referred to above, follows herewith:

PURPOSE AND BACKGROUND

Consistent with the recently concluded bipartisan balanced budget agreement, the fiscal year 1998 defense budget will represent the 13th straight year of real decline in defense spending. However, persistent shortfalls in critical defense modernization, readiness and quality of life accounts totaling billions of dollars over the Future Years Defense Program remain with no realistic prospect of solution within the existing budgetary framework. Exacerbating the situation, U.S. military forces have been reduced by one-third over the last ten years and the recently released Quadrennial Defense Review (QDR) recommends further force reductions, even though U.S. forces are busier than they have ever been.

The starkness of the realities facing the defense budget have dramatically increased the imperative to aggressively pursue reforms in how the Department of Defense is organized, resourced and conducts its day to day business. While the drive to achieve meaningful defense reform has existed for decades, the results have been mixed with only marginal improvements achieved.

During the 104th Congress, the House National Security Committee initiated a number of reforms in the areas of acquisition policy, infrastructure and support services, and DOD organization. These reforms were intended to increase the overall efficiency of the Department while, at the same time, preserving the critical military combat capability.

In the acquisition policy area, the committee streamlined and made more cost efficient

the acquisition process through reforms of a number of antiquated and restrictive federal acquisition laws. The committee also mandated numerous studies and pilot programs in the area of infrastructure and support services in an effort to determine the benefits of shifting responsibility for providing certain support services from the public sector to the private. Given the Department's critical national security mission, the committee recognizes there will always be important support functions that must be performed, in part or in whole, by DOD employees. However, with spending on infrastructure and support services accounting for nearly 60 percent of the defense budget, the committee believes that reality should not stand in the way of moving aggressively to achieve greater efficiencies in non-critical support functions such as printing, payroll and travel, just to cite a few.

With respect to DOD organization, the committee is disappointed and concerned that its efforts to effect reform in this area, undertaken with a cooperative spirit, have been met with hostility and consistent noncompliance with statutory direction. The facts underlying the need for DOD organizational reform have not changed. In the same ten year period that active duty military forces have been reduced by 33 percent, the size of the staff and support personnel assigned to the Office of the Secretary of Defense has increased by over 40 percent. This trend of growth in the administrative support functions of the Department undermine the credibility of any internal effort to attack the widely recognized imbalance between combat forces and support infrastructure.

The committee acknowledges the QDR's review of defense reform issues and resulting initiatives. However, the committee notes with disappointment the lack of detail and specifics on implementation of these initiatives. Further, while the committee commends Secretary Cohen's commitment to taking on defense reform through the establishment of the Task Force on Defense Reform, the committee notes that the results of that new review will not be known until late this year.

This legislation builds on past committee initiatives to effect reform in the Department of Defense. It undertakes a number of organizational, structural, defense business practice, acquisition and policy reforms that will make the Department operate more efficiently.

The committee notes that, in implementing the provisions of this bill, the Secretary of Defense may apply any applicable workyear reductions resulting from sections 1401, 1402, 1403, 1405, 1406, and 1421 of this bill to the relevant headquarters reductions and acquisition workforce reductions required by sections 1301 and 1302. Further, the committee is aware that there may be a ''double counting'' effect, whereby a position being eliminated may, for example, fall into both an acquisition workforce and headquarters definition. It is the committee's intent that reductions in the workforce resulting from this bill shall count toward all relevant affected functions or organizations.

SECTION-BY-SECTION ANALYSIS

TITLE XIII—DEFENSE PERSONNEL REFORMS

SECTION 1301—REDUCTION IN PERSONNEL ASSIGNED TO MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES

This section would require a 25 percent reduction in management headquarters and headquarters support personnel, as defined in DOD Instruction 5100.73, over four years and implemented on an annual basis. In execution of this section, the Department would base its reductions upon personnel levels as of October 1, 1997. This section would also require the Secretary of Defense to examine DOD Instruction 5100.73 and make recommendations to Congress by January 15, 1998 on a revised directive that uniformly applies a DOD-wide definition of management headquarters and headquarters support functions.

The committee continues to be concerned with the size and cost of the Department's management headquarters and headquarters support activities. Ten years after the enactment of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99–433), the committee believes that the Department requires a further reexamination of the structure and size of its management headquarters and headquarters support activities to eliminate unnecessary duplication, outdated modes of organization, and wasteful inefficiencies.

The committee unsuccessfully sought to engage the Department in the 104th Congress on the appropriate size, composition and structure of its Military Department Headquarters staffs. The committee notes with concern that the Department has yet to submit the report and recommendations required by section 904 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201). While the Quadrennial Defense Review (QDR) has cited reducing and streamling management headquarters and headquarters support activities as a priority, it has postponed implementation of reductions until another internal study reviews the issue and makes recommendations to the Secretary of Defense by August 29, 1997.

The committee is encouraged with the QDR's assertion that the reduction of layers of oversight at headquarters and operational commands and elimination of management and support personnel will yield 10,000 military and 14,000 civilian positions. The committee concurs with the need to drawdown unnecessary infrastructure and supports the Department in this regard. However, the committee is concerned the Department may not have an accurate understanding of the costs associated with management headquarters and headquarters support activities. Specifically, the committee questions whether the Department is relying upon the proper definition and whether the governing DOD directive is being adequately implemented. The committee is aware of several organizations that have not been reported by DOD as management headquarters or headquarters support, but appear to be performing those functions. These organizations include the Air Force Studies and Analyses Agency, U.S. Army's Forces Command Field Support Activity, Air Combat Command's Studies and Analyses Squadron, and the U.S. Atlantic Command's Information Systems Support Group. Furthermore, the committee understands only a portion of the headquarters staffs of the DOD Inspector General and some Defense Agencies are reported by DOD as being management headquarters or headquarters support. In addition, none of the headquarters of the numbered air forces are currently reported (although they were in the past), and the Navy's Program Executive Offices apparently have not been reported in spite of the DOD directive requiring their inclusion.

The committee understands the Department intends to address the inadequacies of the current definition of management headquarters and headquarters support activities in its August 29, 1997 report to the Secretary and looks forward to specific recommendations to rectify this situation.

SECTION 1302—ADDITIONAL REDUCTION IN DEFENSE ACQUISITION WORKFORCE

This section would require the Department of Defense to reduce its acquisition workforce by 42 percent by October 1, 2001, based upon projected fiscal year 1997 end-strength, in order to achieve the reductions necessary to take full advantage of legislated acquisition reforms, free up resources for other unfunded priorities and spur needed streamlining in the defense acquisition infrastructure. This provision would also require the Secretary of Defense to submit an implementation plan to Congress by January 15, 1998, containing any recommendations to include legislative proposals the Secretary considers necessary to fully achieve such reductions.

In the 104th Congress, the committee addressed specific concerns with the size and number of acquisition organizations and positions relative to the declining Department of Defense (DOD) budget and modernization program. Many of the acquisition reforms initiated by the committee were intended to ultimately reduce costs both to the private sector as well as the federal government. Full implementation of acquisition reforms can, and should, also result in fundamental changes and reductions in the structure of the Department's acquisition organizations. Specifically, it was the intent of the committee in relieving the Department from the burden of administering various antiquated and restrictive federal procurement laws that substantially fewer acquisition personnel would be required.

In seeking to establish a balance between the Department's diminished modernization program and the Department's acquisition bureaucracy, the committee supported moderate reductions in acquisition personnel in section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) and section 902 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201). The committee understands that in implementing these reductions, the Department exceeded the Congressional mandates in fiscal year 1996 and plans to do so again in fiscal year 1997.

In addition to seeking overall reductions in personnel, the committee sought to engage the Department in determining the appropriate structure of its future acquisition workforce. Section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) required the Department to examine consolidation and reorganization options and report to Congress on its recommendations. Unfortunately, the report provided by the Department demonstrated no real effort to consider the various organizational and management options identified by the law and, not surprisingly, failed to propose significant alternations to the current acquisition infrastructure.

The committee notes that the 1995 Commission on Roles and Missions (CORM) sharply criticized the Department's acquisition organizations for maintaining redundant staffs and facilities for many types of common acquisition support activities. Therefore, the committee rejects the Department's conclusion in its report to Congress pursuant to section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) that it has adequately assessed and implemented options for restructuring its acquisition organizations for the purposes of improved efficiency.

The committee strongly disagrees with the Department's assertion that increased downsizing of the workforce would place at risk the ability of the Department to equip combat forces and modernize against future threats. Rather, the committee regards the disproportionate size of the defense acquisition personnel workforce and infrastructure relative to the dramatically reduced procurement accounts as a serious drain upon current and future resources. The committee

believes that the Department's continued refusal to restructure and streamline acquisition infrastructure will result in the continued squandering of limited resources urgently needed to address modernization, readiness and quality of life shortfalls. In order to obtain independent analysis of these issues and develop specific alternative organizational options, elsewhere in this report, the committee recommends a provision establishing the Commission on Defense Organization and Streamlining to examine these critical issues.

The committee understands the Department's current plan will result in an acquisition workforce of approximately 269,000 by October 1, 2000, using the definition included in section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). Further, the Department has stated plans to reduce its acquisition workforce in excess of 20,000 positions in fiscal year 1997. This section would result in a reduction of 95,000 acquisition positions in excess of the Department's current plan over the next four years and, specifically, reduce 40,000 personnel in fiscal years 1998 and 1999, and 22,000 in fiscal years 2000 and 2001.

The provision would exempt from the required reductions personnel who are employed at maintenance depots. In addition, the committee expects the personnel covered under the Defense Acquisition Workforce Improvement Act of 1990 (DAWIA) will be protected, to the extent possible, from overall reductions required in this section.

SECTION 1303—AVAILABIITY OF FUNDS FOR SEPARATION PAY FOR DEFENSE ACQUISITION PERSONNEL

This section would make $100 million available for payment of separation pay incentives only to defense acquisition personnel who separate from the Department of Defense as a result of reductions mandated by section 1302. The committee believes the Department should be provided appropriate management devices to implement these reductions equitably while retaining the necessary skill levels and organizational capacity. The committee expects the Secretary of Defense to distribute these funds to the military departments, agencies and organizations which ultimately are responsible for offering the separation pay incentives, and will closely monitor how these additional resources are expended.

SECTION 1304—PERSONNEL REDUCTIONS IN UNITED STATES TRANSPORTATION COMMAND

This section would require the Secretary of Defense to reduce administrative duplication and inefficiencies in the United States Transportation Command (USTRANSCOM) and eliminate 1,000 administrative positions across USTRANSCOM components in addition to the reductions identified in the fiscal year 1998 budget request.

Despite the creation of USTRANSCOM, studies by the General Accounting Office and USTRANSCOM, have reported that traffic management processes within the Department of Defense (DOD) remain fragmented, duplicative, and inefficient, primarily due to the lack of integrated and standard business practices. Personnel in each transportation component continue to perform similar and duplicative functions, resulting in different component staff separately negotiating rates and processing claims often related to the same shipment.

The committee is aware that USTRANSCOM is reviewing options to improve the management of customer requirements and billing through contracted studies and the Joint Mobility Control Group. Both options utilize standard business practices which should improve transportation services, transportation and financing systems, and allocation of scarce resources. As these programs are fully implemented, they will eliminate much of the duplicative work that exists. The committee believes that as workload is reduced so should the personnel performing such workload.

As a result, the committee directs the Secretary of Defense to reduce the workers assigned to USTRANSCOM to 70,755, or 1,000 workers below the estimated fiscal year 1997 endstrength levels. The Secretary should also take care to ensure that the smaller components in USTRANSCOM do not receive an disproportionate share of this reduction. These reductions would not affect the Department's overall endstrength level.

TITLE XIV—DEFENSE BUSINESS PRACTICES REFORMS

Subtitle A—Competitive Procurement Requirements

SECTION 1401—COMPETITIVE PROCUREMENT OF FINANCE AND ACCOUNTING SERVICES

This section would require that the Secretary of Defense study the competitive procurement of the finance and accounting services currently provided by the Defense Finance and Accounting Service and provide a report, by June 1, 1998, on the results of the study. The section also requires the Secretary of Defense to competitively procure, consistent with current procurement laws and regulation, DFAS services starting in fiscal year 2000.

It is the committee's view that there exists a robust capability for the provision of financial and accounting services in the private sector. There are no unique requirements of the Department of Defense for finance and accounting services that preclude the provision of such services by the private sector. In light of these considerations, the committee believes that a full and open competition, consistent with current procurement laws and regulations, between both government and private sector sources for the provision of such services is appropriate. The study undertaken during fiscal year 1998 should be consistent with current laws.

SECTION 1402—COMPETITIVE PROCUREMENT OF SERVICES TO DISPOSE OF SURPLUS DEFENSE PROPERTY

This section would direct that the Secretary of Defense to competitively procure the Defense Reutilization and Marketing Service (DRMS) function of disposing of surplus property, by October 1, 1998, and provide a plan, by March 1, 1998, for implementing this section and to identify other DRMS functions that lend themselves to outsourcing.

Studies by both the Department of Defense (DOD) and the National Performance Review identified DRMS as a non-inherently governmental function to be considered for outsourcing. The committee is aware that the Defense Logistics Agency announced a streamlining strategy for DRMS in April 1997. In support of this strategy, the committee recommends competing, consistent with current procurement laws and regulations, all of the DRMS surplus property sales functions starting in fiscal year 1999.

The sale of surplus property is the last step in the DRMS process, following the proper coding, demilitarization, reutilization, transfer, and donation of property as performed by DRMS federal employees. Prior to this date, the committee directs the Secretary to allow the affected agency or programs to establish their most efficient organizational structure in order to compete with the private sector. The committee expects that standard management systems will be implemented in the surplus sales function to ensure adequate oversight of the function by DRMS, and that all necessary information should be made available to the private sector in order to fully support the sale of surplus property.

SECTION 1403—COMPETITIVE PROCUREMENT OF FUNCTIONS PERFORMED BY DEFENSE INFORMATION SYSTEMS AGENCY

This section would require that the Secretary of Defense study the competitive procurement of all of the Defense Information System Agency's (DISA) unclassified, non-inherently governmental commercial and industrial type activities and provide a report, by June 1, 1998, on the results of the study. The section also requires the Secretary of Defense to competitively procure, consistent with current procurement laws and regulations, DISA services starting in fiscal year 2000.

The committee recognizes that DISA has played a crucial role in providing information technology support to the Department of Defense. Today, however, most of DISA's services are widely available in the private sector, often at significantly lower costs. Current DISA services duplicated by the private sector include data processing operations, automated systems support, technical support, help centers, software development, telecommunications, and executive software management.

The study undertaken during fiscal year 1998 should be consistent with current laws. As part of the competition process beginning in fiscal year 2000, the Secretary shall allow the affected program to establish their most efficient organizational structure for the competitions. In order to ensure continuity of customer service, the committee recommends allowing DISA to complete all customer orders received by September 30, 1999.

SECTION 1404—COMPETITIVE PROCUREMENT OF PRINTING AND DUPLICATION SERVICES

This section would extend, through fiscal year 1998, section 351 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) which directed the Defense Printing Service, now known as the Defense Automation and Printing Service (DAPS), to competitively procure at least 70 percent of its printing and duplication work from private sector sources. This section would also eliminate the current surcharges levied by the DAPS for handling printing orders that are sent to the Government Printing Office (GPO) or to private contractors.

Although DAPS successfully outsourced 70 percent of its services in fiscal year 1996, the committee has received few assurances that this success represents a permanent change in DAPS business practices. Additionally, the committee has learned that DAPS has placed a surcharge on all customer orders DAPS passes on to its contractors. According to the Air Force and Army, DAPS does not provide any direct value-added services for this surcharge.

SECTION 1405—COMPETITIVE PROCUREMENT OF CERTAIN OPHTHALMIC SERVICES

This section would require the Secretary of Defense to contract for ophthalmic services related to providing military members with single vision and multi-vision eyewear, except those services needed to meet readiness requirements or those that can be accomplished more cost-effectively by the Department of Defense. This provision is based on a recommendation made jointly by the U.S. Army Audit Agency and Naval Audit Service.

SECTION 1406—COMPETITIVE PROCUREMENT OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS BY DEFENSE AGENCIES

This section would require the Secretary of Defense to competitively procure the defense agency commercial and industrial functions by fiscal year 2000 and provide, by March 1,

1998, a plan to accomplish the requirements of this section.

The committee is concerned that competition is not being fully explored by the defense agencies. According to the Department of Defense, the defense agencies will outsource an estimated 14 percent of its commercial activities in fiscal year 1997. In comparison, during the same period, the military departments outsourced between 33 to 61 percent of their commercial activities. For these reasons, the committee directs the Secretary of Defense to compete these functions, consistent with current procurement laws and regulations.

Subtitle B—Reform of Conversion Process

SECTION 1411—DEVELOPMENT OF STANDARD FORMS REGARDING PERFORMANCE WORK STATEMENT AND REQUEST FOR PROPOSAL FOR CONVERSION OF CERTAIN OPERATIONAL FUNCTIONS OF MILITARY INSTALLATIONS

This section would require, by October 1, 1998, the creation of standard Office of Management and Budget Circular A–76 performance work statement (PWS) and request for proposal (RFP) requirements for each base operations function and service that the military departments have previously studied and currently outsource on an average of 50 percent or more across all the military departments. The standard PWS and RFP would render the A–76 requirements, as they relate to PWS and RFP, inapplicable at that time. The committee is aware that within the military services, there is little consistency for outsourcing non-inherently governmental base operations functions and services. Specifically, the military services conduct A–76 studies on activities that are similar, if not exactly the same, as extensively studied and outsourced functions in their own service or in the other military services. This practice unnecessarily duplicates effort and is costly.

As discussed in a General Accounting Office report, ''Base Operations: Challenges Confronting DOD as It Renews Emphasis on Outsourcing,'' (GAO NSIAD 97–86), the development of standard ''templates'' based on previous A–76 studies of similar functional areas, would save the military services time and resources in outsourcing these functions. The following chart illustrates the base operations commercial activities that were outsourced in fiscal year 1996, highlighting the activities that were outsourced an average of 50 percent or more.

[In percent]

Base operating activity	Air Force	Army	Marine Corps[1]	Navy
Natural resource	(2)	45	0	64
Advertising and public relations	(2)	0	0	1
Financial and PayrolI	10	0	0	29
Debt collection	(2)	0	(2)	1
Bus services	(2)	48	0	32
Laundry and dry cleaning	100	85	81	94
Custodial services	100	88	82	86
Pest management	23	22	0	37
Refuse collection and disposal services	96	84	67	81
Food services	88	88	42	39
Furniture repair	0	10	(2)	100
Office equipment maintenance and repair	100	75	18	100
Motor vehicle operation	51	16	0	11
Motor vehicle maintenance	47	30	0	21
Fire prevention and protection	1.4	3	0	1
Military clothing	(2)	24	58	0
Guard service	5	22	0	14
Electrical plants and systems O&M	18	17	.02	4
Heating plants and systems O&M	0	38	.01	5
Water plants and systems O&M	(2)	32	.02	14
Sewage and waste plants O&M	14	27	0	18
Air conditioning and refrigeration plants	7	15	30	37
Other utilities O&M	21	25	0	24
Supply operations	26	9	.03	12
Warehousing and distribution of publications	(2)	0	0	7
Transportation management services	25	6	.02	9
Museum operations	(2)	4	0	0
Contractor-operated parts stores and civil engineering supply stores	100	71	100	(2)
Other installation services	8	10	14	22

[1] Marine Corps figures are as of July 1996; all others are as of the end of fiscal year 1996.
[2] Not reported.

Note.—Percentages represent the portion of the workforce that is outsourced for a given function.

Source: GAO analysis of services' commercial activities inventory databases.

SECTION 1412—STUDY AND NOTIFICATION REQUIREMENTS FOR CONVERSION OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS TO CONTRACTOR PERFORMANCE

This section would amend section 2461 of title 10, United States Code, to streamline the Department of Defense reporting to Congress on outsourcing activities. The committee believes that the current reporting requirements are burdensome to the point of impeding certain outsourcing reviews.

SECTION 1413—COLLECTION AND RETENTION OF COST INFORMATION DATA ON CONTRACTED OUT SERVICES AND FUNCTIONS

This section would require the Secretary of Defense to collect cost information on all outsourced activities for five years after a contract is awarded and create a permanent storage site for the data.

The committee is concerned with the poor and often lacking data collection for outsourced activities. Department of Defense (DOD) regulations currently require only three years collection of cost information data for all outsourced activities. According to the General Accounting Office, only the Department of the Air Force consistently follows the data collection guidelines. As a result of these inconsistencies, DOD rarely collects or keeps data on outsourced activities. The committee believes that data collection of previous and ongoing outsourcing activities within the DOD is crucial to identifying and developing accurate savings estimates of these activities.

Subtitle C—Other Reforms

SECTION 1421—REDUCTION IN OVERHEAD COSTS OF INVENTORY CONTROL POINTS

This section would require the Department of Defense (DOD) inventory control points (ICP) to reduce their overhead costs to eight percent of net sales by the end of fiscal year 2000, and provide a plan, by March 1, 1998, for achieving this goal.

The current costs of overhead within the DOD inventory control points is significantly greater than the private sector. Even after taking into account the need to maintain a wartime capacity, these costs are excessive. The committee believes that the ICP management and work processes are ideal business re-engineering candidates, given the extensive commercial market for these services and the recent improvements in private sector practices. In doing so, DOD is encouraged to review the General Accounting Office reports comparing DOD's inventory management practices with leading industry practices (GAO/NSIAD 96–5 and 96–156) for revising the way ICPs provide supply services. DOD should make extensive use of such commercial options as consolidation and outsourcing—particularly prime vendor and virtual prime vendor deliveries for most repairable, hardware, and consumable items. The use of prime and virtual prime vendors provide the benefit of lowering distribution, warehousing, and inventory costs, which reduces the customer rates in the supply and distribution business areas of the working capital funds.

SECTION 1422—CONSOLIDATION OF PROCUREMENT TECHNICAL ASSISTANCE AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE

This section would create the Procurement and Electronic Commerce Technical Assistance Program by combining services of the current Electronic Commerce Resource Centers (ECRC) and the Procurement Technical Assistance Centers (PTAC).

During the last couple of years, the acquisition community has instituted several reforms aimed at streamlining and removing barriers to the federal acquisition process. The passage of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–335) and the Federal Acquisition Reform Act of 1996 (Division D of Public Law 104–106), along with administrative actions taken by the Executive Branch to streamline the acquisition process have helped to fundamentally change the federal acquisition system. However, despite these reforms, little has changed for the DOD programs that support small business, particularly ECRC and PTAC.

Recent findings by the DOD Office of Inspector General (OIG) (Electronic Commerce Resource Centers, Report No. 97–090 and Department of Defense Procurement Technical Assistance Cooperative Agreement Program, report No. 97–007) argue that the ECRC ''has not been efficient or cost effective in promoting'' the use of electronic commerce or electronic data interchange technologies between small businesses and government organizations. The DOD–OIG also states that PTAC is not complying with its authorizing language in section 2415 of title 10, United States Code, regarding the requirement to award grants based on the comparative ranking of applicants and equitably distribute grants across the Defense Contract Administration Service regions. Finally, the OIG concluded that both ECRC and PTAC functions overlap with services provided elsewhere in the government. For these reasons, the committee believes the programs should be consolidated to improve service delivery and ensure the future of the program is consistent with the rest of the acquisition community.

SECTION 1423—PERMANENT AUTHORITY REGARDING CONVEYANCE OF UTILITY SYSTEMS

This section would authorize the secretary of a military department to convey, with or without consideration, a utility system, or part of a utility system, to a municipal, private, regional, district, or cooperative utility company or other entity. Such utility systems may include electrical generation and supply systems, water supply and treatment systems, wastewater collection and treatment system, steam, hot or chilled water generation and supply systems, natural gas supply systems, and sanitary landfills or lands to be used for sanitary landfills. The provision would require the secretary concerned to submit a 21-day notice-and-wait announcement, to include a report containing an economic analysis of the proposed conveyance, to Congress prior to entering into any agreement to convey a utility system.

TITLE XV—MISCELLANEOUS ADDITIONAL DEFENSE REFORMS

SECTION 1501—LONG TERM CHARTER CONTRACTS FOR ACQUISITION OF AUXILIARY VESSELS FOR THE DEPARTMENT OF DEFENSE

This section would remove several restrictions placed on the Secretary of Defense that currently impede his ability to enter into contracts for the long-term charter of ships built in the United States to meet Department of Defense (DOD) auxiliary fleet requirements. Specifically, this section would grant the Secretary of the Navy general and permanent authority to enter into contracts for the long term charter of certain classes of logistics, sealift and other support vessels. The Secretary would, however, be required to receive Congressional authorization to enter into contracts for specific vessels. It would also remove the requirement to include the termination liability in the budget request for a 20-year lease or charter, would allow the Secretary to request funds to cover only the annual lease payment of a vessel in the fiscal year in which the payment will actually be made, and would eliminate the role

of the Office of Management and Budget in reviewing DOD long-term charter proposals.

By removing these and other restrictions, the Secretary would be able to enter into long-term charters for DOD auxiliary ships which have been built with private sector funds. This program would be virtually identical to the highly successful build and charter program which was used to provide the Marine Corps with its maritime prepositioning ships in the mid-1980s and the Military Sealift Command (MSC) with its T–5 tankers. It would offer the opportunity to replace the aging fleet of MSC auxiliary ships and to replace the prepositioned ammunition container ships for the Army and Air Force in a timely manner.

SECTION 1502—FIBER-OPTICS BASED TELECOMMUNICATIONS LINKAGE OF MILITARY INSTALLATIONS

This section would require the Secretary of Defense to competitively procure and install a dedicated fiber-optics-based network telecommunication service at a minimum of one high military density locale, and report by March 1, 1998 on the implementation of this section.

The communications market has witnessed a rapid change in the last decade. Driven by such proven technologies as fiber-optics and semiconductors, this change has also significantly reduced the cost of telecommunication services while providing greater flexibility and security. Fiber-optics technology, in particular, is used extensively for telecommunications services by the nation's intelligence agencies and to upgrade the base telecommunications infrastructure at four Marine Corps bases in fiscal year 1998.

The committee is aware that fiber-optics technology can also be used to create continuous telecommunication links in areas where there are several similar Department of Defense (DOD) users. Such links could eliminate all Federal Communication Commission (FCC) regulated tolls for communication between the DOD customers and reduce the access tolls for local and long distance calls. In August 1996, the Department of the Navy implemented a pilot study linking, by fiber-optics, the telecommunications services at eleven installations in the Norfolk, Virginia area. An April 1997 Department of the Navy audit report concluded that improved management and services related to this pilot could generate an estimated $21 million in savings, or 22 percent of total costs, over the next six years.

The committee is concerned that DOD has not demonstrated sufficient vision and planning to take full advantage of these cost-effective technologies and a deregulated telecommunications market. Therefore, this section would require the Secretary of Defense to compete among both regulated and unregulated companies for the installation, in at least one area within the United States that contains multiple military facilities and installations, a fiber-optics based telecommunications network linking identified military facilities and installations and achieve operational capability for this network on or before September 30, 1999. The committee is aware that such networks are capable of providing all forms of communication including voice telephony, data applications, video teleconferencing, imaging, and video transmission. The committee believes that the Secretary, in contracting for this fiber-optics telecommunications network, should take advantage of the range of capabilities of this technology wherever feasible and affordable.

SECTION 1503—REPEAL OF REQUIREMENT FOR CONTRACTOR GUARANTEES ON MAJOR WEAPON SYSTEMS

This section would repeal section 2403 of title 10, United States Code, which requires that a contract for the production of a weapon system contain written guarantees unless a waiver is obtained at the Assistant Secretary of Defense level. It also requires Congressional notification in certain circumstances.

Based on work performed by the General Accounting Office and other analysis, the committee is convinced that this provision has not contributed to the effective protection of the taxpayer's interests. To the contrary, the body of evidence supports the conclusion that this provision has led to sizable expenditures by the Department of Defense in the course of purchasing contractor guarantees with little or no concomitant benefit in return. In recommending the repeal of this provision, however, the committee is cognizant of the continuing ability of the Secretary of Defense to pursue contractor guarantees on weapon system acquisitions where it is determined that such an arrangement would protect the government's interest and encourages the Secretary to take such a step wherever warranted.

SECTION 1504—REQUIREMENTS RELATING TO MICRO-PURCHASES OF COMMERCIAL ITEMS

This section would impose a limitation on the use of contracts or purchase orders for commercial items of a value equal to or below the micro-purchase threshold of $2,500 unless a member of the Senior Executive Service or a general or flag office makes a written determination such a contract is necessary. The provision would also grant the Secretary of Defense the discretion to prescribe regulations specifying any further circumstances that may necessitate the used contracts or purchase order below the micro-purchase threshold.

The committee is aware that the Department of Defense has not taken advantage of the authorities provided by the Federal Acquisition and Streamlining Act of 1994 (Public Law 103–712) in dispensing with the administrative burden associated with transactions which occur at or below the micro-purchase threshold. While representing the bulk of the contract actions processed by the Department's financial and contract management bureaucracy, such purchases constitute a small fraction of the value of transactions executed by the Department on an annual basis. The committee believes that aggressive implementation of the micro-purchase threshold authority and of this provision could yield significant savings in eliminating a portion of the administrative overhead associated with defense purchases.

SECTION 1505—AVAILABILITY OF SIMPLIFIED PROCEDURES TO COMMERCIAL ITEM PROCUREMENTS

This section would amend existing law to modify the circumstances under which a contracting officer could utilize simplified procedures for the procurement of commercial items. Currently, the authority to utilize simplified procedures above the simplified acquisition threshold of $100,000 is limited by a requirement for the contracting officer to make a determination that ''only'' commercial items will be proposed for a given procurement. Given that this kind of prospective determination is difficult to make, the restriction serves as an impediment to utilizing above-threshold simplified procedures as intended by the Clinger-Cohen Act of 1996 (Division D of Public Law 104–106). This situation is particularly critical given that this authority for above-threshold simplified procedures was extended by Congress on a three-year test basis. Therefore, the committee believes it is critical that the Department be afforded a realistic opportunity to implement the flexibility and potential benefits realized through the use simplified procedures for commercial item procurements above the simplified acquisition threshold in order to determine whether such authority should be considered on a more permanent basis.

SECTION 1506—TERMINATION OF THE ARMED SERVICES PATENT ADVISORY BOARD

This section would terminate the Armed Services Patent Advisory Board and transfer its functions to the Defense Technology Security Administration (DTSA). The Armed Services Patent Advisory Board is currently responsible for coordinating security reviews of patent applications to determine if they contain sensitive technical information, the public release of which would be detrimental to national security. In performing this function, the Board fulfills the role assigned to the Department of Defense under chapter 17 of title 35, United States Code. The Patent Advisory Board is an unfunded program and as such, is staffed with personnel from the legal offices of the military departments.

The committee notes that DTSA carries out nearly the same technology security review function when reviewing export license applications to determine if the technologies involved would harm national security if exported to foreign entities. In fact, DTSA and the Patent Advisory Board confer with many of the same technical experts at field activities of the military departments. The DTSA staff possesses technical knowledge that enable it to prescreen items before resorting to military field activities for analyses. A DTSA review can therefore be more expeditious than reviews coordinated by the Patent Advisory Board, since Board personnel are primarily legal staff members with limited knowledge of defense technologies. While the committee recognizes that as an unfunded program the Board's termination would not necessarily result in cost savings, the committee believes that transfer of the security review function to DTSA would result in more expeditious and thorough reviews.

SECTION 1507—COORDINATION OF DEPARTMENT OF DEFENSE CRIMINAL INVESTIGATIONS AND AUDITS

This section would authorize the Department of Defense (DOD) Criminal Investigative Service's Board on Investigations with the Assistant Secretary of Defense for Command, Control, Communications and Intelligence as executor. This provision would also create a similar board for the audit agencies with the DOD Undersecretary for Defense (Comptroller) as its executor.

The committee commends the DOD criminal investigative services on their efforts to increase coordination, reduce duplication, and improve the overall management of resources through the Board on Investigations and the Regional Fraud Working Groups. The committee believes the creation of a Board on Audit would generate the same benefits, allowing DOD to better handle the increasing workload from the Chief Financial Officers Act and the changing accounting systems. The committee directs the Secretary of Defense to finalize the working guidance for the operation of both boards no later than December 31, 1997. The committee believes that DOD is best served by a productive and coordinated effort between the service departments and the DOD Office of Inspector General.

SECTION 1508—DEPARTMENT OF DEFENSE BOARDS, COMMISSIONS, AND ADVISORY COMMITTEES

This section would eliminate, by December 31, 1998, all governing authorities for Department of Defense (DOD) advisory committees other than those established in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) or subsequent authorizations. This provision would also require DOD to submit to Congress a report

and a legislative proposal, due March 1, 1998, identifying advisory committees that warrant support and including justification and projected costs associated with specific advisory committees.

The committee is aware the Department has, in response to Presidential Executive Order 12838, ''Termination and Limitation of Federal Advisory Committees,'' reduced discretionary boards and commissions by almost one-third since 1993. In compliance with section 1054 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), the Department submitted a report to Congress on the merits of remaining DOD boards and commissions. The Department failed, however, to propose any significant further elimination of its advisory committees. The committee notes the current 53 discretionary and statutorily established boards and commissions, to include the Advisory Group on Electron Devices, Armed Forces Epidemiological Board, and Inland Waterways Users Board, will cost an estimated $16.2 million in fiscal year 1997. The committee is concerned that many of the Department's remaining statutory and discretionary boards and commissions may have outlived their original purpose.

The committee recognizes the value of readily available expertise in the execution of the Department's duties. Accordingly, this section would allow the Department of Defense to establish advisory committees for one year or less in duration without Congressional authorization for the stated purpose of examining issues critical to national security.

SECTION 1509—ADVANCES FOR PAYMENT OF PUBLIC SERVICES

This section would expand the list of items that the Department of Defense may pay in advance, from available appropriations, to include public utility services. This provision should lower administrative costs associated with metering and billing for these services.

TITLE XVI—COMMISSION ON DEFENSE ORGANIZATION AND STREAMLING

OVERVIEW

The post-Cold War global security environment has witnessed dramatic reductions in the size and capability of the U.S. military force structure while the organizational composition of the Department, especially at the management level, has remained largely unchanged. Since 1987, the Army has lost eight active divisions, the Navy has decommissioned three carriers and over 200 ships, and the Air Force has cut 12 active and five reserve tactical wings. Notably, 1997 active duty personnel levels are actually equivalent to 1950 pre-Korean War levels. Meanwhile, from 1985 to 1996, the Office of the Secretary increased its staff 40 percent, military department headquarters continue to maintain redundant staffs, and, in spite of a 70 percent drop in procurement accounts since 1985, the Department's acquisition infrastructure has remained largely static.

The committee maintains that the Department currently has sufficient authority to reorganize and restructure itself but has demonstrated little willingness to pursue such reforms. Not since the passage of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99–433) has the defense establishment undergone significant scrutiny and reform.

To address these trends, the committee undertook a number of initiatives during the 104th Congress to encourage and compel the Department to focus on these matters and arrive at its own options and solutions. The committee deliberately chose not to legislate specific prescriptive remedies on the belief that the Department was better suited to develop such detail on its own. Therefore the committee provided the Department with broad guidance and, where possible, relief from existing statutory limitations and dictates on organizational matters. To the committee's continuing disappointment, the Department's response to these efforts has ranged from passive resistance to outright defiance of statutory direction. After two years of attempting a preferred approach of cooperation and collaboration, the committee finds itself no further along in effecting the necessary change in the Department's management and organizational structure.

SECTION 1601—ESTABLISHMENT OF COMMISSION

In an effort to increase understanding and provide the Congress with implementation options for reforming the Department of Defense, this subtitle would establish a commission to be known as the ''Commission on Defense Reorganization and Streamling.'' The committee believes an independent commission would serve to further the cause of fundamental and much-needed defense organizational reform. The commission would consist of nine members who are private citizens with knowledge and expertise in organization and management matters. Two members would be appointed by the chairman of the House National Security Committee, two members would be appointed by the ranking member of the House National Security Committee, two members would be appointed by the chairman of the Senate Armed Services Committee, and two members would be appointed by the ranking member of the Senate Armed Services Committee.

This section would also provide for three of the four appointing chairmen and ranking members to designate a commission chairman. In addition, this section provides for filling vacancies, and describes the initial organizational requirements of the commission. It would require that all members of the commission be required to hold appropriate security clearance. The committee notes, however, that it is not the intent of this subsection to disqualify those individuals who do not currently hold clearances but who could be provided appropriate clearances in a short period of time. The committee expects that in such circumstances the government would move to secure the necessary clearances as expeditiously as possible.

SECTION 1602—DUTIES OF COMMISSION

This section would establish the duties of the commission, which would be to make recommendations to increase overall organizational effectiveness of the Department of Defense. The commission shall examine the missions, functions, responsibilities, and relationship therein, of the Office of the Secretary of Defense (OSD), the management headquarters and headquarters support activities of the Military Departments and the Defense Agencies, and the Department's various acquisition organizations and propose alternative organizational structures and alternative allocation of authorities where it deems appropriate. In carrying out its duties, the commission shall identify areas of duplication and recommend options to streamline, reduce, and eliminate redundancies.

This section would also require that the commission receive full and timely cooperation of any U.S. government official responsible for providing the commission with information necessary to the fulfillment of its responsibilities.

SECTION 1603—REPORTS

This section would direct the commission to submit an interim report to the Congress by March 15, 1998, and a final report by July 15, 1998, on its findings and conclusions, with a provision for the incorporation of dissenting views.

SECTION 1604—POWERS

This section would establish the commission's authority to hold hearings, take testimony, and receive evidence. The provision would also authorize the commission to secure any information from the Department of Defense and other federal agencies as the commission deems necessary to carry out its responsibilities.

SECTION 1605—COMMISSION PROCEDURES

This section would establish the procedures by which the commission shall conduct its business, describe the number of members required for a quorum and authorize the commission to establish panels for the purpose of carrying out the commission's duties.

SECTION 1606—PERSONNEL MATTERS

This section would establish personnel policies for the commission. Members of the commission would serve without pay. The provision would authorize:

(1) Reimbursement of expenses, including per diem in lieu of subsistence, for travel in the performance of services for the commission;

(2) The chairman to appoint a staff director, subject to the approval of the commission, and such additional personnel as may also be necessary for the commission to perform its duties;

(3) The pay of the staff director and other personnel;

(4) Federal government employees to be detailed to the commission on a nonreimbursable basis and;

(5) The chairman to procure temporary and intermittent services.

SECTION 1607—MISCELLANEOUS ADMINISTRATIVE PROVISIONS

This section would allow the commission to use the United States mails and to obtain printing and binding services in accordance with the procedures used by other federal agencies. The provision would also require the Secretary of Defense to furnish the commission with administrative and support services, as requested, on a reimbursable basis.

SECTION 1608—FUNDING

This section would require the Secretary of Defense to provide such sums as may be necessary for the activities of the commission in fiscal year 1998.

SECTION 1609—TERMINATION OF THE COMMISSION

This section would terminate the commission 60 days after the date of the submission of its report.

Mr. SPENCE. Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my distinguished colleague the gentleman from South Carolina [Mr. SPENCE] has already laid out the specifics of the bill. I shall not be redundant. I simply want to first commend the gentleman from South Carolina for making a significant effort at the very outset to make this reform package a bipartisan effort.

We both would agree that in its present form it is not perfect. Because this was on a fast track, we are only recently hearing from stakeholders in this reform legislation. We have made an effort to respond to them. I would say to my colleagues on this side of the

aisle that, while not perfect, I think this product can and should be supported as we move forward further into the legislative process, further having the opportunity to refine this process.

I want to thank the gentleman from South Carolina for heeding the notion that while there was a yeoman effort to make reforms in fundamental environmental legislation, that because of the controversy and jurisdictional issues, that they saw the wisdom to withdraw title III. I deeply appreciate that.

Third, I want to thank and commend the staff persons on both sides of the aisle who, I believe, negotiated with each other in good faith, sometimes when we were not here, negotiated with each other with the characteristics of transparency and openness and conviction. Those are very important factors.

Mr. Chairman, as I have said on more than one occasion, any Member of Congress or any committee that thinks they can operate without competent and capable staff are living in a Never-Never Land. So I want to applaud both the competence, the capability, the integrity and the cooperation that took place between the two staffs as we arrived at this bipartisan effort. I think it was an excellent one.

Given the fact that from time to time this is a contentious place, this may very well be a model of how both parties can work and function and operate when we are of one mind, attempting to address a myriad of problems that need to be discussed.

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

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I offer my strongest endorsement to the build and charter provision in this package of reforms.

This provision is relatively simple and straightforward. It provides the Secretary of the Navy with authority to enter into long-term charters for auxiliary and naval support vessels built in U.S. shipyards. It is modeled after the highly successful build and charter program which allowed the Navy to retain its T–5 tankers and the Marine Corps to obtain its 13 maritime prepositioned vessels.

These ships will be built in privately owned U.S. shipyards using private capital. Upon completion of these vessels, the shipowners will sign a long-term lease with the Navy to provide a fully crewed vessel.

This provision will simply allow the Navy to request funding for the lease payments for these vessels in the year in which those payments are required to be paid. Under current practice, the Navy is required to request the budget authority in the first year of the lease for all of the payments due over the next 20 years. Without the ability to spread these payments over the term of the lease, the Navy will simply be unable to obtain the support capability it needs over the next 10 years.

The Navy will need 10 new fast combat dry cargo support ships just after the year 2000. Requirements for ammunition ships for the Air Force and Army have also been identified, as well as towed-array sensor ships. The reason I mention these various types of vessels is this provision will not only provide the opportunity for the Department of Defense to obtain the needed sealift support, but it also offers U.S.-based shipyards the opportunity to build these vessels in sufficient quantities to gain the efficiencies needed to provide an economical product for the Navy.

The amendment will not just benefit large shipyards but also many small shipyards throughout the country. The Navy is considering using this program for towed-array sensor ships, for replacing this aging class of ships. These ships range in length from 220 to 265 feet, a length that is well within the capability of smaller shipyards.

Thus, this section in the reform amendment benefits large shipyards as well as the smaller yards and American merchant mariners and our national security. I urge my colleagues' support.

Mr. DELLUMS. Mr. Chairman, I ask unanimous consent to allow the gentlewoman from California [Ms. HARMAN] the opportunity to manage the balance of the time on this side of the aisle.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume, and I thank the ranking member for yielding time to me and for giving me this opportunity, I again commend him for his professionalism, passion and poetry in the leadership role he serves on this committee.

It is also an honor to serve with him and with our chairman, the gentleman from South Carolina [Mr. SPENCE], and to rise in enthusiastic support of this bipartisan amendment.

Mr. Chairman, we just voted down overwhelmingly an amendment to provide a 5-percent across-the-board cut in our defense budget. I voted against that amendment because I think that that form of cutting is not responsible. But it does not mean that all forms of cutting are not responsible. In fact, the pending amendment would cut at least $5.5 billion from our defense budget and that is very responsible.

I commend to those who voted for the Sanders amendment and to those who voted against the Sanders amendment this particular bipartisan Dellums-Spence amendment.

I spoke earlier in general debate, and I said that I support more effective, less costly defense that is ready for the next war, not the last one. I want the Pentagon to take full advantage of the revolution in military affairs as it modernizes equipment and doctrine for future conflicts, because that will ultimately bring costs down and effectiveness up.

But modernizing requires an initial investment. In today's tight budgetary climate, funding for that investment must come from reductions. And logically, those reductions should be in excess infrastructure and ossified management practices. Right now the Pentagon spends too much on activities that have nothing to do with national security. I repeat, they have nothing to do with national security.

Sixty percent of the defense budget and 45 percent of all military personnel are dedicated to support, not to warfighting. No business could survive with that ratio of overhead to production. Those of us on the Committee on National Security know that the tooth-to-tail ratio is way out of line, and many other Members know that too.

Reform-minded Pentagon officials need our support. Just before he released the QDR, Secretary Cohen told me that it is important for Congress to keep the pressure on, to help his management team overcome internal resistance to reform. The amendment before us is the best way of keeping the pressure on, to help the Pentagon modernize its management procedures and to bring the tooth-to-tail ratio back to reality.

This amendment has broad support not only within Congress and the civilian leadership in the Department but among concerned outside groups, too. One of these is BENS, Business Executives for National Security, a nonpartisan organization of Democratic and Republican business leaders whose advisers include people like former Secretary of Defense Bill Perry.

In a letter distributed to all Members, BENS urges support of this amendment and underscores the need to reduce headquarters staff. This amendment would reduce those staffs by 25 percent, cut the cost of financial management, encourage cost saving public-private competition, and simplify acquisition procedures.

Mr. Chairman, this amendment moves us toward the objectives of the QDR. It continues the important work on acquisition reform that I think is the cornerstone of the legacy of former Secretary of Defense Bill Perry.

□ 1800

Modernizing our forces to take advantage of the revolution in military affairs requires what Secretary Cohen calls a revolution in business affairs. This amendment provides the ammunition for that revolution.

It makes good defense sense and it makes good business sense to pass this amendment. Let us take advantage of the opportunity it presents, and let us make a real difference in how the Pentagon does business. We can do better, and it can cost us less.

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

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WELDON].

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise in strong support of the amendment, and I want to again thank the chairman and the ranking member for their leadership in helping us address the need to reduce the infrastructure and better manage the Department of Defense.

The changes that are recommended in this amendment are very serious, they are substantive, and they are needed. It allows us to bring down the cost of those people who oversee purchasing. The DOD civilian personnel, that is still too high. It allows us to make management reforms to bring in privatization where possible.

But let me talk about one portion of this amendment that we dropped, Mr. Chairman, and that deals with environmental costs. Earlier I spoke about one of the most rapidly increasing portions of the defense budget, and that is the cost for environmental protection. I cited a ballpark figure at that time of $12 billion. The actual amount, Mr. Chairman, is $6 billion for DOE environmental costs, $4.8 billion for DOD costs. And those figures do not include the hundreds of millions of dollars that we spend either locally at our bases on research programs, through accounts that are managed by DARPA and a number of other agencies. So, when we add all of that up within DOD, we are spending close to $12 billion.

Mr. Chairman, I take great pride in my environmental voting record, support for things like endangered species, wetlands protection, clean air. But we have to find a way to better utilize defense dollars to clean up our sites. And what we are not addressing in this amendment, but which I know our chairman supports, is an effort down the road to address the increasing environmental costs.

Let me also add that under our chairman and ranking member, we have taken great steps. In fact, we introduced a whole new coordinating initiative with the oceanographic community in this country, not actually spending new money, but having the Navy work with nine other Federal agencies to better coordinate the money they spend on understanding the ocean ecosystem.

It is a better use of DOD's assets, which are primarily for defense and for national security, but which also offers tremendous environmental opportunities. That is in the bill. And that is the kind of success that we take along with our efforts to help solve problems like the nuclear waste disposition problem in the Arctic by the Russians.

So we are not saying that we should not be environmentally sensitive, and we are not saying that we should not be concerned. And where possible, the military, when it does its primary purpose, can also benefit us environmentally, we should take advantage of it. But we have to get control of the increasing costs. We have to find a way to provide flexibility so that, when we shut these bases down, and when one day we have kids playing in a playground or going to school on a military base and the next day after the base is closed we say it is a toxic waste site, that is just unacceptable.

It is causing us to take more money from programs and from quality of life that is important. And I applaud my chairman and the ranking member of the leadership and I ask for consideration of this in the future.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just listened to the last speaker, my good friend, the gentleman from Pennsylvania [Mr. WELDON], and would like to thank him for years of bipartisan cooperation under his leadership in the Subcommittee on Military Research and Development. I happen to agree with him that environmental issues need to be considered down the line.

I was the sole vote on my side of the aisle against deleting all environmental issues from the base bill on which this amendment is based. I did so because, although the provisions in this original bill may not have been perfect, there are provisions that we should pass. There are ways to revise the Superfund law particularly and to provide for less costly, I think less costly, remediation of some of these closed bases and other sites, which will not only save scarce dollars but will get these lands back to community use faster.

So I applaud what he is saying, and I pledge to work with him and anyone else on responsible ways to change the existing environmental practices so that they are more modern, less costly, and better for all the taxpayers.

Mr. Chairman, I yield 5 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Chairman, today represents a culmination of 7 years of effort, bipartisan I would like to say, nonpartisan effort. I particularly want to thank the chairman, the gentleman from Virginia [Mr. BATEMAN]. This has been a dream of his since before I came into the Congress. I have been privileged to work with him on this issue, been privileged to work with the gentleman from California [Mr. HUNTER] and the gentleman from Mississippi [Mr. TAYLOR] to try and put together this legislation which will renew and revitalize American shipbuilding.

Mr. Chairman, people expect in the United States of America that our strategic interests are going to be met, that our national interests are understood in a context of having a modern merchant marine industry. And yet we do not have it. On the contrary, it has been virtually wiped out.

I do not believe, Mr. Chairman, that the average American understood that, even at this time. Yet this legislation and this reform package that has been put together under the leadership of the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] is going to achieve that.

As a result of the passage of this reform bill, we are going to see American ships built in American shipyards by American workers, flagged in America, and sailed by American seafarers. That is what is going to be accomplished today. We are doing it in a context that marries the public and the private sector. This takes us into a new age of shipbuilding, the revitalization of the American merchant marine.

A vibrant, prosperous American merchant marine is in the direct strategic interests of the United States. Without it, the national interests of the United States, as manifested in military doctrine and material, are served in name only.

Mr. Chairman, by voting for the reform bill today in support of the chairman's innovative amendment, we will give the Navy the authority to enter into long-term charters for the construction of strategic sealift and special mission auxiliary ships. This authority is absolutely essential because the Navy must replace these types of ships in its fleet.

Many of these ships are near the end of their useful life. In fact, the average age of 21 of them is over 30 years. Just as a car, an older ship needs maintenance, Mr. Chairman, it gets more expensive by the age, it becomes less reliable. Unlike our personal cars, however, these ships have a critical mission. And we can ill afford to place our young men and women in harm's way and not have the sealift capability to provide them with the supplies and equipment that are essential during the perilous hours of need.

It does not make good sense to throw good money after bad in trying to make Bandaid repairs to extend the life of a ship that is operating past its time. We are in a new era of fiscal responsibility that is recognized by the chairman where a premium must be placed on finding innovative ways to provide the Navy with the ships they need now, this century, not the next.

Charter and build is the cost-effective answer that will permit the Navy to replace their aging sealift on auxiliary ships. For the last several years, Mr. Chairman, acquisition reform has received well-deserved attention and most particularly in our Committee on National Security. Charter and build is in total keeping with the spirit and intent of acquisition reform; and equally important, it allows the private sector to participate in providing a cost-effective means to meet the auxiliary requirements of the Department of defense. It creates U.S. jobs, which will be filled by taxpayers who fuel the Treasury and our Government with revenue that allows us to provide for the common defense.

For all of these reasons, Mr. Chairman, I request of all of the membership

today that they pay close attention to the sea change, no pun intended, Mr. Chairman, that is going to take place with the passage of the reform bill. After today, we will have taken the effective first step in seeing to it that not just reform has come to the American merchant marine, but that a new day, a new dawn is here for the American merchant marine.

We have the chairman to thank. We have all the Members to thank, the gentleman from California [Mr. DELLUMS], as I said, the gentleman from Virginia [Mr. BATEMAN]. I hope that the first ship that comes out will take into consideration the chairman of our merchant marine panel, who has been so crucial in seeing to it that this day has finally come.

Mr. Chairman, this is one of the proud days for this House, I think. We will have taken the steps necessary to see to it that an American merchant marine is reborn. Mr. Chairman, I ask for the full consideration of this reform bill by all the Members.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire [Mr. BASS].

Mr. BASS. Mr. Chairman, I guess, as with everyone else here today, I rise in strong support of the chairman's amendment on procurement reform. I am proud to serve as chairman of the Defense Work Group of the Committee on the Budget, and I can say that this is precisely the kind of reform that the committee has supported over the years.

As one who has endorsed and introduced procurement reform legislation, I am pleased to see that the Committee on National Security is moving forward with this effort. We assume, and I think it is great, that we are going to see a reduction of 25 percent in the defense managed headquarters. Over 4 years, we will see a reduction of 42 percent in defense acquisition work force over 4 years, and it is not all at the very end. According to the amendment, it will result in a 40,000 person reduction of personnel in fiscal year 1998 alone.

Now, my distinguished colleague from California and others have talked about the fact that our military strength is reduced by 33 percent and we now have 45 percent of those left in support functions, and that is too high. The amendment will save $15½ billion over 5 years and $5 billion each year thereafter. And this responsible amendment does, in fact, free up the necessary resources that we need for readiness, for modernization, and for overdue improvements in pay and benefits for military personnel.

I would just like to say that I rise in strong support of this amendment and urge the House to adopt it.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY].

(Mrs. MALONEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentlewoman for yielding, and I rise in opposition to a provision in the Spence amendment that threatens one of the basic tenets of our economy, full and open competition. And I hope that this particular provision is revised and improved as the legislation moves through the system.

Section 1505 of the amendment of the gentleman from South Carolina [Mr. SPENCE] would allow the Government to limit competition when it buys noncommercial goods and services. Those are things that are specific to government needs, like aircraft engine spare parts, and government computer programs.

Current law allows simplified procurement procedures for commercial goods and services. That is because prices of these items can be compared in the commercial marketplace. We all know how much to pay for a car, office supplies or furniture, and we can buy it off the shelf. It is anyone's guess how much that spare engine part is worth.

Full and open competition guarantees lower prices, competitive bidding, provides an even playing field for businesses, and helps weed out fraud, favoritism, and abuse. It guarantees the Government the best price and value, while at the same time ensuring the integrity of the system and protecting taxpayers' dollars.

The Government spends $200 billion a year on goods and services. That is $800 for every American taxpayer in the procurement system. The way that money is spent is extremely important. This particular provision, which removes full and open competition for noncommercial items, I believe is bad policy. I hope that this is changed. Otherwise, I support the amendment.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, let me state very strongly that there is no stronger advocate for national security veterans' issues or active duty personnel than the gentleman from South Carolina [Mr. SPENCE]. His fine amendment will bring the Pentagon into the 21st century.

I think they are still living in the fifties over there. They are the world's largest bureaucracy. And I think, with this amendment, we will save considerable resources, $15 billion over the next 5 years, $5 billion a year thereafter, streamlining the work force, making more prudent use of expenditures on everything that is involved with the Department of Defense.

Clearly, this is an outstanding amendment. It should be supported by every Member of Congress to be able to use the limited resources we have to make certain our military personnel are adequately served in the field rather than those serving outside of the beltway.

□ 1815

Ms. HARMAN. Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Chairman, I thank the gentleman for yielding this time to me.

The gentleman has done a terrific job in putting this amendment together, and I urge my colleagues, regardless of party, ideology within the party, to support the Spence amendment. It is long overdue. Its passage will result in savings for the average taxpayer. Equally important, the Spence amendment will result in an efficient, well run Department of Defense.

Now many of the Armed Services have already faced up to substantial downsizing. Parts of the Pentagon have shaped up as a result of some downsizing. But the fact is that Defense has too many people on the civilian side. They need to learn what every major corporation in America has learned, every large institution has learned.—Whether hospitals or universities—that when one streamlines the central administration, a more efficient organization results. There are less barriers in terms of the internal communications within a management system. And that is exactly what is needed.

As chairman of the Subcommittee on Government Management, Information, and Technology, I have reviewed the Department of Defense on a number of occasions. It has 49 different accounting systems. That has created substantial chaos in trying to account for funds. No one has stolen them, to our knowledge, but no one can match up the expenditures with the purchase orders, the inventory, and all the rest of it that one needs.

The Pentagon needs to learn more about privatizing. The Army has done that in some cases and has become very efficient in certain fleet management areas.

So we need to support the Spence amendment because it is right for the country. It is right for the military. It is right for our defense. And, best of all, it is right for the taxpayers' pockets.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN] who is the son of the Mr. Frelinghuysen I served with earlier.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in support of the chairman's and ranking member's amendment which incorporates many of the provisions of the Defense Reform Act, including a provision that will give the Navy the authority to enter into long-term charters for the construction of combat logistics force, strategic sealift, and special mission auxiliary ships.

The Navy currently has 21 replenishment ships that average over 30 years of age. They are at the end of their useful lives and must be replaced. Continued operation of these old ships have resulted in increased operating costs,

decreased operating tempos, and additional maintenance and repair expenses.

Through long-term charters, the Navy can afford to begin the replacement of these ships. Construction of Navy auxiliary ships in the United States will create thousands of shipyard jobs and help to sustain the Navy's core shipbuilding industrial base. This acquisition approach will also maximize the role of the private sector in providing the most cost-effective means of meeting the Department of Defense auxiliary fleet requirements.

Again, I thank the gentleman for the opportunity to speak on behalf of his amendment.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I wanted to thank our great chairman for putting this package together, and the gentlewoman from California [Ms. HARMAN] who has worked so hard on it and all the Members on both sides of the aisle.

I think one theme that we have heard this year on the floor with this national security bill is bipartisanship. We have had to have that because we have had very tough times, the dollars are very scarce, and we have had to come together and find ways to save money so that we can modernize and buy the equipment that everybody, including the Clinton administration, says we need for our people in uniform.

I just wanted to mention one thing that I know Ms. HARMAN has an interest in, and I do. It is the fact that while we have pulled our Army down from 18 divisions to 10 divisions, and almost nobody knows about it, we did it almost under the cover of darkness, we pulled our fighter air wings down from 24 fighter air wings to 13, and our Navy ships from 546 to 346. We have kept an army, literally two Marine Corps of shoppers, of professional acquisition folks, in DOD, and we thought it was prudent and reasonable to have the professional shopping corps in DOD no bigger than the United States Marine Corps. And this reform bill does that. It brings it down to the same force level as the U.S. Marine Corps.

I think that is going to be beneficial, and I think when those end strength cuts come to the tail part of the Pentagon just like they have already come to the tooth part of the Pentagon; that is, the guys that actually carry the weapons and fight the wars, when we pare down the bureaucracy the same way we have pared down the people that are in the field, they are going to get together, and they are going to figure out ways to handle the contract with less than 15 people working that contract. Maybe they can handle it with five, to use computerization, to use simulation to do a lot of things that will bring about efficiencies so that when we have an extra defense dollar, we buy some ammo for that guy in the front lines, we buy that extra piece of equipment, we buy that high-technology equipment that all my colleagues are concerned about.

I thank the gentleman for the time, and I thank the gentlewoman for all the work she has done.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Chairman, let me raise, since no one else is, some concerns about this bill.

There are some breathtaking changes here. This bill would cut management personnel in the Department of Defense by 25 percent; it would cut people classified as acquisition management personnel by 42 percent.

Now I think that we need to impose external pressure on the Pentagon, the Department of Defense, in order to effect these cuts so that the overhead, the white-collar workers, are reduced commensurate with the reduction in force of the guys and women that fight the wars, but is 45 percent, 42 percent, a sustainable number?

Exactly whom are we cutting? Engineers? Accountants? And when we cut these people, will we emasculate program management to the point where we cannot oversee defense contractors, costing us money, buying things imprudently, $600 toilet seats again?

And when we find that we have cut too far, if we have, will we go back out and contract the very same people who are now in a different guise as civilians, and we will pay them more because they will earn more and they will have bigger overhead themselves? Are we saving money or are we not?

I do not think we have weighed sufficiently, the pros and cons, delved sufficiently into the Department of Defense to know whether or not we can sustain without some lasting damage a 25 percent cut in management personnel or a 42 percent cut. We are taking 124,000 acquisition management workers off of 269,000.

Then there is the enormous increase from $100,000 to $5 million where we will not have free and open competition. Is that a good idea? Have we adequately explored the risk inherent in that, or what is there?

We have a letter, my colleagues can check everyone's office right now, a letter from the Chamber of Commerce expressing its concern that we are dispensing with free and open competition which is the best way to buy things.

I may vote for it but I hope this is not the last word because I think there are some assumptions made here that have yet to be validated.

Mr. SPENCE. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman is recognized for 11 minutes.

Mr. SPENCE. Mr. Chairman, I would like to first of all thank the gentleman from California [Mr. DELLUMS] and the gentlewoman from California [Ms. HARMAN] for their contribution in this effort.

As has been mentioned before, it is truly a bipartisan effort.

This thing just did not happen. People have talked about reform of this kind for a long time. As a matter of fact, we have had acquisition already. Mr. Clinger and I co-authored a bill on acquisition reform in 1996, that will help us save billions of dollars, as has been pointed out by various people.

We went further than that. We asked people in DOD and GAO and business how we can do things better to save more money, to put where it is needed more, and things that were not inherently military and that the Pentagon was doing, how we can get rid of those things.

We have got ten recommendations from various groups, including, as I said, even DOD itself, GAO, businesses, and others. We put it out for everybody to shoot at for a couple of weeks, to offer amendments to and to give us their ideas about.

But the main thing I wanted to do is just commend the gentleman from California [Mr. DELLUMS] and the gentlewoman from California [Ms. HARMAN] and the others on that side of the aisle for the bipartisanship, for the way in which they have handled this process. This is why it is jointly called the Spence-Dellums amendment, and why it is a bipartisan amendment. I ask our colleagues to vote in favor of the bill.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from South Carolina [Mr. SPENCE].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SPENCE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 169, further proceedings on the amendment offered by the gentleman from South Carolina [Mr. SPENCE] will be postponed.

It is now in order to consider Amendment No. 3 printed in part 1 of House Report 105–137.

AMENDMENT NO. 3 OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. SPENCE:
Page 371, after line 20, insert the following:

SUBTITLE A—GENERAL MATTERS

At the end of title XII (page 379, after line 19), insert the following new section:

SUBTITLE B—MATTERS RELATING TO PREVENTION OF TECHNOLOGY DIVERSION

SEC. 1231. FINDINGS.

Congress finds as follows:

(1) There have been numerous reports of United States-origin supercomputers being obtained by countries of proliferation concern for use in weapon development programs.

(2) China is considered by the United States Government to be a country of proliferation concern.

(3) According to United States officials, China has acquired at least 47 United States-origin supercomputers.

(4) Recent reports indicate that China has purchased hundreds of supercomputers for use in its weapons programs and that the United States is unsure of the location of those supercomputers or the purposes for which they are being used.

(5) China has refused to allow the United States to conduct post-shipment verifications of dual-use items exported from the United States to ensure that those items are not diverted to military use.

(6) China has in the past diverted dual-use items intended for civilian use to military purposes.

SEC. 1232. EXPORT APPROVALS FOR SUPERCOMPUTERS.

(a) PRIOR APPROVAL OF EXPORTS AND REEXPORTS.—The President shall require that no digital computer with a composite theoretical performance of more than 2,000 millions of theoretical operations per second (MTOPS) may be exported or reexported to a country specified in subsection (b) without the prior written approval of the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of State, and the Director of the Arms Control and Disarmament Agency.

(b) COVERED COUNTRIES.—For purposes of subsection (a), the countries specified in this subsection are the countries listed as ''computer tier 3'' eligible countries in section 740.7(d) of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997.

(c) TIME LIMIT.—The Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of State, and the Director of the Arms Control and Disarmament Agency shall provide a written response to an application for export approval under subsection (a) within 10 days after the application is received. If any such Secretary or the Director declines to approve the export of a computer, the computer may be exported or reexported only pursuant to a license issued by the Secretary of Commerce under the Export Administration Regulations of the Department of Commerce, and without regard to the licensing exceptions otherwise authorized under section 740.7 of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997.

SEC. 1233. REPORT ON EXPORTS OF SUPERCOMPUTERS.

(a) REPORT.—Not later than 30 days after the date of the enactment of this Act, the President shall provide to the congressional committees specified in subsection (d) a report identifying all exports of digital computers with a composite theoretical performance of over 2,000 millions of theoretical operations per second (MTOPS) to all countries since January 25, 1996. For each export, the report shall identify—

(1) whether an export license was applied for and whether one was granted;

(2) the date of the transfer of the computer;

(3) the United States manufacturer and exporter of the computer;

(4) the MTOPS level of the computer; and

(5) the recipient country and end user.

(b) ADDITIONAL INFORMATION ON EXPORTS TO CERTAIN COUNTRIES.—In the case of exports to countries specified in subsection (c), the report under subsection (a) shall identify the intended end use for the exported computer and the assessment by the executive branch of whether the end user is a military end user or an end user involved in activities relating to nuclear, chemical, or biological weapons or missile technology. Information provided under this subsection may be submitted in classified form if necessary.

(c) COVERED COUNTRIES.—For purposes of subsection (b), the countries specified in this subsection are—

(1) the countries listed as ''computer tier 3'' eligible countries in section 740.7(d) of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997; and

(2) the countries listed in section 740.7(e) of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997

(d) CONGRESSIONAL COMMITTEES.—For purposes of subsection (a), the congressional committees specified in this subsection are the following:

(1) The Committee on Banking, Housing, and Urban Affairs and the Committee on Armed Services of the Senate.

(2) The Committee on International Relations and the Committee on National Security of the House of Representatives.

SEC. 1234. POST-SHIPMENT VERIFICATION OF EXPORT OF SUPERCOMPUTERS.

(a) REQUIRED POST-SHIPMENT VERIFICATION.—The Secretary of Commerce shall conduct post-shipment verification of each supercomputer that is exported from the United States, on or after the date of the enactment of this Act, to a country specified in subsection (c).

(b) COVERED SUPERCOMPUTERS.—Subsection (a) applies with respect to a digital computer with a composite theoretical performance in excess of 2,000 millions of theoretical operations per seconds (MTOPS).

(c) COVERED COUNTRIES.—For purposes of subsection (a), the countries specified in this subsection are the countries listed as ''computer tier 3'' eligible countries in section 740.7 of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997.

(d) ANNUAL REPORT.—The Secretary of Commerce shall submit to the congressional committees specified in subsection (f) an annual report on the results of post shipment verifications conducted under this section during the preceding year. Each such report shall include a list of all such items exported from the United States to such countries during the previous year and, with respect to each such export, the following:

(1) The destination country.

(2) The date of export.

(3) The intended end use and intended end user.

(4) The results of the post-shipment verification.

(c) EXPLANATION WHEN VERIFICATION NOT CONDUCTED.—If a post-shipment verification has not been conducted in accordance with subsection (a) with respect to any such export during the period covered by a report, the Secretary shall include in the report for that period a detailed explanation of the reasons why such a post-shipment verification was not conducted.

(f) CONGRESSIONAL COMMITTEES.—For purposes of subsection (a), the congressional committees specified in this subsection are the following:

(1) The Committee on National Security and the Committee on International Relations of the House of Representatives.

(2) The Committee on Armed Services and the Committee on Banking, Housing, and Urban Affairs of the Senate.

The CHAIRMAN. Pursuant to the rule, the gentleman from South Carolina [Mr. SPENCE] and a Member opposed each will control 20 minutes.

Mr. MANZULLO. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN. The gentleman from South Carolina [Mr. SPENCE] and the gentleman from Illinois [Mr. MANZULLO] each will control 20 minutes.

Mr. MANZULLO. Mr. Chairman, I yield half my time to the gentleman from Connecticut [Mr. GEJDENSON] and I ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

□ 1830

Mr. SPENCE. Mr. Chairman, I yield 10 minutes of my time to the gentleman from California [Mr. DELLUMS] and I ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The time will be distributed in the following manner: The gentleman from South Carolina [Mr. SPENCE] for 10 minutes; the gentleman from California [Mr. DELLUMS] for 10 minutes; the gentleman from Illinois [Mr. MANZULLO] for 10 minutes; and the gentleman from Connecticut [Mr. GEJDENSON] for 10 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself 4 minutes.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, I join the gentleman from California [Mr. DELLUMS] in offering this amendment to halt the diversion of sensitive technologies to potential adversaries.

This amendment will fix a serious national security problem caused by the administration's decision last year to decontrol the export of so-called supercomputers. Among many uses, supercomputers can help other countries design, build and test nuclear weapons, and to develop advanced conventional munitions. The administration's decision to relax exports controls has allowed the U.S. supercomputers to be exported to countries of proliferation concern without appropriate safeguards on how they are used.

Earlier this year, the head of Russia's Ministry of Atomic Energy confirmed that Russia had obtained U.S. supercomputers for use at two of Russia's premier nuclear weapons research laboratories. According to the Russian Energy Minister, these supercomputers are 10 times more powerful than any computers the Russians have.

In addition, U.S. officials have stated that at least 47 U.S. supercomputers have been sold to China. At least some of these, it has been reported, are under the control of the Chinese Academy of Sciences, which is involved in nuclear weapons and missile research. In fact, according to a report earlier this week, China has obtained hundreds of U.S. supercomputers, most of which cannot be accounted for by our U.S. officials and could easily be used for Chinese weapons research and development.

As the New York Times, citing intelligence sources, reported earlier this month, the newly acquired computers could be used by the Chinese to design more efficient or lighter nuclear warheads that could be put on missiles capable of reaching the United States. The supercomputers sold to China would allow the country to significantly improve its nuclear weapons.

The Spence-Dellums amendment would put Government officials back into the decision loop before such exports can occur. This amendment would reverse the administration's current honor system policy that relies on industry to figure out who should or should not receive this critical technology.

Mr. Chairman, the national security implications of exporting these technologies are too significant, and the stakes too high, for U.S. policy to be one that leaves our Government blind, deaf and dumb to where our supercomputers are going. The Spence-Dellums amendment would put Government officials back to where they belong, protecting our security interests instead of remaining on the sidelines while Russia, China, and other nations of proliferation concern go on a shopping spree.

Vote ''yes'' on the Spence-Dellums amendment.

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

Mr. MANZULLO. Mr. Chairman, I yield 3½ minutes to the gentleman from New York [Mr. GILMAN].

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in reluctant opposition to the Spence amendment. I have a high regard for the gentleman from South Carolina and I want to make certain, I want him to understand that my concern is more with the jurisdiction of this measure.

This amendment, as drafted and submitted to the Committee on Rules, falls truly within the jurisdiction of the House Committee on International Relations. While the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] have held several hearings and briefings on the issue of supercomputer exports, they have not introduced any separate legislation or held any markups of this legislative proposal. In fact, this proposal was drafted and presented to our committee staff only after the conclusion of their markup process of the defense authorization bill.

A spirited debate has already started about the implications of certain provisions contained within this amendment, particularly with respect to proposed changes in the export licensing and approval process. Many of these issues should have been resolved in the normal legislative process, and, I would add, they still can be with discussions among the members of the Committee on International Relations, which has sole jurisdiction over the export licensing and review process.

Concerns have been raised in this debate that the adoption of this amendment is going to create a recipe for bureaucratic gridlock where the energies of our Bureau for Export Administration and the Commerce Department will be focused on reregulation and bureaucratic infighting, rather than on the monitoring and verification of supercomputer exports in countries of concern.

Mr. Chairman, in light of the large number of the so-called tier 3 target countries and their great diversity, ranging from Russia to China to Israel and to many of the countries in the Middle East and Eastern Europe, this amendment's one-size-fits-all approach to supercomputer licensing fails to prioritize among the proliferation threats in these very different countries.

In regard to these very serious allegations of the unauthorized reexport of certain supercomputers to Russian nuclear weapons labs, the proposed amendment would only lead to a process where individual validated licenses would be required for the export or reexport of these items. But a presumption of denial or an outright policy of denial might well be needed in instances where there is a military end user or end use of the supercomputer.

On the other hand, Mr. Chairman, an across-the-board de facto requirement for a validated license for all supercomputers over the 2,000 MTOPS range for all military and civilian end uses and users for all of these countries is too far-reaching. Moreover, it fails to distinguish the real from the apparent proliferation threats.

Mr. Chairman, in light of these views and my standing offer to meet with its authors and direct the Committee on International Relations to hold immediate hearings on and report out legislation addressing this critically important issue of supercomputer exports, I request that my colleagues defeat the amendment.

Mr. MANZULLO. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in opposition to the amendment. This amendment proposes to kill a gnat with a bazooka. The amendment sounds good, but ignores technological reality on the world scene.

First, some facts. Fact: Computers of between 2,000 and 7,000 MTOPS are widely available on the world market through individual computers, upgrade boards, parallel processing, and networking. We cannot turn back the technological clock.

Fact: Computers in this range are not supercomputers. Supercomputers are far more advanced, with performance power in the hundreds of thousands of MTOPS, reaching as high as 1 million MTOPS.

Fact: Increasing power levels of computers does not enable anyone to do anything unique. Our entire nuclear weapons arsenal and our pilot space program were designed on computers of two MTOPS or less. Increasing the MTOPS levels does not accomplish any new task. It just simply processes information at a faster rate. If we want to stop foreign military from developing weapons of mass destruction, we do not target computers, we focus on other technologies.

Fact: Personal computers like those we have in our offices or at home will soon cross the 2,000 MTOPS barrier next year. Are we prepared to have the Secretaries of Defense, Commerce, State, Energy, and the Director of the Arms Control and Disarmament Agency give written approval every time someone wishes to sell a personal computer overseas to a tier 3 country?

That brings me to my fifth point. Tier 3 countries consist of 50 nations, including Israel, Saudi Arabia, Pakistan, and India. Are we prepared to turn all of these markets over to our foreign competitors? Are we prepared to have four Cabinet Secretaries sign off on every computer sale of over 2,000 MTOPS to 50 countries? It will be a paperwork nightmare without any measurable reduction in the spread of weapons of mass destruction.

We have to remember the last time we bungled supercomputer export control policy. The United States Government took so long to review a proposed Cray supercomputer sale to India that India turned around and created its own supercomputer industry. Now American firms compete against Indian firms selling so-called supercomputers all over the world, including China and Russia.

I urge my colleagues to cut through the rhetoric and look at the facts. This amendment will not accomplish the goal we all aim to achieve, which is reducing the proliferation threat. I urge its defeat. Otherwise, Congress will surrender America's most innovative industry to our foreign competitors.

Mr. Chairman, I ask unanimous consent that control of the balance of the time delegated to me be given to the gentleman from Connecticut [Mr. GEJDENSON].

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, this is a simple amendment, and one might criticize it for not going far enough, because it only deals with computers that have a theoretical performance of more than 2,000 millions of theoretical operations per second, but there are computers with less stated capacity that can be upgraded beyond that and perform the same functions, and they are not covered.

This is a simple amendment that says, these are significant resources. We are transferring them and losing track of them. There are no end users. We do not know where they go, what purpose they are put to. We do know they are capable of helping countries design nuclear weapons faster and more accurately, and to transfer technology that is so advanced without knowing what its purpose is or where it ends up is just wrong. It is stupid.

So this amendment, bipartisanly, seeks to correct that by asking for prior written approval of the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of State, and the Director of the Arms Control and Disarmament Agency.

Now, one may say that that is a lot of paperwork and a lot of hoops to jump through. Well, there ought to be a lot of hoops. Somebody in these sensitive agencies ought to recognize that this transfer of this technology to a country like China or the former Soviet Union countries has consequences, serious consequences.

So I am very pleased to support the amendment of the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS]. I note that it is bipartisan, and it will remedy a dangerous situation that we ought not let persist.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all, I rise in support of this bipartisan amendment. I am the other side of the amendment, Spence-Dellums.

I want my colleagues to know that I entered into this process as a person committed to arms control and committed to nonproliferation. I am not here nation-bashing, but I am an arms control person. I walked in the door 26½ years ago believing that we ought to deal with the issue of nonproliferation.

Now, there has been a lot of talk about one-size-fits-all. There already is as we speak a licensing regime in place for the sale of high-end computers at the level of 2,000 MTOPS.

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Mr. Chairman, there are four different combinations of user and end use: Military to military, license required; military to civilian, license required; civilian to military, license required. So what are we dealing with here? Civilian user to civilian end use, one aspect of a regime that already requires licensing. You already have one size fits all for tier-III countries, all of them. Let us lay that reality on the table. We can talk about that.

Now, Mr. Chairman, the recent sale of a supercomputer to Russia is what brings us here. It calls into question, in this gentleman's opinion, the ability of the current export management system to catch errant sales of these high performance computers. Something must be done to ensure that technology we wish to control is indeed controlled in a way we require.

The amendment, Mr. Chairman, would simply provide the Government with a 10-day opportunity with a peek, if you will, at civilian use to civilian end users to determine whether or not the proposed sale poses any proliferation concerns.

Members ought to be concerned about the transfer of technology that can enhance the problem of proliferation, and if so, require the submission of a license application, the way you have to do in the other three, anyway. This would prevent the mistakes, as I said further. It would provide the Government with the assurance that its national security goal for nonproliferation will be adhered to.

We are not here simply about selling, to make money. We are the Government. We have a responsibility to protect and preserve the prerogatives and the well-being of our people, so we are in the business of national security. Proliferation is a threat.

Further, Mr. Chairman, by requiring postsale verification we can monitor where in fact these computers go, and if they are not ending up where they belong, we can develop new mechanisms to protect our nonproliferation goals. Contrary to the arguments of some, we cannot publish a comprehensive list of all nonsites of proliferation concerns. To do so would probably compromise sources and methods of intelligence. They know that and so do I. Take that off the table. It is a meaningless suggestion. To provide less than a comprehensive list, however, would mislead us into a false sense of confidence that it was sufficient to avoid sites on disclosed lists.

For those who argue, look, computers are moving quickly; six months from now 2000 MTOPS will be obsolete, 7,000, 10,000. Let us just sell them. They can get these things on the open market.

The answer to those who argue that the computing power at these levels of capability is ubiquitous, that is to say, is available everywhere, Mr. Chairman, and that we are not preventing capability from going to a nation but only providing U.S. firms with an opportunity to effectively do business, then have the debate on the issue of raising the threshold for control, if required. That is the answer to that question, lift the threshold. If we have a technology problem and technology is moving quickly, it is not to acquiesce, to say, gee, it is ubiquitous. We are about the business of control, so lift the level.

Further, this amendment would require the administration to put regulations into effect for computers it has decided should be controlled. It only makes these controls more efficient. We can achieve these changes through legislation or administrative order, but they should be achieved for so long as we would continue to decide that the technology should be controlled.

Mr. Chairman, this may not be a perfect instrument, but this is not the end of the process. We would move to conference. There are opportunities to deal with these matters.

Finally, I want to share with my colleagues a slight vignette. I met yesterday or the day before with members of the administration to talk about this matter. I am a reasonable person. I am not here with a cannon to shoot a fly. I want to work these things out. But then I sat and I listened to brilliant people in the administration, and they kept saying, it will not work here, we cannot do this, nobody would want to put themselves on the line, et cetera; we would end up doing this, that, and the other.

We had a brilliant conversation. I suddenly said, you know what? It occurs to me why the brilliance of this form of government, why there are independent branches of government: because you can get so close to this issue that you cannot see how to work your way out of it. You talk about a thousand reasons why it will not work, but that is why some of us have to take an arm's length approach, Mr. Chairman, and be policy makers who challenge the administration to figure out how to do it right.

Because if we all were administrators, if we all just sat there saying there is no way to do it, some of us have to be optimists and idealists and hopeful people who put pressure on the process. That is what this amendment seeks to do. It is not perfect, but it puts it out there. It forces the administration to come to terms, or it forces us to deal with this issue with some kind of legislative clarity. At the end of the day it is our job to protect the American people, put pressure on the process. That is what we have done. I ask my colleagues to support this amendment.

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

Mr. GEJDENSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding time to me, and I rise in reluctant opposition to a well-intended amendment offered by my colleagues, the ranking member and chairman of the Committee on National Security.

Let me explain. I share their goal of preventing harmful proliferation. Of course I share it. As a member of the committee on National Security I spend much of my time, and we all do, trying to protect our country against harmful proliferation. But I do not think this legislation achieves the goal.

In January, 1996, the United States decontrolled export of computers up to a speed of 7,000 MTOPS to so-called tier-III countries. This was done as a consequence of a study by independent experts commissioned by the United States government to determine what level of computer technology existed

outside the United States, and what level needed to be controlled for national security purposes.

It was believed, correctly, in my view, that continuing to rigorously license widely available computer technology would undermine efforts to control truly significant technology. That is what is at issue here: how do we control truly significant technology. We all want to keep certain computer technology out of the hands of China and Russia, but this amendment would apply to a much broader group of countries, including Israel, one of our closest allies. It is overkill.

I suggest that the best way to go is to support the existing export control laws. That is right, support the existing laws. Those who violate our export control laws, the ones on the books now, could face a prohibition of all exports for the company of up to 20 years, 10 years in prison, and a $50,000 fine for each violation.

Mr. Chairman, these are strict penalties. Enforcing existing sanctions is the right way to go. This unilateral approach to deny widely available technology will only hurt American companies, and will not help national security.

I urge a ''no'' vote.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. PORTER GOSS], chairman of the Permanent Select Committee on Intelligence.

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Chairman, I thank the distinguished gentleman from South Carolina, the chairman, for yielding me this time.

Mr. Chairman, as chairman of the House Permanent Select Committee on Intelligence, my concern is that we should err on the side of caution. While I know that there are very good arguments that are being made by other people, including the distinguished chairman, and this is a debate that is very worthy, it is the same as the debate on encryption, in my view, where we have to make a balance in this House between national security, law enforcement, and our export opportunities and our economic opportunities and our economic muscle overseas.

My view is based on the reports I have. We have three facts. One is that the administration has in fact relaxed controls twice. Where they have relaxed those controls in the case of the Russians, they have given the Russians a capability 10 times greater than anything they ever had before with regard to nuclear weapons. That is what concerns me.

Secondly, I am very concerned that the Chinese academy of sciences, which is involved in nuclear weapons and missile research, has access to these computers also. That is a fact. That bothers me.

Reports, there are reports we have that things are a little out of control in terms of areas of proliferation. This is not a good place to have things out of control. Proliferation of weapons of mass destruction is probably the single biggest categorical threat to our Nation that I can think of.

So I think we ought to err on the side of caution. I think that the proposals in the amendment are definitely reasonable. I do not see anything in there, when talking about approvals and verifications, those are things that seem reasonable to me. I realize this is not the last word on this. I realize there are other sides to be heard on it as well, but I am going to support this amendment because I think it errs on the side of caution, which is where we ought to be on this issue.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentlewoman from Jacksonville, FL [Mrs. FOWLER].

(Mrs. FOWLER asked and was given permission to revise and extend her remarks.)

Mrs. FOWLER. Mr. Chairman, I rise today to express my strong support for this amendment. I urge my colleagues to support it also. It is unfortunate that this administration has sacrificed long-term national security for short-term economic gain. That is the bottom line.

It has been verified that the supercomputers that have been sold to the Peoples Republic of China and to Russia can be turned around and used militarily against our young men and women, that we have allowed them to advance their technology by millions of times over what they would have been able to do. This is inexcusable, and we are going to pay the price for it. Our young men and women will pay the price for it.

We need to support this amendment. It is a valid amendment, because the loosening of these export controls is what is going to be doing in our young men and women in uniform.

Mr. Chairman, I rise today to express my strong support for this amendment and urge my colleagues to support it also. One of the great advantages the U.S. military has always had in the past was our technological superiority. U.S. troops have known that they were not only the best-trained in the world, but the best-equipped—and that gave them an edge on the battlefield. To preserve that edge, we carefully guarded much of our sophisticated technology to keep it from falling into the wrong hands.

Unfortunately over the last several years, export controls on sensitive technology have been loosened to such a degree that we are eroding our own technological superiority. And the current rules on supercomputers are one of the worst aspects of the policy.

I am particularly concerned about this policy with regard to the People's Republic of China. As revealed in a recent congressional hearing, the decontrol of highspeed supercomputers has led to the sale of at least 47 of them to the PRC over the last 15 months—and every one of those computers is at least four times as powerful as those currently in use by the majority of U.S. military systems. In addition, recent news reports indicate that perhaps hundreds of other computers nearly as powerful as those 47 have also been sold to China. Since China is not only doing everything possible to increase its military power projection and develop an indigenous military production capability, but is also a major proliferator of arms and technology throughout the world—this situation should be of serious concern to all Americans.

Supercomputers can provide a user with the ability to essentially build a bomb in the basement—in other words, to design and test nuclear weapons without ever leaving the lab. This cuts down the time and expense involved in such activities dramatically—and also eliminates the tell-tale evidence of physical testing that our intelligence organizations can detect. Other uses include: Sophisticated weather forecasting, which is often crucial to military operations, and is very important in conducting studies for the use of chemical and biological weapons; making and breaking codes; miniaturizing nuclear weapons; and finding submarines on the ocean floor.

The present regulations allow high performance computers to be exported without individual export licenses, which must be reviewed by the Department of Defense, and there is no follow-up on the sale. This means we don't know where the computers will end up, or even if they have been sold to another country. Since China has become a regular arms bazaar for rogue nations like Iran, Iraq, and Libya, this is a serious concern, and one which could have an impact on U.S. troops in the near future.

By allowing what are, in effect, indiscriminate sales of powerful computers, the U.S. is giving a high-tech shot in the arm not only to the nation that none-too-gently reminded us last year that it has nuclear weapons pointed at our west coast, but to terrorist nations around the globe who have no respect for human life and who are of even greater concern to our national security in the near future.

Mr. Chairman, I am a strong supporter of business and I believe in free trade. I also think the United States should remain engaged with China, which is an emerging superpower. However, we must not forget that it is a Communist country that is arming itself at a rapid rate and engaging in proliferation activities around the globe—and we should not be assisting with either of those activities. Free trade is to be desired, but commerce at all costs is not—especially when it provides a more level battlefield.

This amendment will require notification of the Federal Government and more rigorous examination of any sales of computers rated at 2,000 MTOPS (M-tops) and above to countries which may violate non-proliferation agreements. It will not put an onerous burden on businesses, since it provides for timely evaluation of such requests; and it also contains a provision which will enable us to gain a more accurate picture of just how many supercomputers have gone to China and other nations since the current policy was established. I will vote for it, and I wholeheartedly encourage my colleagues to do the same.

Mr. GEJDENSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Chairman, I strongly urge a no vote on the amendment before us. Much has been said about the change in export regulations.

I would point out that the change to the current policy followed an uncontroverted study that determined it was not helpful to anyone to control the export of technology that you could go buy off the shelf someplace abroad.

The change in policy was approved by the Department of Defense, by the State Department, by the Department of Commerce. I would like to quote two other individuals who urged that the policy be changed.

In a letter to President Clinton signed by the gentleman from Missouri [Mr. GEPHARDT] and the gentleman from Georgia [Mr. GINGRICH], they said that ''it is difficult to understand the utility of controlling equipment and technology when it is so easily available to those from whom we are trying to keep it. Yet, by imposing controls, we are limiting the ability of American business to export some of their most marketable items.''

That was true when the gentleman from Georgia and the gentleman from Missouri wrote to the President, and it is true today. Much has been said about the Chinese who have purchased an American computer that was really not all that super. I would like to note that today in the wire service it has been reported that the Chinese themselves are prepared and have developed a 13,000 MTOP computer for their own use and potentially for later sale. So if a 2,700 MTOP computer was indeed sold to the Chinese, perhaps it was a bargain, but they certainly do not need us to acquire a 13,000 MTOP computer.

Mr. Chairman, I am very opposed to the proliferation of nuclear arms. I love our country and I want us to be safe. But I do not see the point in jeopardizing an entire sector of our economy to gain nothing by way of safety; to preclude the export of equipment that anyone can buy that is produced by rival companies in Italy, in France, in the United Kingdom, in Japan.

This amendment does great damage to the economy for no value whatsoever to our security. I urge a ''no'' vote.

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Mr. GEJDENSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Mrs. TAUSCHER].

Mrs. TAUSCHER. Mr. Chairman, I thank the gentleman from Connecticut for yielding time to me.

I rise reluctantly to oppose the amendment by the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS]. There is no question that we must be diligent about guarding sensitive technology from countries that possess or we believe they possess nuclear weapons. Controlling the spread of nuclear weapons must be our top priority. But it makes no sense whatsoever to impose burdensome regulations on the export of computer technology that is widely available on the world market.

Requiring American companies to secure export licenses which can take anywhere from 3 to 6 months will put them at a competitive disadvantage. The Clinton administration recognized in January 1996 that permitting the export of computers that perform up to 7000 MTOPS should not require a license unless the exporter believed that the end use of the computer would be for proliferation purposes. Adequate civil penalties encourage companies not to violate the law.

Mr. Chairman, current law appropriately balances the interests in selling computers with the need for national security. I urge my colleagues to oppose the Spence-Dellums amendment.

Mr. GEJDENSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have a very clear situation here. We have lived through it before. The Defense Department at one time told American manufacturers of machine tools, you cannot export these, the quality is too good. Do you know what happened several years later? The Defense Department said, we want to get Japanese machine tools because they are more precise than American machine tools.

This country does not live at the bottom of technology. If we are going to build the last decade's technology, it is going to come from lots of places around the globe. So this is not as if we are hampering just a few little sales at the top. What we are doing is killing the future of our technical ability. Why? We have been successful as a Nation, not because we have put an iron curtain around our technology understanding that today it is easier and easier to copy it. What we have done is profited off those systems and then developed the technology that has kept us ahead.

Now, COCOM is gone. We have a new group. We are not quite sure what they are doing in Wassenegger. But every time we had a restriction, guess what, the Germans, the French, the English, the Japanese, they sold better stuff than we had. If we think Siemens and Olivetti and Japanese and French and English companies are going to be impressed by the action on the floor today, they will. Just as that German company Brocat was impressed, they said: Thank you, America; we have built a multimillion-dollar company because of your restrictions.

Now, the end result of what will happen here is we will move intelligence and capital offshore so they do not have to come to America's rules and regulations and the Defense Department for a computer that operates at a speed which will be a home computer in 2 or 3 years. This is no place for the Defense Department that has never been able to discern effectively the kind of technical issues at hand.

I remember 6 years ago, Secretary Mosbacher decontrolled 286 computers. Secretary Cheney went ballistic. He says, oh my God. What do we do with a 286 computer today? We could not figure out what to do with it.

We have a situation here where the policies on this floor will drive away the kind of capital that our companies get to stay out in front. There is an American company today that ships its product to Russia so the Russians can add the control portion and then sell it worldwide. Those are jobs and developments that would happen here.

When we take this action on the floor, if this legislation succeeds in the process, we will hurt the largest, most important industry in America, and we will do nothing for national security. By my colleague's own admission, the Chinese already have computers with this capability. The only thing we are going to do is turn the high speed computer market out of this country, hurt America's future and give somebody else control.

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

Mr. DELLUMS. Mr. Chairman, I yield myself the balance of my time.

I would hope that everyone involved in the debate has read the legislation. If they have, it says that the President shall establish the process of prior approval. The President. So read the legislation.

Now, I have already pointed out, Mr. Chairman, that there is already a licensing regime in place. What we have found is that in one aspect of it there, it is alike.

Now, let me establish another fact. The Commerce Department on behalf of the interagency process, not DOD, the five agencies involved here, Department of Defense, ACDA, Energy, Department of State, and Commerce, the five agencies, move away from the rhetoric, deal with the facts. The Commerce has commissioned a study on the question of appropriate threshold levels for control. That study hopefully will look at whether or not 2000 MTOPS is appropriate or whether it is 3, 5, 7, 10 or whatever. At that particular point, all we are saying is, once you have established a level of threshold control, you need to be able to control it. We do not have to be too bright to understand that.

The debate ought to be over what should be the threshold level. If the argument is that 2000 is obsolete, Commerce has commissioned an independent study to address that question. That is what the debate ought to be about, raising the level. But we are also charged with a fiduciary responsibility. We are the government. At whatever level the threshold is, we ought to agree that we ought to be able to control it. That is all this gentleman says. I am not unreasonable.

Final point, Mr. Chairman, this is one part of the process. This is not the end of the process. We move from here to the conference. We engage. Hopefully the administration engages. And in the give and take, we figure out

what is in the best interest of the country. I walk away. But I have a responsibility, as all of us do, to impact the process.

So, A, this is interagency; B, there is also a licensing regime; C, we ought to be talking about threshold levels and not these other extraneous matters. Once we establish a threshold level, whatever it is, we ought to be able to say that we ought to be able to control it.

We have struck in this legislation some midground. Maybe it is not perfect. But we stepped up to our responsibility, and I believe that we stepped up to a midground that at least ought to allow the process to go to the next step. Let us engage both on a bicameral, bipartisan basis and hopefully across the two branches of government and at the end of the day do what is in the best interest of the American people.

Mr. GEJDENSON. Mr. Chairman, I yield myself the balance of my time.

The government and the private sector together made the decision that these systems were not controllable. So for all the rhetoric about our desires, the reality is, when the United States says no, this is buried somewhere in an interagency debate between DOD and Commerce, whether or not this 2000 MTOPS computer is to be sold, the process does not stop. What they do is they knock at another door.

Can my colleagues imagine this debate in the Diet in Japan, the Germans, the French? I do not think so. And even the English.

It makes sense for the United States to take actions that have a consequence. The consequence ought to be denying critical technologies to nations whose policies we do not trust. The action we are taking here today does not achieve that goal because what is clearly and universally available is the very same technology across the globe. The Bulgarians make supercomputers today and have for some time.

So what we are going to do here today is say, well, we are going to ignore what has occurred in the past, the review, we are going to ignore that and we are hoping that somewhere in that whole other conference, it will get better.

Do not bet on it getting better. Do not vote for this which is not defendable, I believe, on the facts, hoping that something good is going to come out of conference. It will only encourage Members who have never had the ability to make that tough decision. At what point are we just hurting ourselves? This is the point where we hurt ourselves.

American industry and the American military have succeeded because we have been at the front end of technology, because we made those sales and we made them carefully. But some of the debates get a little silly. 286 computers? 2000 MTOPS will be our home PC in the next 4 years.

So what we are going to do here today is we are going to raise the proliferation banner, the national security banner wrongly, because I believe this will hurt our ability to compete.

Where we saw one article from one company in Germany saying thank you America for your regulations, we will see more. We will slowly transfer the fastest growing, most important industry in this country offshore. Do Members think that companies that are going to be restricted by this are American hostages? Even the American companies have operations in France and England and across the globe? So what we will simply do is transfer talent, money, resource, and intelligence outside the borders of this country.

We saw it before. The Defense Department would not let Americans export machine tools. And within a 5- to 6-year period, the Japanese had made so much progress, maximizing their markets, that the Defense Department was telling people, buy Japanese machine tools, they are better than ours.

I do not want to be back here in 4 or 5 years trying to figure out how to resuscitate the most important piece of equipment in the information age because we took an easy shot across the bow of technology. We cannot put it back in the bottle. We cannot stop the Germans from selling it. We cannot stop the French from selling it. We cannot stop the Italians from selling it, and we are not going to stop the English from selling it. And we are sure not going to stop the Japanese from selling it.

So what are we going to achieve? We are going to move the profits on these sales to foreign corporations and those corporations will develop the new technologies so that the next time we are debating this issue we will have to say, we hope the Japanese will sell us modern enough computers for America to compete.

We have lost other industries as we sat by in electronics, in television, in machine tools, in so many others because we stumbled.

Let us make sure the stumble does not occur here on the floor of the Congress. There are more jobs today in the information computer industry than there are in the automotive industry. They are growing faster and they are paying better. But we only succeed at the top end of technology because there are lots of developing countries and others who take the bottom of technology. The Chinese, the Indians, they can do it.

Let me close with one other observation. This administration is a good administration. I agree with them on lots of things. When they got elected they denied the Chinese a telephone switching system because it was too fast. They were making ones faster in China and other countries were selling ones even faster. Let us not shoot ourselves in the foot.

Mr. SPENCE. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding time to me.

As the chairman who held the hearing serving the gentleman from California [Mr. DELLUMS] and the gentleman from South Carolina [Mr. SPENCE] on this supercomputer transfer issue, let me say that they are absolutely right. The gentleman from Connecticut [Mr. GEJDENSON] and others who have spoken in a number of areas are absolutely wrong.

Let us just walk through these. First, it was stated that these sales have been made carefully. They have not been made carefully. The first sales to the Soviet Union, the individuals who made the sales have been, according to the briefings that I have gotten, have been fired for making the sales. There are potential criminal actions for making the sales. So these were not prudent private people making sales.

In interviewing the CEO's who were involved with these companies, there are two things here. First, they say they are confused by our supercomputer policy. Because as the gentleman from California [Mr. DELLUMS] points out, if we are selling the supercomputer to the agriculture department in China, ostensibly that is OK. But we all know that is a fiction because the military in China accesses everything.

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So we have to presume conclusively it is going to the military. If they put military on the shipping order, then it is illegal. If they put Agriculture Department on the shipping order, then it is okay.

Second, these sales damaged American security. We have talked to the experts, to our best scientists at our weapons laboratories, and they said two things.

They said the sales to the Soviet Union that the gentleman from Pennsylvania [Mr. MCHALE] held a press conference on, he was so proud about getting this American supercomputer, he did not get a Bulgarian computer or a French computer or Japanese computer. The Japanese have been pretty good about this. He got an American computer, and he was so proud about it that he held a press conference on having that particular computer. Our scientists said that helped the Russians only marginally because they have fairly sophisticated nuclear weapons capability.

They said further, however, that the sales of the 47 supercomputers to China have helped China substantially in their military efforts and their nuclear weapons efforts.

The gentleman from California [Mr. DELLUMS] and the gentleman from South Carolina [Mr. SPENCE] are absolutely right with this amendment. Please vote for this amendment.

Mr. MARKEY. Mr. Chairman, I rise in favor of the Spence-Dellums amendment to this bill.

Last fall, four supercomputers that are powerful enough to design nuclear weapons were sold by an American company to the premier nuclear weapons facility in Russia—Chelyabinsk 70, a place whose very existence was top secret until the end of the cold war. The company said that it didn't know that the facility was a weapons lab, and that they had been told that the supercomputers would be used to forecast the weather. But the only clouds these computers will be modeling will be the mushroom cloud of a nuclear blast. In fact, after the sale was disclosed, Viktor Mikhailov, head of Russia's Ministry of Atomic Energy, or Minatom, which controls the Nation's weapons labs, bragged that Russia had the supercomputers, admitting that they would be useful for mathematical modeling of nuclear blasts. The CEO of the American company had this to say: ''It is possible we were duped.'' I guess so.

U.S. law currently calls for an export license on these powerful supercomputers to be requested by the company seeking the license only if it is suspect that the intended recipient might be a suspicious customer. As the Russian case shows, this honor system method just isn't working. Other than the most infamous foreign weapons facilities, American companies often have no way of knowing which recipients are the weather forecasters and which are the would-be proliferators. Once supercomputers get into the wrong hands, there is absolutely nothing we can do to recover them—all we can do is sit and hope that the nuclear weapons they are designing are never aimed at us.

The Spence-Dellums amendment requires that every supercomputer exported to countries of proliferation concern—like Pakistan, India, China, Russia, and Syria—be accompanied by letters of approval from the Secretaries of Energy, Commerce, Defense and State, and from the Director of the Arms Control and Disarmament Agency. Moreover, it calls for a report to be provided to Congress which lists all exports of such supercomputers since January 25, 1996. If a supercomputer that is being proposed for export really will be used to forecast the weather, the sale will be approved. But if it is determined by the Government agencies charged with collecting such intelligence that the supercomputer sale would endanger U.S. national security, the sale will be denied. What's wrong with that? Let's take the export control job away from private industry and give it back to the people who should be doing it—the U.S. Government. Support the Spence-Dellums amendment.

Mr. HAMILTON. Mr. Chairman, I rise in opposition to the Spence-Dellums amendment.

This amendment would reimpose on certain U.S.-made computers export licensing requirements that the President decided could be safely eliminated last year.

The amendment will put U.S. computer manufacturers at a competitive disadvantage in 50 foreign countries, without doing anything to promote U.S. nonproliferation goals or national security.

In this era of high-technology weaponry, our computer sector is critical to the strength of our defense industrial base. As several speaker have pointed out, if computers fall into the wrong hands, they can be put to military uses that can threaten our security. That is why our Government continues to impose conditions on their export.

Technology and weapons programs are always changing, and U.S. export controls need to adapt. Last year, following a review by experts at Stanford University, the administration, with the support of the Defense Department, reached two important conclusions about computers that perform at and above the levels affected by this amendment First, these computers are widely available from numerous foreign suppliers. Second, only the most powerful of these computers have military applications that pose serious threats to U.S. national security.

On the basis of this review, the administration decided to permit computers below that militarily critical level to be exported without individual approvals to civilian customers. Sales to military customers in 50 countries of concern still have to be individually licensed, a process that requires a Defense Department review.

Earlier this year, we learned that a United States firm had sold high-performance computers to two Russian nuclear weapons labs—a clear violation of the new export control policy. If my understanding is correct, the Spence-Dellums amendment was inspired in part by this improper sale.

But the facts assembled so far do not justify the costly reversal of policy this amendment would require.

The Justice Department and the Customs Service are still investigating the Russian sale. The Commerce Department and our intelligence agencies are still trying to determine whether other high-performance computers have ended up in the wrong hands. So far that does not appear to be the case.

Before it has been proved that this problem extends beyond a single firm and a single country, this amendment proposes to impose burdensome new licensing requirements. This would be a new burden on an entire industry on its sales to 50 different foreign countries, several of which, like Israel, are close friends of the United States.

This amendment is premature and unwarranted. It seeks to fix something that nobody has proved is broken. It seeks to turn back the technological clock. It will reimpose controls on computers that are widely available from foreign suppliers and pose little threat to the United States. This amendment won't make us more secure, but it will hurt our computer industry and the people it employs.

I urge members to oppose the Spence-Dellums amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. SPENCE].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. GEJDENSON. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 169, further proceedings on the amendment offered by the gentleman from South Carolina [Mr. SPENCE] will be postponed.

It is now in order to consider amendment No. 4 printed in part 1 of House Report 105–137.

AMENDMENT NO. 4 OFFERED BY MS. HARMAN

Ms. HARMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Ms. HARMAN: At the end of subtitle A of title VII (page 267, after line 19), insert the following new section:

SEC. 703. RESTORATION OF POLICY AFFORDING ACCESS TO CERTAIN HEALTH CARE PROCEDURES FOR FEMALE MEMBERS OF THE ARMED FORCES AND DEPENDENTS AT DEPARTMENT OF DEFENSE FACILITIES.

Section 1093 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out ''(a) RESTRICTION ON USE OF FUNDS.—''; and

(2) by striking out subsection (b).

The CHAIRMAN. Pursuant to the rule, the gentlewoman from California [Ms. HARMAN] and a Member opposed each will control 20 minutes.

Mr. BUYER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. BUYER] rises in opposition to the amendment and will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I am the mother of four children. I chose motherhood under the constitutional protections and access to medical care guaranteed by Roe versus Wade. Our service women and their dependents deserve the same chances to make their own choices.

Mr. Chairman, my amendment would do this. It would give U.S. servicewomen stationed overseas access to Department of Defense health facilities by repealing a provision of law which bars these women from using their own funds to obtain legal abortion services in military hospitals.

Mr. Chairman, women who volunteer to serve in our armed forces already give up many freedoms and risk their lives to defend our country. They should not have to sacrifice their privacy, their health and their basic constitutional rights to a policy with no valid military purpose.

This is about women's health.

Local facilities in foreign nations are not equipped to safely handle certain procedures, and medical standards may be far lower than those in the United States. We are putting some of our own at risk.

And it is about fairness, too. Servicewomen and military dependents stationed abroad do not expect special treatment, only the right to receive the same services guaranteed to American women under Roe versus Wade, at their own expense, that are available in this country.

Mr. Chairman, my amendment does not permit taxpayer-funded abortions at military hospitals, nor does it compel any doctor who opposes abortion on principle or as a matter of conscience to perform an abortion. The amendment merely reinstates the policy that was in effect from 1973 to 1988 and again from 1993 to 1996.

This is an issue with broad bipartisan support, including a majority of women

Members of this House and the bipartisan cochairs of our Women's Caucus.

My amendment also has strong support from health care providers, organizations like the American Nurses Association, the American Public Health Association, the American Medical Women's Association, the American College of Obstetricians and Gynecologists, and the Planned Parenthood Federation of America. Mr. Chairman, my amendment is also supported by the Department of Defense.

In sum, Mr. Chairman, this is not about public funding. My amendment only permits women to pay for their choices. The issue is simple: Servicewomen and military dependents deserve equal access to health care procedures regardless of where they are stationed.

Equal access to health care for women, that is the title of this amendment. That ought to be one of the principal objectives of our military in which women play so prominent a part.

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

Mr. BUYER. Mr. Chairman, I yield myself 2½ minutes.

Over the past three decades, the availability of abortion services at military medical facilities has been subjected to numerous changes and interpretations.

In January of 1993, President Clinton signed an Executive Order directing the Department of Defense to permit privately funded abortions to be performed in military treatment facilities. The changes ordered by the President, however, did not have the effect of greatly increasing access to abortion services. Few abortions were performed at military treatment facilities overseas for two principal reasons:

First, the military had a difficult time finding health care professionals in uniform willing to perform abortions. In 1993, this policy permitting abortionists, when it was first promulgated, these military physicians refused to perform or assist in elective abortions. In response, the administration sought to hire a civilian doctor to do abortions in military facilities.

So we have to ask the question: If the Harman amendment is adopted, not only would taxpayer-funded facilities overseas be used to support abortion on demand, but new personnel would be hired simply so that abortions could, in fact, be performed. Are all the expenses of searching for, hiring and supporting an abortionist to travel from base to base going to be picked up by the private funds? It is an interesting question to ask.

Second, military doctors must in fact obey the laws of the countries where they are providing services, so that they still could not perform abortions in locations where abortions are not permitted even if the Harman amendment were in fact adopted.

The current law is in fact consistent with the Hyde language. It allows military women and dependents to receive abortions in military facilities in cases of rape, incest, or when it is necessary to save the life of the mother. This is the same policy that has been in effect from June of 1988 until President Clinton signed the Executive Order.

The House has voted several times to ban abortions in overseas military hospitals. In fact, between the 1996 defense authorization bill and the defense appropriations bill, the House voted eight times in favor of the ban. Furthermore, the House voted down the fiscal year 1996 defense appropriation conference report because it did not contain an amendment to ban abortions in the military.

In those overseas areas where the female beneficiaries do not have access to safe, legal abortions, beneficiaries have the option of using the space available travel for returning to the United States or traveling to another overseas location for the purpose of obtaining an abortion.

Mr. Chairman, I would say that this is not an issue of whether it is women's rights or of men's rights, this is an issue of life and the use of those taxpayer funded facilities.

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

Ms. HARMAN. Mr. Chairman, I yield myself 30 seconds just to point out to my colleague and good friend from Indiana, who is a lawyer himself, that section 1093(a) of title X, which remains in effect, which is not repealed by my amendment, says, ''Restriction on use of funds: Funds available to the Department of Defense may not be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.''

We are not using Federal funds for abortions. We are not repealing that section of law.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DELLUMS], the ranking member of the Committee on National Security and my good friend.

Mr. DELLUMS. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I want to express my strong support for the amendment offered by my distinguished colleague from California. The ban in current law discriminates against women who have volunteered to serve their country by prohibiting them from exercising their legally protected right to choose simply because they are stationed overseas.

In the United States abortion is a legal medical procedure. Whether one agrees with that or not, that is the reality. However, in many of the countries where our troops are stationed abortion is outlawed. Faced with a crisis pregnancy, a military woman or dependent would have to choose between risking an illegal abortion overseas or paying for transportation back to the United States. Sometimes that is not convenient or they do not have the resources.

While DOD policy respects host country laws regarding abortion, to the extent feasible and consistent with legal obligations, service women stationed overseas should have the same access to abortion services as do women in the United States. Women who serve in our military deserve safe and sanitary medical care. They should not have to risk their health because they are forbidden to have access to American military hospitals for a procedure that is constitutionally protected. Now, we may agree or disagree with that, but that is the fact.

This ban may cause a woman stationed overseas, who is facing an unintended pregnancy, to be forced to delay that procedure several weeks until she can travel to a location where safe, adequate care is available. For each week an abortion is delayed, the risk to the woman's health increases.

Mr. Chairman, beyond the issues of health and access to medical care, I would argue that this is a fundamental and basic issue of equity. An American service woman should not have to lose any of the constitutional protections she has while serving the military simply because she is deployed to a U.S. military facility in another country. We should not deprive these women of the very rights they are assigned to protect when we send them overseas.

Mr. Chairman, I urge my colleagues to support the amendment offered by the distinguished gentlewoman from California [Ms. HARMAN].

Mr. BUYER. Mr. Chairman, I yield myself 10 seconds to respond to the gentlewoman that I thoroughly understand that this is an issue about the restrictions on the use of the facilities.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. HYDE] the chairman of the Committee on the Judiciary.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding me this time.

My friend from California, [Mr. DELLUMS], said this is an equity issue, and he is right. I listened carefully to his debate, I listened to the gentlewoman from California's debate, and I daresay I listened to everybody on that side in the debate, and none of them will mention a baby. All they mention is the woman. The woman has a problem, the woman wants her privacy, she wants her health taken care of, she has constitutional rights.

What about the baby? The forgotten man or woman. The little tiny innocent human life struggling to live. No, they want to use taxpayer facilities, forget who is going to pay for it. This is the use of taxpayer facilities to kill an innocent unborn child. Some of us find that abhorrent.

I know the woman has rights. I know Roe versus Wade has declared open season on unborn children, but if there is any way this legislation narrows it

down and gives that little girl or little boy, even though unborn, a shot at living, we are for it and I am against abortions. It is not a question of funds.

So the gentlewoman talks about choice. Choice? What are you choosing, vanilla, strawberry? Who has the right to choose to kill an innocent unborn child, even if it is their own? They do not own that child. So abortion is wrong.

We are not in the business of having the military facilitate abortion. We are in the business of having the military win wars, not making war on an innocent little baby in the womb.

□ 1930

The choice was exercised when the woman got pregnant. And because you drape her in a uniform does not change the equation of a human life at stake. And another tiny, defenseless, voiceless cannot rise up, cannot vote, cannot escape human being, who ought to have the right to life as promised in our Declaration of Independence.

I oppose the amendment of the gentlewoman of California [Ms. HARMAN], and I implore my colleagues on the other side to occasionally think about the baby and whether the little baby ought to have the right to live.

Ms. HARMAN. Mr. Chairman, I yield myself 10 seconds.

I just would like to say to the gentleman from Illinois [Mr. HYDE] that I respect his deeply held views, and I assume he respects mine. The law of the land is Rowe versus Wade, which was carefully decided by the Supreme Court almost 30 years ago, and that is what is at issue here.

Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentlewoman from California [Ms. HARMAN] profoundly for her leadership on this issue, which is so vital to the needs of American servicewomen.

Mr. Chairman, denying our military servicewomen their constitutional right to seek safe medical treatment, whether overseas or at home, is wrong. The Harman amendment is not about supporting or paying for abortion. The Government will not put down one single penny to pay for these medical services. This amendment is about restoring access to health care to women in the military while they are away from home.

Restricting access to medical treatment while in a foreign land threatens the very lives of our American servicewomen. Women that are denied health care which can be effectively and safely provided at our military bases will either seek unsafe treatment or will be forced to leave their service duties. Both scenarios undermine our military services.

I urge my colleagues to support this important measure to restore safe and legal abortion to the women who dedicate their lives to serving our country.

Mr. BUYER. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. STEARNS], chairman of the Subcommittee on Health of the Committee on Veterans' Affairs.

Mr. STEARNS. Mr. Chairman, well, here we go again. We have had this debate before and we had this amendment and we won overwhelmingly in the 104th Congress. This evening, this House is going to spend the greater part of the evening and perhaps all tomorrow talking about where are we going to spend billions and billions of dollars for defense. We will probably be covering over 50 amendments to the defense authorization bill. Some will adjust the levels up and down and will be having great debate.

Mr. Chairman, the vote we take today should be made in an effort to provide our Nation with the best defense capabilities in the world. In fact, all but one vote will. What is that lone vote? Surprise, it is an abortion amendment. After overwhelmingly defeating this amendment in the 104th Congress and now putting this into law, we are faced again with this debate.

I ask my colleagues tonight, does the abortion debate have any place in the authorization of billions of dollars for national defense? Of course not. Here is another question: Do they as taxpayers have any place funding facilities to provide abortions? Of course not.

Abortion proponents argue that this is not an issue of taxpayer funding for abortion, that this amendment would require the woman to pay for her own abortion. Well, then, if taxpayers' dollars are not involved, where exactly would these procedures take place? If taxpayers are not involved, then this amendment would have no place in the defense authorization bill. Would it?

The amendment to this bill exists because a part of what we are debating today is a funding level for the U.S. military medical facilities, precisely the place where the abortions must occur. Yes, taxpayers' dollars are very involved in this issue.

Mr. Chairman, let us keep the contents of this bill dedicated to the subject at hand, to provide for a strong national defense in order to protect ourselves and our children. I oppose the Harman amendment and urge my colleagues to do the same.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Chairman, first let me thank my friend, the gentlewoman from California [Ms. HARMAN] for her leadership on this issue. She is truly a fighter for equal treatment for women in the military.

Mr. Chairman, make no mistake about it, that is what this issue is really about. It is about equal treatment for servicewomen stationed overseas. This amendment is not about Federal support for abortion services. It is about giving women who have volunteered to serve their country the same protections that civilian women have here at home.

Last Congress, the majority told servicewomen stationed overseas that they could not even spend their own money on abortion services in military hospitals. They sent a message loud and clear to each American servicewoman that their political agenda was more important than her health and her safety. Mr. Chairman, these women fight for our freedom every day. Let us not take their freedoms away.

Mr. BUYER. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland [Mr. BARTLETT], a member of the committee.

Mr. BARTLETT of Maryland. Mr. Chairman, I would like to make just two very simple points, and I rise in strong opposition to the Harman amendment.

The first point is that the law assures complete health care for our women in the military. If they have a pregnancy problem and their life is at risk, they are assured complete health care. But let me say very emphatically that killing preborn babies is not health care. Let me say it again. Killing preborn babies is not health care.

The second point I want to make is that our military physicians and our military hospitals do not want to perform these abortions. They did not do it when we did not have a law precluding them from doing it. They do not want to do this. I rise in strong opposition to this amendment. The American people are opposed to it. We need to vote it down.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to our colleague, the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Chairman, I thank the gentlewoman for yielding me the time.

I rise in strong support of this amendment. I think that the law that this Congress put into being is outrageous. It says that if she is a woman in the military serving in Washington, DC, and she needs medical services and the Government will not pay for them, she can use her own money. She can go down to local hospitals and go get that service, but if we put her in uniform overseas in foreign soil, she cannot get that service. If her health is at risk, she cannot get those services. It is outrageous.

It says if she chooses to defend our Constitution, do not expect the Constitution to apply to her if she serves overseas. This is bad law. We ought to amend it. That is what this amendment does. I urge everyone to support it.

Mr. Chairman, I rise in the debate on the Harman amendment.

I think this debate is really not about abortion. I think it is about our national security.

National security assumes that you will have personal security. Existing law puts women in uniform at risk with their own health care when they serve our country on foreign soil.

This amendment corrects that injustice which prohibits these same women in uniform from access to health care when they are in service abroad, even if they use their own money.

Think about it. Women in uniform have pledged to uphold the Constitution of this country, which grants those women choice in these procedures.

But because of existing misguided law which access at home but not abroad when they serve overseas it is taken away from them.

We must not discriminate against women simply because they serve in the defense of our country.

I urge support for this amendment.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. LEWIS], a member of the committee.

Mr. LEWIS of Kentucky. Mr. Chairman, I rise today in opposition to the amendment of Representative HARMAN. It allows abortions at overseas military bases. I commend my colleague on her bipartisan efforts to promote a strong national defense and her hard work on the Committee on National Security. However, this is an issue where I must respectfully disagree.

I have said it before, and I will say it again: Government should not spend one penny to fund abortions. It is an emotionally charged debate that divides this great Nation. Due to that fact alone, it is not just for our Government to spend taxpayers' dollars on an issue that pits so many Americans against each other. Regardless of reimbursement, no Federal facility should be used to end the life of the unborn.

Mr. Chairman, what is the purpose of our medical personnel in the military? Is it to take lives, or is it to protect lives? I believe the military's medical community is in the business of protecting the lives of innocent people. It nurtures those who are injured. It shelters the sick and the weak. And it seeks to make sure lives are saved, and that includes the life of the unborn. We should not stand by and allow abortions on military bases because it contradicts why we have personnel in our military.

Ms. HARMAN. Mr. Chairman, I yield one minute to the gentlewoman from Connecticut [Ms. DELAURO], a former member of the Committee on National Security and a leader in this fight last year.

Ms. DeLAURO. Mr. Chairman, this amendment restores the freedom to choose for military women serving overseas. It is fundamental that those who risk their lives to defend the rights of American citizens should, in fact, enjoy those same rights. Without this amendment, American women living overseas due to service in our military will be discriminated against. Their right to choose, a right which is protected by the Constitution and the Supreme Court, will be denied.

This is not a question of using taxpayers' money to perform abortion. Women will pay for their abortions out of their own pockets. This is not a question requiring doctors to perform procedures with which they do not agree, because this amendment preserves the conscience clause. This is not a question of imposing a new policy. This has been the policy of this Government.

This amendment ensures that women will have access to safe, sanitary medical care even when they are stationed abroad. This debate is, purely and simply, a question of a woman's right to choose. If American military women living overseas can be denied that right, what will protect the rights of American women living in this country?

I urge my colleagues to support the Harman amendment.

Mr. BUYER. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey [Mr. PAPPAS], a member of the committee.

Mr. PAPPAS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, the amendment offered by the gentlewoman from California was soundly defeated by a vote of 22 to 33 in the Committee on National Security. As has been the case in previous years, this amendment was defeated because Members recognized that Americans do not want their hard earned tax dollars paying for abortions.

The funds that we appropriate for the Defense Department should be used to support our national security and not for other purposes. Americans do not support the use of public funds to support military hospitals where abortions would be performed. This amendment could mean taxpayer funds could be used to hire personnel to perform abortions as well as subsidies to the facilities where abortions would take place.

Today's debate on the defense bill will be marked by having many Members debating about the lack of funding for certain aspects of our national defense. The Harman amendment would add more expenses to an otherwise tight budget.

I urge my colleagues to defeat this amendment. Our military hospitals are dedicated to healing and nurturing human life. They should not be forced to facilitate the taking of the most innocent of human life.

Ms. HARMAN. Mr. Chairman, I mentioned that this amendment has bipartisan support. I would now like to yield 1 minute to our colleague from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, I rise in strong support of the Harman amendment. It would restore the guarantee that those members serving in our Armed Forces can exercise their full range of constitutionally protected rights. This amendment is not about using U.S. taxpayers' dollars to finance abortion. Rather, it is an effort to assure that service members and their dependents based in countries that do not allow abortion will be able to access the medical facilities which we provide for them to attend to their own medical needs as they see fit.

Even if other servicemen and women are serving in developing countries where abortion is legal, they are not likely to find the same high standards of cleanliness, safety, and medical expertise that is available at a U.S. facility.

The Harman amendment would simply allow service members and their dependents to obtain the same range of health services at those facilities that they can now obtain at home. This is not a complicated issue. The amendment would assure that those in our armed forces need not sacrifice their constitutional rights to serve their country.

Mr. BUYER. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. HOSTETTLER], a member of the committee.

(Mr. HOSTETTLER asked and was given permission to revise and extend his remarks.)

□ 1945

Mr. HOSTETTLER. Mr. Chairman, I thank the gentleman for his time.

Mr. Chairman, I rise in strong opposition to this amendment. Just as the Supreme Court said in 1857 in the now infamous Dred Scott decision, that slavery was constitutional, that same institution has told us that for the time being we have to allow the killing of pre-born children. It has not, however, told us that Government has an obligation to provide this service. This amendment would do just that.

This amendment obligates the United States to make sure abortion services and facilities are available at U.S. military bases. It is this obligation that I believe the Committee on National Security and the House soundly rejected last year on so many occasions and should again reject.

Abortion remains a very decisive practice in America and indeed the world. Allowing abortions to be performed on military installation would bring that discord and dissension right on to our military bases complete with pickets and the like.

The core principle at issue today, whether the Government is obligated to provide what is merely a right, is a serious issue with serious ramifications. Does the freedom of the press guaranteed by the first amendment obligate the Federal Government to provide every interested American with a printing press? Does the right to distribute pornography, which has been upheld by the court, obligate the military to distribute it to the troops? I think not.

Congress has the clear responsibility under the Constitution to provide for the rules and regulations of the military. We must not make it the policy of the United States to use its military facilities to destroy an innocent preborn life.

I urge a ''no'' vote on this amendment, Mr. Chairman.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I too want to add my accommodation to the gentlewoman from California [Ms. HARMAN] for her exceptional leadership in fighting this fight for America's service women; really, really for all women in America, and I rise in strong support of the Harman amendment to the defense authorization bill to repeal the provision in this bill prohibiting abortion services in U.S. military hospitals overseas. This provision is a clear threat to the health and safety of women military personnel and military families and a threat to the constitutional rights of all American women.

Mr. Chairman, women stationed overseas in service to their country depend on base hospitals for medical care. Access to comprehensive reproductive health is essential for all women, civilian or military. These women are citizens ready and willing to sacrifice their lives for our country. Under the bill, as it currently stands, however, these women are treated as second-class citizens. Under this bill these brave women would be denied access to safe medical care.

The Harman amendment is not an issue of taxpayer funding. Women in the military had previously used and would continue to be required to use their own funds to obtain abortion services at military hospitals. The Harman amendment is not an issue of coercing medical providers to perform abortion services. The Harman amendment maintains the conscious clause already in effect. It is, however, the intent of the language in this bill to deny more women the right to choose.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentleman from Alabama [Mr. ADERHOLT].

(Mr. ADERHOLT asked and was given permission to revise and extend his remarks.)

Mr. ADERHOLT. Mr. Chairman, I rise today in opposition to the Harman amendment to the national security authorization bill and in support of current law which prohibits abortions in military facilities abroad. The Harman amendment would turn U.S. military hospitals into abortion clinics. How can we justify using U.S. military hospitals, military personnel and hard earned tax dollars for the destruction of innocent human life? Despite the arguments that these abortions would be privately funded, there would be some costs to the taxpayer.

In 1993, when President Clinton argued that the military's policy to allow abortions on these U.S. facilities made many outraged military physicians refuse to perform this procedure. They rightly believe that this is simply not a procedure that should be performed in U.S. military hospitals.

As Pope John Paul once stated, a nation which kills its own children is a nation without a future. I stand today with those who oppose the Harman amendment and support life.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Chairman, I rise in strong support of the Harman amendment, and I urge my colleagues to support this amendment.

The fiscal year 1996 Defense Authorization Act went much further than a limitation on the use of government funds for abortion. It actually barred military women and dependents from using their own money to pay for abortion services at military bases, just as they would use their own funds to pay for those services if they were in the United States.

The current law puts the health of our military women at risk. Many of these women are stationed in countries where there is just no access to safe and legal abortions outside of the military hospitals. A woman forced to seek an abortion at local facilities or forced to wait to travel to apply safe abortion services faces tremendous health risks.

This amendment does not force the Department of Defense to pay for abortion. It simply gives women access to health care that they could receive if they were at home. It is unimaginable to me and to the American people that Congress would reward the American service women who have volunteered to serve this Nation by violating their constitutional right to assess abortion.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding this time to me, and I want to thank the gentleman for his extraordinary leadership of this subcommittee and just echo his feelings here and those that have been given by many Members who are against allowing abortions to take place in military hospitals.

Mr. Chairman, let us not involve the military in abortion. Is that a double standard? Yes, it is a double standard, and the military has a double standard in a number of areas with respect to marital fidelity, with respect to pornography on base, and yes, with respect to abortion. We have our young people focused on duty, honor and country, and that involves a higher standard sometimes than the general public.

But do my colleagues know something? The general public likes that. They respect the military more than any other institution because they have the higher standard. Let us keep that higher standard, and let us stick with the committee's position, and I thank the gentleman for his extraordinary leadership on this issue.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentlewoman from California for not giving up on this fight. This is very important to women all over this country. Prohibiting women from using their own funds to obtain abortion services at overseas U.S. military facilities endangers their health simply plain and simple. American women stationed overseas depend on their base hospitals for medical care and are often situated in areas where local facilities are inadequate or unavailable. If the defense authorization bill is enacted without this amendment, American military personnel overseas would face the prospect of a long medically dangerous wait to return to the United States if stationed in countries that ban abortions or the prospect of having the procedure done in an unsafe unsanitary foreign hospital, perhaps causing a woman facing crisis pregnancy to seek out a illegal unsafe abortion. This ban may cause a woman stationed overseas who is facing an unintended pregnancy to be forced to delay the procedure and again travel very dangerously.

Let me make a point. No medical providers will be forced to perform these abortions if they do not desire. All three branches of the military have conscience clauses that do not allow them to do it if they do not desire to do so.

Let me say that we need to give fair and equal treatment to the women in the military service. Let us support this amendment.

Mr. Chairman, I rise today in support of the Harman amendment repealing recently enacted provisions of current law that prohibits privately funded abortions at overseas Department of Defense medical facilities and to thank Congresswoman HARMAN for her leadership in bringing this amendment to the House floor.

The ban on privately funded abortions at overseas Department of Defense medical facilities discriminates against women who have volunteered to serve their country by prohibiting them from exercising their legally protected right to choose simply because they are stationed overseas. We must ensure that American female military personnel and dependents of military personnel stationed overseas can exercise the same constitutional right to choose that is available to women in this country.

Prohibiting women from using their own funds to obtain abortion services at overseas U.S. military facilities endangers their health. American women stationed overseas depend on their base hospitals for medical care, and are often situated in areas where local facilities are inadequate or unavailable. If the defense authorization bill is enacted without this amendment, American military personnel overseas would face the prospect of a long, medically dangerous wait to return to the United States if stationed in countries that bans abortions, or the prospect of having the procedure done in an unsafe, unsanitary foreign hospital perhaps causing a woman facing a crisis pregnancy to seek out an illegal, unsafe procedure.

This ban may cause a woman stationed overseas who is facing an unintended pregnancy to be forced to delay the procedure for several weeks until she can travel to a location where safe, adequate care is available. For each week an abortion is delayed, the risk to the woman's health increases.

This is not an issue of taxpayer funding for abortions. Under the amendment the patient,

not the Federal Government, would pay for the procedure.

No medical providers will be forced to perform abortions. All three branches of the military have conscience clause provisions which permit medical personnel who have moral, religious, or ethical objections to abortion not to participate in the procedure. These conscience clauses remain intact.

Simply put, current law does not ensure equal health service access for all members of the United States armed services. Barring women living overseas from using their own funds to receive reproductive health care procedures legally available in the United States, is at best hypocritical and at worst a serious danger to their health.

Women in the armed services have committed themselves to protecting the constitutional rights of all the citizens of the United States, yet we choose time and time again to deny them the same rights that we extend to women on U.S. soil.

I urge my colleagues to support the Harman amendment.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. BARCIA].

Mr. BARCIA. Mr. Chairman, I rise in opposition to the distinguished gentlewoman from California's amendment, and I urge my colleagues to support current policy that prevents Department of Defense medical treatment facilities from being used to perform abortions. The current policy does contain exceptions. If the life of the mother is in danger or in the case of rape or in the case of incest abortion is not prohibited.

Yes, the Supreme Court upheld the woman's right to choose. However, the Supreme Court did not require nor commit U.S. taxpayers to pay for the procedure for military personnel or civilians.

When this policy was repealed in 1993, a majority of military physicians refused to perform or assist in elective abortions. Our military doctors should not be obligated or forced to perform abortions, particularly if they are morally opposed to abortion.

Pro-life Americans believe that it is improper that any tax dollars are used to perform abortions. We in Congress should not support any policy that ignores our citizens' unyielding belief in the right to life.

Support current military policy. Support the ideals of our American citizens. Oppose this amendment.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, I urge support of the Harman amendment which would reverse the shameful policy of forbidding women in our armed services from using their own money to pay for an abortion in a safe U.S. medical facility abroad. It is disgraceful that we require women who are serving their country to risk their health and lives to exercise their constitutional right to choose an abortion.

Why should not women in the Armed Forces enjoy the same fundamental rights that all other women in the United States enjoy?

This bill would deny our Nation's service women stationed abroad a right they are absoltely entitled to and can exercise when in the United States, but if they are stationed abroad, they are forced to wait until they can return to the United States for an abortion or to go what in many countries are substandard and unsafe foreign medical facilities.

Whatever anyone in this Chamber may think about abortion, it is a constitutionally protected right of every American woman. Our service women are prepared to risk their lives to defend our values and to protect our freedoms. We should not require them to risk their lives to exercise their constitutional right to an abortion.

I urge my colleagues to vote for this amendment and expunge the shame from our statute books.

Mr. BUYER. Mr. Chairman, I yield myself 20 seconds to say that I believe it is shameful and a disgraceful as a policy of the United States, since none of the military doctors would perform an abortion, for us to use taxpayer funds to hire an abortionist. That would be a shameful policy if this Harman amendment would pass.

Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Chairman, I would like to thank my subcommittee chairman for making this possible.

Mr. Chairman, I rise in opposition to the Harman amendment. That is not what our Nation should be about, and for those of of my colleagues who come to the floor on an annual basis, and this seems to be the only thing in the military that one can speak on, I would encourage my colleagues, if they really want to help the troops, why do you not try to help us find the funds so that we can get those 13,000 soldiers, sailors, airmen, and marines who are on food stamps, and two-thirds of whom have families of their own and children of their own, at least pay them enough so they are not eligible for food stamps?

Where I come from there is a stigma to being on food stamps, and no one who serves our country should have to live with that kind of a stigma.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY of New York. Mr. Chairman, only under a Republican Congress can a woman sign up to serve her country and have her rights denied in return. Last time I looked it was still legal for a woman to have the right to choose in this country, but only if she remains in this country. If she decides to serve her country overseas, then she loses that constitutional right.

If a male member of the armed services needs medical attention overseas, he receives the best. If a female member of the armed services needs a specific medical procedure overseas, then she has to come back to the United States to get that procedure or go to a foreign hospital that may be unsanitary.

This bill will not cost taxpayers one cent. The women will pick up the tab. All they want is the right to do it, and women have waited long enough to receive equal treatment in the military.

I hope my colleagues will support the Harman amendment and give these most deserving soldiers back that which is rightfully theirs.

Mr. BUYER. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, today because virtually every military physician deployed around the globe, as a matter of deep conviction and conscience, has refused to facilitate a 1993 Clinton Executive Order on abortion, and because the Dornan amendment was signed into permanent law a few years later on February 10, 1996, overseas military hospitals continue to be havens of healing, nuturing and disease eradication, not baby killing centers.

The Harman amendment, if enacted, would turn these healing facilities into abortion mills where unborn children could be dismembered or chemically poisoned on demand. The Harman amendment makes a false distinction based not on what happens in an abortion, a baby is violently killed, but in who provides the cash. It also completely overlooks costs borne by the taxpayers to facilitate that abortion, like the provision of operating rooms, the hiring of abortionists and the procurement of poisons and potions and suction machines.

□ 2000

This amendment says, in effect, it is okay to tear an unborn child, to rip an unborn child from limb to limb or to apply that baby with deadly poisons using a hypodermic needle, so long as somebody else seems to be footing most of the bill.

Somebody earlier said that this is not about abortion. We hear that kind of excuse and defense every time we hear this on the floor. When the D.C. appropriations bill is up, it is a matter of home rule. When the Federal employees health benefits program ban on abortion comes up, it is labor-management negotiations. When the Hyde amendment comes up, it is a matter of rich versus poor women. Of course, that underscores the fact that the unborn of the poor seem to be more able to be discarded and are more expendable.

Mr. Chairman, let me conclude. The Harman amendment facilitates the killing of unborn children, and there is no doubt about that. It treats helpless, defenseless infant baby boys and girls as a disease, or a cyst, or a tumor that can be excised at will.

Medicine is all about curing and mitigating diseases. This is not maternal health care, this is not prenatal

health care, this is killing of unborn children and the exploitation of their mothers.

I urge a ''no'' vote on the Harman amendment.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN of Virginia. Mr. Speaker, how arrogant for comfortable male Members of Congress to stand here in such self-righteous judgment over the lives of women who choose to serve our country in the military. We ought to be honest about it. Let us be honest about it. What this bill does is to prevent women, even victims of rape, from being able to exercise the same civil rights that they are granted by law in this country. We are punishing them for choosing to serve in the military, and we know from recent experience that this is not an uncommon situation.

Every one of my colleagues know that they are being hypocritical. If it was their daughter serving in the military who was the victim of a rape, they would not stand in such self-righteous judgment over her.

Grant women who choose to serve our country the same rights that they would be entitled to as American citizens.

Mr. BUYER. Mr. Chairman, will the gentleman yield?

Mr. MORAN of Virginia. I yield to the gentleman from Indiana.

Mr. BUYER. Mr. Chairman, this is the Hyde language, which is the exception for rape. I just wanted to let the gentleman know.

Mr. MORAN of Virginia. Mr. Chairman, reclaiming my time, this is the bill that says that it only applies if the life of the woman would be in danger. This is the bill I was given, and it does not apply to rape.

Mr. BUYER. Mr. Chairman, it does.

Ms. HARMAN. Mr. Chairman, I yield myself 30 seconds. If I could just have a copy of the code that the gentleman from Virginia [Mr. MORAN] was referring to, I would like to read that right now.

Mr. Chairman, the restriction on the use of funds says, the one that remains in the code, ''except where the life of the mother would be endangered.'' There is no exception for rape and incest. I would like to put that in the RECORD.

Mr. Chairman, I yield the remainder of my time to the gentlewoman from Connecticut [Mrs. JOHNSON], the cochair of the Women's Caucus.

The CHAIRMAN. The gentlewoman from Connecticut [Mrs. JOHNSON] is recognized for 3 minutes.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of the Harman amendment. Is this taxpayer funding of abortions? No, it is not. It is the hard-earned dollars of the service men and service women of America choosing, electing, to have a medical procedure. They are paying for it themselves.

Now my colleagues say, but the hospital is there. What hospital in America does not allocate charges for overhead into their charges for a procedure? No hospital does not allocate overhead charges. So do not tell me they are not paying for whole freight, they are paying their whole freight. This is not taxpayer-funded abortions, this is privately funded abortions that women in our armed services overseas may choose or need to have for medical reasons.

What about military personnel? Do we have to hire doctors? Of course we will not. These are overseas bases, service women, serve the dependents, and so they have obstetricians. And all obstetricians are trained, whether my colleagues like it or not, to do abortions as well as to do many other things. So one is not going to hire physicians. This is not taxpayer-funded abortion. This is far more than that.

There was one other argument that was brought up here that I want to speak to. The military has a higher standard. Boy, I would never touch that argument, folks. It is not a higher standard to deny service men and women the same rights as the citizens they defend. That is an abomination of the concept of higher standards in the military, and I believe the military does command of its people very high standards.

So what is this about? It is about discrimination. If one is a colonel or a major, if one is an officer, one can afford to fly home, one can afford to fly one's wife home; one can afford to fly one's 16-year-old daughter that got in trouble home. If one is an enlisted man, one cannot. One is on space available.

I see it as economic discrimination. Officers are not going to be affected, enlisted men are. But what is this really about? Listen to the language of all of the speakers. This is about abortion, pure and simple. This is not about taxpayer-funded abortions, this is about abortion.

Now, I challenge the pro-life Members of this Congress, for God's sakes, bring a bill to the floor that bans all abortions in America, and if they can win it, fine. Then we will not have to keep debating these things. But as long as abortion is legal, let servicemen have the same access to abortion as other citizens do have.

Not one of my colleagues who has spoken today, this is so distressing to me, because I believe it is unconscionable. Not one of my colleagues who has spoken today has introduced a bill that bans all abortions at all institutions. My colleagues want to ban abortions at a military hospital so military service women and the wives of enlisted men have no rights, because they are too far away, unless they want to go to the local hospital and risk death.

I have made my points. If some want to ban abortion, do it, but do not do it selectively and leave military people without the rights of real Americans.

Mr. BUYER. Mr. Chairman, I yield the balance of my time to close this debate to the gentleman from Florida [Mr. WELDON], former United States Army doctor.

Mr. WELDON of Florida. Mr. Chairman, I rise to strongly urge all of my colleagues to vote no on the Harman amendment. I can bring some perspective to this issue because I was in the United States Army Medical Corps when President Reagan ordered that abortions stop in military facilities, an order that was reversed by Bill Clinton in 1993; and then this Congress corrected it. I can tell my colleagues that the men and women, the doctors and nurses in the Army Medical Corps supported the President because they did not want to have anything to do with this procedure. And the reason the people in the healing arts do not want to have anything to do with this procedure is because they know what it is. Even those who claim to be pro-choice will say to me, I would never perform one. And the reason for that is very clear. It is the destruction of a human life.

We have no business in this Congress having anything to do with supporting abortion at military facilities, and I strongly urge my colleagues, let us not roll the clock back. Support the language in the law, oppose the Harman amendment.

Mrs. KELLY. Mr. Chairman, I rise today in strong support for the Harman amendment and thank my colleague for her leadership in the fight to repeal the ban on privately funded abortions for servicewomen and their dependents at overseas military hospitals.

Our servicewomen have volunteered to defend our country, which is a patriotic calling to be admired and, for which, we should be grateful. So how do we thank them? By denying them basic rights that are extended to all other American women—reproductive rights.

This amendment is an access to health care amendment to repeal a harmful public policy for women who deserve our utmost protection. We are talking about women who are serving in countries that do not share America's standards of quality in health care. Furthermore, some of the countries in which they serve do not share America's affection for human rights—especially women's rights.

Some members of this body claim to not want American tax dollars going to abortion, and that claim in this matter would be fine if it were accurate. But we are talking about privately funded abortions.

In addition, no medical provider in the military will be forced to perform an abortion, for all branches of government have a conscience clause permitting medical personnel who have moral, religious or ethical objections to abortion not to participate in the procedure.

How dare we claim not to be a discriminating country and then continue this ban that clearly singles out patriotic women serving the United States of America overseas. We should be ashamed of ourselves. Support the Harman amendment and repeal this misguided and injurious public policy.

Mrs. EMERSON. Mr. Chairman, I rise today to express my strong opposition to the Harman amendment.

In 1996, the people of the United States assured us that they are firmly opposed to having tax dollars which are allocated for the defense of our country, used to perform abortions.

Currently, Federal law prohibits abortions in military facilities, except when the life of the mother would be endangered if the unborn child were carried to term, or in cases of rape or incest. I could stand up here and speak to all of you about how this is a matter of preserving the law, the reason the law was enacted and the amount of times abortion amendments have been voted down in the past few years. None of that matters however, if the folks in our country feel as though their safety is at issue because we spent funding to allow abortions to be performed at the expense of protecting our country.

Military hospitals are important to the health and life of our military. As a result, they are important for the health and well-being of our national security. If individuals feel less protected based upon the funding of our defense dollars, then our military could be less prepared and ready to defend our Nation.

Just as we need to preserve the strength of human life, it is equally important to preserve the security that people have in our Nation's defensive capabilities. Today in Congress, we have the opportunity to assure the people that we will spend their dollars in a responsible and meaningful way. This is the matter before Congress, and this is why we must make certain to continue to enforce that no Federal taxpayer dollars will be used to finance abortions in Department of Defense funding.

Mr. Chairman, I urge my colleagues to vote "no" on the Harman amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentlewoman from California [Ms. HARMAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. HARMAN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 169, further proceedings on the amendment offered by the gentlewoman from California [Ms. HARMAN] will be postponed.

It is now in order to consider amendment No. 5 printed in part 1 of House Report 105–137.

AMENDMENT NO. 5 OFFERED BY MR. SHAYS

Mr. SHAYS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. SHAYS:

At the end of title XII (page 379, after line 19), insert the following new section:

SEC. . DEFENSE BURDENSHARING.

(a) EFFORTS TO INCREASE ALLIED BURDENSHARING.—The President shall seek to have each nation that has cooperative military relations with the United States (including security agreements, basing arrangements, or mutual participation in multinational military organizations or operations) take one or more of the following actions:

(1) For any nation in which United States military personnel are assigned to permanent duty ashore, increase its financial contributions to the payment of the nonpersonnel costs incurred by the United States Government for stationing United States military personnel in that nation, with a goal of achieving by September 30, 2000, 75 percent of such costs. An increase in financial contributions by any nation under this paragraph may include the elimination of taxes, fees, or other charges levied on United States military personnel, equipment, or facilities stationed in that nation.

(2) Increase its annual budgetary outlays for national defense as a percentage of its gross domestic product by 10 percent or at least to a level commensurate to that of the United States by September 30, 1998.

(3) Increase its annual budgetary outlays for foreign assistance (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights) by 10 percent or at least to a level commensurate to that of the United States by September 30, 1998.

(4) Increase the amount of military assets (including personnel, equipment, logistics, support and other resources) that it contributes, or would be prepared to contribute, to multinational military activities worldwide.

(b) AUTHORITIES TO ENCOURAGE ACTIONS BY UNITED STATES ALLIES.—In seeking the actions described in subsection (a) with respect to any nation, or in response to a failure by any nation to undertake one or more of such actions, the President may take any of the following measures to the extent otherwise authorized by law:

(1) Reduce the end strength level of members of the Armed Forces assigned to permanent duty ashore in that nation.

(2) Impose on that nation fees or other charges similar to those that such nation imposes on United States forces stationed in that nation.

(3) Reduce (through rescission, impoundment, or other appropriate procedures as authorized by law) the amount the United States contributes to the NATO Civil Budget, Military Budget, or Security Investment Program.

(4) Suspend, modify, or terminate any bilateral security agreement the United States has with that nation, consistent with the terms of such agreement.

(5) Reduce (through rescission, impoundment or other appropriate procedures as authorized by law) any United States bilateral assistance appropriated for that nation.

(6) Take any other action the President determines to be appropriate as authorized by law.

(c) REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report on—

(1) steps taken by other nations to complete the actions described in subsection (a);

(2) all measures taken by the President, including those authorized in subsection (b), to achieve the actions described in subsection (a);

(3) the difference between the amount allocated by other nations for each of the actions described in subsection (a) during the period beginning on March 1, 1996, and ending on February 28, 1997, and during the period beginning on March 1, 1997, and ending on February 28, 1998; and

(4) the budgetary savings to the United States that are expected to accrue as a result of the steps described under paragraph (1).

(d) REPORT ON NATIONAL SECURITY BASES FOR FORWARD DEPLOYMENT AND BURDENSHARING RELATIONSHIPS.—(1) In order to ensure the best allocation of budgetary resources, the President shall undertake a review of the status of elements of the United States Armed Forces that are permanently stationed outside the United States. The review shall include an assessment of the following:

(A) The alliance requirements that are to be found in agreements between the United States and other countries.

(B) The national security interests that support permanently stationing elements of the United States Armed Forces outside the United States.

(C) The stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(D) The alternatives available to forward deployment (such as material prepositioning, enhanced airlift and sealift, or joint training operations) to meet such alliance requirements or national security interests, with such alternatives identified and described in detail.

(E) The costs and force structure configurations associated with such alternatives to forward deployment.

(F) The financial contributions that allies of the United States make to common defense efforts (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights).

(G) The contributions that allies of the United States make to meeting the stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(H) The annual expenditures of the United States and its allies on national defense, and the relative percentages of each nation's gross domestic product constituted by those expenditures.

(2) The President shall submit to Congress a report on the review under paragraph (1). The report shall be submitted not later than March 1, 1998, in classified and unclassified form.

The CHAIRMAN. Pursuant to the rule, the gentleman from Connecticut [Mr. SHAYS] and a Member opposed each will control 15 minutes.

Who seeks time in opposition to the amendment?

Mr. SPENCE. Mr. Chairman, I do.

Mr. SHAYS. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. FRANK], who is an equal partner in this amendment, control half of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The CHAIRMAN. The gentleman from Connecticut [Mr. SHAYS] and the gentleman from Massachusetts [Mr. FRANK] each will control 7½ minutes. The gentleman from South Carolina [Mr. SPENCE] will control 15 minutes.

The Chair recognizes the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Chairman, at this time we bring forth an amendment that seeks to have our allies pay more of the share of supporting troops that we have stationed overseas. Presently Japan spends over $3.7 billion a year in direct contributions to the United States to pay for the nonsalaried costs of our troops in the Japanese theater.

The total amount, Mr. Chairman, is almost $4.7 billion when we combine it with in-kind contributions.

Korea pays 63 percent of our nonpersonnel costs, our nonsalaried costs. They contribute a total of $1.8 billion, and in direct contributions, $359 million for 37,000 troops. In Japan, we have 45,000 troops.

Europe, on the other hand, contributes 24 percent of the nonpersonnel costs, $2 billion; but that is quite misleading, because for the 116,000 troops, only $46 million of the amount is in direct cash contribution.

Here we have Japan that contributes in direct payment $3.7 billion, Korea $359 million, and all the European nations $46 million. Our amendment seeks to have the President of the United States negotiate with our European allies and have them pay a greater amount of the nonsalaried costs of our maintaining troops in Europe.

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

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, while I am personally opposed to this amendment in its present form, I am prepared to accept it and continue to work with the sponsors as we move toward the conference with the other body.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, that is the toughest argument to counter I have ever been presented with, and I will confess to my friend from South Carolina, I have no answer for him, but I will work on one.

I do want to talk about why this is so important, and I appreciate his spirit of cooperation. The gentleman from Connecticut and I have been working on this. We kind of inherited this from the former Member, the gentleman from Colorado, and others. What we are saying is very important, and we want to get this into the RECORD.

We have signed a budget deal. The budget deal includes some difficult choices. Some of us have rejected it, a great majority have accepted it, but obviously, among those who have accepted it, they are aware, in fact, they are proud of the fact that it will cause some difficulty, it will impose some restraints.

One big set of constraints comes in discretionary spending. Military spending is half of that. Many of those who support a strong military think we are allocating too little to the military. Some of us feel that the military is getting too much and that is constraining other programs. We ought to have virtual unanimity on this point.

If we could get our wealthy allies who are now doing so little in comparison to the American taxpayer to provide for the common defense, we could make funds available that we could use for defense, we could use for domestic discretionary, we could use for foreign economic cooperation; we could use those funds.

I sent out over the weekend, or I sent out on Monday an article from the Washington Post which reported the trend of our European allies, our wealthy and powerful European allies, to cut their military budget. And Klaus Naumann, the Chairman of the NATO military committee, pointed out that the disparity in military spending, both in dollars and as a percentage of gross domestic product between the United States and the Western Europeans, is so great that a little disconnect has grown up.

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We spend so much greater a percentage of our gross domestic product on the military than Germany and France and England and Norway and Denmark and Belgium, et cetera, that we no longer have a genuinely integrated military. We have gone too far ahead of them.

Obviously, there are places in this world where the United States must bear the burden: In the Middle East; we must stand by South Korea facing that terrible regime in North Korea. But there is no good reason for the American taxpayer to subsidize Western Europe.

This amendment repeats an amendment that was adopted overwhelmingly by the House in the last budget, with one very important change. We, after conference, for the first time got into law some legislation requiring the administration to try burden-sharing. Let me say, one of the problems we have had, Mr. Chairman, is this administration, as all of its predecessors, has failed to do its job in trying to get an adequate share from the allies.

Mr. Chairman, we set up some criteria to measure what our allies are doing. The administration was told to report, and guess what, Mr. Chairman? This administration, like every previous administration, reported that the allies were doing terrific. They are just wonderful people.

They note that the best is Japan, and by the way, it is not an accident that Japan gives us the most. As my friend, the gentleman from Connecticut [Mr. SHAYS] points out, Japan gives us significantly more than any other country because this Congress singled out Japan and insisted that it does. The time has come now to make sure others do.

The point I want to make is on page 3 of this amendment there is a critical new section beginning on line 21. It now sets up a series of comparisons. We have this year's report. What we hope to do is to now get a series by which we can measure the extent to which administrations have successfully pressed our allies to contribute more.

Mr. Chairman, it is important for us to continue this, to let the administration know and our allies know that especially now that we have so constrained spending here, we do not think it appropriate for the American taxpayers to carry a disproportionate share of the burden.

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

Mr. SHAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank my friend, the gentleman from Connecticut [Mr. SHAYS] for yielding time to me.

Mr. Chairman, I rise in support of the Shays-Frank-Upton-Gephardt-Foley-Dellums and I suppose almost everybody, now, amendment.

Clearly, Mr. Chairman, Americans benefit from having our troops strategically stationed around the globe. These men and women protect U.S. interests even as they protect world peace. But these troops also provide enormous benefits to their host countries, not only economic benefits but obviously security benefits. There is no reason why those allies should not pay a greater share, a proportionate share, of the costs.

Mr. Chairman, honestly, I have opposed this amendment sometimes, and I am now supporting it because I believe it is an important statement to the rest of the world as we continue to bear a burden here. And we talk about our taxpayers' burden. This amendment directs the President to ensure that our allies meet at least one of four criteria for sufficient burden-sharing.

Mr. Chairman, I would like to speak about one country, and the gentleman from Massachusetts [Mr. FRANK] mentioned South Korea. I believe that it is important that we have a presence in South Korea. But I also believe that it is important that South Korea bear its burden.

Frankly, we are not universally popular in South Korea, interestingly enough. However, meetings between President Clinton and President Kim Yong-sam in other negotiations, mutual agreement has been reached to increase their support for our troops. Support has already risen, Mr. Chairman, from $150 million in 1991 to $300 million in 1995. That amount is scheduled to increase by 10 percent in each of the next few years.

Mr. Chairman, this is movement in the right direction, but in my opinion it is not enough. Even while troop deployments in other parts of the world are being cut back, we have continued, appropriately, a strong presence in South Korea because of the threat from North Korea.

With United States support, South Korea joined the United Nations in 1992, and in 1995 was added as a nonpermanent member of the United States Security Council. Many South Koreans, nevertheless, still resent the American presence, especially at the base near Seoul. While this makes it tough for the Government to pay its

fair share, there is no question that the South Korean economy is strong and positively advantaged by having United States troops in the country.

Mr. Chairman, as I said, I support this amendment. I support it because I think it sends an appropriate message. It does give flexibility, and it does say that America is continuing and will continue to bear its burden, to play its role on which the world relies, and which advantages the United States as well.

Mr. Chairman, I appreciate this time to rise and I appreciate the gentleman from Connecticut [Mr. SHAYS] yielding me the time in support of this amendment.

Mr. Chairman, I rise to support the Shays-Frank-Upton-Gephardt-Foley-Dellums amendment.

Clearly, Americans benefit from having our troops strategically stationed around the globe. These men and women protect U.S. interests even as they protect world peace.

But these troops also provide enormous benefits to their host countries and there is no reason why those allies should not pay a greater share of the costs.

This amendment directs the President to ensure that our allies meet at least one of four criteria for sufficient burdensharing.

I am especially concerned about South Korea.

Through meetings between President Clinton and President Kim Young Sam and other negotiations, mutual agreement has been reached to increase their support for our troops.

Support has already risen—from $150 million in 1991 to $300 million in 1995. That amount is scheduled to increase by 10 percent in each of the next few years.

This is movement in the right direction but it is not enough. Even while troop deployments in other parts of the world are being cut back we have continued a strong presence in South Korea because of the threat from North Korea.

With United States support, South Korea joined the United Nations in 1992 and, in 1995, was added as a nonpermanent member of the U.N. Security Council.

Despite all of this assistance, many South Koreans resent the American presence, especially at the base near Seoul.

While this makes it tough for the Government to pay its fair share, there is no question that the South Korean economy is strong and positively advantaged by having United States troops in the country.

I support this amendment which will continue the pressure on South Korea and other allies to recognize the enormous value of our highly trained Armed Forces.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, let me thank the gentleman from Connecticut [Mr. SHAYS], the gentleman from Massachusetts [Mr. FRANK], the gentleman from Michigan [Mr. UPTON], the gentleman from Missouri [Mr. GEPHARDT], the gentleman from California [Mr. DELLUMS], the gentleman from Florida [Mr. FOLEY], and the gentleman from South Carolina [Mr. SPENCE] very much. This is an important discussion. It shows the mutual seriousness that all of us have in ensuring the safety and security of this Nation, but the recognition of the importance of the involvement at a more heightened level of our European friends.

Let me say, having visited Europe recently, I agree that there is great prosperity emerging, and certainly existing in Europe today.

In addition, along with our other sites, we can look to Europe to have a unified currency. Therefore, I think it is adequate that this particular amendment gives flexibility to the President to assess how we would in fact increase benefit-sharing. What that means is that a greater amount of moneys are contributed by our allies to this national and world defense.

Let me also say if we are concerned about military personnel, housing, the fact that many of our enlisted men and women are on food stamps, the reordering of funding, taking it away from the hard nuts and bolts of maintaining troops overseas and focusing on military salaries, housing, and the ability to pay our military personnel, it will be a real boost for the morale of our men and women in the United States military, who every day by their commitment offer their lives for our freedom.

So I thank the gentlemen for this very thoughtful amendment that allows the freedom and the expression to do several things in order to assure that there is a balanced perspective on the funding of our defense. I hope that all of my colleagues will support this amendment.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, I commend the gentleman from Connecticut [Mr. SHAYS] for this very fine amendment, and also the spirit that is being exhibited on the floor today by both sides of the aisle in recognizing that we do need assistance from our friends and allies in the payment of our expensive defense, to assist them in the defense of their countries.

The gentleman from Florida [Mr. HASTINGS] and I traveled to Korea, to the DMZ, and met with our troops, our fine men and women who make up our military. One of the things they asked us is to come back to Washington and look out for them; look out for their pay; look out for their housing; think about their families. So we are here today to find a way to strengthen our budget for the military and the personnel of this Nation.

I appreciate the comments of the gentlewoman from Texas [Ms. JACKSON-LEE], because clearly if we are able to get our allies to contribute a greater share of our peacekeeping mission, we will then be able to deploy the assets we are currently spending on our personnel, those that desperately deserve it.

Mr. Chairman, this amendment does not call for U.S. troop withdrawal from overseas. It does ask our allies to contribute more to our mutual defense. Although Japan contributes 77 percent of the nonpersonnel costs for the stationing of U.S. troops in that country, our European allies contribute less than 25 percent toward these costs. This amendment ends this discrepancy by calling on all of our allies to gradually bring contributions to 75 percent.

It is in the best interests of the United States to maintain American troops in Europe and Asia to provide for mutual defense. No one denies that fact. But it is time that they step up to the plate, assist in their fair responsibility so we can continue our commitment to providing safety and security for people around the globe. That is what America has been known for. That is one of our greatest strengths.

Our friendship we bring to the international community is because of our strength, the strength of our defense, but again, clearly, if we have extra dollars they should go to military personnel and allow our allies to pay more of the burden.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] is recognized for 2 minutes

Mr. FRANK of Massachusetts. No one is arguing, Mr. Chairman, that there is no benefit to the United States from our presence in Europe. What we are arguing is that there is at least as much benefit to the Europeans. They simply have not been doing a fair share.

The gentleman from Florida who just spoke cited the contribution we get from the Japanese, but that is a direct result of this Congress, over the objections of the administration then in power, mandating that the Japanese pay us some part of the nonpersonnel costs. I believe we ought to be doing the same with Western Europe.

There is an enormous disparity between the percentage of the American gross domestic product that goes to the military and that of our European allies, and it is all the more important that we do this now, because the Europeans are now facing pressure to cut their budgets, to get their deficits down to 3 percent so they can get into the common European currency.

If we do not send a strong message to this administration, which has been as sadly reluctant as its predecessors seriously to represent the American taxpayers' interest in equity here, then we will see a continued drop in what the Europeans do, with an expectation that we will continue to do more.

Members have noted that we have been promised we would be out of

Bosnia some time ago. We are there because the Europeans simply will not live up to their responsibilities. We are not asking Europe to replace us in the Middle East where we take on the burden. We are not asking them to replace us in South Korea. We are not asking them to replace us in many other parts of the world. We are not asking for European troops to come to the United States.

What we are saying is that where we are talking about military presence in Western Europe, it is simply illogical for the United States taxpayer to be doing so much compared to the Western Europeans that do so little. These nations are prosperous, they face no overpowering enemy, they are populous.

We started the policy of America basically picking up all the tab 45 or 50 years ago when Europe was poor and they faced a strong enemy. They are no longer poor and they no longer face a strong enemy. We should not still be picking up so disproportionate a part of the tab.

Mr. SHAYS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Connecticut [Mr. SHAYS] is recognized for 1 minute.

Mr. SHAYS. Mr. Chairman, I would say that this amendment allows for burden-sharing. It is similar in essence to the amendment we passed last year, which passed by a vote of 353 to 62. It is seeking to get the European nations primarily to contribute more to the nonmilitary costs of our troops stationed in Europe, or to provide more defense spending, or to increase their foreign aid, or to increase their funds to national military operations in the United Nations. It is an attempt, a very good attempt, to get the Europeans to do more for the defense of this world and the free world.

Mr. SPENCE. Mr. Chairman, I yield the balance of my time to the gentleman from Indiana [Mr. BUYER].

The CHAIRMAN. The gentleman from Indiana [Mr. BUYER] is recognized for 5 minutes.

Mr. BUYER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to take a step back here. One, I want to compliment the gentleman from Connecticut [Mr. SHAYS] and the gentleman from Massachusetts [Mr. FRANK]. I am not really speaking in opposition. What I want to talk about is a little bit about history and our foreign policy dollars and where we are going from here.

When I think about the United States and our emergence upon the world scene, not only from World War I, and in particular World War II, and then how the United States, not only in the Marshall Plan and what we did in Europe, but also in particular what we did in the Pacific Rim and MacArthur and his assistance in helping draft a constitution in Japan, and setting forth different agreements in burden-sharing in Japan, much different than what we find on the Korean Peninsula.

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So now over the last 50 years, the United States, while in the cold war, have been providing security and that blanket was a pretty good size in the Pacific, and it was a pretty good size in Europe. We provided their security. We grew the economies of Europe. We grew the economies in the Pacific to the point where they were highly competitive with the United States, to the point where today a lot of the electronic components, highly competitive coming at us from the Pacific Rim. A lot of the Airbus and other things happening in our competition from the European sector. The United States now finds itself the sole remaining superpower in the world.

Now, let us talk about our foreign policy for a second, talk about how it ties into burden sharing. The United States is the sole remaining superpower. I believe, as a vision of foreign policy, the United States, what we should have is, the United States should not engage itself in every little corner of the world and every little hot spot. We in the United States should engage and encourage our regional allies to quiet, to enter regional conflicts that have no tendency to destabilize a region of the world. That is in difference with the administration. I understand that.

But what this issue and what the gentleman from Massachusetts [Mr. FRANK] and the gentleman from Connecticut [Mr. SHAYS] are talking about is asking for our allies to have an increased share of the burden. Increased share of the burden of what? For security. Not the United States carrying the big stick always swooping in. So Bosnia comes to the attention. We are going to debate that here in a few days. We are asking our European allies for a greater share.

My good friend, the gentleman from California [Mr. DELLUMS], is sitting over here. I would love to ask him, Mr. Chairman, if George Foreman was his bodyguard, would he lift weights? He would not have to. The United States, we are the George Foreman. These other countries do not want to have to lift weights so long as we are there providing their security. They do not want to increase the share of the burden.

Let me extend some compliments. I was with the gentleman from South Carolina [Mr. SPENCE] a few years ago when we were in Norway. We signed new burden sharing agreements that were negotiated by the ambassador of burden sharing of the Clinton administration. We were there. They signed them. It did not make the European allies very happy. But that is a good thing. That is a good thing, because we want them to increase their share and their burdens.

I am a little uncomfortable here about the measures and the points out of this bill about, if they do not, it is going to affect our agreements. It will affect our memorandums, our letters of understanding, pretty stressful measures in there. Diplomacy is not that easy, I would say to my colleagues.

The gentleman from Maryland [Mr. HOYER] brought up some points about Korea. What I would like to share about Korea is that next year the new special measures agreement with regard to Korea will be renegotiated. I see my good friend sitting right over here knows exactly what I am talking about. We went ahead and approved some measures for military construction based upon great needs in Korea. Korea, we find ourselves very juxtaposed. We are on the brink of war at the same time we are on the brink of peace. And we have military facilities that meet their tier one responsibilities under a master plan.

Now we have to ask, if we want to sign off onto a master plan with Korea, do we want to spend a billion dollars on the Korean Peninsula? That is a pretty tough question. So what I would ask my colleagues here who are so strongly concerned about the issue of burden sharing, let us take a pretty stern look here at this new master plan about military construction in Korea, over a billion dollars.

Let me jump to the issue about residual value. Think what happened, what we did in Europe upon the reunification of Germany. When it happened, do my colleagues know what the State Department did? The State Department went ahead and negotiated away all of these facilities.

We spent millions and millions and millions of dollars on appropriated and nonappropriated facilities. And what did the State Department do? We did not have a residual value. They negotiated it right away. Let us not start the very same thing, move into a multibillion dollar construction program on the Korean Peninsula without addressing the residual values issues.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman for yielding to me. I appreciate the very thoughtful way he has addressed this.

Let me say, I agree with him and the gentleman from Maryland who mentioned this. It is a great mistake. I would like to connect two dots, if I could.

The gentleman said he was generally supportive of this but he was made uncomfortable by some of the measures. Let me say to him, in an ideal world, we would not be coming up with this amendment because the administration would, as a matter of course, be doing everything it could to get our allies to do it. The problem we have run into, as he alluded to with Germany, is there has been a bipartisan bias on the part of administrations, executive branches, State Departments not to

press any of our allies anywhere, any time, until we got into it. So the reason, it seems to me, we have to legislate and legislate with more specificity than would be ideal and to put more pressure on is precisely the kind of attitude that was evinced by the administration that negotiated everything away and that I do not think would protect our interests in South Korea sufficiently unless we intervened.

There is just a constituency problem there, and the State Department and, to some extent, the Defense Department, have a constituency that is not concerned with the taxes here, more concerned with making nice overseas.

And I think that the gentleman has stated it very clearly. I agree with him. That is why we need to do this.

Mr. BUYER. Mr. Chairman, reclaiming my time, I say to the gentleman, we have report language in here that is pretty stern about the issue of residual value, as we move into the negotiations about the special measures agreement on the Korean Peninsula. Let us not repeat the mistakes of Europe. I will work with the gentlemen to make these corrections as we go to conference.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. SHAYS].

The amendment was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 169, proceedings will now resume on those part 1 amendments on which further proceedings were postponed, in the following order:

Amendment No. 2 offered by the gentleman from South Carolina [Mr. SPENCE]; amendment No. 3 offered by the gentleman from South Carolina [Mr. SPENCE]; and amendment No. 4 offered by the gentlewoman from California [Ms. HARMAN].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 2 OFFERED BY MR. SPENCE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from South Carolina [Mr. SPENCE] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 405, noes 14, not voting 15, as follows:

[Roll No. 215]

AYES—405

Abercrombie	Archer	Baker
Aderholt	Armey	Baldacci
Allen	Bachus	Ballenger
Andrews	Baesler	Barcia
Barr	Etheridge	Lantos
Barrett (NE)	Everett	Largent
Barrett (WI)	Ewing	Latham
Barton	Farr	LaTourette
Bass	Fattah	Lazio
Bateman	Fawell	Leach
Becerra	Fazio	Levin
Bentsen	Filner	Lewis (CA)
Bereuter	Flake	Lewis (GA)
Berman	Foglietta	Lewis (KY)
Berry	Foley	Linder
Bilbray	Forbes	Livingston
Bilirakis	Ford	LoBiondo
Bishop	Fowler	Lofgren
Blagojevich	Fox	Lowey
Bliley	Frank (MA)	Lucas
Blumenauer	Franks (NJ)	Luther
Blunt	Frelinghuysen	Maloney (CT)
Boehlert	Frost	Maloney (NY)
Boehner	Furse	Manton
Bonilla	Gallegly	Manzullo
Bonior	Ganske	Markey
Bono	Gejdenson	Martinez
Boswell	Gekas	Mascara
Boucher	Gibbons	Matsui
Boyd	Gilchrest	McCarthy (MO)
Brady	Gillmor	McCarthy (NY)
Brown (CA)	Gilman	McCollum
Brown (FL)	Gonzalez	McCrery
Brown (OH)	Goode	McDade
Bryant	Goodlatte	McDermott
Bunning	Gordon	McHale
Burr	Goss	McHugh
Burton	Graham	McInnis
Buyer	Granger	McIntosh
Callahan	Green	McIntyre
Calvert	Greenwood	McKeon
Camp	Gutierrez	McKinney
Campbell	Gutknecht	McNulty
Canady	Hall (OH)	Meehan
Cannon	Hamilton	Meek
Capps	Hansen	Menendez
Cardin	Harman	Metcalf
Carson	Hastert	Mica
Castle	Hastings (FL)	Millender-McDonald
Chabot	Hastings (WA)	Miller (FL)
Chambliss	Hayworth	Minge
Chenoweth	Hefley	Mink
Christensen	Hefner	Molinari
Clay	Herger	Mollohan
Clayton	Hill	Moran (KS)
Clement	Hilleary	Morella
Clyburn	Hilliard	Murtha
Coble	Hinchey	Myrick
Coburn	Hinojosa	Nadler
Collins	Hobson	Nethercutt
Combest	Hoekstra	Neumann
Condit	Holden	Ney
Conyers	Hooley	Northup
Cook	Horn	Norwood
Cooksey	Hostettler	Nussle
Costello	Houghton	Obey
Cox	Hoyer	Olver
Coyne	Hulshof	Ortiz
Cramer	Hunter	Owens
Crane	Hutchinson	Oxley
Crapo	Hyde	Packard
Cubin	Inglis	Pallone
Cummings	Istook	Pappas
Cunningham	Jackson-Lee (TX)	Parker
Danner	Jefferson	Pascrell
Davis (FL)	Jenkins	Pastor
Davis (VA)	John	Paul
Deal	Johnson (CT)	Paxon
DeFazio	Johnson (WI)	Payne
Delahunt	Johnson, E. B.	Pease
DeLauro	Johnson, Sam	Pelosi
DeLay	Jones	Peterson (MN)
Dellums	Kanjorski	Peterson (PA)
Deutsch	Kasich	Petri
Diaz-Balart	Kelly	Pickering
Dickey	Kennedy (RI)	Pickett
Dicks	Kennelly	Pitts
Dingell	Kildee	Porter
Dixon	Kilpatrick	Portman
Doggett	Kim	Poshard
Dooley	Kind (WI)	Price (NC)
Doolittle	King (NY)	Pryce (OH)
Doyle	Kingston	Quinn
Duncan	Kleczka	Radanovich
Dunn	Klink	Rahall
Edwards	Klug	Ramstad
Ehlers	Knollenberg	Rangel
Ehrlich	Kolbe	Redmond
Emerson	Kucinich	Regula
Engel	LaFalce	Riggs
English	LaHood	Riley
Ensign	Lampson	Rivers
Eshoo		
Rodriguez	Shuster	Thune
Roemer	Sisisky	Thurman
Rogan	Skaggs	Tiahrt
Rogers	Skeen	Tierney
Rohrabacher	Skelton	Towns
Ros-Lehtinen	Slaughter	Traficant
Rothman	Smith (MI)	Turner
Roukema	Smith (NJ)	Upton
Roybal-Allard	Smith (OR)	Velazquez
Royce	Smith (TX)	Vento
Rush	Smith, Adam	Visclosky
Ryun	Smith, Linda	Walsh
Sabo	Snowbarger	Wamp
Salmon	Snyder	Waters
Sanchez	Solomon	Watkins
Sanders	Souder	Watt (NC)
Sandlin	Spence	Watts (OK)
Sanford	Spratt	Waxman
Sawyer	Stabenow	Weldon (FL)
Saxton	Stearns	Weldon (PA)
Scarborough	Stenholm	Weller
Schaefer, Dan	Stokes	Wexler
Schaffer, Bob	Strickland	Weygand
Schumer	Stump	White
Scott	Stupak	Whitfield
Sensenbrenner	Sununu	Wicker
Serrano	Tanner	Wise
Sessions	Tauscher	Wolf
Shadegg	Tauzin	Woolsey
Shaw	Taylor (MS)	Wynn
Shays	Thomas	Young (AK)
Sherman	Thompson	Young (FL)
Shimkus	Thornberry	

NOES—14

Bartlett	Hall (TX)	Moran (VA)
Borski	Jackson (IL)	Neal
Davis (IL)	Kennedy (MA)	Reyes
Evans	McGovern	Talent
Goodling	Moakley	

NOT VOTING—15

Ackerman	Lipinski	Schiff
DeGette	Miller (CA)	Stark
Dreier	Oberstar	Taylor (NC)
Gephardt	Pombo	Torres
Kaptur	Pomeroy	Yates

☐ 2059

Messrs. NEAL, TALENT, KENNEDY of Massachusetts, MORAN of Virginia, DAVIS of Illinois, BARTLETT of Maryland, and HALL of Texas changed their vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

☐ 2100

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 169, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT OFFERED BY MR. SPENCE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from South Carolina [Mr. SPENCE] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 332, noes 88, not voting 14, as follows:

[Roll No. 216]

AYES—332

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (WI)
Barton
Bass
Bateman
Becerra
Berman
Berry
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (IL)
Deal
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doyle
Duncan
Dunn
Edwards
Ehrlich
Emerson
Engel
Ensign
Evans
Everett
Ewing
Fattah
Fawell
Flake
Foglietta
Foley
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gonzalez
Goode
Goodling
Gordon
Goss
Graham
Granger
Greenwood
Gutierrez
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kilpatrick
Kim
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lowey
Lucas
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Mink
Molinari
Mollohan
Moran (KS)
Morella
Murtha
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Owens
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Porter
Portman
Poshard
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Roemer
Rogan
Rogers
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Thompson
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Turner
Upton
Velazquez
Visclosky
Walsh
Wamp
Waters
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOES—88

Barrett (NE)
Bartlett
Bentsen
Bereuter
Bilbray
Blumenauer
Boucher
Brady
Capps
Chabot
Davis (FL)
Davis (VA)
DeFazio
Delahunt
DeLauro
Doggett
Dooley
Doolittle
Dreier
Ehlers
English
Eshoo
Etheridge
Farr
Fazio
Filner
Forbes
Frank (MA)
Frost
Furse
Gejdenson
Gillmor
Gilman
Goodlatte
Green
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Harman
Hooley
Houghton
Jackson (IL)
Johnson (WI)
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kind (WI)
Levin
Lofgren
Luther
Manzullo
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
Meehan
Minge
Moakley
Moran (VA)
Myrick
Neal
Obey
Olver
Pallone
Paul
Petri
Price (NC)
Ramstad
Rivers
Rohrabacher
Ros-Lehtinen
Sabo
Sanchez
Shays
Sherman
Smith (MI)
Smith, Adam
Stabenow
Tauscher
Thomas
Tierney
Vento
Watt (NC)
White
Woolsey

NOT VOTING—14

Ackerman
DeGette
Gephardt
Lipinski
Miller (CA)
Oberstar
Pombo
Pomeroy
Schiff
Stark
Taylor (NC)
Torres
Weygand
Yates

□ 2110

The Clerk announced the following pair:

On this vote:

Mr. Yates for, with Mr. Ackerman against.

Mr. BENTSEN and Mr. MORAN of Virginia changed their vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WEYGAND. Mr. Chairman, on rollcall No. 216, I was unavoidably detained and unfortunately did not cast a vote on this issue. Had I been present to vote I would have voted in the negative.

AMENDMENT OFFERED BY MS. HARMAN

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from California [Ms. HARMAN] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 196, noes 224, not voting 14, as follows:

[Roll No. 217]

AYES—196

Abercrombie
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dunn
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gilchrest
Gilman
Gonzalez
Gordon
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
Klug
Kolbe
LaFalce
Lampson
Lantos
Leach
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McInnis
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (FL)
Minge
Mink
Molinari
Moran (VA)
Morella
Nadler
Neal
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Porter
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shaw
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stokes
Strickland
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Towns
Traficant
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
White
Wise
Woolsey
Wynn

NOES—224

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Borski
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Ehlers
Emerson
English
Ensign
Everett

Ewing	LaTourette	Rogan
Forbes	Lazio	Rogers
Fox	Lewis (CA)	Rohrabacher
Gallegly	Lewis (KY)	Ros-Lehtinen
Ganske	Linder	Royce
Gekas	Livingston	Ryun
Gibbons	LoBiondo	Salmon
Gillmor	Lucas	Sanford
Goode	Manton	Saxton
Goodlatte	Manzullo	Scarborough
Goodling	Mascara	Schaefer, Dan
Goss	McCollum	Schaffer, Bob
Graham	McCrery	Sensenbrenner
Granger	McDade	Sessions
Gutknecht	McIntosh	Shadegg
Hall (OH)	McIntyre	Shimkus
Hall (TX)	McKeon	Shuster
Hamilton	McNulty	Skeen
Hansen	Metcalf	Skelton
Hastert	Mica	Smith (MI)
Hastings (WA)	Moakley	Smith (NJ)
Hayworth	Mollohan	Smith (OR)
Hefley	Moran (KS)	Smith (TX)
Herger	Murtha	Smith, Linda
Hill	Myrick	Snowbarger
Hilleary	Nethercutt	Solomon
Hobson	Neumann	Souder
Hoekstra	Ney	Spence
Holden	Northup	Stearns
Hostettler	Norwood	Stenholm
Hulshof	Nussle	Stump
Hunter	Ortiz	Stupak
Hutchinson	Oxley	Sununu
Hyde	Packard	Talent
Inglis	Pappas	Tauzin
Istook	Parker	Taylor (MS)
Jenkins	Paul	Thornberry
John	Paxon	Thune
Johnson, Sam	Pease	Tiahrt
Jones	Peterson (MN)	Upton
Kanjorski	Peterson (PA)	Walsh
Kaptur	Petri	Wamp
Kasich	Pickering	Watkins
Kildee	Pitts	Watts (OK)
Kim	Portman	Weldon (FL)
King (NY)	Poshard	Weldon (PA)
Kingston	Quinn	Weller
Kleczka	Radanovich	Weygand
Klink	Rahall	Whitfield
Knollenberg	Redmond	Wicker
Kucinich	Regula	Wolf
LaHood	Riggs	Young (AK)
Largent	Riley	Young (FL)
Latham	Roemer	

NOT VOTING—14

Ackerman	Miller (CA)	Stark
DeGette	Oberstar	Taylor (NC)
Gephardt	Pombo	Torres
Lipinski	Pomeroy	Yates
McHugh	Schiff	

□ 2119

Mr. POSHARD and Mr. SKELTON changed their vote from ''aye'' to ''no.''

Mr. NEAL of Massachusetts changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. SPENCE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. COOKSEY) having assumed the chair, Mr. YOUNG of Florida, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1119) to authorize appropriations for fiscal years 1998 and 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 1998 and 1999, and for other purposes, had come to no resolution thereon.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

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

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WORKERS STANDING UP FOR THEIR RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

Mr. BONIOR. Mr. Speaker, tonight I want to talk about workers in this country. Workers all over this country are standing up for their rights, organizing and they are demanding justice. From the hog processors in North Carolina to the nurses in San Diego, from the strawberry workers in California to the newspaper workers in Detroit, workers are raising their voices, and those voices are being heard.

This weekend we will again hear those strong voices loud and clear in Detroit. At least 50,000 workers and their families and supporters are expected to participate in Action Motown 1997, which is a mobilization of solidarity for the Detroit community locked out newspaper workers and union members. I am going to be there, and we will be speaking out for the workers, the labor movement in our community, against the management of the Detroit News and the Detroit Free Press. The News and the Free Press have locked out nearly 2,000 hard-working men and women since February of this year when they sought to resolve a 2-year labor dispute by unconditionally offering to return to work.

□ 2130

How were they treated when they tried to jump start contract talks and return to work? They were locked out, replaced, and told to go home.

It is clear to me that the News and the Free Press are willing to lose millions of dollars in an attempt to break the unions. How clear is it? Well, their combined circulation is down almost 300,000 despite a huge ad rate discount. Fifteen hundred advertisers have stayed away from the paper, costing them a 24-percent dip in advertising revenue.

Yet the most startling fact is not a statistic, but a quote made 1 month after the newspaper workers took the stand for justice by the Detroit News editor and publisher Robert Giles. This is what he said: ''We are going to hire a whole new work force, go on without unions, or they can surrender unconditionally and salvage what they can.''

Now, does that sound like someone who is willing to bargain in good faith?

Despite a 1994 Detroit Free Press editorial which stated that: ''The U.S. Senate should approve a bill that would prohibit companies from hiring permanent replacements for striking workers. The right to strike is essential if workers are to gain and preserve wages.''

Despite that, they did another editorial. They did another editorial after their workers decided to engage in their rights to collective bargaining. Mr. Stroud at the paper, the editor who talks a good game, but when it comes to standing up for principle and backing up his words, he caved, he caved so quick, in a blink of an aye he caved when they came down to corporate headquarters. In fact, that same paper who claimed to support the right to strike in 1994 did an about-face in 1995, and this is what they said: ''We intend to exercise our legal right to hire permanent replacements.''

Perhaps our Cardinal, Cardinal Adam J. Maida of Detroit, put it best when he said, ''The hiring of permanent placement workers is not an acceptable solution. If striking workers are threatened with being permanently replaced, this practice seems to undermine the legitimate purpose of the union and destroy the possibility of collective bargaining.''

I would like to read to my colleagues a quote this evening about a great American who said, ''Labor is prior to and independent of capital. Capital is the only fruit of labor and could never have existed if labor had not first existed.'' That was Abraham Lincoln.

The News and Free Press are owned by two of the biggest media conglomerates in the United States, Gannett and Knight-Ridder, who have deep pockets and are willing to lose millions to set an example in Detroit. They are tying to break the unions and deprive 2,000 workers and their families of a job and a living in a decent community. Their actions are unfair, they are unjust, they are illegal.

We will be marching in Detroit, because many of our parents and our grandparents fought too hard and too long for the gains that unions have made: For the 40-hour work week, for pension benefits, for health care, for the weekend, for safe-working conditions, for overtime pay. That is what people struggled for in this country in the last 100 years, and now people like the News and Free Press want to hire striker replacements in an effort to turn back the clock before we had these benefits.

I encourage everyone to join us for Action. Motown 1997 this weekend.

On another front real quickly, Mr. Speaker, those of us who went out to California and marched with the strawberry workers, people who make $8,500 a year, who have no representation, who are treated miserably, good news on that front. The biggest company, Coastal Berry, was sold to two new

owners and this is what they have said. The new owners want the company to take a neutral position with regard to union organizing campaigns. We want you to know that California law gives you the right to decide if you want to join or support any union organization effort, and we generally respect that right.

We need more of that attitude out there in the corporate world.

UPDATING THE JONES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Am I allowed to whistle, Mr. Speaker, in the Chamber to get everybody's attention?

The SPEAKER pro tempore (Mr. COOKSEY). No. The Chair will get order with the gavel.

Mr. SMITH of Michigan. Mr. Speaker, today we are introducing a bill that changes the law that was passed in 1920 that is now disrupting commerce, that is now putting Americans out of jobs and out of business, that is making American consumers pay much more for their products than they otherwise might pay. That law in 1920 was passed in order to get the United States of America going in terms of building our sea fleet, our ships, in terms of getting a crew of sailors that were trained that could help this country in time of war, in time of commerce. That bill is known as the Jones Act.

That Jones Act bill does several things. It said that one has to have a U.S.-owned ship, that it has to be built in the United States, all the component parts and everything else built in the United States, that it has to be American sailors that pay taxes in this country.

I say some of that is good, but let me tell my colleagues what has happened to this bill as we have lost 60 percent of our fleet that goes from U.S. port to U.S. port in this country. We are forcing sailors out of jobs; we are forcing businesses out of business. I will give my colleagues a couple of examples.

Right now in Michigan, wheat can be purchased from Canada, the same priced wheat, and shipped to other ports through the seaways at a cheaper price than they can buy it much closer in United States ports. I would like to get the gentleman from Maryland [Mr. GILCHREST] to give me the case, because I cannot remember what that was.

Mr. GILCHREST. Mr. Speaker, I thank the gentleman for yielding. I am not going to take a position on the Jones Act, but what I would like to describe to the gentleman from Michigan is that there was a ship in Baltimore that was loading cargo, helicopters. One of the helicopter blades that was just loaded onto the ship fell and was damaged. The only place to replace those helicopter blades was in Jacksonville, FL.

Now, the ship was a Norwegian-owned ship. The ship traveling from Baltimore to Florida could take on the new blade, but it could not exchange it for the old blade without a fairly significant fine, because of the Jones Act. We were able to work through this and mitigate that down, which is still in the process of being mitigated.

I think in instances where one can exchange parts under those circumstances, that probably ought to be accomplished.

Mr. SMITH of Michigan. Mr. Speaker, I thank the gentleman. The problem is, what we do in this bill is we keep everything else the same. We say it has to be an American crew, it has to come under all American laws, pay all U.S. taxes. It has to be American owned. But in the cases where an international company can build that ship much cheaper than they can build in this United States, allow that bid to happen. Let us buy American, but where it is unreasonably high and right now the United States in our shipbuilding ports are not interested in building those ships for the Jones trade. They turned down Walt Disney. You might have seen that. They turn down cruise ships. What this bill does is it says that at least some of those component parts, that ship can now be built in another country.

If we want to expand our seaways and our ships, then I think we have to face up to the fact that we are losing jobs in this country.

I yield to the gentleman from Colorado [Mr. SCHAFFER], who has worked a long time on this issue.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I thank the gentleman from Michigan for bringing this issue forward and for his leadership in the effort.

In the conference that we had yesterday to announce the bill, of course we were joined by many people from the agriculture industry, as well as the steel industry, and many individuals, many industries represented that shipping and goods and services throughout the country, and the Jones agent, back in the 1920's is the age on this thing, was described as an act which increases the cost of goods and services to consumers.

Now, I come from a State where we produce a lot of wheat, an awful lot of corn, a lot of cattle, and a lot of pork, and so on, and shipping is an incredibly important mode of transportation for these goods that need to get to market. The wheat farmers, as one example, in Colorado tell me that the cost of a bushel of wheat is increased by upward of $1 per bushel because of the regulatory impact of the Jones Act.

I commend the gentleman from Michigan for bringing this issue forward. By deregulating this particular industry, we stand a chance of turning these numbers around, actually increasing the number of ships produced in the United States, the number of people employed in the industry by appealing to the benefits of the free market, and in the long run, reduce the cost for consumers throughout the country and strengthen our global and competitive position.

Mr. SMITH of Michigan. I thank the gentleman very much.

Mr. Speaker, if I can prove to my colleagues that we are going to end up with more American jobs, that our national security is going to be enhanced by the increased number of ships, will my colleagues support this bill? It is dramatic. Look at it, study it. I would suggest to my colleagues that we do not have this kind of requirement for our trucks, our trains, our airplanes or anything else.

If we had done this to the American automobile industry and shut off any imports coming into this country, we would not have the quality of cars. Today, we have the highest quality, the best price, the best deal car in the world because there is competition.

I would suggest to my colleagues, Mr. Speaker, that we have to face up to the fact that we have an antiquated law that needs to have competition brought into this industry. We are dropping the bill tonight.

ORDER OF BUSINESS

Mr. PASCRELL. Mr. Speaker, I ask unanimous consent to claim the time of the gentlewoman from California [Ms. WOOLSEY].

The SPEAKER pro tempore [Mr. COOKSEY]. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CHINA MOST-FAVORED NATION STATUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PASCRELL] is recognized for 5 minutes.

Mr. PASCRELL. Mr. Speaker, over the course of the next few days, the Members of this august body will be forced to weigh a great deal of information, withstand a tremendous lobbying effort from both sides of the issue, and eventually cast one of the most critical votes that we will take in this Congress.

I am referring to the vote on extending most-favored-trade status to China. The outcome of this vote, Mr. Speaker, will say as much about where our priorities lie as any other dozen votes we will cast in the Congress, the 105th Congress.

I am certain that there will be those who will take to this well over the next few days and claim that this vote is not really about anything exceptional. They will no doubt argue that we are already simply extending the same trade status to China that we do to 160 other nations. Such an evaluation of this debate is nothing short of sophomoric and fails to do little more than scratch the surface of the issue.

In reality, the China MFN debate is about nuclear proliferation. It is about human rights. It is about small business in America, and it is about American jobs. We may in fact afford most-favored-nation status to nearly every other country, Mr. Speaker, but China is not any other Nation. China is very different and poses a far different set of issues to deal with as a package than any of the nations with which we have MFN status.

China is one of the world's most dangerous proliferators of nuclear weapons. The Communist Chinese Government has, and is currently, engaged in the transfer of dangerous technology for nuclear weapons to rogue nations. The Chinese Government has provided Iran with advanced missile and chemical weapons technology. They have provided Iraq and Libya with materials used to produce nuclear weapons. They have provided missile-related components to Syria and given the Pakistanis the technology for nuclear weapons at the same time that Pakistanis get poorer and poorer. The Chinese Government has provided the nations with the least stable governments and that pose the greatest threat to the security of the Middle East, to our own security, with weapons of mass destruction.

A vote in favor of MFN for China is a vote to condone nuclear proliferation by China. A vote in favor of extending MFN to China is also a vote to condone China's deplorable record of human rights abuses.

The State Department Country Report on Human Rights for 1996 bluntly stated the Chinese Government continued to commit widespread and well-documented human rights abuses in violation of internationally accepted norms stemming from the authorities' intolerance of dissent, fear of unrest, in the absence or inadequacy of laws protecting very basic freedoms.

□ 2145

Voting to extend most favored nation just days before China takes control of Hong Kong sends the wrong message, Mr. Speaker. Human rights, nuclear proliferation, these are important issues. But for thousands in my district in New Jersey, this is a debate about the future of their jobs. It is a debate about whether or not they will still have their jobs.

Part of the reason for the loss of those jobs, Mr. Speaker, has been the incredible trade imbalance we have cultivated with China, Communist China. In 1996, our trade deficit with China ballooned to a record $40 billion. On the same rate, we will move to $50 billion.

Where is the plus for the United States of America? Where is the plus for our families? We are on a path that will soon lead to China replacing Japan as the largest contributor to the overall U.S. merchandise trade deficit.

Renewing Chinese most-favored-nation status means renewing a status quo in which the average Chinese tariff on U.S. goods is 35 percent compared to the United States tariff on Chinese goods as 2 percent. Is this what the State Department and those advocating MFN for China call engagement?

THE SHACKLEFORD BANKS WILD HORSES PROTECTION ACT

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from North Carolina [Mr. JONES] is recognized for 5 minutes.

Mr. JONES. Mr. Speaker, I rise tonight to share with my colleagues an important editorial from a newspaper in my district, the Carteret County News-Times. The editorial, titled ''Listen Up, National Park Service,'' I submit for the RECORD demonstrates the importance of the Shackleford Banks Wild Horses Protection Act, a bill I have introduced to save a group of wild horses in North Carolina.

As the editorial says, the wild horses of Shackleford Banks are believed to be descendents of Spanish mustangs who swam ashore after Spanish galleons wrecked off the coast of North Carolina centuries ago. For years these beautiful horses freely roamed the 3,000 acre barrier islands without trouble until the North Carolina Park Service took control of the area to form the Cape Lookout National Seashore in the 1970's.

Today, the horses are threatened by the National Park Service, which seems to be more concerned with managing the vegetation on the island than the horses. They have already euthanized many of these beautiful animals for questionable reasons.

We must not allow the National Park Service to continue to destroy these horses. The National Park Service's management plan specifies that a representative herd of horses must be maintained, but I fear that this vague term does not sufficiently protect the horses. What is to keep the Park Service from reducing the horse population to a number that may not survive one of the many storms that passes over North Carolina's coast?

When the North Carolina Park Service first took control of the island, the horse population was 104. According to Dr. Dan Rubenstein, chairman of the Department of Ecological and Evolutionary Biology of Princeton University, this number of 104 is appropriate for the overall well-being of the island ecology and, most importantly, for the horses' survival.

Dr. Rubenstein has been studying the herd for more than 15 years. He is the expert on these horses for the Park Service. Even a genetic scientist hired by the Park Service believes that the herd should consist of at least 100 horses to remain a viable herd.

For this reason, my proposed legislation, the Shackleford Banks Wild Horses Protection Act, would require that the number of horses on the islands be maintained at not less than 100 horses, and prohibits the removal of any horses unless their number exceeds 110. It also allows public input in the management of the horses through the nonprofit Foundation for Shackleford Horses, a group that truly cares about the horses and their future.

Mr. Speaker, the wild horses of Shackleford Banks were on this island long before people were. Clearly, they are a true historical treasure, one we must protect, just as we protect other national treasures such as the Grand Canyon.

The Shackleford Banks Wild Horses Protection Act is in the best interest of the horses and it is in the best interest of the visitors and residents who so enjoy viewing them in their natural setting.

As a Carteret County News-Times editorial reports, both Democratic Governor Jim Hunt and Democratic Secretary of North Carolina Department of Cultural Resources Betty MCCAIN support this legislation. I urge my colleagues to do the same.

Let us protect the wild horses of Shackleford Banks for the children and the next generation, and let us save this national treasure.

Mr. Speaker, I include for the RECORD the article I referred to previously.

The article referred to is as follows:

[From the Carteret County News-Times, June 13, 1997]

LISTEN UP, NPS!

Some countians were skeptical when the National Park Service announced plans last year to test wild mustangs on Shackleford Banks for Equine Infectious Anemia, a debilitating disease of horses.

They believed the NPS's real agenda was to remove all the noble animals from the island, part of Cape Lookout National Seashore.

It appeared to many observers, including this newspaper, that those concerns were overblown, if not bordering on paranoia.

After all, it only made good sense to cull sick animals so that the healthy ones might thrive under improved conditions, without fear of contracting EIA from biting insects feeding off the sick horses. NPS said it had to cull the herd not so much because of the disease but because the horses were overpopulating and damaging vegetation, destroying the ecology of the island.

So the NPS plan went forward, euthanizing 76 of the 184 Shackleford horses who tests positive for the virus that weakens horses' immune systems, sometimes leading to death.

That left 108 health horses free to roam the 3,000-acre barrier island much like their descendants, Spanish mustangs who perhaps swam ashore after Spanish galleons wrecked off the coast centuries ago.

All seemed well, and fears of some countians dissipated while the NPS spoke neighborly about maintaining the remaining herd at about 100 or so members, chiefly through birth control measures.

To be on the safe side, however, Third District Congressman Walter Jones Jr., R-N.C., worked with Carteret County officials and horse lovers whose aim was to participate in managing the herd. It has always been and remains the wishes of countians, with support from the scientific community, to

maintain the herd at about 100 horses. Bolstering this are Dr. Dan Rubenstein of Princeton University and Dr. Gus Cothran of the University of Kentucky, Department of Veterinary Science, who believe the horse population should stay at about 100 horses.

Congressman Jones introduced legislation, H.R. 875, specifying that the herd be maintained at not less than 100 horses, prohibits removal of any horses unless their numbers exceed 110 and allows citizen input in the management of the horses through the nonprofit Foundation for Shackleford Horses Inc.

Maureen Finnerty, NPS associate director for Park Operations and Education, told the House Subcommittee on National Parks and Public Lands April 10 that the NPS intends ''to maintain a representative herd of free-roaming horses on Shackleford Banks,'' but if Congressman Jones' legislation passes Congress, NPS will recommend that the president veto the bill.

The NPS management plan turns out to be a sleight of hand trick in that it does not define a ''representative herd.'' NPS could claim to be meeting the management plan by allowing 20 or even fewer horses to remain on the banks.

It does indeed appear that the NPS is more concerned with managing the vegetation on the island than the horses.

This is high-handed arrogance. By law, the NPS owns the horses, but again by law, the NPS is mandated to manage the resources, which includes the island, its vegetation and the horses, all for the public good, not for the good of NPS.

Consider that—

Visitors to Carteret County spend an estimated $150 per day generating over $200 million annually in the county's economy.

Fifteen county businesses make an annual living taking visitors and residents to Shackleford to view the horses.

Both Gov. Jim Hunt and Betty McCain, secretary of the N.C. Department of Cultural Resources, feel it is incumbent to maintain ''this cultural resource'' for the future. They each support Rep. Jones' legislation.

The underhanded recalcitrance on the part of the NPS has caused us to rethink our initial belief that the NPS was acting in good faith.

It now appears that the initial protesters were correct and that the real NPS goal is to remove the mustangs from Shackleford Banks. What other conclusion can be drawn from the NPS' bull-headedness on this issue?

Congressman Jones will present his bill to the House Committee on Resources Wednesday. In an effort to prevent any citizen input in its management of the horses, the NPS is pulling out all the stops.

For a while, it seemed the NPS favored this management plan as well. But suddenly, the NPS objected to Congressman Jones' legislation. Calling Congressman Jones' legislation a ''disturbing precedent that will lead to legislation being proposed each time a management decision is questioned,''

If the NPS prevails, it will be a slap in the face to the caring citizens of Carteret County, and possibly a looming death warrant for the wild mustangs who have thrilled generations of countians and tourists who trek to the island to watch these splendid animals in their natural environment.

We strongly urge the NPS to back off and show good faith in this matter. To do less would invite unpleasantness, given the strong community feeling for these animals and their importance to the vanishing heritage of down east Carteret County.

TRIBUTE TO NATIONAL AIR TRAFFIC CONTROLLERS ASSOCIATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Ms. BROWN] is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, I rise to pay tribute to the National Air Traffic Controllers Association, NATCA, on the occasion of their 10th anniversary. NATCA represents approximately 14,000 air traffic controllers nationwide, including 893 in Florida. NATCA protects air traffic controllers' rights, benefits, and working conditions in nearly 400 facilities in the United States and its territories through strong contract negotiations, labor relations, and litigation.

Since its existence, NATCA has aggressively championed aviation safety with Members of the United States Congress, the White House, the Federal Aviation Administration, the media, and the flying public. I am especially proud to recognize the outstanding performance of the 893 air traffic controllers that work in 25 air traffic facilities throughout Florida.

Aviation safety is paramount for the flying public and this Congress. Air traffic controllers play a critical role in ensuring the safety of all who fly. Therefore, it is my pleasure to honor all of our dedicated air traffic controllers.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HORN] is recognized for 5 minutes.

[Mr. HORN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DAVIS] is recognized for 5 minutes.

[Mr. DAVIS of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

DEATH OF TWO ORCA WHALES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, I rise today to express my deep concern over the capture of orca whales off the coast of Taiji, Japan. I brought this matter to the attention of the House in February, when five orca whales were netted and separated from their whale family, called a pod. Since that date, two of these orca whales have died, both within the past week.

As Members know, the orca whales are small whales, 20, 25 feet long, and we have them around the Puget Sound area and of course in the north Pacific.

The capture of these orcas was allowed under a permit to gather them for research purposes. However, the whales turned up at a marine amusement park. Clearly, the use of whales for business and entertainment purposes blatantly violates the condition of the permit.

The village near where these whales were captured has a history of annually slaughtering whales. Since the February capture, there have been no sightings of orca whales off the coast of Taiji. It is my understanding that orca pods appear very infrequently in Japanese waters. Therefore, almost nothing is known about those orca populations living off Japan.

I strongly condemn the permanent removal of a family group from an already uncertain ecosystem, where they are definitely not in good supply.

On June 14, the youngest of the captured orcas died, with a female to follow on the morning of June 17. She was pregnant at the time of her capture, and reportedly had a miscarriage in April. She refused to eat during the entire 4 months in captivity, and had become so weak that she could no longer float by herself. At the time of her death, she was held up by a canvas sling in order to breathe.

The Japanese consulate in Seattle yesterday confirmed the death of both orcas. However, the amusement park has neither confirmed nor denied their deaths, nor has the park reported on the three whales still alive. Japanese conservation groups are calling on international animal protection groups to pressure the Japanese Government to return the three remaining Taiji orcas to the wild before they, too, die.

The International Whaling Commission is a world body which governs the harvest of whales worldwide, and has continually asked Japan to end the hunting of whales in the southern Antarctic Whale Sanctuary and other Pacific locations.

While the Japanese whale merchants claim they are conducting research, most of the whales end up on a menu or as an entertainment item. I think this practice is unacceptable. I think that the commercial whaling in the world, we are not ready to go back to real commercial whaling. I think we should do everything we can to urge the Government of Japan to release those whales as soon as possible before they, too, die.

ORDER OF BUSINESS

Mr. ROTHMAN. Mr. Speaker, I ask unanimous consent to assume the time of the gentleman from Washington [Mr. DICKS].

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

There was no objection.

INTRODUCTION OF THE LIFETIME LEARNING AFFORDABILITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. ROTHMAN] is recognized for 5 minutes.

Mr. ROTHMAN. Mr. Speaker, today is the day that we from Bergen and Hudson Counties in New Jersey are putting forth a plan to solve the education crisis we face as a Nation.

Yesterday's headlines could not have been more timely nor more accurate in describing the hardship our families are experiencing in affording their children's college education and the importance of a college education itself. The New York Times put it best: ''Rising college costs imperil the Nation.''

A report commissioned by a private company said that at the current rate, tuition will double by the year 2015, effectively shutting off higher education to half of those who are qualified and wish to pursue one.

This report only echoes what I have been hearing around my district for the last 6 months from parents, students, teachers, and college administrators in Hudson and Bergen Counties, New Jersey.

Lisa Kelly, an employment counselor at Hackensack High School, came to a college finance workshop I hosted because she has a young boy 3 years old, and she is scared, scared about how she is going to afford college for him, and scared about the next 15 years and about her ability to save money for his education. But her son is fortunate because Mrs. Kelly is starting to save for college right now.

I met with students in Wallington, New Jersey, like Conrad Sopeelnikov, who finished number one in his class in high school, is a star football player, and has already spoken with Yale's football coach about that school. But that conversation will be in vain if Conrad is not given scholarships and financial aid.

I met with students in North Bergen, New Jersey, like Dana Maurici, who had dreamed of going to Seton Hall University, close to home, but she did not even apply because her family could not afford 4 years of tuition. As she told me in her own words, she said it would be like, here is a bite of candy, but you cannot finish it.

Then there was Judy Hyde, the PTA President of Hudson County, New Jersey, who understands that an education is not just for young people. She organized a parents summit for me in Kearny, New Jersey, where parents told me that in addition to saving for their children's college education, they, the parents, also need help to save for their own retraining and for advanced degrees.

Mr. Speaker, these parents and students understand, as do I, that everyone in America deserves an equal opportunity for a higher education. They know that we rise or sink as a nation together, and that if anyone is left behind, if any child is denied an equal opportunity to learn, then we have failed. We have failed them, we have failed their parents, and we have failed our country. We have failed the ideal of America to provide every American with the equal opportunity to achieve and earn the American dream.

That is why I have produced the Lifetime Learning Affordability Act. This bill would allow working and middle-class parents the ability to set up IRA-like savings accounts for each of their children. They, their parents, their grandparents, their aunts and uncles, could set up tax-deductible accounts up to $4,000 per year until the account has achieved $100,000 in it. That money could then be only withdrawn to pay for tuition and specific education-related expenses.

Here is the unique aspect of my Lifetime Learning Affordability Act. After the student reaches the age of 22 and is earning a living, he or she can then put additional monies into that account, up to $2,000 a year, so if he or she is ever laid off of their job, wants to learn new skills or just wants to go back to school later in life, there will be a nest egg for that person, that older student, to go back to school and to use for that purpose.

To make sure these accounts are not abused as tax shelters for the very rich, there will be a significant penalty for the early withdrawal of those monies, or if the money is spent on something other than education.

□ 2200

Yet even with this tax deductible IRA account of mine, we know that not every family can afford to save for college and not every family can take advantage of a tax deduction. That is why the bill also calls for increasing the Pell grants, not only in the number of Pell grants we issue but in the amount we give to each student. A modest increase such as the one we propose in our bill will help 75,000 low income students in New Jersey alone get a head start on life. The bill also restores the much-needed tax deduction for interest on student loans.

We, as a nation, Mr. Speaker, must understand that investing in education is the best investment we can make as a country and the best investment we can make as individual families.

I urge my colleagues to join me in supporting the Lifetime Learning Affordability Act so that we can unlock the doors of opportunity for every American, the lifetime of opportunities that a college education provides. I urge my colleagues to support me in this adventure.

THE AMERICAN DREAM

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from South Carolina [Mr. SANFORD] is recognized for 5 minutes.

Mr. SANFORD. Mr. Speaker, I have been hearing a fair bit about taxes. I think that is going to be the subject of debate over this next week and the week after.

When we talk about taxes, I think we are talking about something much more important than taxes alone. What we are really talking about is the American dream. It strikes me that there are two ways to get at the American dream. One is to let somebody keep more of what they are earning. The other way is to let somebody earn more on what they are earning.

What do I mean by that? What I mean is, I heard a story here just last week about a woman by the name of Osceola McCarthy. My colleagues may have already heard this story, but Osceola McCarthy was a washerwoman down in the southern part of Mississippi. And she was in her late 70's. She goes to the nearby school. She had spent her life as a washerwoman, her entire lifetime washing people's clothes, never earned much money over the course of her lifetime.

She goes to this nearby university and she said, I would like to help out. And they figure, well, she is going to give us a cloth doily or something. But instead of a cloth doily, she hands them $150,000. Everybody at the university cannot believe it. How in the world did this washerwoman come up with $150,000 for the university?

What she said is, I just put a little bit away over a long period of time. In fact Einstein was once asked, what is the most powerful force in the universe. His reply was, compound interest. It is amazing what you can end up with at the end of a working lifetime if you simply put a little bit away over a long enough period of time and let it grow and compound.

And that simple idea is a very powerful idea that gets at the second part of the American dream, again one part of the American dream being we can get there by letting people keep more of what they are earning, which is what tax cuts are about. But the second part is letting people earn more on what they are earning, because what the Social Security trustees have said is that Social Security today, while it has done a fabulous job for my mother and my grandmother, what they have said is that it will not do such a great job for my three young boys. Marshall is 4; Landon is 3; Bolton is 1.

And what they have said is that for a worker today, the average rate of return is 1.9 percent. And what they have said for my three little boys is that the rate of return is negative. And the fundamentals behind what is driving that are not going to change.

One is that we are living longer as a country. Each of us, average life expectancy when Social Security was created was 62 years of age. Today it is 76. Every year that I grow older, I hope that the medical folks keep making advances so that life expectancy continues to move out. That is a phenomenon we are not going to change. The other phenomenon we are not going to change in terms of Social Security is that people are having fewer kids. We have gone from having big families on the farm to having relatively small families today.

We have got three boys. The idea of mentioning to my wife, Jenny, why do

we not have another 6 or 7, I think we could help solve the Social Security problem, is not going to fly at home.

What we have been wondering is, is there a third way out. I think there is. This idea of personal savings accounts, which are built on the simple idea that Osceola McCarthy's wealth was built on. Because what we ultimately want to see in America is everybody building wealth, not just a few people at the top. And this simple idea of personal savings accounts. Personal savings accounts has been tried in a host of countries around the globe. It has been tried in a number of States and counties within our own country, in fact.

Down in south Texas, Galveston, Matagorda and Brazoria Counties down in south Texas, prior to 1983, you could create your own Social Security system. You could stay on the Federal version or you could create your own version at the State or local level. Those counties did. What they found was those county workers got more in the way of disability insurance. They got more in the way of survivor benefits, and they got more in the way of retirement income. In other words, there was a third way out.

And not only was there a third way out in terms of having more in the way of retirement income, there were a whole host of other benefits. For instance, choosing for you when you want to retire. If you stop and think about it, you can go down the grocery store aisle and look at 25 different kinds of detergent. You could look at 35 different kinds of toothpaste. But you cannot pick for you when you want to retire.

Yet you think about it, why should a Congressman or a Senator or a bureaucrat in Washington decide for you when you want to retire. Why do not you get to pick for you when you want to retire?

One of the benefits that would come with the idea of personal savings accounts is somebody making that decision for themselves. There are a host of other benefits that would come with the idea of personal savings accounts. It is not something we want to impose on seniors, but I think it is something we want to begin talking about for people that are juniors.

TAX REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise tonight to address my colleagues and have them be part of a dialog on a very important topic. That is tax reform.

This Congress has a historic opportunity to work with American families to make sure that they keep more of their hard-earned money which their jobs have produced, which their investments have produced.

As a broad outline we are talking about a $500 per child tax credit, reduction of inheritance taxes. How many people across Pennsylvania and other States are taking all the money that would be from the farm or the business but they have to sell the farm or the business to pay for inheritance taxes?

We have an opportunity here in the coming weeks to pass the kind of reductions in inheritance taxes so that the heirs of the people who own the businesses and the farm will make sure their children have the benefit of what their hard-earned dollars bought.

We also are talking about the reduction of capital gains tax. This is very important for individuals and businesses. By having this, we increase savings. We increase investment. We increase jobs. You only have to look to the Kennedy and Reagan administrations, Democrat and Republican administrations, last time we had a capital gains tax reduction we saw a great upward mobility of this country. We saw a great growth.

Mr. Speaker, I yield to the gentleman from Georgia [Mr. KINGSTON] for the comments he has from his district as it relates to the need for tax reform.

Mr. KINGSTON. In terms of the hard-working middle class Americans, they do need tax relief. Their tax burden right now is about 38 percent per family. That is up 1 percent from what it was 2 years prior, but it is very important for us to realize that 75 percent of the tax relief proposed goes to families with household income of $75,000 or less. Ninety-one percent of it goes to families with household income of $100,000 or less. And for families with income of $200,000 or more, there is only 1.2 percent of the money for their tax relief.

Mr. FOX of Pennsylvania. Most of the tax reform we are talking about in Congress is for the middle class.

Mr. KINGSTON. Absolutely.

Mr. FOX of Pennsylvania. Hard-working persons who are out there in industry and business.

Mr. KINGSTON. Mr. Speaker, the fraud that is being perpetuated by those who say this is a tax cut for the wealthy is just outrageous. They know better in their heart of hearts. How they can even look themselves in the mirror and say that this is a tax cut for the wealthy is beyond me.

Mr. FOX of Pennsylvania. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. PAPPAS]. I know that he has been working hard in this committee and with his constituents in New Jersey to try to make sure we give tax relief.

Mr. PAPPAS. Mr. Speaker, I thank the gentleman for yielding to me. When I go back home, I do not use terms like ''budget reconciliation'' or ''budget resolution'' or ''CR,'' which is an abbreviation for continuing resolution. I talk to my constituents about balancing the budget, cutting taxes, plain language that they use every day and that I think we should use more around here.

I am very fortunate, as my friends are here, to be part of this Congress, which I am convinced is going to enact permanent tax relief for American families that really is going to make a difference in quality of life, the lives of the people that we represent.

As we all know, the Committee on Ways and Means, just within the last week or so, has been marking up a bill that will include these things. The gentleman spoke about estate tax reform. Most people are referring to that now as a death tax. That is exactly what it is.

The American dream for many people is to work hard all of your life and to build a business that you can pass on to your kids. That American dream is becoming a nightmare for so many families in our country and that is very unfortunate. We have the opportunity here, I believe we have the obligation in this Congress, in Washington, DC, to enact that kind of tax reform that will enable family-owned businesses, family-owned farms to be passed from one generation to the next.

Mr. FOX of Pennsylvania. Mr. Speaker, I think it is also interesting to note that not only are we talking about tax relief for inheritance taxes, capital gains, the $500 per child tax credit, but also tax deductibility for a college loan. This is a step in the right direction.

Mr. Speaker, I yield to the gentleman from Colorado [Mr. BOB SCHAFFER].

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, it is interesting, when you hear the liberals here in Washington, as we heard all day today talking about the Congress giving something to taxpayers, this notion that government gives something away when we lower taxes is a fallacy in and of itself.

It really underlies the problems with the arguments that they try to make, insulting our efforts to try to provide tax relief for American families and to allow for families to keep more of what they earn for themselves. This government takes things away from the American people. It confiscates the wealth of families and sends it here to Washington where we distribute it to the charity of the government's choice.

Mr. FOX of Pennsylvania. Mr. Speaker, I appreciate the opportunity to start the dialog on tax reform which is so important to the American people.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

ORDER OF BUSINESS

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from New York [Mr. FORBES].

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

There was no objection.

MORE ON TAX RELIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. BOB SCHAFFER], is recognized for 5 minutes.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I would like to continue on with the discussion that we had a few minutes ago just about this notion of the Federal Government, in fact, confiscating the wealth of American families through our excessive tax policy, bringing those dollars here to Washington and redirecting them to the charity of politicians' choices.

We hear all day long the discussions about whether we should spend money on one charity or another charity. These are all fine things. But the Republican vision and the Republican value, when it comes to this whole debate about taxation, is that we are the ones who fundamentally believe that every taxpayer, every family, every wage earner is eminently more capable of deciding how to spend those dollars in a free market economy than the government is.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I appreciate the opportunity to expand upon what the gentleman just said. The American people not only send their tax dollars here. We want to make it sure they get more of it back so they can use it for their families.

They also want a new IRS, one that is more taxpayer friendly, one that we would have under a taxpayer Bill of Rights 3 where we change the burden of proof. Instead of the taxpayer presumed to be guilty and the IRS commissioner presumed to be correct, let us switch those burdens and stop the abuses that have existed in the IRS so we make sure that we have not only fairness in our tax policy but fairness by the IRS.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. PAPPAS].

Mr. PAPPAS. Mr. Speaker, I thank my friend for continuing this debate or this discussion about tax relief, which I believe is what the American people are crying out for. Most of the relief in this bill that we are speaking of is in the form of tax cuts directed at middle income wage earners, which includes families which earn between $20,000 and $70,000 a year.

□ 2215

Lots of folks talk about how this is a tax cut for the rich. That is not the case. It is for middle class working men and women.

I see my friend from South Dakota is here, and would like to yield to him for any comments he might want to make.

Mr. THUNE. Mr. Speaker, I thank the gentleman from New Jersey for yielding, and to my colleagues on the floor this evening, we are talking about something that is very important to the future of this country, and that is what we can do to balance this country's budget and to lower the tax burdens in America.

One of the things I think we are witnessing, and hopefully, if we do our job correctly, in the next couple of weeks, come the 4th of July we will truly have an Independence Day in this country because we will be witnessing a couple of historic firsts.

For the first time in 40 years we will have balanced this Federal Government's budget. That is a significant first. Very important, I think, to most of us who have kids and are concerned about the next generation. We will for the first time in 16 years have brought tax relief to the American families and the working American women of this country.

I think rather than have this debate become a focus of, and we will hear this, a lot of rhetoric over the course of the next several weeks about the politics of class warfare and the politics of division, the politics of despair and the politics of fear, that is not at all what this debate is about. This is about improving the quality of life for all Americans.

I think if we look at any objective standard and any objective measure about the benefits of this tax package and who really receives those benefits, we will find that 75 percent of the tax relief in this package goes to those who make less than $75,000 a year, by any objective standard.

There will be a lot of juicing of numbers by opponents of this, and we are already seeing evidence of that, of padding the numbers and trying to create the perception that, in fact, this is an issue of class warfare, but it is not. It is about improving the quality of life for all Americans.

I think it is perfectly consistent with everything that we came here to do. So when we look at the Independence Day that is ahead of us and, hopefully, we will have completed work on this important project, but two important firsts: balancing the budget for the first time in 40 years, lowering taxes for the first time in 16 years, and saving Medicare for another 10 years and, hopefully, into the next generation.

Those are priorities that I will tell all my distinguished friends and colleagues who are here this evening that I came here to be about, and I think it is an incredibly historic day.

There is always room for improvement in any of these packages, and I would certainly hope that as we go through this process we will be able to address an issue that is important to my home State. There is a tax incentive in the law today that promotes ethanol, and that is something that I think is a good return for the taxpayer, and that is something I hope we can resolve and make this package better.

But in any case, there are so many provisions in here that benefit middle class families, I think really that is consistent with the values, the philosophy, and with the beliefs and the convictions that most of us in the Chamber this evening hold.

Mr. Speaker, I would like to yield to one of my friends, any of whom is at a microphone right now.

TAX RELIEF FOR THE MIDDLE CLASS

The SPEAKER pro tempore [Mr. COOKSEY]. Under a previous order of the House, the gentleman from Indiana [Mr. SOUDER] is recognized for 5 minutes.

Mr. SOUDER. Mr. Speaker, I wanted to speak on the same tune, but with slightly different words.

I think that we have been talking a lot about the importance of this to middle class families. We have been talking about the importance of this to what would be seen as kind of main line American families. But I have been very impressed that our Speaker, the gentleman from Georgia [NEWT GINGRICH], has joined with President Clinton to talk some about the problems of race in America and extending opportunity to all American citizens.

Mr. KINGSTON. Mr. Speaker, if the gentleman will yield a minute, I think it is real important what he just said and I want to slow up on it a minute. The gentleman just mentioned that the President and the Speaker are working together.

One of the things that is important for us to realize is that the Republican majority in the House and Senate was reelected but, at the same time, the same American voters reelected President Clinton. What they want is results. People are independent ticket splitting and they want results.

It is interesting that on issue after issue the gentleman is saying, race, taxes, balancing the budget, the Republican leadership is working with the President, and yet many detractors on the Democrat side, particularly in the House, cannot stand this; that President Clinton is working with Republicans.

I think the President has heard the message of the American people: They want a balanced budget, they want a smaller government, they want tax relief. And the President realizes that, unfortunately, his party is not going to deliver that, so if he wants to move in the direction of the vision of the American people, he has to work with Republicans rather than Democrats.

I think it is interesting the gentleman made this point one more time on race.

Mr. SOUDER. Well, I wanted to put into the RECORD a number of the things the Speaker said last night, because many of these overlap with what we are talking about here on taxes and providing economic opportunity.

He raised some questions that go beyond this: making sure civil rights are enforced, an importance on welfare reform, in reducing crime, as we work on

the drug issue. But listen to a number of these categories, and then I will relate it to our package and why this is not a tax break for the rich and the type of tired rhetoric we will hear but, in actuality, an opportunity for all Americans.

He talked about learning, creating better opportunities for all children to learn by breaking the stranglehold of the teachers' unions and giving urban parents a financial opportunity to choose public, private or parochial schools, as millions of black Americans are reaching out to the private Christian schools and building their communities and wanting the choices that other Americans have. That is part of the point of the $500 personal credit, so people can choose the school that is best for their children.

He says on small business that we should have the goal of tripling the number of minority-owned small businesses by eliminating the barriers and providing the tax opportunities.

He talks about 100 renewal communities, and low income scholarships, savings accounts, brownfields cleanup. He talks about economic growth and expanding economic opportunities.

Well, listen to some of the different things in this package. In addition to the tax credit for children, we have a deduction for undergraduate tuition, scholarship tax credits, credit up to 50 percent of $3,000 out-of-pocket tuition expenses phased out at $40,000 to $50,000 singles, $80,000 to $100,000 joint; expanded IRAs that people can not only take out for education but for first time home buying. We have education investment savings opportunities.

And then the businesses that most need the capital gains changes are businesses that are just starting. Many of these minority businesses that start up in an inner city actually increase the property values all around them. Then, when they go to move to the next block, they get punished because they have raised the value of their lands and the area around them. That is the point of capital gains, not to benefit the most wealthy but to get those starting out to move to the next size, to the next size, to the next size.

The inheritance tax reform that will eventually, over a number of years, get up to $1 million. When we have minority businesses and people just starting, many Americans have made it, but millions of Americans have not made it. They want their kids to have the opportunities that my great grandpa worked to get to my grandpa, that gave to my dad and his brother so that I could have the opportunity. That is not done by taking away the family farm, by taking away the small businesses; it is by giving enough exemption that we can pass it through and build it into a little bit.

A person starts with a dry cleaner, builds it a little bit bigger, a little bit bigger. A retail operation may move to another business. My great grandfather set up my grandfather as a harness maker. He moved and bought the building next to him and the building next to him, and we now have a building we lease out to 60 different antique dealers. It is something that came bit by bit. That is what the capital gains means. That is how economic growth occurs, that and inheritance tax.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. FOX of Pennsylvania. Mr. Speaker, I thank the gentleman, and the fact is he has already shown through his leadership that when we talk about innovation and entrepreneurship, that that is what America is all about. And under this new tax proposal, new businesses will be emerging.

We will have people who have a great idea getting a chance through capital gains tax reduction, through a balanced budget, a real opportunity in the Federal Government to make sure their money goes far and their family has a chance to have a piece of the rock.

ORDER OF BUSINESS

Mr. NEY. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from South Carolina [Mr. GRAHAM].

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

There was no objection.

THE COST OF EXCESSIVE REGULATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. NEY] is recognized for 5 minutes.

Mr. NEY. Mr. Speaker, this is a great discussion tonight because we are talking about the American people being able to keep more of their hard-earned money. That is why we came here.

Some of the Members sitting here tonight from the 104th, now in the 105th, and we actually are so close to that goal and that reality, and I hate to even mention what I want to say tonight to put a damper on this, but I think it is important that we at least communicate a little on this issue. That is the fact that while we here in Congress are trying to do this, we have an unelected bureaucrat, Carol Browner, the head of the United States EPA, what she is attempting to do is to put a new wave of requirements on us, on ozone, and once again shut down some jobs.

Somebody in an unelected position, who will not come here to the floor to debate this, is trying to stifle the growth of the American people, is trying to take away their money. And if it did something to help people, I guess it would be a different story we could talk about. But these new regulations, we have lived with them in the Ohio Valley and across the country, and they have really been hurting us.

We have tried to comply. We have tried to do coal bonds in Ohio, about $100 million worth. We have tried to do everything we can do, but, once again, she does not want to be reasonable. Just this week we became aware of some reports in the press about maybe she is cutting deals with a few districts across the country and to let them out of it but the rest of us will pay.

We all have to support a clean environment. We want that, but we surely want a reasonable discussion on it. I think the bigger picture on this too, and it is a frame of mind I guess that this whole government can get into, but the idea that veterans fought so we could have a democracy, so we could have a great energetic give-and-take on public debate, but the veterans did not fight so unelected bureaucrats could make a decision no matter what side of the issue we are on.

So tonight I think we really need to talk about what we are doing for tax relief for the average American, but also we have to be aware that down the street there is someone that is trying to once again dip into the wallet of the working people. And that is why we are here, to protect the wallets of the working people. Because it is what that worker puts into the wallet and what the government tries to take out, and once again we are trying to give them more of their take home and somebody down the street is trying to take a little more back.

Mr. SOUDER. Mr. Speaker, If the gentleman will yield, I want to commend the gentleman for raising this. It is basically the same subject. Our goal here is to try to help people who are working hard be able to keep their money and advance without Washington standing as big brother and squishing them, either through spending in incredible ways and without their approval, or through regulations in EPA.

Just like Ohio, in Indiana we make, in my district, pickup trucks, axles, tires. These are hard working Americans, multi-generational Americans, who want clean air, they want a healthy society, but they also want to work. And they are proud of what they do. And the idea that somebody in Washington, for not even any proven scientific gain, by the time we get done with this, in fact, I have heard that, for example, by changing the plastic covers on some of the gas tanks we could change some of this, but what gas stations are not in compliance now? Often they are the ones in the inner cities or in the rural areas where they are marginal.

So are we going to close all those gas stations so the people living in the inner cities and out in the rural areas have to drive farther? And that actually pollutes more air. It is not even clear scientifically the solutions solve the problem, except to put a lot of hard working Americans out of work because some bureaucrat decided, an unelected bureaucrat decided that the Midwest should be punished and that we should send these jobs overseas, and that is, bottom line, what happens.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, if the gentleman will yield, I am glad the gentleman brings up this concept of the cost of regulation at the same time we talk about the cost of taxation.

There is a very important date coming up just in the next few weeks. July 3rd is the Cost of Government Day. Now many of us will remember back to May 9. We worked up to May 9 to pay off all of the taxes to satisfy the government. We worked up to that point for the government; the rest of the year we work for our family and the things important to us.

But further down the line, way into the 7th month of the year, July 3rd, is Cost of Government Day. That is the date after which we have surpassed all of our obligations to the Federal Government, not just for taxes but also for regulation. More than 50 percent of an average family's income goes to pay for taxes at the State, Federal, local level, and regulations at the State, Federal and local level.

These new air quality standards the gentleman from Ohio mentions are estimated to cost the agriculture industry alone in America anywhere from $9 to $12 billion a year. That is the government's estimates. That is Carol Browner's estimates. And the people in the industry suggest that those estimates are far too low.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. EHRLICH] is recognized for 5 minutes.

[Mr. EHRLICH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

□ 2230

HOME-BASED BUSINESS

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from New Jersey [Mr. PAPPAS] is recognized for 5 minutes.

Mr. PAPPAS. Mr. Speaker, we are talking about common sense things here. Just a few months ago, many of my friends here know, in fact, everyone here, save for two, are cosponsors of the bill that I introduced dealing with the home office deduction. And they know who they are.

I am very happy to see that in the new bill that the Committee on Ways and Means has been bringing forward includes, maybe not the exact language, but the concept of the home office deduction is included. So many individuals in our country are starting home-based businesses. Some people are employed in a corporation or maybe another small business. Yet on their own time they are putting their energy, their creativity to work, which is truly a part of the American entrepreneurial spirit in starting a home-based business. I am excited about the support that that has really across the country from all walks of life.

Seventy percent of the new home-based businesses or small businesses that are started are started by women. And as my colleagues know, there are many single-parent families that are headed by women. And being able to have the home-based business with the deductions that other home-based businesses have had, I think, is fair. I am very encouraged to see so much support among my colleagues here tonight, most of them, and, hopefully, by the end of the night, all of them.

I yield to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX. To enter this discussion as part of this tax reform debate, all of my colleagues have agreed to be part of the Pappas legislation with the home office deduction. But I think that scores the important point about how most small businesses are the engine of the economy. Ninety percent of new jobs come from small businesses. So the Pappas legislation, along with other tax reforms, are what Americans really need. I believe that legislation is going to move forward, and we appreciate the leadership of the gentleman from New Jersey [Mr. PAPPAS] on that issue.

I know the gentleman from Georgia [Mr. KINGSTON] has been working feverishly to make sure that we do get the new package. I believe what the gentleman from South Dakota [Mr. THUNE] said earlier is true, the balanced budget together with tax reform is really going to be historic and make a difference in people's lives.

The balanced budget is important because we are going to see reductions in the interest payments for college loans, in the interest payments for the car, and the interest payments for the home mortgage. That is the key to America.

Mr. KINGSTON. Mr. Speaker, if the gentleman would yield, I wanted to make sure folks understand that under President Clinton in 1993, we experienced the largest tax increase in the history of the country, which I believe was in the figure of somewhere about $250 billion. We are talking about only, unfortunately, an $85 billion decrease in taxes. It does not take us back to the pre-Clinton days, if you will.

Now what is interesting is, as we hear the cries of those that oppose the tax relief, is you would think we are giving away the farm. And it is so important for people to realize it is not our money. The United States Congress does not own money. We, through the force of Government, confiscate money out of people's pocket and we take it.

All we are saying is, hey, let us take less of the middle-class hard earned dollars. That is all we are talking about. And yet people, you would think, are about to give away their first born child the way some of the opponents are fighting this tax relief.

Mr. SOUDER. Mr. Speaker, if the gentleman would yield, I think his point about the home office deduction, as well as the point of the gentleman from Georgia [Mr. KINGSTON] about the general attitude of many in the other party is very perplexing.

One time one parent had their son tell me what he had been taught was the difference between Republicans and Democrats; and that is that Republicans believe in big people and little government, and Democrats believe in big government and little people.

I think President Clinton and some have moved beyond that, but there are many in this body who are still criticizing that. They do not seem to understand how jobs in America are created, how people can have choices. So many millions of American people through Amway, through Discovery Toys, through the many different things that have branched out, as well as new computer-based businesses at home, give not only mothers now the choice to stay home with their kids or women to be able to start a business, but now many men are working at home in different types of businesses.

If we do not recognize these changes, we kill the engine of economic growth of how jobs are created. They are created not by government but by people looking for creative ways to combine the needs of their life-styles and the needs of capital and the shortage thereof.

With the Internet nowadays and with the ability to use phones and all the different ways, we need to make sure that the home office deduction and things like this reflect the ways of economic growth.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

[Mr. GUTKNECHT addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

REGULATION OF SMALL BUSINESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota [Mr. THUNE] is recognized for 5 minutes.

Mr. THUNE. Mr. Speaker, I would like to keep in discussion we have had this evening with respect to regulation. I was sitting in the Committee on Agriculture this morning and we had a number of folks testifying in front of our committee, and it had to do with an issue which is very important in my home State of South Dakota.

We have a tremendous natural resource known as the Black Hills. And interestingly enough, we talk about the heavy hand of Government regulation, as I was listening to the testimony this morning, in 31 cases, the last 31 times, there has been a proposed timber sale in the Black Hills; 31 times that has been appealed.

In every case it has ended up as being a long, protracted fight. In fact, we had what is known as a blow-down in April,

a blizzard, that knocked a lot of trees down. Those trees cannot even be harvested until October because that has been appealed. And we think about the hard working men and women in America who are trying to make a living and eke out a livelihood from the natural resource industries that are very prevalent in western South Dakota and the way that the Government is constantly getting in the way.

I think we have to recognize, and one of the questions that was posed this morning, is what can we do? One of the things that came up repeatedly is, dealing in the area, of course, of regulation, what we can do to streamline the appeal process, but, secondly, what can we do in terms of tax policy to make it possible for some of these family owned small businesses to be passed on from one generation to the next.

I think the fundamental question here is, who is for the average American, who is going to stand up to big government, who is going to make sure that government lives within its means, who is for smaller government, for protecting the average American from the heavy hand of government regulation? And I think the answer is very clearly that those are the things that we as Republicans have been talking about for a very long time. Those are the things that many of us came here to do.

I think in the context of this balanced budget, this tax relief package that is in the process of being discussed, we have an opportunity to reinforce the most deeply held values and traditions that we have in America.

We look at the importance, the way we believe in hard work and thrift and family, self-sufficiency and saving for the next generation and freedom, but also in responsibility. And to enjoy freedom, we have got to accept responsibility. I think many of the things that are included in this tax package reinforce those most deeply held values and traditions that the average American possesses.

That is why I believe that the things that we are about and the things that we came here to do, and granted we are getting a lot of cooperation, because I think the message is prevailing out there and people are coming to the conclusion that we need to reduce the size of the Federal Government, that we need to, for the first time in 30 years, get serious about balancing the budget and to bring tax relief to working men and women in this country.

There is going to be a lot of discussion over the next several days, I think, about what the vote is going to be and who is going to be in favor of it and who is not. I would simply say, I hope that we have a wide base of support for this package.

Now, a lot of people are going to want to have the dessert and get the tax relief and not vote for the vegetables. People always want to have their dessert without having to eat the vegetables.

We have the opportunity to do both, and we have to do both because we have to be about the important work of balancing the budget. We can do that and also bring tax relief in the context of the bill that we are going to be voting on in the course of the next several days.

So as we look at this whole context of debate this evening about the cost of Government, and the gentleman from Colorado I think pointed out, July 3rd, by the time we factor in not only tax but also the cost of Government regulations, what I heard this morning repeatedly and what I hear from the people in my State, who are small business people, who are family farmers, who are average working men and women in America, these are the people who are going to benefit from this tax relief package.

So I hope that we can put aside all the discussion about the division and erecting barriers between rich and poor, between this group of people and this group of people, and get about the business of improving the quality of life for all Americans. That is very much the direction in which we are headed.

I am more than happy to join with my colleagues who are here this evening to address this subject and then to get after the work, and that is lessening the regulation, the heavy hand of Government.

There is a guy etched on Mt. Rushmore in my State of South Dakota named Teddy Roosevelt, who I think understood the difference between the heavy hand of Government that stifles competition and the light touch that ensures it. I have heard repeated examples this morning of the heavy hand that stifles competition and stifles the spirit of free enterprise, the thing that has driven and made this country great, has made it the model, the envy of the world all over the world.

I yield to the gentleman from New Jersey [Mr. PAPPAS].

Mr. PAPPAS. Mr. Speaker, I thank the gentleman for yielding.

I want to make a brief comment. We have here with us tonight a couple of the pages, they do a great job, and many others who are working here with them over the summer. I think of them and the future that they have. And if we are able to enact this balanced budget plan when they enter the work force, there will be a future that we deserve to provide for them.

TAX SYSTEM THAT ENCOURAGES WORK ETHIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I wanted to, on the subject of taxes, say two of the things we need in our tax code is we need responsibility to be encouraged and we need clarity. We need to have a tax system that encourages the work ethic and rewards it.

Now, our welfare system, as my colleagues know, does not do that. Recently, in Savannah, there was a man who was on public assistance. He is 30 years old, and he bragged that he had 16 children. Now he has been very busy. But, of course, he has not been with the same woman for all 16 of these kids. But his comment on it was, ''Well, the Lord said be fruitful and multiply.'' That was his total explanation.

But it is interesting that our tax system would reward that kind of irresponsibility through Government handouts. Right now the President wants to expand the proposed $500 child tax credit from working people who pay taxes to people who do not pay taxes, such as possibly this 30-year-old father of 16 kids. There is no reason in the world why he, who does not pay taxes, should get this credit for irresponsibly siring so many children.

We are parents. I am a father of four. It is very, very difficult to raise kids. And I would say, economically looking after their needs is only the minimum bit; you have to do a lot more for these children emotionally and so forth. But our tax system should support middle-class parents economically for making responsible decisions, like having a job and having income and having a house, before you go out and have an untold number of children.

Mr. SOUDER. Mr. Speaker, if the gentleman would yield, we are about to head into another debate. There have been ads around the country. We have had quite a bit of turmoil in the Committee on Education and the and Workforce, and it is about to hit the floor too, that supposedly the Republicans are vying to circumvent the minimum wage as it relates to people on welfare.

The issue, in case my colleagues have not heard about it, is this: People on welfare currently can get a package of benefits, depending on their mix of kids, about $15,000. When they take a job, under the new welfare bill, should the benefits that they are continuing to receive, because we have decided that we are not going to completely cut off the benefits, should those benefits count towards their wages?

This is being portrayed as the work cutting the minimum wage, when in fact what we are saying is people who are working for the minimum wage currently and have never been on welfare should not receive up to $7,000 a year less than those people on welfare.

□ 2245

Yet somehow we are portrayed as the mean party. Somehow we are portrayed as being unfair and being mean-spirited when in fact what we have been trying to do is stand up for the working people of America to try to give tax benefits to try to help those people who have been trapped in the welfare system start to move into the private sector but not have these terrible inequities between those people who have been working and those people who are on welfare.

We are going to fight this battle on the tax credits, we are going to fight the battle in the way we count benefits as we go into welfare, and the thrust of our program, by having a balanced budget and by reducing taxes, to try to make people who are working hard that have been bearing the brunt of the economic growth and the job growth in America, to give them some breaks and let them keep some of their own money.

Mr. BOB SCHAFFER of Colorado. You know the middle class families of America feel left out primarily because the White House fails to acknowledge that they even exist. Listen to this:

The Treasury Department says that they will not calculate income based on something they call family economic income.

Now this is not the money you bring home. This is something else. This is how when you hear people talk about tax cuts for the rich, they are actually talking about just about everyone in America because congratulations, we are all rich now as a result of the calculation from the White House.

Listen to this:

They say income includes things like your IRA income, Keogh deductions, AFDC benefits, social security and one more thing, the imputed rent on an owner house.

Now what this means is that if you own a home, the Federal Government, the Clinton administration, is going to assume that if you could earn rent on your house, that that is going to be calculated as your income. That is how a family earning $50,000 a year all of a sudden becomes in the rich category.

So when you hear about tax cuts for the rich that you hear this term a lot, this really does apply to the average American family who the liberals in Washington all of a sudden want to demonize by calling you exceedingly wealthy.

But you know these are the folks who we represent. This is my parents, my retired school teachers, my in-laws, the pipefitter, the Yates family in Mississippi, the Conklin family in Illinois, average American families who work hard every day making middle class incomes. We want to reduce their tax burden. The liberals in Washington want to call them millionaires somehow magically and suggest that they are somehow bad people who do not deserve a break.

WOMEN'S CAUCUS HOLDS HILARIOUS NEWS CONFERENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kentucky [Mrs. NORTHUP] is recognized for 5 minutes.

Mrs. NORTHUP. Mr. Speaker, I appreciate the opportunity to address the House tonight about the tax cut and about a rather humorous, if you have a broad sense of humor, news conference that was held today earlier by the Democratic Members of the Women's Caucus here in the House.

You know it must be very terrible if you have to find reasons every day to be against a tax cut considering their popularity, and today this group of Members said that this tax cut would hurt the women of our country. That is especially hilarious when you think that most women are growing up and sharing homes and lives with men. They either have a father, they have a son, they have a brother or they have a spouse, and these women share their economic opportunities, their lives, their incomes, their taxes with men. You do not have tax cuts for very many people that help the men or help the women. You have tax cuts that help homes, they help families.

And so most women get up every morning, and their lives are intertwined with the men, with their sons who they are raising, with their fathers who raise them, with their spouse with whom they are making a life, and they all are in the financial challenges together.

And so as families work out their economic challenges, as middle class families get up every morning, they take kids to day care, they go to work, they pay for a car payment, they pay for their rent, and they wonder if there is going to be any chance that there is going to be money left over this summer so that they can go on that camping trip and go to the State park that they have read about and know would be such a good opportunity for them to share with their family.

It is not the men, it is not the women, it is the families, and I think it is so bad in this country if we try to divide all of us who are in this country together on to teams, whether we have the teams that are the women, the other team that are the men, the team, the racial teams of the minority and the majority. If we, however we divide on teams, what we do is we deny the common goals, the common threads, the fact that we are all working together for common purposes. But we especially do that in tax cuts when we say that certain tax cuts, tax packages would be bad for women because we then begin to try to divide people against their own homes, against their own families, against their own relatives.

So I want to take this opportunity to say with pride how proud I am to be part of a group of people who have listened so carefully to the American people who all of ourselves care so much about our families and our struggles.

I have 6 children. Two of them are now completely on their own, and two in the next 2 years will be on their own. They struggle every day with their finances. Every time they need a new tire, they feel so frustrated and they feel set back, and to have the privilege to have been able to fashion a tax cut that will give their generation and their friends' generation and our friends the opportunity to have a better opportunity to spend their own money, to have government spend less, has been something that I am very proud of.

And it is not a women's issue, it is not a man's issue; it is a family issue, it is an American issue, and the American people are very clear about where they are on this issue.

Mr. FOX of Pennsylvania. If the gentlewoman will yield, your comments are eloquent and certainly timely for this discussion in the House of tax reform. It is so important that we work together because the American people will win together when we reduced by $500, we have the $500 per child tax credit, we reduce inheritance taxes, we reduce the capital gains tax, we provide tax relief for students to go to college, and we are winning also because we have had an agreement with the White House. This is a bipartisan agreement. We have the Republican leadership working with the White House. President Clinton has seen the wisdom of working with us, and we are going to make positive changes, as you have described.

So your leadership here in the House and helping still accomplish real true tax relief for the American people is certainly a great testimony of why you were elected.

Mr. KINGSTON. Mr. Speaker, if the gentlewoman would yield, I want to point out for those who do not know you are a mother of 6 children; correct?

Mrs. NORTHUP. That is right.

Mr. KINGSTON. So when you say this is a family issue, you know firsthand what a family issue is about.

Mrs. NORTHUP. Mr. Speaker, I certainly understand too, as my children have started on their own, each one of them, they feel so poor, they feel so vulnerable. They go to work every day, and there is never enough money. My husband and I have depended on them to be completely financially independent. We think that is how they grow up. But we certainly hear from them about the cost of insuring their car, about a car repair, about the challenges they face, and we remember those days ourselves.

It is like 2 steps forward and 1½ steps backwards, and you wonder, everybody that goes to work wonders every week if they are making any progress financially. In fact very seldom could my husband and I ever see progress as we looked ahead. It is only after years of work that you can begin to see the progress.

CONCERN ABOUT APPARENT DIRECTION OF UNITED STATES DIPLOMACY IN THE REPUBLIC OF NAGORNO KARABAGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for half of the time remaining before midnight as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I would like to address some of the issues related to the tax bill as well as the minimum wage this evening in the time

that remains. I listened to some of the statements that were made by my Republican colleagues over the last 45 minutes or so, and I know they are sincere, but I also think they are very wrong about the implications of this Republican tax bill.

But before I get into that I would like to spend about 5 minutes talking about another issue about a country that is far away from the United States but none the less where the United States, I think, can make a difference and where there is a great need for the United States to play a strong, but neutral, role in trying to resolve a conflict that has the potential for creating an even wider conflict if the United States does not address it in the proper way.

Mr. Speaker, I am talking about a region of the world that many of my colleagues and indeed most Americans may be unfamiliar with but which the United States has identified as an important area of interest, and this is the Republic of Nagorno-Karabagh which was established on September 2, 1991, and declared its independence on January 6, 1992. The State of Nagorno Karabagh is predominantly populated by Armenians which was formally part of the Soviet Union and Nagorno Karabagh fought and won a war with the neighboring Republic of Azerbaijan to gain its independence back in 1991. A ceasefire has for the most part held for the last 3 years, but Azerbaijan has refused to recognize the independence of Nagorno Karabagh and still insists that Karabagh is a part of Azerbaijani territory despite the fact that Karabagh is a functioning State with the government and the proven capacity for self-defense. Negotiations have been brokered by the organization for security and cooperation in Europe with the goal of achieving a political settlement, but so far those negotiations have failed to produce a diplomatic breakthrough.

And, Mr. Speaker, I wanted to mention this on the floor tonight to express my serious concern about the apparent direction of U.S. diplomacy in this region. The United States is a cochair of the OSCE's Minsk group or Minsk conference which is charged with negotiating a political solution to the Karabagh conflict. In this capacity we should be working along with our co-chairs, France and Russia, for a negotiated settlement that recognizes the self determination of the people of Nagorno Karabagh.

But based on media reports that I have recently been reading and recently have surfaced I am fearful that the United States may not be pursuing a neutral course and that U.S. negotiators may, in fact, be trying to impose unacceptable conditions on Nagorno Karabagh and Armenia, and I am calling on the State Department to clarify these reports and to confirm that the United States is working for a fair solution to this issue.

Mr. Speaker, earlier this month the House passed the Foreign Relations Authorization Act, and that legislation included an amendment sponsored by myself and the gentleman from Michigan [Mr. KNOLLENBERG] which would help promote U.S. leadership and neutrality for a just and lasting peace in Nagorno Karabagh. The legislative language reaffirms the current United States position of neutrality, and our rational in offering this bipartisan amendment was that the U.S. has identified a resolution of Nagorno Karabagh conflict as a vital interest. We believed that Congress should play a positive role in jump starting the negotiating process by going on record in support of a negotiated settlement and by reaffirming U.S. neutrality.

But while it is ultimately up to the parties directly involved; that is, Armenia, Nagorno-Karabagh and Azerbaijan, to agree to a negotiated settlement, I believe that the power and the prestige of the United States can count for a great deal in moving things forward. But that power and prestige has to be accompanied by fairness, by the goal of being a honest broker and not impose solutions that one of the parties will not be able to accept.

President Clinton in a letter to the Armenian American community on March 26 of this year stated, and I would like to quote, Mr. Speaker; he said, quote, I can assure you that our consistent position of neutrality on the tragic Nargorno Karabagh conflict has not changed and will not change.

I have to say, Mr. Speaker, though that I am concerned by recent reports that have come from the media that suggest that the balance may be tilting against the people of Nagorno Karabagh. A report this week from Noyan Tapan, an English language newspaper in Armenia, suggests that the Minsk group, which again the United States cochairs, may be trying to impose on Nagorno Karabagh a unacceptable solution. The newspaper reports that the proposed solution would require Nagorno Karabagh to withdraw its forces from the Azeri firing posts. These were places where the Azerbaijani forces fired on the people of Nagorno Karabagh, and basically what these newspaper reports say is that this proposed solution by the United States and others would force Karabagh to withdraw its forces from these firing posts. I will name them:

Kelbajar, Aghdam, Fizouli, Dzhebrail, Gubatly, Lachin.

Lachin is of course the corridor between Nagorno Karabagh and Armenia that was neutralized by Karabagh's self-defense forces, and also Shoushi, what has historically been part of Nagorno Karabagh for centuries, if not thousands of years.

And ultimately to dissolve the army, this is another one of the conditions, to ultimately dissolve the army, which is the only guarantee of security for the population of Nagorno Karabagh, and also to require that Karabagh remain an enclave within Azerbaijan with the danger of the deportation of the native Armenian population, that danger will always exist as long as Karabagh is considered part of Azerbaijan. The newspaper reports that Karabagh would be granted the right to have its own Constitution, symbol, national anthem, flag, and national guard. This all sounds very nice, but, Mr. Speaker, these trappings, and that is what they are, trappings of nationhood would obviously be hollow symbols if the people of Nagorno had no way of protecting and maintaining their hard-won freedom and independence.

☐ 2300

Combined with these newspaper reports, there was a news report last month on CNN that President of Azerbaijan, President Aliyev, was vowing to take control over Nagorno by force if necessary. The United States, and I believe very strongly, the United States must not be in the position of tacitly supporting, much less openly supporting, any government that still advocates the use of force to settle this controversy.

As I indicated, Mr. Speaker, I hope that the State Department will clarify its position and respond to these recent media reports. Deputy Secretary of State Strobe Talbot and our new special negotiator for Nagorno, Ambassador Lynn Pascal were recently in the region. As the cochairman of the Congressional Caucus on Armenia Issues, I am working to get the State Department to make clear where they stand on these negotiations, particularly in light of the fact that this House has gone on record in support of continued U.S. neutrality.

THE REPUBLICAN TAX BILL

Mr. Speaker, on another topic, I listened to some of the comments made by my Republican colleagues for the last 45 minutes or so about the Republican tax bill and also about the minimum wage issue, and I feel very strongly that it is necessary to respond. I am not going to take up the whole time that has been allocated to me tonight, but I am particularly concerned about some of the statements that were made with regard to the tax bill.

As I think my colleagues know, as part of the balanced budget resolution, there is a bill that would basically cut taxes and the issue is how to do it. Obviously, everyone would like to see a tax cut, but there is a major difference between the Republicans and the Democrats on who should benefit from these tax cuts. What I have maintained and my Democratic colleagues maintain, is that the majority of the tax cuts that have been proposed by the Republican leadership, and they of course are in the majority and are likely to hold sway, the majority of those tax cuts basically either favor the wealthy, either individuals who are rather wealthy or corporate interests.

Just to give some statistics, according to an analysis by the Treasury Department, two-thirds of the Republican tax breaks benefit those earning more

than $100,000, and the richest 1 percent would receive an average tax break of more than $12,000. More important, the Republican bill uses a number of gimmicks to hide the cost of tax breaks benefiting the wealthy which explode in costs in the second 5 years. The capital gains indexing provision, for example, raises $2.5 billion in the first 5 years, but costs $35 billion over 10 years.

Now, I think this is particularly dangerous, because remember, we are talking about the balanced budget resolution. The whole reason to come up, or the reason why the President agreed and the majority of the Democrats, including myself, voted for this balanced budget resolution, is because we felt it was going to balance the budget and eliminate ultimately the deficit that we have suffered under for a number of years.

Well, if in the course of passing this tax bill, 5 or 10 or 15 years from now the deficit starts increasing again and balloons to even greater than it is now, then obviously we have not accomplished our goal, and that is the fear that many of the Democrats have now, which is that simply that in the first few years, there is going to be an effort to save money, but in the long run, because of the level of tax cuts, particularly those for corporations and wealthy individuals, that in fact the deficit will increase once again.

Just some more information. The Republican bill gives large corporations a $22 billion windfall by scaling back the corporate minimum tax that consistently denies or limits tax relief for working families. A working family with two children earning $25,000 would not receive the $500 child credit. Some working families who take a deduction for child care expenses would be penalized, losing half of every dollar they receive for the child credit. And the value of the HOPE education tax credit, this is the tax credit that would help families pay for their children's college education, well, that would be cut in half and would provide only 50 percent of tuition expenses for millions of students attending community colleges and other low-cost institutions.

Finally, the Republican bill threatens the security of low-wage workers by allowing employers to choose to pay their workers on a contract basis. Millions of workers could be reclassified as independent contractors so that employers can avoid paying the minimum wage and can avoid providing health care and pension benefits to their workers.

I just wanted to talk a little bit about the minimum wage provision, because again I listened to my colleagues earlier this evening and they seemed to suggest that it was the right thing to do to not require the minimum wage for those workers, again workers who are coming off welfare and are entering the work force now, because of the welfare reform bill that we passed in the last session of Congress. I just want to talk a little bit about the ideology, if you will, of getting people off welfare.

The idea was to get people off welfare, off the Government assistance programs and to have them work. Well, I think we all know that people need an incentive to work. In other words, by staying on welfare they do better than if they are working, then why should they work? So when we talk about getting people to work, we want to make sure that they are getting a decent wage. A minimum wage is not really a decent wage, but at least it is something. We want to make sure that if they are parents and they have young children, particularly working mothers who do not have a spouse, that they have adequate child care, and of course we want to make sure that they have health care. Because if they stay on welfare and they get those benefits, but then when they work, they do not, there is no incentive for them to be working as opposed to being on welfare.

Well, a big part of that is to make sure they have the minimum wage, to make sure that they have a decent wage when they are working. In addition to that, if we make it more difficult for them to get child care because we do not give them the credit to get the child care, then again, they do not have the incentive to work.

So I think that by the Republicans saying that we are not going to provide minimum wage for these people coming off welfare or that we are going to make it more difficult for them to get child care, we are defeating the very purpose of the welfare reform bill.

The other thing that the Republicans have done, though, in their budget proposal is that they have created an exception not only for people coming off of welfare or in the workfare program to be exempt from the minimum wage, but also they have created this provision, it is called safe harbor for independent contractors, that basically expands the definition of independent contractors in the Tax Code and allows businesses to reclassify millions of workers as independent contractors rather than employees.

Now, what that means is in addition to being denied a number of benefits, they would lose the basic worker rights such as minimum wage. So here we are creating another big loophole, and I just think that it is wrong. If one group of people are entitled to the minimum wage and are working, then another group of people who are working and doing the same job should also be entitled to the minimum wage.

I just wanted to talk a little bit, if I could, about this message that again some of my Republican colleagues tried to deliver tonight where they were suggesting that their bill managed to make sure that people who were not paying taxes did not get a credit. Well, the reality is, what they are doing is cutting off a lot of people who are making under $30,000 a year from getting any tax cut or tax credit, even though they are paying a significant amount of taxes. I think we have to remember that people pay Federal taxes in a number of ways. They may pay taxes on their income, but they also pay what we call the FICA, or the payroll tax, which is a significant tax for people at almost every level, at every income level.

In addition to that, people pay all kinds of taxes: State taxes, property taxes, local property taxes. So to suggest that there are some people who are not paying Federal income tax and because they are not paying Federal income tax, that they should not get a tax break is very unfair, because they may be paying thousands of dollars in Federal payroll taxes, in property taxes, in other kinds of State and local taxes.

I just wanted to give some information in that regard, because I think that what my Republican colleagues are trying to do is give the false impression that the Democratic tax alternative is simply giving money back to people that do not pay taxes. In fact, just the opposite is true.

The tax legislation that I am talking about is the legislation that was adopted by the House Committee on Ways and Means and also proposed by the Senate Finance Committee. This is the Republican proposal, and it makes very significant changes in previous Republican proposals with regard to the child tax credit. The new version, this is the new Republican version which is different from their prior version, denies the credit to 4 million children, this is the child tax credit, in middle income families that would have received the credit under previous Republican tax proposals. The new version of the credit also reduces the size of the credit for several million additional children in middle income families. Most of these children live in families that owe Federal taxes. Their tax burdens often amount to several thousands dollars, even after the effects of the earned income tax credit are accounted for, and claims that these families owe no Federal tax are not correct. This is from the Center on Budget and Policy Priorities, and I just wanted to give a little more information about it.

Under the child tax credit that Congress passed in 1995, now remember, this was the Republican Congress, as well as under the child credit contained in the leadership tax package that was introduced this year by the Senate majority leader, a family would receive a credit of up to $500 per child to be applied against the family's income tax liability. The child credit would be applied before the family's eligibility for the earned income tax credit is calculated.

Now, under the more restrictive version of this child credit, the one that the Democrats have been criticizing that has been proposed by Republicans now in the various committees, the child tax credit could be used only to offset any income tax remaining after

the earned income tax credit is applied. The family has no income tax liability left after the EITC is applied, the family would be denied the child credit, even if the family owes substantial amounts of other Federal taxes, such as payroll taxes.

What the Republicans are trying to do now is to justify the denial of this child credit to 4 million children by arguing that these children live in families that owe no Federal taxes. But it is not the case. The large majority of the families would either be denied under the child credit under the new proposal or have the size of the credit reduced. Those families do owe Federal taxes. They have large tax bills.

I just want to give an example. The families that would be denied the child credit or have the credit reduced have incomes between $15,000 and $30,000. For example, two-parent families of four with incomes between $17,500 and $27,000 will receive less under this Republican proposal than they would have received under the child credit proposal that Congress adopted in 1995, this is the Republican proposal from the previous year.

Just an example here. Under current law, the family's tax bill just from the income tax and the employee's share of the payroll tax equals $1,700 after the EITC is subtracted. Under the 1995 Republican budget bill, this family would receive a child tax credit of $975, which would have reduced the family's tax bill from $1,700 to $725. But under the new proposal, the family would not receive any child tax credit to help offset this tax bill.

So what we are seeing here is that middle income families, and I think families that are in this category between $17,000 and $27,000 are clearly middle income families, they are not going to be able to take advantage of this child tax credit, even though they may owe significant amounts of Federal taxes, not to mention the fact that most of them are probably paying a significant property tax and possibly other State and local taxes as well.

It is not fair to characterize these people with significant tax burdens, including Federal tax burdens, as people who are not paying taxes. That is what the Republicans are trying to do, and it is wrong. I think we need to constantly bring that up.

Now, I just wanted to, in the small time that I have left, I just wanted to talk about some of the other criticisms that I have of the GOP tax plan.

□ 2315

I think it should be understood that the Democrats have an alternative. The Democrats are going to provide tax relief to middle-income working families, education tax credits, child tax credits, capital gains tax cuts for homeowners, a whole list of tax cuts, if you will, that will benefit middle-income families.

Mr. Speaker, if we look at the Republican tax plan, two-thirds of the capital gains tax cut in their plan will go to the wealthiest 1 percent of families. It would give a windfall of $1 million to many CEOs with big stock options, but only $150 to the average working familiy.

What the Republicans are doing is looking at the capital gains tax and cutting it across-the-board for stocks, for bonds, for the whole portfolio of assets, if you will, that an individual may have. That person can be extremely wealthy.

What the Democrats are saying is if we are going to have a capital gains tax reduction, and we are in favor of it, it should be targeted to homeowners, because most people pay capital gains only when they sell their home. Under the Republican proposal, the wealthiest 1 percent of Americans, those making $600,000 or more, would receive 40 percent of the tax cuts in the plan, nearly as much as the rest of the country combined. Two-thirds of the capital gains tax cut in the Republican plan would go to people with incomes of more than $600,000 per year.

Again, I want to go back to what I was saying from the beginning. Compare the Democratic plan, compare the Republican plan. The Democratic plan is fair to working families. It is targeted to working families. The Republican plan is targeted essentially to the wealthy, but the worst part of the Republican tax plan, in my opinion, is that ultimately it will explode the deficit and not reached the balanced budget, which this is all designed to do.

The cost of the Republican tax cuts will explode in the same years that the baby boom generation starts to retire, and that is going to require, in other words, if we have this huge deficit and the costs explode, the only way we are going to eliminate it then is to do major cuts in Medicare, major cuts even in Social Security. So what the Republicans are doing is essentially putting us further into debt and causing future generations to have to pay double.

The Republicans claim that the tax bill would give everyone a $500 per child tax credit, but millions of families that make less than $50,000 would receive no credit at all, this is what I was talking about before, and the value of the credit would go down in future years. On average, the child credit would be worth only half of what the Republicans claim.

The Republican tax plan has many gimmicks and tricks designed to hide its real impact on the future, and disguise who it would really benefit the most. The public has not been told about the real long-term impact.

Many economists are saying that the Republican tax plan would undermine the new balanced budget agreement because of the hidden costs that would increase the deficit in later years. Essentially what you would have under this Republican plan is a $1 trillion tax cut, an irresponsible policy which in many ways would hark back to the tax cuts that we had in the 1980's, and would put us back on a path of large and growing deficits.

Mr. Speaker, I just want to conclude, if I could, by pointing to the two tax cuts that I think are the most contentious here in terms of the impact on the wealthy in the case of the Republicans, and the working person in terms of the Democrats.

With regard to the capital gains tax cut, the Republican plan rewards the rich with deficit-busting capital gains tax breaks. The Republican plan grants massive tax breaks to wealthy people who make money by selling their stocks, bonds, and other assets.

What the Democrats are saying is do not give these huge capital gains tax cuts to people with these stock portfolios. Provide a targeted capital gains tax break for homeowners, small business owners, and farmers, because those are the people that would benefit the most and where it would impact the average working familiy.

With regard to estate taxes, only 1.5 percent of families currently pay any estate taxes, and yet the Republican plan would simply expand the estate tax exemption to larger and larger estates, providing large estate tax breaks to very wealthy families. The Democrats are saying, yes, we will reduce the estate taxes, but we are going to target it for family-owned businesses. That is where the relief is needed the most.

So I think whether we look at the education benefits, we look at the capital gains cuts, we look at the estate taxes, we look at the child tax credit, in each case we have a limited amount of money. The Democrats are saying, target those tax cuts to the working people, and the Republicans are saying, no, let us give those tax breaks primarily to wealthy individuals, let us eliminate the tax burden of the corporations. And in the long run, the worst thing of all is that the Republican plan will balloon the deficit and be contrary to the very purpose of this whole process, which is to achieve a balanced budget.

REPORT ON RESOLUTION PROVIDING SPECIAL INVESTIGATIVE AUTHORITIES FOR COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

Mr. DREIER (during the special order of the gentleman from New Jersey, [Mr. PALLONE], from the Committee on Rules, submitted a privileged report (Rept. No. 105–139) on the resolution (H. Res. 167) providing special investigative authorities for the Committee on Government Reform and Oversight, which was referred to the House Calendar and ordered to be printed.

ANOTHER LOOK AT ISSUES OF ECONOMIC GROWTH AND A CAPITAL GAINS TAX CUT

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 5 minutes.

Mr. DREIER. Mr. Speaker, I know the hour is late, but I would like to take just a few minutes to discuss an issue that was being raised earlier by my friend, the gentleman from Pennsylvania [Mr. FOX] and a wide range of other Members who were here discussing the need for us to look at the issue of economic growth. And also I wanted to respond in part to some of the statements that were made just a few minutes ago by my friend, the gentleman from New Jersey.

As we look at the tax package that is moving forward, one of the things that has been discussed is the need for us to pursue a policy that does in fact encourage economic growth, and at the same time recognizes the need to increase the take-home pay of working Americans.

The fact is, there is an important part of this package which, frankly, I wish had gone further, but because of the constraints imposed by the budget agreement it did not go as far as I would like to see it go, and that is one that relates specifically to the capital gains tax.

On the opening day of the 105th Congress I was pleased to join with both Democrats and Republicans in introducing a bill that is numbered H.R. 14. The reason I remember it is that it takes the top rate on capital gains from 28 percent to 14 percent. Mr. Speaker, our goal was to recognize that the tax on capital is one of the most punitive taxes of all, that hurts most not those who are very rich, and I think we have pretty well succeeded in throwing that ludicrous argument out in which people have said reducing the tax on capital gains is nothing but a tax cut for the rich. We have, I believe, very successfully thrown that out because, as we look at the empirical evidence that we have, we have found that roughly 56 percent of those who are realizing capital gains have incomes that are less than $40,000 per year.

If we look at those, those people are obviously not considered rich. What are they? They are people who have homes that may have appreciated in value, they have a mutual fund, they are retirees, they are small business men and women who are the backbone of this country.

I believe that reducing that top rate on the capital gains tax will in fact, based on evidence that we have, increase the take-home pay for the average family in this country by $1,500. Why? It will come about because of the ensuing economic growth. We have got not just theory, which so many have people have said, oh, this is all based on theory, but we have actual facts.

Take this entire century, and go back to the early 1920's. Andrew Mellon was the Treasury Secretary under President Warren J. Harding. At that time there was a reduction in tax rates, it anticipated the tremendous boom of economic growth that we saw through the 1920's, and, guess what, we even saw an increase in the flow of revenues to the Treasury.

Our great chairman of the Committee on Ways and Means, the gentleman from Texas [Mr. ARCHER] has referred to the fact that this capital gains tax cut is going to increase the flow of revenues to the Treasury. Why? Because of the fact that we do not simply subscribe to that view that the pie is one size and can only be cut up in those little pieces. We subscribe to the view that the pie can grow.

We are enjoying strong economic growth today, but I am convinced that it can be significantly stronger, because there are many Americans who have not been able to benefit from the economic growth that we have seen. Of course, I am referring to those who are in the inner cities in our country.

We see this great talk that has been coming forward from both the President and the Speaker of the House about the need for us to look at the very serious societal problem that we have as race, in race relations. It seems to me, Mr. Speaker, that one of the key things we should do is recognize that a problem that exists in the inner city is primarily due to a lack of capital investment. Reducing the top rate on capital gains is going to play a big role in encouraging investment in a wide range of areas, and I believe it will provide a real boost to those who are in fact in the inner city.

Mr. Speaker, reducing the top rate on capital gains is going to be a win-win all the way around. It is not a tax cut for the rich. It in fact is something that benefits working Americans and at the same time will encourage the $7 to $8 trillion that we have locked in from people who are literally afraid to sell because the tax rate on capital gains is so high today, they will be encouraged to move that.

That capital will play a role in providing the much-needed boost in many parts of this country where people have not been able to benefit, and we will see from that growth an increase in our attempt to move on our glide path towards balancing the budget.

Mr. Speaker, I just want to underscore the importance of this, and say that I hope very much that any of my colleagues who have not joined with the 160 to 165 Democrats and Republicans on board on this will in fact become cosponsors of H.R. 14, and continue to work towards a broad-based reduction in capital gains.

I yield to my good friend, the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I just wanted to take this opportunity to agree with the sentiments of the gentleman, because tax reform is the key to making sure that prosperity for all Americans will come about in this session.

COMMUNICATION FROM THE HONORABLE BOB WISE, MEMBER OF CONGRESS

The Speaker pro tempore laid before the House the following communication from the Honorable BOB WISE, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 19, 1997.

Hon. NEWT GINGRICH,
Speaker, House of Representatives, The Speaker's Rooms, Washington, DC.

DEAR SPEAKER GINGRICH: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that I have been served with a subpoena issued by the Circuit Court of Hardy County, West Virginia, in the case of *West Virginia* v. *Cook*, Crim. Action No. 97–F–20.

After consultation with the Office of General Counsel, I have determined that the subpoena relates to my official duties, and that compliance with the subpoena is consistent with the privileges and precedents of the House.

Very truly yours,

BOB WISE,
Member of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ACKERMAN (at the request of Mr. GEPHARDT) for today after 4 p.m. and the balance of the week, on account of official business.

Ms. DEGETTE (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of official business.

Mr. MANTON (at the request of Mr. GEPHARDT) for today before 12:30 p.m., on account of medical reasons.

Mr. POMEROY (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of official business.

Mr. YATES (at the request of Mr. GEPHARDT) for today after 8 p.m., on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KINGSTON) to revise and extend their remarks and include extraneous material:)

Mr. BOB SCHAFFER of Colorado, for 5 minutes each day, today and on June 25.

Mr. JONES, for 5 minutes, today.

Mr. HORN, for 5 minutes each day, on today and June 20.

Mr. METCALF, for 5 minutes, today.

Mr. SANFORD, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes each day, on today and June 25.

Mr. FOX of Pennsylvania, for 5 minutes, today.

Mr. FORBES, for 5 minutes, today.

Mr. SOUDER, for 5 minutes, today.

Mr. GRAHAM, for 5 minutes, today.

Mr. EHRLICH, for 5 minutes, today.

Mr. EHLERS, for 5 minutes each day, on June 23, 24, 25, and 26.
Mr. PAPPAS, for 5 minutes, today.
Mrs. NORTHUP, for 5 minutes, today.
Mr. GUTKNECHT, for 5 minutes, today.
Mr. THUNE, for 5 minutes, today.
Mr. NEY, for 5 minutes, today.
(The following Members (at the request of Mr. CAPPS) to revise and extend their remarks and include extraneous material:)
Mr. BONIOR, for 5 minutes, today.
Ms. WOOLSEY, for 5 minutes, today.
Ms. BROWN of Florida, for 5 minutes, today.
Mr. DAVIS of Illinois, for 5 minutes, today.
Mr. DICKS, for 5 minutes, today.
Mr. PASCRELL, for 5 minutes, today.
Mr. ROTHMAN, for 5 minutes, today.
Ms. PELOSI, for 5 minutes, today.
(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)
Mr. DREIER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:
(The following Members (at the request of Mr. CAPPS) and to include extraneous matter:)
Mr. WAXMAN.
Mr. TOWNS.
Mr. VENTO.
Mr. ENGEL.
Mrs. MALONEY of New York.
Mr. PASCRELL.
Mr. ANDREWS.
Mr. KUCINICH.
Ms. Sanchez.
Mr. DELLUMS.
Mr. GEJDENSON.
Mr. BLUMENAUER.
Mr. STOKES.
Mr. TRAFICANT.
Mr. EVANS.
Mr. SHERMAN.
Mr. MARKEY.
Mr. HAMILTON.
(The following Members (at the request of Mr. KINGSTON) and to include extraneous matter:)
Mr. BEREUTER.
Mr. LEACH.
Mr. COLLINS.
Mr. FORBES.
Mr. GILMAN.
Mr. MANZULLO.
Mr. FOX of Pennsylvania.
Mr. YOUNG of Alaska.
Mr. LAZIO of New York.
Mr. FRANKS of New Jersey.
Mr. SPENCE.
Mr. COBLE.
Mr. BOB SCHAFFER of Colorado.
Mr. QUINN.
Mr. GOODLING.
Mr. RADANOVICH, in two instances.
(The following Members (at the request of Mr. PALLONE) and to include extraneous matter:)
Mr. GREEN.
Mr.UNDERWOOD.
Mr. PACKARD.
Mrs. MINK of Hawaii.
Mr. ENGLISH of Pennsylvania.
Mr. LEWIS of Georgia.
Mr. ENGEL.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 923. An act to deny veterans benefits to persons convicted of Federal capital offenses; to the Committee on Veterans' Affairs.

ADJOURNMENT

Mr. DREIER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 28 minutes p.m.), the House adjourned until tomorrow, Friday, June 20, 1997, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3864. A letter from the Under Secretary for Domestic Finance and Acting Chairman of the Thrift Depositor Protection Board, Department of the Treasury, transmitting a legislative proposal to terminate the Thrift Depositor Protection Oversight Board; to the Committee on Banking and Financial Services.

3865. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 97–B, which relates to the Department of the Army's proposed enhancements or upgrades from the level of sensitivity of technology or capability of defense article(s) previously sold to Korea, pursuant to 22 U.S.C. 2776(b)(5)(C); to the Committee on International Relations.

3866. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12–92, ''Ivy City Yard Fixed Right-of-Way Mass Transit System Designation Temporary Act of 1997'' received June 18, 1997, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform and Oversight.

3867. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12–91, ''International Registration Plan Agreement Act of 1997'' received June 18, 1997, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform and Oversight.

3868. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12–93, ''Motor Vehicle Excessive Idling Fine Increase Temporary Amendment Act of 1997'' received June 18, 1997, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform and Oversight.

3869. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12–88, ''Closing of a Public Alley in Square 484, S.O. 90–272, Temporary Act of 1997'' received June 18, 1997, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform and Oversight.

3870. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12–87, ''Assessments Initiative Procedures Temporary Amendment Act of 1997'' received June 18, 1997, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform and Oversight.

3871. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12–86, ''Closing of a Public Alley in Square 253, S.O. 88–107, Temporary Act of 1997'' received June 18, 1997, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform and Oversight.

3872. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12–85, ''Children's Defense Fund Equitable Real Property Tax Relief Temporary Act of 1997'' received June 18, 1997, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform and Oversight.

3873. A letter from the Acting Chairman of the Council, Council of the District of Columbia, transmitting a copy of D.C. Act 12–90, ''Motor Vehicle Biennial Inspection Fund Act of 1997'' received June 18, 1997, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform and Oversight.

3874. A letter from the Acting Deputy Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—National Capital Region Parks, Special Regulations (National Park Service) (RIN: 1024–AC61) received June 17, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3875. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Yellowfin Sole by Vessels Using Trawl Gear in the Bering Sea and Aleutian Islands [Docket No. 961107312–7021–02; I.D. 061697A] received June 18, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3876. A letter from the Chairman, Surface Transportation Board, transmitting the Board's final rule—Railroad Consolidation Procedures—Modification of Fee Policy [STB Ex Parte No. 556] received June 18, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3877. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to permit VA to retain and use, for the purpose of providing medical care and services to veterans, all amounts recovered or collected as a result of medical care and services furnished by VA; to the Committee on Veterans' Affairs.

3878. A letter from the United States Trade Representative, transmitting a draft of proposed legislation to promote the growth of free enterprise and economic opportunity in the Caribbean Basin region, to increase trade and investment between the region and the United States, and to encourage the adoption by Caribbean Basin countries of policies necessary for participation in the Free Trade Area of the Americas; to the Committee on Ways and Means.

3879. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to facilitate the administration and enforcement of voluntary commodity inspection and grading programs, the tobacco inspection program, marketing orders and agreements, and the commodity research and promotion programs; jointly to the Committees on Agriculture and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. BURTON: Committee on Government Reform and Oversight. H.R. 1553. A bill to amend the President John F. Kennedy Assassination Records Collection Act of 1992 to extend the authorization of the Assassination Records Review Board until September 30, 1998 (Rept. 105–138 Pt. 1). Ordered to be printed.

Mr. SOLOMON: Committee on Rules. House Resolution 167. Resolution providing special investigative authorities for the Committee on Government Reform and Oversight (Rept. 105–139). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1553. Referral to the Committee on the Judiciary extended for a period ending not later than June 20, 1997.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MARKEY:

H.R. 1960. A bill to modernize the Public Utility Holding Company Act of 1935, the Federal Power Act, the Fair Packaging and Labeling Act, and the Public Utility Regulatory Policies Act of 1978 to promote competition in the electric power industry, and for other purposes; to the Committee on Commerce.

By Mr. GILMAN:

H.R. 1961. A bill to amend the Immigration and Nationality Act to authorize the Attorney General to continue to treat certain petitions approved under section 204 of such act as valid notwithstanding the death of the petitioner or beneficiary; to the Committee on the Judiciary.

By Mr. HORN (for himself, Mr. ENGLISH of Pennsylvania, Mr. KLUG, Mr. DAVIS of Virginia, Mr. MICA, Mr. SHAYS, and Mr. SESSIONS):

H.R. 1962. A bill to provide for the appointment of a Chief Financial Officer and Deputy Chief Financial Officer in the Executive Office of the President; to the Committee on Government Reform and Oversight.

By Mr. DAVIS of Virginia (for himself, Ms. NORTON, Mrs. MORELLA, Mr. HORN, Ms. ROS-LEHTINEN, Mr. ALLEN, Mr. WOLF, Mr. MORAN of Virginia, Mr. HOYER, and Mr. WYNN):

H.R. 1963. A bill to realign functional responsibilities between the Federal Government and the government of the District of Columbia, to address funding mechanisms and sources between the Federal Government and the government of the District of Columbia, to address the financial condition of the District of Columbia government in both the short and long-term, to provide mechanisms for improving the economy of the District of Columbia, to improve the ability of the District of Columbia government to match its resources with its responsibilities, to further improve the efficiency of the District of Columbia government, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committees on Ways and Means, Commerce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY:

H.R. 1964. A bill to protect consumer privacy, empower parents, enhance the telecommunications infrastructure for efficient electronic commerce, and safeguard data security; to the Committee on Commerce.

By Mr. HYDE (for himself and Mr. CONYERS):

H.R. 1965. A bill to provide a more just and uniform procedure for Federal civil forfeitures, and for other purposes; to the Committee on the Judiciary, and in addition to the Committees on Ways and Means, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HORN (for himself, Mrs. MALONEY of New York, Mr. DAVIS of Virginia, Mr. BAKER, Mr. ENGLISH of Pennsylvania, Mr. MICA, and Mr. SESSIONS):

H.R. 1966. A bill to expand the definition of ''special Government employee'' under title 18, United States Code; to the Committee on the Judiciary.

By Mr. COBLE:

H.R. 1967. A bill to amend title 17, United States Code, to provide that the distribution before January 1, 1978, of a phonorecord shall not for any purpose constitute a publication of the musical work embodied therein; to the Committee on the Judiciary.

By Mr. COLLINS (for himself, Mr. CARDIN, Mr. ENGLISH of Pennsylvania, Mr. SESSIONS, Ms. LOFGREN, Mr. BARR of Georgia, Mr. KLUG, and Mr. CRAMER):

H.R. 1968. A bill to amend the Internal Revenue Code of 1986 to provide a 2-year applicable recovery period for the depreciation of computers and peripheral equipment, and for other purposes; to the Committee on Ways and Means.

By Mr. COOKSEY:

H.R. 1969. A bill to require the disregard of debt forgiveness that is more than 7 years old in applying the loan and loan servicing limitations under the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. CUMMINGS (for himself, Mr. WATTS of Oklahoma, Mr. CONYERS, Mr. TOWNS, Mr. WYNN, Mr. DELLUMS, Ms. CHRISTIAN-GREEN, Mr. EVANS, Ms. MILLENDER-MCDONALD, Mr. FORD, Mr. PAYNE, Mr. FROST, Ms. NORTON, Mr. FLAKE, Mr. DIXON, Mr. CLYBURN, Mr. LEWIS of Georgia, Mrs. MALONEY of New York, Ms. WATERS, Mr. MCGOVERN, Ms. KILPATRICK, Mr. BISHOP, Mr. PASTOR, Mr. THOMPSON, Mr. SCOTT, Mr. BARRETT of Wisconsin, Mr. STOKES, Mr. CLAY, Mr. JACKSON, Ms. ESHOO, Mr. HASTINGS of Florida, Mr. GONZALEZ, Mr. UNDERWOOD, Mr. FALEOMAVAEGA, Mr. FILNER, Mr. STARK, and Mr. FATTAH):

H.R. 1970. A bill to amend the Higher Education Act of 1965 to provide for the establishment of the Thurgood Marshall Legal Educational Opportunity Program; to the Committee on Education and the Workforce.

By Mr. CUMMINGS (for himself, Mr. TOWNS, Ms. CHRISTIAN-GREEN, Ms. SLAUGHTER, and Mr. BARRETT of Wisconsin):

H.R. 1971. A bill to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. FRANKS of New Jersey (for himself, Mr. MCHUGH, Mrs. KELLY, Ms. MOLINARI, Mr. EVANS, Mr. FOLEY, Mr. DEAL of Georgia, Mr. COSTELLO, Ms. JACKSON-LEE, Mr. FATTAH, Mr. BRYANT, Mr. PETERSON of Minnesota, Mr. HORN, Ms. GRANGER, Mr. KIM, Mr. KING of New York, Ms. LOFGREN, Mr. CUMMINGS, Mr. OBERSTAR, Ms. FURSE, Mr. DEFAZIO, Mr. BARRETT of Wisconsin, Mr. BAKER, Mr. NORWOOD, Mr. FOX of Pennsylvania, Mr. VENTO, Mr. ROTHMAN, Mr. FAZIO of California, Mr. DUNCAN, Mr. NEY, Mr. ROMERO-BARCELO, Mr. PARKER, Ms. RIVERS, Ms. NORTON, Mr. CLEMENT, Mr. ENGLISH of Pennsylvania, and Mr. WEXLER):

H.R. 1972. A bill to amend title 18, United States Code, to prohibit the sale of personal information about children without their parents' consent, and for other purposes; to the Committee on the Judiciary.

By Mr. GUTKNECHT:

H.R. 1973. A bill to amend the Harmonized Tariff Schedule of the United States to provide for duty-free treatment of oxidized polyacrylonitrile fibers for use in aircraft brake components; to the Committee on Ways and Means.

By Mr. KENNEDY of Massachusetts:

H.R. 1974. A bill to amend the Agricultural Trade Act of 1978 to eliminate current Federal subsidies for alcoholic beverage promotions overseas; to the Committee on Agriculture.

H.R. 1975. A bill to amend the Truth in Lending Act to protect consumers from certain unreasonable practices of creditors which result in higher fees or rates of interest for credit cardholders, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1976. A bill to require an annual report by the Secretary of Health and Human Services on alcohol advertising practices, and for other purposes; to the Committee on Commerce.

H.R. 1977. A bill to amend the Federal Food, Drug, and Cosmetic Act to require disclosures in alcohol advertising; to the Committee on Commerce.

H.R. 1978. A bill to establish advertising requirements for alcoholic beverages; to the Committee on Commerce.

H.R. 1979. A bill to require health warnings to be included in alcoholic beverage advertisements, and for other purposes; to the Committee on Commerce.

H.R. 1980. A bill to amend the Higher Education Act of 1965 to provide incentives to colleges and universities to develop, implement, and improve alcohol abuse prevention and education programs on their campuses, to strengthen sanctions, and for other purposes; to the Committee on Education and the Workforce.

H.R. 1981. A bill to amend the Internal Revenue Code of 1986 to eliminate tax deductions for advertising and goodwill expenditures relating to alcoholic beverages; to the Committee on Ways and Means.

H.R. 1982. A bill to carry out a comprehensive program dealing with alcohol and alcohol abuse; to the Committee on Commerce, and in addition to the Committees on Ways and Means, Education and the Workforce, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KENNEDY of Rhode Island (for himself, Mr. YOUNG of Alaska, and Mr. KILDEE):

H.R. 1983. A bill to amend the Rhode Island Indian Claims Settlement Act to conform that act with the judgments of the U.S. Federal Courts regarding the rights and sovereign status of certain Indian Tribes, including the Narragansett Tribe, and for

other purposes; to the Committee on Resources.

By Mr. KLINK (for himself, Mr. BOUCHER, and Mr. UPTON):

H.R. 1984. A bill to provide for a 4-year moratorium on the establishment of new standards for ozone and fine particulate matter under the Clean Air Act, pending further implementation of the Clean Air Act Amendments of 1990, additional review and air quality monitoring under that act; to the Committee on Commerce.

By Mr. LAFALCE (for himself, Mr. TALENT, Mr. SISISKY, Mr. WEYGAND, and Mr. PASCRELL):

H.R. 1985. A bill to amend the Small Business Investment Act of 1958, and for other purposes; to the Committee on Small Business.

By Mr. LEACH:

H.R. 1986. A bill to amend the Internal Revenue Code of 1986 to increase the amount which may be contributed to defined contribution plans; to the Committee on Ways and Means.

By Mrs. LOWEY (for herself, Mrs. MORELLA, MRS. MINK of Hawaii, Mrs. JOHNSON of Connecticut, Mr. CLAY, Mr. GREENWOOD, Mr. BONIOR, Ms. NORTON, and Ms. KILPATRICK):

H.R. 1987. A bill to amend section 485(g) of the Higher Education Act of 1965 to make information regarding men's and women's athletic programs at institutions of higher education easily available to prospective students and prospective student athletes; to the Committee on Education and the Workforce.

By Mr. MCINNIS:

H.R. 1988. A bill to amend title 38, United States Code, to provide for cost of living adjustments in the rate of special pension paid to recipients of the Congressional Medal of Honor; to the Committee on Veterans' Affairs.

By Mr. SCARBOROUGH (for himself, Ms. BROWN of Florida, Mrs. FOWLER, Mr. STEARNS, Mr. MCCOLLUM, Mr. BILIRAKIS, Mr. CANADY of Florida, Mr. MILLER of Florida, Mr. GOSS, Mr. FOLEY, Mrs. MEEK of Florida, Ms. ROS-LEHTINEN, Mr. WEXLER, Mr. DEUTSCH, Mr. DIAZ-BALART, Mr. SHAW, Mr. HASTINGS of Florida, and Mr. DAVIS of Florida):

H.R. 1989. A bill to amend the Outer Continental Shelf Lands Act to provide for the cancellation of six existing leases and to ban all new leasing activities in the area off the coast of Florida, and for other purposes; to the Committee on Resources.

By Mr. SKELTON:

H.R. 1990. A bill to amend title 38, United States Code, to expand the range of criminal offenses resulting in forfeiture of veterans benefits; to the Committee on Veterans' Affairs.

By Mr. SMITH of Michigan (for himself, Mr. COX of California, Mr. BOB SCHAFFER, Mr. MCINTOSH, Mr. NORWOOD, Mr. PETRI, Mr. BEREUTER, Mr. LATHAM, Mr. UNDERWOOD, Mr. KLUG, Mr. STENHOLM, and Mr. SKEEN):

H.R. 1991. A bill to reform the coastwise, intercoastal, and noncontiguous trade shipping laws, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TIERNEY:

H.R. 1992. A bill to authorize the Secretary of Transportation to convey the property comprising the U.S. Coast Guard Recreation Facility in Nahant, MA, to the town of Nahant, MA; to the Committee on Transportation and Infrastructure.

By Mr. TRAFICANT:

H.R. 1993. A bill to provide for school bus safety, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Education and the Workforce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. VISCLOSKY:

H.R. 1994. A bill to amend the act entitled ''An Act to provide for the establishment of the Indiana Dunes National Lakeshore, and for other purposes'' to ensure an opportunity for persons who convey property for inclusion in that national lakeshore to retain a right to use and occupancy for a fixed term, and for other purposes; to the Committee on Resources.

By Ms. WOOLSEY (for herself, Mr. GILCHREST, Mr. DINGELL, Mr. CAMPBELL, Mr. DOOLEY of California, and Mr. CONDIT):

H.R. 1995. A bill to provide for the protection of farmland at the Point Reyes National Seashore, and for other purposes; to the Committee on Resources.

By Mr. YATES:

H.R. 1996. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns in any manner affecting interstate or foreign commerce, except for or by member of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, and dealers, and pistol clubs; to the Committee on the Judiciary.

H.R. 1997. A bill to require the Secretary of the Treasury and the Attorney General of the United States to be consulted before the manufacture, importation, sale, or delivery of armor piercing ammunition for the use of a governmental entity; to the Committee on the Judiciary.

H.R. 1998. A bill to disarm lawless persons and assist State and Federal law enforcement agencies in preventing and solving gun crimes by requiring registration of all firearms and firearm transfers and requiring permits for the possession and transfer of firearms and ammunition; to the Committee on the Judiciary.

H.R. 1999. A bill to amend title 18, United States Code, to prohibit the possession or transfer of handgun ammunition capable of being used to penetrate standard body armor; to the Committee on the Judiciary.

By Mr. YOUNG of Alaska:

H.R. 2000. A bill to amend the Alaska Native Claims Settlement Act to make certain clarifications to the land bank protection provisions, and for other purposes; to the Committee on Resources.

By Mr. DAN SCHAEFER of Colorado (for himself, Mr. TAUZIN, Mr. BONO, Mr. HALL of Texas, Mr. HEFLEY, Mr. LINDER, Mrs. MYRICK, Mr. NORWOOD, Mr. PACKARD, Mr. STUMP, and Mr. WICKER):

H.R. 2001. A bill to promote freedom, fairness, and economic opportunity for families by repealing the income tax, abolishing the Internal Revenue Service, and enacting a national retail sales tax to be administered primarily by the States; to the Committee on Ways and Means.

By Mr. RUSH:

H. Con. Res. 101. Concurrent resolution recommending the integration of Lithuania into the North Atlantic Treaty Organization [NATO] at the earliest possible date; to the Committee on International Relations.

By Mr. FILNER (for himself, Mr. BILBRAY, Mr. CUNNINGHAM, Ms. WATERS, Mrs. MINK of Hawaii, and Mr. TORRES):

H. Res. 170. Resolution expressing support for a National Day of Unity in response to the President's call for a national dialog on race; to the Committee on Government Reform and Oversight.

By Mr. KENNEDY of Massachusetts (for himself, Mr. HANSEN, Mr. MARKEY, Mr. CONYERS, Mr. HINCHEY, Mr. MORAN of Virginia, Mr. MCDERMOTT, Mr. DELLUMS, Ms. KAPTUR, Mr. MEEHAN, Mr. LIPINSKI, Mr. MINGE, Mr. UNDERWOOD, Mr. FALEOMAVAEGA, Ms. NORTON, Mr. MURTHA, and Mr. RUSH):

H. Res. 171. Resolution to urge the Federal Communications Commission to commence an inquiry on distilled spirits advertising on television and radio; to the Committee on Commerce.

By Mr. EVANS (for himself, Mr. BLAGOJEVICH, Mr. COSTELLO, Mr. DAVIS of Illinois, Mr. FAWELL, Mr. GUTIERREZ, Mr. LAHOOD, Mr. LIPINSKI, Mr. POSHARD, Mr. RUSH, Mr. WELLER, Mr. YATES, Mr. HYDE, Mr. SHIMKUS, and Mr. JACKSON):,

H. Res. 172. Resolution supporting the National Railroad Hall of Fame, Inc., of Galesburg, IL, in its endeavor to erect a monument known as the National Railroad Hall of Fame; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 12: Mr. DELLUMS.

H.R. 15: Ms. RIVERS and Mr. WATT of North Carolina.

H.R. 17: Mr. LEWIS of Georgia.

H.R. 66: Mr. CLEMENT, Mr. GIBBONS, and Mr. HASTINGS of Washington.

H.R. 84: Mr. ROTHMAN.

H.R. 122: Mr. BACHUS and Mr. BOB SCHAFFER.

H.R. 124: Mr. SCARBOROUGH.

H.R. 135: Mr. BAESLER, Mr. POMEROY, Mr. SANDLIN, and Mr. TURNER.

H.R. 143: Mr. HOYER, Mr. GOODLATTE, Mr. LEWIS of California, Mrs. MORELLA, and Ms. SANCHEZ.

H.R. 146: Mr. MARTINEZ, Mr. FORBES, Mr. LAHOOD, Mr. SNOWBARGER, Mr. WEXLER, and Mr. SHUSTER.

H.R. 176: Mr. CUMMINGS, Mr. CARDIN, and Mr. WAMP.

H.R. 192: Mr. POMEROY, Mr. PICKERING, Ms. WOOLSEY, and Mr. BRADY.

H.R. 202: Mr. LIPINSKI.

H.R. 296: Mr. ROYCE.

H.R. 339: Mr. PAUL.

H.R. 371: Mr. DAN SCHAEFER of Colorado.

H.R. 399: Mr. GILCHREST and Mr. PALLONE.

H.R. 404: Mr. DOOLITTLE and Mr. FILNER.

H.R. 414: Ms. WOOLSEY.

H.R. 543: Mr. BORSKI, Mr. FAZIO of California, Mr. KLECZKA, Mr. CHAMBLISS, Mrs. THURMAN, Mr. EHRLICH, and Mr. DOYLE.

H.R. 590: Mr. MALONEY of Connecticut and Mr. ADAM SMITH of Washington.

H.R. 611: Mr. FOLEY, Mrs. MCCARTHY of New York, Mr. PALLONE, Mr. FILNER, Mr. DOOLEY of California, and Mr. WAXMAN.

H.R. 612: Ms. HOOLEY of Oregon, Mr. LAHOOD, Mr. GILCHREST, Ms. WOOLSEY, Mr. SNYDER, and Mr. GREEN.

H.R. 622: Mr. BOB SCHAFFER and Mr. ROHRABACHER.

H.R. 628: Ms. WOOLSEY.

H.R. 659: Mr. REGULA, Mr. PORTER, Mr. TAYLOR of North Carolina, Mr. GUTIERREZ, Mr. ROYCE, Mr. JENKINS, and Mr. KLUG.

H.R. 681: Mrs. TAUSCHER and Mr. MILLER of California.
H.R. 695: Mr. LAMPSON.
H.R. 699: Mr. STUMP, Mr. EVANS, Mr. BILIRAKIS, Mr. CLYBURN, Mr. SPENCE, Ms. BROWN of Florida, Mr. EVERETT, Mr. MASCARA, Mr. STEARNS, and Mr. HAYWORTH.
H.R. 722: Mr. DICKEY, Mr. DOYLE, Mr. COOK, Mr. HAYWORTH, Mr. CANADY of Florida, Mr. COBLE, and Mr. BURTON of Indiana.
H.R. 773: Ms. CARSON, Mr. KENNEDY of Massachusetts, Mr. BERMAN, and Ms. DELAURO.
H.R. 789: Mr. PETERSON of Pennsylvania and Mr. SHIMKUS.
H.R. 836: Mr. BECERRA.
H.R. 875: Mr. TORRES, Mr. BARRETT of Wisconsin, Mr. HOYER, Mr. MCNULTY, and Mr. WATT of North Carolina.
H.R. 910: Mr. CAPPS.
H.R. 916: Mr. JEFFERSON and Mr. RILEY.
H.R. 950: Mr. MOAKLEY and Mrs. LOWEY.
H.R. 953: Mr. BONIOR, Mr. CLAY, Mr. DAVIS of Illinois, Mr. GREEN, Mr. NADLER, and Ms. VELÁZQUEZ.
H.R. 967: Mr. MCGOVERN, Ms. ROS-LEHTINEN, Mr. BARR of Georgia, Mr. LEWIS of Georgia, Mr. STARK, Mr. BLUNT, Mr. PORTER, and Mr. DIAZ-BALART.
H.R. 979: Mr. CARDIN, Mr. DEFAZIO, Ms. SANCHEZ, Mr. RAHALL, Mr. WEYGAND, and Mr. NEAL of Massachusetts.
H.R. 981: Ms. MILLENDER-MCDONALD, Ms. WOOLSEY, Mr. ACKERMAN, and Mr. BLUMENAUER.
H.R. 982: Ms. WOOLSEY, Mr. WALSH, and Mr. MARTINEZ.
H.R. 983: Mr. KILDEE.
H.R. 991: Mr. CLYBURN.
H.R. 1047: Mr. MARTINEZ.
H.R. 1063: Mr. CLEMENT and Mr. BOYD.
H.R. 1114: Mr. FRANK of Massachusetts, Mr. BRADY, and Mrs. THURMAN.
H.R. 1120: Mr. KILDEE.
H.R. 1138: Mrs. CUBIN.
H.R. 1161: Mr. DEAL of Georgia and Mr. JEFFERSON.
H.R. 1173: Mr. KIND of Wisconsin, Mr. DAVIS of Florida, Mr. REYES, Mrs. LOWEY, Ms. RIVERS, Ms. CARSON, Mr. MASCARA, Mr. EHRLICH, Mr. LIPINSKI, Mr. BOYD, and Ms. ROS-LEHTINEN.
H.R. 1176: Mr. FORD and Mr. NEAL of Massachusetts.
H.R. 1203: Mr. LIPINSKI.
H.R. 1206: Mr. JEFFERSON.
H.R. 1215: Mr. DELAHUNT.
H.R. 1227: Mr. PICKERING, Mrs. MYRICK, Mr. SMITH of Texas, Mr. THORNBERRY, and Mr. SALMON.
H.R. 1260: Mr. POMBO and Mr. SOLOMON.
H.R. 1287: Ms. CARSON, Mr. CANADY of Florida, and Mr. CRAMER.
H.R. 1323: Ms. WOOLSEY.
H.R. 1330: Mr. OBERSTAR.
H.R. 1335: Mr. CALVERT and Mr. JEFFERSON.
H.R. 1367: Mr. FORD.
H.R. 1373: Mr. FALEOMAVAEGA, Mr. BROWN of California, Mr. STARK, Mr. EVANS, and Mr. ALLEN.
H.R. 1375: Mr. WATT of North Carolina and Mr. DIXON.
H.R. 1395: Mr. SISISKY.
H.R. 1432: Mr. NEAL of Massachusetts.
H.R. 1437: Mr. MCINTYRE, Mr. WALSH, Mr. PASCRELL, and Mr. ANDREWS.
H.R. 1462: Mr. JEFFERSON.
H.R. 1480: Mr. MCGOVERN and Mr. FORD.
H.R. 1515: Mr. DREIER, Mr. NETHERCUTT, Mr. LIVINGSTON, Mr. BRADY, Mr. SESSIONS, and Mr. HAYWORTH.
H.R. 1525: Mr. RODRIGUEZ and Mrs. MCCARTHY of New York.
H.R. 1532: Mr. PETERSON of Pennsylvania, Mr. BURTON of Indiana, Mr. MURTHA, Mr. WEXLER, Ms. HARMAN, Mr. PALLONE, Mr. GOODE, Mr. BARCIA of Michigan, Mr. SCOTT, Mr. SNYDER, Mr. SOUDER, Mr. ADERHOLT, Mr. TIAHRT, Mr. TAYLOR of North Carolina, Mr. TOWNS, Mr. WATKINS, Mr. SENSENBRENNER, Mr. BRADY, Mr. TURNER, Mr. STEARNS, Mrs. LINDA SMITH of Washington, Mr. SPENCE, Mr. NEY, Mr. MCNULTY, Mr. ETHERIDGE, Mr. HILL, Mr. KENNEDY of Massachusetts, Mr. MCINNIS, Mrs. LOWEY, Mr. DEFAZIO, Mr. BALDACCI, Mr. CAPPS, Mr. EDWARDS, Mr. EVANS, Mr. SISISKY, and Ms. DEGETTE.
H.R. 1576: Mr. CAMPBELL and Mr. FAZIO of California.
H.R. 1592: Mr. CANADY of Florida, Mr. THORNBERRY, and Mr. EVANS.
H.R. 1609: Mr. HOUGHTON.
H.R. 1671: Mr. FARR of California.
H.R. 1700: Mr. HANSEN.
H.R. 1704: Mr. LOBIONDO and Mr. HILL.
H.R. 1716: Mr. EVANS, Mr. LAFALCE, and Mr. GREEN.
H.R. 1726: Mr. THOMPSON, Mr. DAVIS of Illinois, and Mr. FALEOMAVAEGA.
H.R. 1773: Mr. GREEN.
H.R. 1788: Mr. NEAL of Massachusetts, Mr. BORSKI, Mr. FAZIO of California, Mr. DELLUMS, Mrs. KENNELLY of Connecticut, and Ms. MOLINARI.
H.R. 1819: Mr. WEXLER.
H.R. 1873: Mr. BONIOR and Mr. FROST.
H.R. 1884: Mr. HYDE.
H.R. 1885: Mr. EHRLICH.
H.R. 1908: Mr. CONDIT, Mr. WATTS of Oklahoma, Mr. ISTOOK, and Mr. FOX of Pennsylvania.
H.R. 1955: Mr. TAYLOR of North Carolina, Mr. CONDIT, Mr. WATTS of Oklahoma, Mr. COOK, and Ms. CARSON.
H.J. Res. 64: Mr. BARCIA of Michigan.
H.J. Res. 67: Mr. CRAMER.
H.J. Res. 72: Mr. BAKER.
H. Con. Res. 6: Ms. PRYCE of Ohio.
H. Con. Res. 13: Mr. LINDER, Mr. PETERSON of Minnesota, and Mr. LUTHER.
H. Con. Res. 65: Mr. HEFLEY, Mr. DINGELL, Mr. ANDREWS, and Mr. PAYNE.
H. Con. Res. 71: Mr. MILLER of California and Mr. RODRIGUEZ.
H. Con. Res. 75: Ms. WOOLSEY and Mr. DEAL of Georgia.
H. Con. Res. 80: Mr. GREEN.
H. Con. Res. 89: Mr. PRICE of North Carolina, Mr. FARR of California, Mrs. LOWEY, Mr. BALDACCI, Ms. KAPTUR, Mr. REYES, Mr. SERRANO, Mr. TRAFICANT, Mrs. TAUSCHER, Mr. SANDERS, Ms. DANNER, Mrs. MCCARTHY of New York, Mr. BERRY, Ms. ROYBAL-ALLARD, and Mr. LEVIN.
H. Res. 96: Ms. LOFGREN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1119

OFFERED BY: MR. SKELTON

AMENDMENT NO. 3. At the end of title V (page 204, after line 16), insert the following new section:

SEC. 572. EXPANSION OF CRIMINAL OFFENSES RESULTING IN FORFEITURE OF VETERANS BENEFITS.

(a) IN GENERAL.—Section 6105(b) of title 38, United States Code, is amended—

(1) in paragraph (2)—

(A) by inserting ''32, 37, 81, 175,'' before ''792,''; and

(B) by inserting ''831, 842(m), 842(n), 844(c), 844(f), 844(i), 930(c), 956, 1114, 1116, 1203, 1361, 1363, 1366, 1751, 1992, 2152, 2280, 2281, 2332, 2332a, 2332b, 2332c, 2339A, 2339B, 2340A,'' after ''798,'';

(2) in paragraph (3)—

(A) by striking out ''and 226'' and inserting in lieu thereof ''226, and 236'';

(B) by striking out ''and 2276'' and inserting in lieu thereof ''2276, and 2284,''; and

(C) by striking out ''and'' at the end;

(3) by redesignating paragraph (4) as paragraph (5); and

(4) by inserting after paragraph (3) the following new paragraph (4):

''(4) sections 46502 and 60123(b) of title 49; and''.

(b) CONFORMING AMENDMENTS.—The second sentence of section 6105(c) of such title is amended by striking out ''or (4)'' and inserting in lieu thereof, ''(4), or (5)''.

(2) The heading for such section is amended to read as follows:

''§ 6105. Forfeiture: subversive activities; terrorist activities; other criminal activities''.

(3) The item relating to section 6105 in the table of sections at the beginning of chapter 61 of that title is amended to read as follows:

''6105. Forfeiture: subversive activities; terrorist activities; other criminal activities.''.

(c) APPLICABILITY.—The amendments made to section 6105 of title 38, United States Code, by subsection (a) shall apply to any person convicted under a provision of law added to such section by such amendments after December 31, 1996.

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of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *105th* CONGRESS, FIRST SESSION

Vol. 143 WASHINGTON, THURSDAY, JUNE 19, 1997 *No. 86*

Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, we turn to You in the midst of the sickness and suffering of human life. You are the source of the healing power of life and have entrusted to us the awesome challenge of working in partnership with You in discovering the cures of diseases. With Your divine inspiration and guidance, we have fought and won in the battle against so many crippling illnesses. But Father, we need Your continued help in our relentless search for a cure for cancer. Thank You for the progress You have enabled. Bless the scientists, surgeons, and physicians who are on the front line of this conquest. All of us have one or more of three things in common: We have suffered from cancer ourselves, have a loved one or friend who has or is struggling to survive this disease, or have lost someone because of one of the many types of cancer.

Today we feel profound empathy for Senator TOM HARKIN, as he endures the grief of the death of his brother Chuck. Thank You for the gallant battle Chuck fought, for his faith in You, and for the assurance of Your strength and courage he exemplified. Be with his wife, Senator HARKIN, and his family in this time of need. Through our Lord and Saviour who gives us the assurance of eternal life and the determination to press on in the quest for the cure of cancer. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Maine, is recognized.

SCHEDULE

Ms. COLLINS. Mr. President, on behalf of the majority leader, today the Senate will be in a period of morning business until the hour of 1 p.m. Following morning business, if consent is reached, the Senate will begin consideration of the intelligence authorization bill. It is hoped that the Senate will be able to complete action on the intelligence bill in a reasonable time period and, therefore, Senators can anticipate rollcall votes throughout the day. The majority leader has also indicated that it is his hope that the Senate will be able to proceed to the Department of Defense authorization bill following disposition of the intelligence authorization bill.

I thank my colleagues for their attention.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senate will be in a period of morning business until the hour of 1 p.m.

Ms. COLLINS. Mr. President, I ask unanimous consent that I be recognized for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COLLEGE AFFORDABILITY AND ACCESS ACT OF 1997

Ms. COLLINS. Mr. President, I am pleased to speak about S. 930, the College Affordability and Access Act of 1997, which I introduced yesterday.

More than 30 years ago, Congress took the historic step of authorizing Federal student aid programs for the purpose of ''making available the benefits of postsecondary education to eligible students.'' Since that time, millions of young Americans have been afforded an opportunity often denied their parents—a college education.

During the three decades since the passage of the Higher Education Act of 1965, both the cost and the importance of postsecondary education have grown dramatically. And, unfortunately, many once again find themselves without the financial resources needed to unlock the door to a better future.

There was a time in Maine when a person armed with a high school diploma and a willingness to work hard could expect to get a job in a paper mill and be assured of a very good wage for life. Today, however, the situation is very different. The manager of one mill told me that it has been 10 years since they hired a high school graduate. Similarly, if you visit the recently built recycling mill in East Millinocket, ME, you are likely to see a handful of computer operators using specialized training to run highly technical equipment.

At a time when 85 percent of the new jobs require some postsecondary schooling, the challenge for the children of less affluent families is to obtain higher education, and the challenge for us is to make that a possibility.

We cannot and should not guarantee our young people success, but we can and should strive to guarantee them opportunity. We have a good record on which to build, as the student aid programs of the Higher Education Act have assisted countless young Americans. Those programs do not, however, do enough to assist middle-class families in coping with the ever-escalating cost of higher education. And they certainly do not do enough to help those for whom the cost of college is a crushing debt load.

Mr. President, much of the impetus for this bill comes from my experience working at Husson College, a small college in Bangor, ME, as well as from the education hearings that Senator JEFFORDS and I held in that city. Husson's students primarily come from lower- and middle-income families; in most cases, they are the first members of their family to attend college. That

makes Husson the perfect laboratory from which to assess the strengths and weaknesses of our current student aid programs.

From my Husson experience, I came to appreciate the critical role of Pell Grants and student loan programs in opening the doors to college for many students. But I also learned that our current programs do far too little for the many middle-class families who must largely bear the financial burden of opening those doors for their children. We also do not do enough for those for whom the road to college ends not with a pot of gold but with a pile of debt. Indeed, even at a school with moderate tuition, like Husson, a student participating in the Pell Grant and Federal Work Study Programs can expect to graduate not only with a degree but also with a debt of more than $15,000. And if this student goes on to graduate or professional school, the indebtedness could easily exceed $100,000.

Missy Chasse, a student who worked for me at Husson, typifies this problem. After graduating with an $18,000 debt, she decided to return to her home town of Ashland in rural Maine where the prospect of a job paying more than $20,000 is remote. Missy is now faced with a daunting debt that will strain her finances for years to come. Many people, confronted with this prospect, simply drop out of college or decide not to go at all.

The dilemma facing middle-class American families who have to rely on borrowing to educate their children was captured in a letter I recently received from Maine parents. They wrote:

> We both work and are caught in the middle—too much income for aid and not enough to support college tuition. Our daughter has almost completed her second year of college with two more to go. She has loans, we have loans, and it is becoming increasingly harder to keep our heads above water. We have another daughter entering college in three years and we wonder how we will be able to swing it.

That the experience of this family is widespread is borne out by the statistics. According to the Finance Authority of Maine, the average size of the education loans it guarantees has more than quadrupled during the past 10 years. The prospect of being saddled with a terrifying debt explains why many Maine families decide that the cost of college is simply too great for them. Indeed, Maine ranks a dismal 49th out of the 50 States in the percentage of our young people who decide to go on to higher education.

Mr. President, this is the season when Members of this body hit the commencement trail, summoning up their most stirring rhetoric to inspire college graduates to dedicate themselves to serving others. The irony is that the audience is far more likely to see its future not as one of serving its neighbors, but rather as one of servicing its debt.

My bill recognizes that we have a solid foundation of financial assistance programs. It seeks to build on that foundation by making needed changes that will provide some measure of debt relief, promote private savings, and encourage employer sponsorship of education.

Specifically, the College Affordability and Access Act of 1997 has three components. The first will make the interest on student loans tax deductible. The second will authorize the establishment of tax-exempt education savings accounts. And the third will make permanent the tax exemption for employer-paid tuition for undergraduate programs and extend it to graduate and professional programs.

The first component, a small step for Government that will be a big help to students, allows a tax deduction of up to $2,750 in interest that individuals pay on their student loans. It will alleviate some of the financial pain experienced by the recent graduate with the $18,000 debt and the $20,000 salary. While the deduction will be phased out as the graduate's income increases, the vast majority of those with student loans will qualify for all or part of the benefit. Through this change, we will be recognizing that a loan to go to college is not the same as a loan to buy a stereo, but rather an investment in human capital that will pay dividends not only to the borrower but also to our Nation.

The second component will allow parents to place $1,000 per year into a tax-exempt savings account for the education of a child. Money withdrawn from the account to pay qualified education expenses will not be taxed. Assuming the family puts $1,000 into the account every year for 18 years and the account earns a modest rate of return, the family can expect to accumulate about $35,000, which will put a big dent in their education expenses.

Our education policies must stop penalizing savings. Under current law, families which make financial sacrifices to save for their children's education may face the paradoxical result that they do not qualify for aid programs available to their less prudent neighbors. While this bill will not eliminate that possibility, it will send the clear message that our Government is prepared to encourage and reward those who save for college.

The third component seeks to make greater use of the willingness of businesses to further the education of their employees. It will accomplish that in two ways. First, it will make permanent the current tax exemption for employer-paid tuition for undergraduate studies. Second, it will extend this exemption to those attending graduate and professional programs.

Mr. President, this bill will benefit families facing the challenge of paying for college; it will benefit students currently pursuing their education; and it will benefit graduates struggling to pay their debts. But the benefits will be far more widespread and significant. In its own small way, the College Affordability and Access Act will give us a better educated population, a more competitive economy, and a society in which the rewards are more equally shared. Most important, it will reaffirm our commitment to the principle that success in America should be there for all who are willing to work for it.

Mr. President, I am pleased to tell you this bill has attracted widespread support. I ask unanimous consent that the text of a letter I received from the American Council on Education endorsing S. 930 on its own behalf and on behalf of 12 other educational organizations be printed in the RECORD.

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

AMERICAN COUNCIL ON EDUCATION,
OFFICE OF THE PRESIDENT,
Washington, DC, June 18, 1997.

Hon. SUSAN COLLINS,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR COLLINS: I write on behalf of the higher education associations listed below to commend you for introducing ''The College Access and Affordability Act.''

Your bill will help millions of families save money for college, encourage working adults to take advantage of employer-provided educational assistance to upgrade their skills, and help recent college graduates repay student loans. These provisions will be of enormous assistance to middle income families.

Your proposal to restore the federal income tax exemption for interest payments on student loans is especially welcome. In the last decade, a growing number of students have begun to rely on federal loans to finance their education. While the terms of federal student loans are generous compared to other loans, many borrowers find that the repayment of these debts restricts their personal and professional opportunities after graduation. By restoring the income tax deduction for student loan interest, your bill will help moderate the impact of loan repayments and provide enormous assistance to student borrowers. Moreover, by establishing a 2,750 annual limit on the amount of interest that may be deducted, your proposal will be especially helpful to graduate and professional students—a category of borrowers who generally incur much higher debts while in school.

As you know, there is widespread bipartisan interest in using the tax code to help families meet college costs and we are deeply grateful for your leadership in this area. My colleagues and I look forward to working with you and other members of the Senate as you consider this vitally important legislation in the months ahead.

Sincerely,

STANLEY O. IKENBERRY,
President.

On behalf of the following:
American Council on Education.
American Association of Community Colleges.
American Association of State Colleges and Universities.
American Psychological Association.
Association of American Universities.
Association of Catholic Colleges and Universities.
Association of Governing Boards of Universities and Colleges.
Association of Jesuit Colleges and Universities.
Coalition of Higher Education Assistance Organizations.

Council of Graduate Schools.
Council of Independent Colleges.
National Association of Student Financial Aid Administrators.
National Association of State Universities and Land-Grant Colleges.

Ms. COLLINS. Thank you very much, Mr. President. I yield back the remainder of my time.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

HANFORD REACH OF THE COLUMBIA RIVER

Mrs. MURRAY. Mr. President, this weekend the Senate Energy and Natural Resources Committee is going to hold a field hearing in Mattawa, WA. We will discuss S. 200, my legislation to designate the Hanford Reach of the Columbia River as a wild and scenic river.

The Hanford Reach is the last free-flowing stretch of this mighty river. Protecting it for future generations is a top priority for me.

In 1995, I convened a group of local citizens, and I asked them to help me find the best way to protect this portion of the Columbia River. They unanimously concluded an act of Congress designating the reach as a wild and scenic river, with a recreational classification, would be the best way to preserve this valuable resource.

In fact, a poll of registered voters in central Washington done last year indicated that 76 percent favored designation of the Hanford Reach as a wild and scenic river, while only 11 percent opposed it. So the will of the region is clear: The reach needs the best protection we can give it to make sure it remains accessible to everyone.

Protecting the Hanford Reach is not about local versus Federal control. It is about giving a natural treasure the best possible protection that we can. And it is also about promoting jobs in the long term and protecting our heritage.

What does the designation do? First, it puts central Washington on the map as a home to a resource found nowhere else on Earth—a river unique and important enough to become part of the U.S. national wild and scenic river system. Second, it protects the river in its current condition. It allows all of the existing uses to continue, but ensures the river stays forever the way we see it today. In fact, my bill specifically grandfathers in current uses protecting existing economic interests and enhancing the river's future economic value to our region.

There is much more at stake here than who manages the river. This issue is much bigger than that. We all know what problem we have with protecting salmon. ESA listings have been made for the Snake River and are being considered for the Columbia. If we ever want to get ahead of the salmon problem, we have to start by protecting the reach. My bill gives us a cheap and easy way to do just that. It simply transfers Federal property from one agency to another; no private lands need to be acquired or jeopardized.

Let me reiterate, we simply can't afford to take chances with the one part of the river that works well—and inexpensively—for fish. Compared to drawdowns, dam removal and other suggestions that we have heard for saving salmon, permanent protection of the reach gives ratepayers, river users and irrigators a virtually cost-free way of accomplishing what could be a very expensive recovery effort.

We have done a lot of talking about the reach, and I am convinced that we are getting closer. It seems to me when you have a resource that is this important to the State, reasonable people ought to be able to find a way to agree on the best way to protect it. I am committed to bringing people together around that goal and keeping them together until we finish the job.

Mr. President, I look forward to hearing the testimony this weekend, and I thank my senior colleague, Senator GORTON, for helping me put this hearing together.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, it is my understanding that we are in the morning business hour.

The PRESIDING OFFICER. That is correct.

TREND TOWARD RACIAL, ETHNIC, AND RELIGIOUS INTOLERANCE

Mr. REID. Mr. President, I rise today to talk about a disturbing trend in this country, a trend that to me was highlighted by a recent incident in South Carolina.

This incident took place several weeks ago. I was aware of it at the time it occurred. It has been something that has been troubling to me since then, and I felt it was appropriate and important that we spread on the RECORD of this Senate this particular incident, which occurred while the State Board of Education of the State of South Carolina was discussing whether it could display the Ten Commandments on the walls of public schools.

During this discussion, a member of this board provided a suggestion for groups which might oppose the placing of the Ten Commandments upon school walls. A direct quote: ''Screw the Buddhists and kill the Muslims.''

Mr. President, I find it contemptible that such an arcane, bigoted statement would come from someone who is tasked with the responsibility of educating our children, a member of the board of education.

I find it even more shocking that not only would someone think this, but that they would go so far as to articulate it at a meeting of a board of education. Can we imagine what would have been the reaction to such a comment had it been directed toward Christians or Jews, Mexican-Americans, African-Americans? I find this individual's behavior reprehensible, and while I find his behavior reprehensible, the larger issue is an increasing trend in this country toward racial, religious, and ethnic intolerance.

The Founders of this country fled persecution and intolerance in Europe and came to this country to be free from persecution, mostly religious persecution. Our country was founded on the principle of equality, and our Constitution, Mr. President—this document—which consists of just a few pages ensures freedom of religion and freedom from persecution.

In this country, we are very fortunate to have the freedoms that we have guaranteed by our Constitution. These freedoms make us the envy of the world and are the strength of our Nation.

I, however, think that, even though we have many protected rights in our Constitution, we have to speak out against individuals and especially people who are on a board of education who say, ''Screw the Buddhists and kill the Muslims.''

Because of the liberties we have in our country, this great country of the United States of America, immigrants from all over the world desire to come here and start a new life, just as our ancestors did. As a result, we are becoming a much more diverse Nation, increasingly diverse. The diversity within our Nation requires greater tolerance, patience, and a deeper level of understanding.

Mr. President, I am a member of a religion where, in the last century, significant persecution took place. People were killed as a result of their belief in the religion that I now profess. I feel that we all must speak out against religious intolerance. People who speak out about screwing the Buddhists and killing the Muslims—you know, Mr. President, in our country, sad as it might be, there are people who would follow the leadership of a person like this and proceed to do just that.

The remarks made by this school board member reflect a deep-seated racial and religious intolerance and ignorance that we should not allow to go unnoticed. This racial ignorance and lack of understanding are catalysts to intense racial intolerance.

I am concerned about the steady erosion of racial and religious tolerance in our society, and intolerance. Intolerance is often the basis for much of the crime committed in America, and it is the very essence of hate crimes. Hate crimes are those crimes committed against an individual or a group because of their convictions or their ethnicity.

In 1995, the last records we have, the Justice Department cataloged nearly 8,000 hate crimes. Those are the only ones reported; many were unreported. This number is growing at an alarming rate. Hate crime is an affront to our basic commitment to religious liberty and racial tolerance, and it poses a challenge to our entire Nation and our future as a common community.

The remarks made by this school board member are disturbing. They are indicative of an increasing racial and religious intolerance and serve only to incite maliciousness against Muslims, Buddhists, and non-Christians in general. This school board member's comments are illustrative of the need in this country for increased understanding and patience. It is also, Mr. President, I believe, a call for us to speak out against this intolerance. It is this understanding and patience that we need to have which provides the foundation for a more tolerant America. Tolerance and understanding are crucial for us to continue fostering quality, dignity, and peace within America.

Mr. President, I suggest the absence of a quorum. I withhold for my friend from Wyoming.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I ask unanimous consent to speak for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOST-FAVORED-NATION STATUS FOR CHINA

Mr. THOMAS. Mr. President, I come to the floor today as chairman of the Senate Subcommittee on East Asia and Pacific Affairs to discuss and formally state my support for the extension this year of most-favored-nation status to the People's Republic of China. I want to stress at the beginning that supporting China MFN is not an issue of approving or disapproving China's behavior. Rather, it is an issue of how we best work to influence that behavior in the future. For several reasons, I do not believe that withholding MFN is an effective tool in doing that.

First, I firmly believe that invoking most-favored-nation status would hurt the United States more than the Chinese. It would be the economic equivalent of saying, ''Lift up a rock and drop it on your own foot.''

Simply put, we are talking about American jobs. It is estimated that United States exports to China support around 200,000 American jobs; the Chinese purchases now account for 42 percent of our fertilizer exports and over 10 percent of our grain exports as well.

Last year, China bought over $1 billion worth of civilian aircraft, $700 million in telecommunications equipment, $340 million in specialized machinery, and $270 million of heating and cooling equipment.

As China's economy continues its dynamic growth, the potential market for increased sales, of course, will grow as well. Our withdrawal of MFN would certainly be met with in-kind retaliation by the Chinese, who are fully capable of shopping elsewhere for their imports, as we have seen with Boeing and Airbus, with resulting harm to America's economy.

Second, revoking MFN would have a damaging effect on the economies of our close allies and trading partners Hong Kong and Taiwan. The vast majority of Chinese trade passes through Hong Kong. Putting the brakes on that trade would result in a 32 to 45 percent reduction—around $12 billion worth—of Hong Kong's reexports from the PRC to the United States.

In addition, it is estimated that there would be about a $4.4 billion drop in income to Hong Kong, a loss of 86,000 jobs, and a 2.8 reduction in GDP.

Moreover, revoking MFN would have the greatest negative impact on the southern China provinces where Hong Kong and Taiwanese businesses have made substantial investments, as well as the United States. But I want to stress this point. It is in these provinces that the political and social changes for the better are occurring.

Mr. President, on my last trip to China—my only trip to China—I traveled from Beijing in the north through Shanghai and on to Guangzhou in the south. In Beijing, talks with the Chinese centered solely on politics, Taiwan particularly. The vast majority of the population still ride bicycles. The availability of western goods, while increasing, is limited. The role of the party in the people's daily lives is still significant.

But as we traveled further south, I was struck by the change in attitudes and interests. People were much less concerned about politics and ideology and much more concerned about continuing trade, their standard of living, as well as budding democratic freedoms. Western consumer goods are widely available, the minority of people ride bikes, and most instead drive cars and motorcycles. The party apparatus is much less ideologically communistic and more bureaucratic.

In my view, there is one cause for these changes, changes in the everyday lives of the average Chinese citizens—commercial contacts with the West, especially the United States.

Mr. President, by opening up their economy to market reforms and economic contacts with the rest of the world, the Chinese authorities have let the genie out of the bottle. If we revoke MFN, in effect cutting off trade with China, we only serve to retard this opening-up process, a process that we should be doing in every way to advance and encourage the advancement there.

Third, revoking China's MFN status would place it among a small handful of countries to which we do not extend this normal trading status. Most favored nation is a bit of a misnomer. It is actually normal relations. But we exclude that normal relationship with Cuba, Laos, North Korea, Serbia, and Afghanistan. We would be relegating China to this grouping, and I believe it would do irreparable harm to our bilateral relationship and to the security and stability of East Asia as a whole.

China is very attuned to the concept of face. Placing it on the same level as the world's most outcast nations, while perhaps not undeserving in some fields, would needlessly provoke a backlash from the Chinese which would frost over whatever strides we have made in the past.

Now, I want to make it clear that I in no way condone the policies of the Chinese nor the actions. I am by no means an apologist for the PRC nor a proponent of foreign policy solely for the sake of business interests. No one can argue that China's actions in many fields do not deserve some serious response from us. The PRC has, at best, a sad, sad human rights record. It imprisons prodemocracy dissidents. It has done so in such numbers since the Tiananmen Square incident that there are no active dissidents. It prosecutes religious minorities, including Christians, focusing most harshly on the Buddhists in Tibet where it has closed monasteries and jailed monks and nuns. And it persecutes ethnic minorities, concentrating their attention recently on the Tibetans.

The PRC consistently fails to live up to the terms of its trade agreements with us, especially in the areas of trade barriers and intellectual property rights. It has taken two separate agreements and several years to get intellectual property rights moving in the proper direction, but they are still not doing what they are supposed to do.

It has made several decisions which call into question its commitments to preserving democracy in Hong Kong, including the most recent round involving the so-called Provisional Legislature. It ignores its commitments to some international agreements.

So all in all, it is not a good situation. The question of course is, how do we best deal with that?

Mr. President, I am the first to insist that we need to address these serious issues, but it is clear that our current China policy, which the administration characterizes as constructive engagement but has recently retooled as multifaceted is not up to the task. The Chinese will continue to walk over us as long as their actions meet with little or no credible repercussions.

But while we need to make some response, it is equally clear to me that most favored nation is not going to solve any of these problems. As I have mentioned, its revocation would only cause more problems than it solves. Moreover, threatening MFN withdrawal has come to be hollow and meaningless. We know it and the Chinese know it.

It is like watching a movie you have seen several times before; you know the plot, you know the actors, you

know their roles and the dialogue, and indeed you know the outcome all before the movie even starts. With each cry of wolf we make by threatening to withdraw most-favored-nation status and then do not, the credibility of an already tenuous threat declines.

Yet, without a responsible alternative, Members of Congress are forced to face the Hobson's choice between voting to revoke MFN or doing nothing. Many, with no constructive way to vent their policy frustrations, choose revocation.

I am convinced it is time to rethink the United States-China policy and come up with a workable way to get China to act as a responsible member of the international community and to live up both to the letter and the spirit of the agreements they have reached with us. In addition, I believe the United States has to be more prepared to say what it means and mean what it says.

On March 22, in my subcommittee, we held a hearing on exactly this topic. It was the opinion of every panelist, save one, that we need a workable alternative to most-favored-nation as a tool of American foreign policy. I hope that in the next year policymakers, both in the Government and outside it, can recognize that the old policy has failed and move on to try and formulate a new one. It will not be a quick or simple process, but the sooner it begins the better off we will be and the better for the health of our bilateral relationship.

In closing, Mr. President, let me reiterate that I strongly support most-favored-nation renewal. But at the same time, I equally strongly urge this administration to pursue a clear, more consistent and effective foreign policy towards China. Frankly, the latter will do more toward setting our countries down the path of a strong relationship.

I yield the floor.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent to proceed for 10 minutes in the morning hour.

The PRESIDING OFFICER. Without objection, it is so ordered.

OPPOSITION TO MOST-FAVORED-NATION STATUS FOR CHINA

Mr. HUTCHINSON. I rise in opposition to extending most-favored-nation status to China. I was deeply, deeply dismayed at the recent revelation that a State Department report on religious persecution in China and human rights conditions in China, originally scheduled for release back in January, was postponed, originally until June, and then it was announced that it would again be delayed and postponed until after the vote on most-favored-nation status, that vote that would take place now in the House next week.

I think it is unconscionable, when we consider the seriousness and the import of this vote, for a report from the State Department that has relevant and pertinent information regarding what is going on in China today in regard to human rights and in regard to religious persecution, that that report should not be made available to the American public and to Members of the House of Representatives and to the U.S. Senate prior to our vote on MFN.

Yesterday, I wrote the President and Secretary of State Albright, asking them for an immediate release of that State Department report so that Members of the House who are yet undecided on how they are going to vote on MFN will have that very important report at their disposal.

Mr. President, I ask unanimous consent that that letter to the President printed in the RECORD.

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

U.S. SENATE,
Washington, DC, June 18, 1997.

Hon. WILLIAM JEFFERSON CLINTON,
The President,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing to express our grave concern regarding the recent reports that suggest the U.S. Department of State is deliberately delaying the release of its findings on religious persecution throughout the world. This report places specific focus on the persecution of Christians and other religious minorities around the world, and singles out china for especially tough criticism.

As the Congress begins to debate whether to renew Most Favored Nation (MFN) trade status for China, it is vital that all information critical to the debate be in the public domain. It is our understanding that the report was to be released January 15, 1997. However, it has been brought to our attention that it will not be released until after the Congress votes on MFN. Furthermore, State Department officials have said that the report is being held up to broaden its findings.

The oppression and persecution of religious minorities around the world, specifically in China, have emerged as one of the most compelling human rights issues of the day. In particular, the world-wide persecution of Christians persists at alarming levels. This is an affront to the morality of the international community and to all people of conscience.

The 1996 Department of State's Human Rights report on China revealed that the Chinese authorities had effectively stepped up efforts to suppress expressions of criticism and protest. The report also states that all public dissent was effectively silenced by exile, imposition of prison terms, and intimidation.

As the original co-sponsors of the resolution of disapproval on MFN for China, it is our view, and that of many others, that serious human rights abuses persist in all areas of china and that the delay of this year's report on religious persecution demonstrates the Administration's unwillingness to engage in an open discussion of the effect of U.S. policy on human rights in China. We strongly urge that the State Department report be delivered in a timely manner to ensure its full disclosure and debate prior to a vote on the extension of MFN to China.

Sincerely,

TIM HUTCHINSON,
U.S. Senator.

RUSSELL FEINGOLD,
U.S. Senator.

Mr. HUTCHINSON. I think to postpone the release of that report indicates that the likelihood that conditions in China have improved over the course of the last year are remote.

The last State Department report, the China country report issued in 1996, was a blistering condemnation of the Chinese Government's repression of their own people and the new wave of the religious persecution that has spread across the country inflicted by this current regime:

> The administration continues to coddle China despite its continuing crackdown on democratic reform, its brutal subjugation of Tibet, its irresponsibility in nuclear missile technology.

Mr. President, those are not my words. Those were the words of then Candidate Bill Clinton in a speech to Georgetown University in December 1991. Then Candidate Clinton was exactly right, and those very words are equally applicable to the policy of appeasement that has been promoted by the Clinton administration.

President Clinton, then Candidate Clinton, went on a few months later in March 1992 and said:

> I don't believe we should extend most favored nation status to China unless they make significant progress in human rights, arms proliferation and fair trade.

He was right then. He is wrong now. They have not made significant progress in any of those categories, human rights, arms proliferation or fair trade.

And then in August 1992, then Candidate Clinton said:

> We will link China's trading privileges to its human rights records and its conduct of trade weapon sales.

Of course, we all know that that strong position taken as a candidate was repudiated after he was elected President. What a difference an election makes.

So today, Mr. President, I called for the immediate release of this State Department report so that an intelligent and informed decision can be made by this Congress when they vote in the House and, hopefully, when a vote yet in the future, in the coming weeks, in the Senate takes place.

I believe that the change that occurred by this administration was ill-advised and has led to both a failed and flawed policy toward China.

Not long ago, in the last hour, I had a conversation with former Secretary of State Eagleburger, who is an advocate of most-favored-nation status, favors extending that trading status to China once again. I said, ''Things are worse in China since we adopted this constructive engagement policy.'' He said, ''In what regards?'' And I said, ''In every regard.'' Whether it is human rights, whether it is religious persecution, whether it is military expansionism or the export of weapons of mass destruction, you name the measure, you name the standard, and conditions

and situations in China are worse today than they were when we adopted this policy of so-called constructive engagement.

One might argue that denial of most-favored-nation status is a blunt instrument and is not the best way to achieve our goals, as Senator THOMAS argued a few moments ago. One might argue that. One might argue that we should look at other options, that we should seek other tools, other instruments to convey this message to the Chinese Government. But few, I believe, can stand and say that the current policy of this administration has been anything other than an abject failure.

Some will say that it will be worse if we deny MFN. A person can argue that, but you cannot prove that. What can be demonstrated in all these now many years of MFN is that, rather than responding by expanding trade opportunities and trade relationships with the United States, rather than responding by improving the conditions of the Chinese people, they have responded by a new wave, an unprecedented wave, of repression upon those who would dare to express their own political opinion or their own religious faith. The logic behind the administration's policy of engagement is, No. 1, that it will improve conditions in China. It clearly has not. According to the State Department report, this administration's own report, it has not improved conditions. They have become more deplorable.

Then the administration argues that if we link human rights conditions in China with trade, the result will be that China will be isolated and the United States companies will lose markets and trade opportunities. I think that is interesting. In fact, Bill Clinton, in November 1993, said, ''Well, I think, first of all, I think anybody should be reluctant to isolate a country as big as China with the potential China has for good, not only for the 1.2 billion people of China who are enjoying unprecedented and economic growth, but good in the region and good throughout the world. So our reluctance to isolate them is the right reluctance.''

So this administration argues that if we link what is going on within China to our trade opportunities with this Nation, this vast nation, that we will isolate them, and that American companies will lose this opportunity for this huge bargain.

Now, how do they argue that? They say that other countries, European countries, for instance, will rush in and fill the vacuum that is left when we pull out. They are probably right. But there is a non sequitur, there is a self-contradiction, in the argument of the administration that we somehow will isolate China and at the same time the other nations will come in and take the trade opportunities that otherwise would be afforded to our companies.

The fact is, and everyone knows it, that less than 2 percent of our world trade goes to China. Being removed from China will in no way isolate this great vast nation. In fact, it is impossible for us, today, to isolate China. There will be other nations who go in, just as we will find other markets for our products.

But what is just as certain is that denying the privilege of MFN to this Nation, which is so repressive toward its own people and so expansionist in their military policy, by denying MFN, we can send a powerful and meaningful message to the tyrants in Beijing. I know of no other way that we can send that powerful message, and those who favor the extension of MFN, to me, have not yet offered a significant and meaningful alternative.

Now, let me just return to my call for the administration to release this report. I think it is absolutely critical that the House of Representatives have before them that report before they are asked to cast this very important vote next week. The coming MFN vote is not just a vote on trade, Mr. President. It is not just a vote on what we stand for as a nation, though it is very much that kind of a vote. Are we going to stand for anything? Are we still going to represent the last best hope for freedom-loving people in this world, or are we not?

But it is not just a vote on that. It is not just a vote on Chinese military expansionism, though if we have a great national security threat in the decades to come, it will be from China, and it is a vote as to our concern about that expansionism. It is not just a vote on religious persecution in China, though that ought to concern every freedom-loving American. But, Mr. President, it is also a vote on this administration's China policy, a policy that is, I believe, by every measure, flawed and failed.

Mr. President, I believe this administration deserves a vote of no confidence on their China policy. That can best be given by a no vote on extending MFN to China.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. INHOFE. Mr. President, we are going to be taking up hopefully today our DOD authorization bill, I believe at 1 o'clock. Sometimes it is important to look beyond the bill itself.

There are several provisions of this bill that were very critical which were taken out, and one of them was taken out because I think it is certain that the President would have vetoed it, and it has to do with Bosnia and with our withdrawal from Bosnia. I think it is important that we talk about that a little bit because, while we are taking up our Department of Defense reauthorization bill, I can tell you right now it is not adequate. It is the very best that we could come up with, with the resources we had to work with, but as chairman of the Readiness Subcommittee of the Senate Armed Services Committee, I can assure you that it is not adequate. We are really at a critical time right now, and, quite frankly, I hang this one on the administration. This has been a very non-military, nondefense administration. We have had a difficult time getting any attention to our military, for the duties that they are trained to perform.

I would like just for a moment to cover a couple of things and how this is going to affect our DOD authorization bill for this year and probably next year, too.

As chairman of the Subcommittee on Readiness, we have jurisdiction over training, over military construction, over all readiness issues including the BRAC process. As I have traveled around to various installations, I have found that we are really in serious trouble. I have never been so proud of our troops for doing what they are doing under adverse conditions.

I was a product of the draft many years ago. I came here believing in compulsory service, and I still think it is a good idea for our Nation. However, I am so impressed with the quality of troops we have in this all-voluntary military. However, I wonder how long they can hold on the way they are going right now with this ''Optempo'' rate. ''Optempo'' is a term that is used in the military that refers to the number of deployment days, the number of days that these troops are away from their wives, husbands, and families, and it has gone up now in some areas double the amount that is considered to be the optimum. For example, we normally talk about approximately 115 days a year, and it is up now to well over 200 in many areas. While seemingly they are holding on, they are dedicated, you cannot expect it to continue indefinitely because our divorce rate is starting to go up right now and our retention rate is starting to drop right now.

The quality-of-life issues are really a very serious problem. I think both the chairman and the ranking member of the Subcommittee on Personnel—Senator DIRK KEMPTHORNE and Senator MAX CLELAND—are doing a great job, but I assure you when you are talking about readiness, the personnel issues and the quality-of-life issues are very, very significant.

Going back in time just a little bit, I can remember being here on the Senate floor back in November 1995 when we found out that the President of our country, Bill Clinton, was proposing to send troops over to Bosnia. I got to

thinking at that time, are we going to go through this same exercise again? Right now, we have more troops deployed in more parts of the world than we have had at any time since World War II, and yet they are not over there for any purposes that relate to our Nation's security. Our strategic security interests are not being served. They call them peacekeeping missions. They call them peacemaking missions. They call them humanitarian missions.

Mr. President, with the scarce resources that we have right now—and, of course, you know because you serve on the Senate Armed Services Committee—we cannot continue to do this.

I can remember the debate that took place on this floor in November 1995 when the President was suggesting that we send troops over to the northeastern sector of Bosnia, and I remember going over there and seeing what it was like and seeing what our mission would be like, and supposedly we were going to go over there to make peace, to draw the lines out so that we would have these lines of demarcation where the Serbs had to be over here and the Croats had to be here and the Muslims had to be here, forgetting all about the fact that there are many other factions there. I do not think it is even a remote possibility we could the stop the Serbs, Croats, and Muslims from fighting with each other. They have been doing it for 500 years.

Let us assume we could. If we could, we still have the Mujaheddin, Arkan Tigers, Black Swans—we have all these rogue elements, and the only thing they have in common is they hate us. Here we are sending troops, proposing at that time in 1995 to send troops over when we have been sending them other places.

I remember—and I am not hanging this one on President Clinton because it was President Bush who initially sent troops into Somalia, and he sent them over in September, before he was defeated and before the new Clinton administration took over. They originally were sent over for 45 days. Each month—and you and I were both serving in the other body at that time. We passed a resolution calling for the withdrawal of our troops from Somalia because they were spending our precious defense dollars and they were endangering their lives. And month after month after month President Clinton said, we are going to leave them over there indefinitely. And it wasn't until 18 of our Rangers were brutally murdered and their nude corpses dragged through the streets of Mogadishu that finally the American people woke up and applied enough pressure, and we were able to bring back our troops. I do not want that to happen in the streets of Sarajevo. I do not want that to happen in Bosnia.

But if you will remember, Mr. President, it was in November when they were trying to sell the idea of having the support of Congress to send our troops over there, we had a resolution of disapproval saying we can't afford to do it. We were not without compassion. We were not unconcerned about the plight of those poor people over there. But that has been going on for many, many years. The problem was we just could not afford another mission like that, and so we had a resolution of disapproval. And the President and the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, Gen. John Shalikashvili, said that they would be over there for only 12 months. They go over in December, come back in December of the following year.

That was 1996. Well, anyway, this was not just approximately 12 months. This was not simply a suggestion that maybe we can get our mission, whatever our mission was—I still don't know what our mission was over here—maybe we can get that mission accomplished in 12 months. It was an absolute promise by this administration, and I have it down in the words of Secretary of Defense Bill Perry that they said this is an absolute, there are no conditions under which our troops will be there beyond 12 months. I knew it wasn't true. They lied to the American people.

We missed passing a resolution of disapproval, Mr. President, by four votes—four votes. I can remember several, at least four people standing on the floor of the Senate saying, well, it is only for 12 months, because that was an absolute at that time. We said it was not going to be 12 months.

I went to Bosnia. Nobody had been over there at that time. Sure, they were firing guns and all of that, and I wanted to go up to the northeast sector because the northeast sector of Bosnia is where we were going to send our troops, we were proposing to do it at that time. That's where Tuzla is, Brcko, up in that northeastern sector. I went up there. In fact, I wasn't able to get up there any other way, so I borrowed a British helicopter and went up to the Tuzla area and landed up there only to find that there were some troops up there that were U.N. troops, not American troops, and the commanding general of the northeast sector was a guy named Haukland from Norway, a great guy.

So I went in there. I said, ''I hear gunfire out there.'' ''Yeah, it's been going on for a long time. It's still going on.'' I said, ''Well, you know, we are proposing to send troops over here and have this joint effort to cause the divisions to stop the fighting up here.'' I said, ''Of course, it is only going to be 12 months.'' And he started laughing. He said, ''Twelve months. You mean 12 years.'' He said, ''It is different here than it is most other places.''

This is the analogy that he drew. I have mentioned it in this Chamber before, but it is so accurate today to remember. We knew this in November 1995. He said, ''It's like putting your hand in water and leaving it for there 12 months. Then you take it out and nothing has changed. It is the same.''

I would suggest to you, Mr. President, that when we pull out ultimately—and I hope we can do it safely, I hope that we can have a minimum of terrorist activity at that time, but we know that they are just in a period of rest right now and they will go right back. This is the dilemma we find ourselves in. The President promised we would be out in 12 months. He broke his promise, and we were not out. Then he said we are not going to stay 18 months beyond the 12 months, so June 30, 1998, would be the withdrawal date.

I have to say that the President has us, those of us who are conservatives, those of us who are for a strong national defense—and I have to say in a not too charitable way that we have a lot of Members of this body that sincerely in their hearts are not all that concerned about our Nation's defense because they don't think there is a significant threat out there. How many times have you heard from this administration that the cold war is over and so there is no longer a threat. And I said before, I look back wistfully at the days of the cold war when we had one opposition, we had two superpowers, and the other one was the U.S.S.R. and intelligence knew pretty much what they had, what kind of resources they had; they were predictable in what they were doing. They were people you could predict. Now, we are faced with a world environment where we have, admittedly, and it is not even classified, over 25 nations that currently, today, have weapons of mass destruction, either biological, chemical or nuclear. And they are working on the means to deliver them.

Just in yesterday's Washington Times there was an article about how now China is working on a joint project on a missile with Iran. Is Iran a friend? No. All these people talking about how friendly China is, yet we know that both China and Russia have a missile that would deliver a weapon of mass destruction from any place in the world to the continental United States. That is there today. We know that. It is logical, if we also know—again, it is not even classified—that both Russia and China are selling and have sold both systems and technology to countries like Iran and other countries, then why would they stop at this fine line, this bright line, you might say, and say they are not going to sell them a missile that would reach the continental United States? That does not do anything for my comfort level. Nonetheless, we are involved in a situation in Bosnia right now where the President has said we are going to extend it to June of 1999.

Then I keep hearing whispers from these people who do not see any threat out there, ''That's all right, when that time comes, when June gets here, we are going to go ahead and extend it for another 6 months, and another 6 months.'' I can tell you right now, Mr. President, there are people in this Chamber and people in the White

House who have no intentions of any kind of withdrawal from Bosnia. So I serve notice, as I have many times and as have other Members, when that date gets here you better be ready because we are going to be pulling out.

I think it is going to be necessary to be talking about this between now and through the entire next year, so they can be prepared. We do have NATO allies. We do not want to be insensitive to the fact that a lot of our NATO allies have strategic interests in keeping troops in Bosnia. Those people in the Balkans, those in the eastern part of Europe that are our allies in NATO, they certainly have reason to want to have peace in Bosnia because it serves their strategic interests. We are across an ocean. It does not serve ours. While we would like to have the luxury, we are faced with a depleted, almost a decimated, military in this country. We are in a position where we cannot meet the minimum expectations of the American people, which is to be able to defend America on two regional fronts. We know we cannot do that. Let's not kid anybody, we know we could not fight the Persian Gulf war again, even if we wanted to today. We do not have the resources to do that.

It is not just that we do not have a national missile defense system, it is conventional forces, too. We have approximately one half the force strength that we had in 1991. I am talking about one half the Army divisions, one half the Air Force wings, one half the boats that are floating around out there. Yet people think we are in a position to adequately defend ourselves.

So, I think we need to think of this problem that we have around the world and specifically in Bosnia in terms of, No. 1, what it is doing to our overall defense system in terms of money and personnel. If we should have to call our troops in for something in North Korea and simultaneously for something perhaps in Iran or the Middle East, we would be in a position of having to retrain these troops that have been sent to Somalia or Haiti or Bosnia or one of the other places, all these missions we are sending them on, because the rules of combat are different. There is not a general out there who would not tell you we would have to retrain our troops. That would take time, that would cost money, and that directly affects our state of readiness.

But what else? There was another promise that was made back in November 1995, and that is we would send our troops over there and this whole mission, this 12-month mission, would cost between $1.5 and $2 billion. It is all in the RECORD. That is what they said. It was repeated here on the Senate floor. ''It is not going to be that expensive. It's going to be between $1.5 and $2 billion.'' At that time, on the Senate floor —and it is in the RECORD—I said it is going to end up costing $8 billion before it is over. And guess what, we are now going through $6.5 billion.

There are four elements of a defense system that we can control. We cannot control these missions because the White House has control over these missions. But what we can control are readiness, troop force strength, quality of life, and modernization. Those are the four elements that we can control. When we now are down to the point where we have an optempo of almost double what is considered to be the acceptable level and we have the troops that are deployed in all these places where there are no strategic interests at risk, we are spending that money over there for these missions that has to come out of the defense budget.

The other day we had a committee meeting. We had all four chiefs of the services. I asked each one of them, one at a time, I said, ''We are going to come in for an emergency supplemental. We are going to have to nickel and dime this thing and pay for all this fun we are having over in these areas and all this good we are supposedly doing. It is going to have to come out of defense somewhere. You have four choices: readiness, troop strength, modernization, or quality of life. Where is it going to come from?'' Not one—finally the Marine general said, ''I'd say quality of life, because we are tough.'' So maybe that was the only answer that we got.

But there is no way we can take it out of quality of life and still retain people. Right now in this authorization bill, by the way, we have money that is in there for flight hours, which is very critical because we are losing our trained pilots. It costs $87,000 just to go through primary training for one of these pilots. What we are doing is training them for the airlines, because we are losing them. We cannot compete. We don't have to be able to pay the same money the airlines pay, but we have to be able at least to have a respectable level of optempo and be competitive, so we do have some money for flight hours in this authorization bill. Again, to do that we have to take it from someplace else. I, as chairman of the readiness subcommittee, can tell you I am not at all comfortable with our state of readiness as it is right now.

I believe we should have in the authorization bill—and I had an amendment ready but decided, since it would be certain it would draw a veto, that we would handle this as a separate issue—but we need actually to have a resolution of withdrawal, giving our commitment to make sure our NATO allies know and can prepare today for our withdrawal on June 30, 1998.

I went to Brussels where they had the last NATO meeting and made a speech there making it abundantly clear. I found at the same time I made a statement which I feel I can make on behalf of the U.S. Senate, there were other people who were walking around whispering, saying, ''Don't worry, we will not leave you high and dry.''

I am very much concerned. Normally we do not address these things until it gets hysterical around here. But rather than to wait to that point, I am going to say right now, a year ahead of time, that we have enough people in this body and the body down the hall who are going to stop the effort to extend beyond the June 30 deadline for our troops remaining in the former Yugoslavia. As I say, there are two reasons for it. One is our state of readiness that is suffering as a result of it. And the second thing is the risk of the people and the cost of that risk. That cost, that $6.5 to $8 billion it is going to cost us, is going to have to come out of somewhere, out of our defense budget.

The last thing I would say that is impaired by this, this issue we have talked about many times, is the fact we need to finish our national missile defense system that we started in 1983. In 1983—of course, that was the Reagan administration. There were a lot of people at that time who were very, very—they were very concerned over what was going to happen. They had the foresight to say we are going to have to have a system to defend America against a missile that would come in, an ICBM, by the year 2000. So we set up a system whereby we would have something deployable by 1999.

Up until 1992, when the Clinton administration went in, we were right on schedule. We had an investment. We have a $50 billion investment in the Aegis fleet of 22 ships right now that have rocket-launching capabilities. You can stand on the floor and talk about the four different types of potential systems that we now have an investment in that would offer us a defense against a missile attack from overseas, but perhaps the Aegis system is the best one because it is a matter of protecting an investment, a $50 billion investment. It would only cost $5 billion more to be able to take the launching capability and go out of the atmosphere.

Why is that important? Because if a missile is launched from China or from North Korea or from Russia—and certainly don't assume something couldn't come from Russia. It could be an accidental launch. We know that. We went through that. When we had the hearings not too long ago, we talked about how long it took to retarget over there and what the risk was of an accidental launch or an unintentional launch from Russia. But if that happened, if we have this system in place where we can go up beyond the atmosphere, we would have about 30 minutes to shoot down a missile that is coming in our direction. We know it works. There is not anyone in America who did not watch on CNN what was going on in the Persian Gulf war. We know that rockets can knock down missiles. So it is a matter of getting it out of the atmosphere.

If you wait until it comes into the atmosphere, you have about 2 minutes. So the choice there is 30 minutes or 2 minutes. When you have a system that is 90 percent paid for and it takes about $5 billion more and we are spending $6

or $8 billion over in Bosnia, we have to get our priorities straight. Unfortunately, we have a very biased media in this country that does not allow a lot of this stuff to get out.

We can say it on the floor of the U.S. Senate and we know that we have the facts. But by the time it gets reported, it shifts through the beltway media and people do not realize that risk is out there.

So I will just say, Mr. President, since we are dealing with the DOD authorization bill today, I would like to serve warning we are going to have a resolution, well in advance, so our allies will know that when June 30, 1998, comes, we are going to be out of Bosnia. I think it is better to go ahead and serve notice early rather than to wait to the last minute.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I thank the Chair.

(The remarks of Mr. BOND pertaining to the introduction of S. 938 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. Who seeks recognition?

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

EDUCATION TAX CREDIT

Mr. FAIRCLOTH. Mr. President, I rise to speak on education, particularly vocational education.

This past January, I introduced, with Senator CRAIG, S. 50, which provides a $1,500 tax credit for students at vocational and technical schools and community colleges. S. 50, today, has the support of 11 other Members, including the majority leader.

Recently, the tax credit for vocational training found a place in Senator ROTH's budget reconciliation package.

The provision provides a 75-percent tax credit for up to $2,000 in expenses at a community college. Now, for the average student spending around $1,500 in annual tuition and books, that amounts to a $1,125 tax credit. I would like to thank Senator ROTH for his support of vocational training in the budget package.

Under the House budget package, a student would only receive a 50-percent credit for up to $3,000. That amounts to $1,500 for a 4-year student. But for community college students, who are generally of a lower income and are holding jobs while they are in school, it would only amount to $750 or less. I think it is fortunate that the Senate recognizes this and is going to allow a 75-percent tax credit for up to $2,000.

I believe that we should give every adult American the opportunity to obtain the training needed to find employment. In fact, we are demanding that they work, so it is incumbent upon us to give them the opportunity to be trained to work. Most any job that a person would look at today requires some training, and the community college is the place to do it. This tax credit will enable the students to go.

A tax credit for community college students will encourage workers in all age brackets to pursue an education beyond high school without incurring the expensive cost of attending a 4-year college. By improving the training and skills of our workers, we will create a better job climate and a better manufacturing and technological society.

As State commerce secretary for North Carolina, I was able to bring more than 500,000 jobs into the State, and practically all of them required additional training or retraining. By strengthening the community college system and offering custom training for workers in a specific skill for the last 8 years, North Carolina has been among the top three States in new plant locations. We have been able to develop a film industry that brings $2.5 billion a year to my State. The answer to economic growth is to be able to train people, and the community college system is the only entity I have ever seen that could really train them and put them on the job.

As we begin to see the impact of the changes made to welfare in the last Congress, more and more people are going to be taken off welfare and they must work, and we must train them if they are going to work.

Many people who go to the community colleges are going back for retraining. They are not studying to get an entirely new degree. People are expected to keep up with new technology, and industry is demanding that they do. The tax credit will allow these individuals to receive training so they can quickly return to the work force.

Again, I want to thank Senator ROTH for his support, as well as the 11 Senators that have helped me to bring this bill to this point. I certainly hope we will retain the 75-percent credit as the package moves through the process and through the conference.

I thank the Chair.

LEADERSHIP TRAINING INSTITUTE FOR YOUTH

Mr. ASHCROFT. Mr. President, I would like to point out a remarkable program that exists in America today—a program that infuses our young people with a sense of purpose, values, principles, and the capacity to get things done.

This program, called the Leadership Training Institute for Youth, is doing its good work at Southwest Baptist University in Bolivar, MO, this week.

Mr. President, I rise today to pay tribute to this organization and its dedicated staffers and participants. It is Missouri's distinct honor to host such an excellent opportunity for our young people.

The Leadership Training Institute for Youth is a model initiative that, with the help of Scripture and sound guidance, teaches young people the tenets of good leadership and good citizenship.

Of course, the core training for tomorrow's leaders begins at home, and this organization and its committed staffers build on the lessons that parents teach.

The Leadership Training Institute for Youth provides young people across the country with opportunity, inspiration, and advantage in our culture. It calls future leaders to their highest and best in the name of a higher power. It offers direction in what is too often a rudderless world.

The institute demonstrates through lessons and example the value of priorities such as love for God, family, and country. It motivates youth to esteem virtues of honor, morality, compassion, faithfulness, integrity, discipline, and respect for the sanctity of life.

Therefore, I rise today to express my sincere appreciation to the Leadership Training Institute for Youth. Without such entities, our children might be left to the mercies of today's malls, movies, and televisions.

Our national heritage and our country's future are too important to be left to today's suspect environments that typically attract our young people.

The Leadership Training Institute for Youth is a commitment to our young people—a commitment to the future leaders of this great Nation. We need more programs like it.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, June 18, 1997, the Federal debt stood at $5,332,271,639,188.30. (Five trillion, three hundred thirty-two billion, two hundred seventy-one million, six hundred thirty-nine thousand, one hundred eighty-eight dollars and thirty cents)

One year ago, June 18, 1996, the Federal debt stood at $5,118,201,000,000. (Five trillion, one hundred eighteen billion, two hundred one million)

Five years ago, June 18, 1992, the Federal debt stood at $3,932,881,000,000. (Three trillion, nine hundred thirty-two billion, eight hundred eighty-one million)

Ten years ago, June 18, 1987, the Federal debt stood at $2,293,249,000,000. (Two trillion, two hundred ninety-three billion, four hundred forty-nine million)

Fifteen years ago, June 18, 1982, the Federal debt stood at $1,069,337,000,000

(One trillion, sixty-nine billion, three hundred thirty-seven million) which reflects a debt increase of more than $4 trillion—$4,262,934,639,188.30 (Four trillion, two hundred sixty-two billion, nine hundred thirty-four million, six hundred thirty-nine thousand, one hundred eighty-eight dollars and thirty cents) during the past 15 years.

DRUG FREE COMMUNITIES ACT OF 1997

Mr. LEAHY. Mr. President, I am pleased that the Senate yesterday passed H.R. 956, the Drug Free Communities Act of 1997. I have long been a supporter of substance abuse prevention programs, particularly for our youth, and was a cosponsor of the Senate's companion bill, S. 536.

I am glad to see that my Republican colleagues have taken a second look at these types of prevention programs since the debate over the 1994 crime law. It clearly was time to stop debating the usefulness of prevention programs and instead make sure we authorized and funded such programs as the Drug Free Communities Act.

Community-based prevention programs have proven to be an effective way to combat the problem of youth drug abuse. Throughout the country there are groups, large and small, public and private, whose mission is to reduce drug use among our young people. Many of these groups form coalitions, pool their resources, and work together to reach that goal. Groups such as D.A.R.E., MADD, the Partnership for a Drug-Free America, and Vermont's unique Kids N' Kops Program, serve communities every day with programs that involve entire communities and educate our youth in innovative ways so that they are secure in their decision not to use drugs. Those groups need to be supported and that is the purpose of H.R. 956.

Many Americans are concerned about the problem of juvenile crime and delinquency, and drug abuse is a contributing factor. According to a recent report from the Justice Department's Office of Juvenile Justice and Delinquency Prevention, the number of juvenile delinquency cases for drug offenses has increased significantly. In 1994, 61 percent of all delinquency cases were for drug offenses compared to 43 percent in 1985. Unfortunately, the proportion of drug offenses is higher in Vermont than the national average. Similarly disturbing are trends in the overall juvenile crime rate. While the juvenile violent crime rate dipped nationally in 1995, it rose in Vermont that same year. In addition, the number of juvenile violent crime arrests is 67 percent higher than in 1986.

That is why at the beginning of this year, I along with a number of my Democratic colleagues, introduced S. 15, the Youth Violence, Crime and Drug Abuse Control Act of 1997. This bill includes a number of initiatives to prevent juvenile crime and drug abuse, including providing funding for comprehensive drug education and prevention for all elementary and high school students, creating safe havens where children are protected from drugs, gangs, and crime. We must ensure that prevention programs and funding are included in S. 10, the Republican juvenile crime bill currently being considered in the Senate Committee on the Judiciary.

The Drug Free Communities Act of 1997 creates a 5-year, $143.5 million grant program to be run by Gen. Barry McCaffrey and the Office of National Drug Control Policy [ONCDP]. The purpose of the grant program is simple: to provide matching grants to community coalitions, particularly those dedicated to reducing drug abuse by young people. Established partnerships in local communities with positive track records can apply for grants of up to $100,000 per community. No new funding is required; it will come from redirecting money already in the $16 billion Federal antidrug budget.

In Vermont, these resources will be put to good use. With the movement of gangs into Vermont and the rise in youth drug use, more resources are needed to serve our children. I am proud of the work that many of community groups are doing in Vermont. The Orleans County Prevention Partnership [OCCP] in Newport, VT, has spent the last 6 years fighting youth crime and drug use. OCCP was formed based on the premise that communities already possess a wealth of knowledge and talent to deal with these problems, but need resources to coordinate and harness community talents to the fullest. Over the years, this partnership has grown from the original 17 members to the current 117 members, including all segments of Orleans County from church groups to law enforcement to schools. This commitment has led to great results: The OCCP reports that, in Orleans County, liquor consumption among middle schoolers is down 15 percent, as are DWI arrests of teens and arrests for drug crimes in all age groups. The Prevention Coalition based in Brattleboro is also doing terrific work in drug prevention efforts in the southern part of the State. These coalitions know as well as anyone about the benefits of targeted prevention programs and that community partnerships are an effective way to approach this problem. The passage of H.R. 956 will provide them another tool in this battle.

The PRESIDING OFFICER. Who seeks recognition?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I would like to be able to proceed for the time that was allotted to me, 15 minutes.

Therefore, I ask unanimous consent that morning business be extended for that period of time.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair observes that morning business was to end at 1 o'clock. The Senator from Massachusetts has asked unanimous consent to extend that time.

Without objection, it is so ordered.

OUR GOAL IS TO SAVE MEDICARE, NOT DESTROY IT

Mr. KENNEDY. Mr. President, the Finance Committee yesterday reported a bill that will tragically undermine Medicare as we know it. I'm sure that some will tell the American people that these changes are needed to preserve Medicare for future generations. I say, hogwash. The assault on Medicare that began in the last Congress is continuing with full force, and Congress should reject it this year, just as we rejected it last year.

There is no justification—none whatever—for Congress to rush forward with ill-considered changes in Medicare under the thinly veiled pretext of balancing the Federal budget. None of these basic changes in Medicare were part of the budget agreement. It is the height of hypocrisy for these who voted against including the Hatch-Kennedy children's health plan in the agreement last month to make this assault on Medicare part of the agreement this month.

In the last Congress, the assault on Medicare came in two steps. The first step was to make deep cuts in Medicare—$270 billion over 7 years, three times the amount necessary to restore the solvency of Medicare. The second step was to inflict enough damage to Medicare that it would wither away over time.

This year, the amount of cuts in Medicare is lower—$115 billion over 5 years—and was locked-in by the budget agreement. But the budget agreement was not strong enough to prevent the second part of the anti-Medicare strategy.

Medicare is still one of the most successful social programs ever enacted. It has brought health care and health security to tens of millions of senior citizens. We can deal with the financial problems of Medicare, but we must do it the right way, not the wrong way. Our goal is to save Medicare, not destroy it.

The proposal coming to the floor next week will raise the age of eligibility for Medicare from 65 to 67. If this increase passes, we will be breaking a compact made with millions of working Americans. Despite what supporters of this proposal claim, Medicare is not the same as Social Security on the age of eligibility.

A delay in eligibility for Social Security may result in delayed benefits or lower benefits, but people can still retire when they choose. By contrast, a delay in eligibility for Medicare will throw millions of seniors into the ranks of the uninsured. Unless we are willing to enact simultaneous insurance reforms to guarantee access to affordable and comprehensive coverage

for this group, these senior citizens will be forced to go without the health security promised to them for the past 32 years.

The age of eligibility is precisely the type of issue that ought to be considered by the National Bipartisan Commission on the Future of Medicare. To change the age of eligibility suddenly, on the spur of the moment, in this reconciliation bill, is an unnecessary slap in the face of future beneficiaries. This shift should also concern big business, since the serious problems created by this dangerous policy will undoubtedly rest in part on its shoulders.

We must not undermine the foundation and structure of Medicare. Yet this bill would turn Medicare over to private sector insurers and managed care companies, pushing millions of elderly Americans into giving up their own doctors and joining private insurance plans.

If just half of all seniors leave Medicare and join private plans, insurance company premium revenues will increase by over $625 billion in 7 years. The increased profits for insurance companies will amount to almost $20 billion. The motive for the craven change is clear—to pad the profits of private insurance companies at the expense of the health security of millions of elderly Americans.

The claim is made that the plan offers seniors more choice. But the plan tips the scales heavily in favor of private insurers. It reduces payments to doctors under traditional Medicare, inducing them to either limit the number of Medicare patients they treat or leave the program. At the same time, it allows doctors in some private plans to charge fees far above what current law allows.

During the budget negotiations, Republicans and Democrats jointly agreed to set aside $1.5 billion to provide premium assistance for senior citizens with annual incomes between $9,500 and $11,800. Yet—despite this clear commitment—this needed assistance is not included in the Senate bill, and the House bill provides only one-third of the money under a proposal that is likely to be ineffective. More than 3 million beneficiaries fall into this category, most of whom are older women who live alone.

Where did this money go? At least a portion went to pay for an unnecessary test of medical savings accounts. Proponents claim that these high-deductible private plans will help Medicare by encouraging seniors to take responsibility for their own health care. But we know that MSA's are just another gift for the wealthy and the healthy. They will encourage the wealthiest beneficiaries to opt-out of Medicare and take their premiums with them, leaving the Government with the sickest patients and fewer dollars to pay for their care. Again, the real reason for this change is MSA's cost the taxpayers money while benefiting private insurers. The private insurance industry has been itching for 30 years to get its hands on Medicare, but that is no reason for this Congress to scratch that itch.

We are already spending approximately $1.5 billion between 1997–2002 to review the effect of MSA's in the private insurance market under last year's Kassebaum-Kennedy health insurance reform law. There is no need to gamble with scarce Medicare funds before an adequate evaluation of the current test is obtained. This additional demonstration program serves only to put another foot in the door in the misguided effort to turn Medicare into a private insurance plan.

Unfortunately, it is the low and moderate-income elderly who will suffer most from these proposals. Senior citizens already spend, on average, more than 20 percent of their income on health expenses. Ignoring this fact, the committee proposal also includes a new $5 per visit copayment for home health services under Medicare. This copayment alone will raise nearly $5 billion. It is a tax on the very senior citizens who are sick, and can least afford to pay it. It will fall disproportionately on the very old, the very ill and those with modest income.

Another extremely serious change for beneficiaries is the proposal to means-test the Medicare deductible. Unlike proposals to means-test the premium, which would apply to all beneficiaries, means-testing the deductible affects only those who actually use health services. It therefore imposes a sickness tax that undermines Medicare's fundamental policy of spreading risks and costs across all beneficiaries.

Supporters justify this step by claiming that most beneficiaries have supplemental insurance policies—called Medigap—which will cover the increase. But insurance companies do not set their rates based on income. So the additional costs will be reflected in higher Medigap premiums paid by all—unconscionably forcing lower income beneficiaries to subsidize the higher deductibles of the wealthier beneficiaries.

No one should be under any illusions about the impact of these provisions on Medicare. The issue is clear. On the question of whether senior citizens deserve decent health care in their retirement years, the answer of this bill is a resounding ''no.''

Taken together, the proposals in this plan give upper income beneficiaries no need to stay in Medicare—and every incentive to leave. This plan will destroy the successful social compact that if rich and poor alike contribute to the program, rich and poor alike will receive the same benefits.

Our priority should be to keep the promise of medical and financial security for senior citizens that Medicare provides. We are the guardians of that promise and we should oppose any schemes that violate it.

There is no question that Medicare will face serious challenges in the next century as a result of the retirement of the baby-boom generation. Today, there are nearly four adults of working age for every senior citizen. By the year 2030, that ratio will be only two workers for every senior citizen. But there is a right way and a wrong way to respond to that challenge. The wrong way is to destroy the program under the guise of saving it.

One right way that Congress should carefully explore has been suggested by a recent study at Duke University. It shows that the most important factor driving Medicare costs is not how many seniors are in the program, but how sick they are. The chronically ill, those who are disabled, account for the overwhelming majority of Medicare costs. In 1995, the average disabled senior citizen cost the program seven times as much as a nondisabled beneficiary. Saving just one senior citizen from disability saves Medicare an incredible $18,000 a year in costs on the average.

Over the last 12 years, the rate of disability dropped by an average of 1.3 percent per year. Maintaining and slightly raising that rate of decline to 1.5 percent a year could make the Medicare Program solvent far into the 21st century—without destructive benefit cuts or major tax increases. This is a far better way to save Medicare for the long haul. It will put Medicare's fiscal house in order, and enable all Americans to live longer and healthier lives. It is unacceptable for Congress to make deep and excessive cuts in Medicare without exploring this alternative.

In fact, we need to do more, not less, to provide good health care to senior citizens. We need to double our investment in biomedical research over the next 5 years.

It has been a bipartisan effort. Senator MACK has been a leader. Senator SPECTER, Senator HARKIN, and many others on both sides of the aisle have provided leadership in this area. We need to make sure that every senior citizen receives the best and most up to date medical care. We need to encourage every American—and especially senior citizens—to follow healthier lifestyles and receive good preventive medicine. I am pleased that one of the positive parts of this reconciliation bill is its expansion of preventive benefits for Medicare beneficiaries, including annual mammograms, colorectal cancer screening, and diabetes self-management. But this is one of the few bright spots in an otherwise destructive approach to the long-term health of Medicare and its beneficiaries.

Today the Finance Committee will also mark-up its tax proposal. There is little reason to expect that the result will be any fairer than the assault on Medicare. Our goal next week is clear.

Next week also as an amendment to the reconciliation bill Senator HATCH and I intend to offer our proposal for children's health insurance, paid for by an increase in the tobacco tax. Clearly the provisions in the Finance Committee plan, which will cover fewer than

one out of three of America's uninsured children, fall far short of any responsible initiative to deal with the urgent health needs of our children. We were encouraged that a strong bipartisan majority of the Finance Committee voted to include our legislation in their bill. Now we have a realistic opportunity on the floor to guarantee every American child a healthy start in life. I urge the Senate to support it.

Congress can balance the budget with fairer Medicare changes to protect senior citizens, expanded health care for children fully paid for by an increased tobacco tax, and we can still balance the budget with fairer tax cuts to help working families. As those major battles reach the Senate floor, we will have a chance to correct the many serious injustices in the current proposals, and I look forward to working with my colleagues to do so.

Mr. President, I have a chart about the average Medicare outlays per beneficiary. If you take the healthiest 90 percent of Medicare beneficiaries, we only spend $1,444; the sickest, 10 percent; on which we spend $36,960 a year. If we are able to reduce the sickest and those that have chronic disabilities, we can have a dramatic impact on the financial stability of our Medicare system. And we certainly ought to take a hard look at that before we start cutting the benefits, and raising copays and deductibles for those on Medicare in the way that the Finance Committee has done so in the last few days.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. ENZI). The Senator from North Dakota.

EXTENSION OF MORNING BUSINESS

Mr. DORGAN. Mr. President, I ask unanimous consent that morning business be extended for 15 minutes, and that Senator DURBIN from Illinois and I be recognized in the 15-minute period.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE TAX BILL

Mr. DORGAN. Mr. President, Senator DURBIN and I want to visit a bit with our colleagues about the tax bill that is now being written in the Senate Finance Committee, and the tax cut bill that was written by the House Ways and Means Committee—to talk about who will receive the benefits of this legislation.

I served for 10 years on the House Ways and Means Committee, and was involved in the writing of tax legislation. And I understand that, generally speaking, when tax legislation is written you have a lot of very important interests who come to the table and want to have access to some of the benefits of the tax cuts. My concern is that when Congress decides to provide tax cuts that it provide tax cuts especially to working families in this country who have seen an increase in their payroll taxes.

One of the circumstances that exists now in this country is that nearly two-thirds of the American people pay higher payroll taxes than they pay in income taxes. Yet, every time we talk about tax cuts around here we have folks who talk about the tax cuts that will generally say if you invest you are going to be exempt but if you work you are going to be taxed. In other words, they go right back to the old approach: Let's tax work and exempt investment. I happen to think investment is a worthy thing. We ought to encourage more of it in this country for those who work. Why can't we construct a tax bill that will value work as much as we value investment?

It is interesting to me that the bill that was constructed by the House of Representatives is a proposed tax cut bill which says here is the way we are going to deal out our tax cuts. We are going to provide for the bottom 60 percent of the people in this country that—if you have a table and the American people are sitting around that table—the bottom 60 percent of income earners are going to get 12 percent of the tax cuts. Then we say for the top 10 percent of the income earners around this table that you are going to get 43 percent of the tax cut.

Let me put it a different way. It says for the bottom 20 percent of the working population in this country you are going to get one-half of 1 percent of the total tax cut given by Congress. The bottom 20 percent gets one-half of 1 percent, and the top 1 percent gets nearly 20 percent of the benefit of the tax cut.

You can construct a tax cut that is much more fair than that.

The tax increases that people have experienced in this country in recent years has been the payroll tax. The folks who go to work—especially at the lower wages and then find their wages are largely frozen. It is hard to get out of those brackets. But the one thing that isn't frozen is the payroll tax, and they have to pay higher and higher payroll taxes.

What happens to them is—despite the fact they have not had increases in income but they have had increases in payroll taxes—when it comes time to figure out how Congress is going to give back some taxes and provide tax relief, they discover that the tax relief isn't really available to them. It is going to be available to the folks at the top. Those are the folks that have had the biggest income increase—the highest increase in income—in recent years. Frankly, they do not pay anywhere near the kind of payroll taxes because their payroll taxes end at a certain level. The folks at the bottom pay a payroll tax on every dollar of income. Those are the taxes that increase.

But here are some of the concerns that we have about the tax bill. Senator DURBIN and I hope that when the legislation is finished by the Senate Finance Committee that it will come to the floor with a distribution table that is fair for the middle- and lower-income working families so they can get some real tax relief.

But the child tax credit, which I think makes some sense, is not refundable. Therefore, the folks who do not make enough money but are still working and paying payroll taxes—incidentally paying higher payroll taxes—are not going to get the full benefit of the child tax credit.

This chart shows that the child tax credit is not going to be available to 40 percent of American children. There was an adjustment in the last day that will decrease that to about 30 percent. That does not make any sense.

Make that available so that the working people can get a child tax credit. Make that available to them, and that can be helpful to them with real tax relief.

This is the distribution of the House tax bill proposal. It is the same old thing. There is no secret here. If you are fortunate enough to be in the top 1 percent of the income earners, you are going to get a whopping $12,000 tax cut. And if you are down at the bottom 15 percent, or so, of the income earners, you are going to get a $14 tax cut.

It is the old cake and crumbs theory. If you are somewhere up near the top, you get the cake. If you are earning somewhere down near the bottom, you get the crumbs.

Yet those who face higher taxes in this country are the ones who are paying the payroll taxes. That especially hurts those at the bottom of the income level.

We hope that when the Congress, and the Senate Finance Committee in this case, brings a bill to the floor of the Senate that we will see a distribution table that allows us to say everybody in this country benefits from a tax cut.

There is kind of a different theory in this country. Some feel this economy works because you pour something in the top and it trickles down to everybody at the bottom. Others of us think that it works because you have a lot of working families, and, if you give them something to work with, it percolates up, and that represents the economic strength and economic engine of this country.

But when we give tax cuts as a Congress, let us do it fairly. Let us make sure that moderate-income and low-income families out there in the middle of the pack also get a reasonable tax cut, and not just the folks way at the upper end who get exemptions for their investments, but the rest of the folks as well. If we get to that point, I think the American people will say a job well done.

Mr. DURBIN. Mr. President, will the Senator yield?

Mr. DORGAN. Yes.

Mr. DURBIN. Mr. President, I am pleased to join Senator DORGAN on this issue. There is not a more important

topic on Capitol Hill. During the last several weeks we were embarrassed by a debate on the disaster bill. I am afraid that we are going to be embarrassed again by a tax bill that will be disastrous to working families. Senator DORGAN pointed it out.

Why in the world would we be giving tax cuts to the wealthiest Americans, and ignoring folks struggling to get by every day; trying to pay the bills, trying to pay for their day care costs, trying to save a little money for their children, trying to make sure they make the mortgage payment and maybe have enough left over for the utility bills? Why isn't this tax bill helping these families?

Folks making $100,000, $200,000, or $300,000 are the winners in this tax bill. But the folks struggling to get by? The husband and wife both working two jobs are the ones who don't get a break. Why are we doing this? Because there is a clear difference in values between the people who are arguing this bill.

For goodness sakes. I believe, as Senator DORGAN has said, that we should be helping working families at this point in our history. Give those folks a break, and make sure that the families which are being nailed with payroll taxes get a chance to make a living and realize the American dream. And give their kids a chance. But to say that we are going to focus the help in this bill on those who are struggling—get this now, struggling— with the concept of, ''How will I pay my capital gains on the stock that has appreciated so dramatically?'' Are those the folks that you would loose sleep at night over and the ones that we should have some sort of tinge of sadness in our heart for? I don't see it.

When I think of this tax bill I think of working families trying to hang on to a job, and struggling to get by.

Take a look at what this does. This really tells the story, unfortunately, about what this is all about. Think about this. The lower 60 percent of wage earners in America—the lower 60 percent—under the bill being proposed by the Senate Republicans get 12 percent of the tax cuts; 12 percent. More than 87 percent goes to those in the upper-income categories.

The amount of money involved in this is dramatic. If you make over $400,000 a year, we are going to give you a $7,000 tax cut. We want to take care of you. We are afraid you are struggling at $400,000 a year. But if you happen to be making $50,000 a year, I am afraid to tell you that the benefit is going to be about 52 bucks; a buck a week.

What a heart this Senate has for working families.

Let's hope that the people who are writing this bill wake up to the reality that we have to do more than just meet the target of cutting $130 million when it comes to tax cuts. We have to be cutting it in the right way so that working families have a fighting chance.

Let's make sure that when this debate is over that we don't have another disaster bill—a bill disastrous for working families.

The final point I want to make on this is when you take a look at these tax cuts, don't measure them against just this year, or next year, or even 5 years, but against what they will do down the line.

The people bringing this bill are very crafty. They start the tax cuts now. They don't look like much. And, all of a sudden, they start mushrooming—it may be a poison mushroom—when you look at the outyears. We have a dramatically costly bill associated with these tax cuts.

So in the future Members of Congress—the House and the Senate—are going to struggle to balance the budget because of bad decisions and bad policy today. That makes no sense.

I urge my colleagues on the Senate Finance Committee and all of my colleagues in the Senate to think about the working families in this country for a change. For goodness sakes, let's have a tax cut bill that is designed to help them. These are families who, with a tax cut, will turn around and make purchases—who will purchase a new washer and dryer, who will purchase a new home, who will purchase a new car—creating jobs and creating opportunities.

That is what this is all about.

I thank my colleague, Senator DORGAN, for requesting the floor at this propitious moment in the debate on this bill. I hope that our message will be delivered through the people of this country, and to all of our colleagues.

Mr. DORGAN. Mr. President, I yield back the remainder of our time and make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SHELBY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. SHELBY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 87, S. 858, the intelligence authorization bill.

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (S. 858) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SHELBY. Mr. President, I ask unanimous consent that the privileges of the floor be granted to the following members of our staff. We have a list of them: Alfred Cumming, Melvin Dubee, Peter Flory, Lorenzo Goco, Joan Grimson, Andy Johnson, Taylor Lawrence, Ken Myers, Suzanne Spaulding, Christopher Straub, Christopher Williams, Peter Dorn, Bill Duhnke, Emil Francona, Art Grant, Patricia Hanback, Ken Johnson, Don Mitchell, Randy Schieber, Don Stone, Linda Taylor, and James Wolfe.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SHELBY. Mr. President, the intelligence authorization bill is before the Senate at this time.

This bill was unanimously voted out of the Intelligence Committee on June 4. It was then referred to the Senate Armed Services Committee and was favorably reported without amendment yesterday.

This bill will authorize appropriations for intelligence and intelligence-related activities of the U.S. Government. I am pleased to report to the Senate today that I have worked very closely with Senator KERREY, the vice chairman of the committee, in drafting this bill. We have crafted, Mr. President, what we believe is a bipartisan bill that received the full support of all Republican and all Democratic members of the Intelligence Committee.

I am proud that the actions we have taken with this legislation are comprehensive and that we have taken some bold steps to implement four priorities to posture the intelligence community for the future.

Mr. President, it is extremely fortuitous that we are bringing the intelligence authorization bill to the floor this week when we have seen a great intelligence success recently. It is not often that the dedicated men and women of our intelligence agencies enjoy public recognition for their work. They understand that. But yesterday, all Americans were gratified to learn of the successful apprehension of Mir Aimal Kansi and his transport to the United States to stand trial for the brutal murder of two CIA employees and the wounding of three others outside the CIA headquarters several years back.

I am extremely proud of our intelligence community in their work here. The Kansi arrest was the result of over 4 years—4 years—of painstaking and dedicated investigative and intelligence work by the CIA, the FBI, and others.

Together with my colleagues on the Intelligence Committee, I was briefed on the details of this successful mission yesterday. While I cannot comment on the operation itself, I can share with my colleagues, as Senator KERREY would, and the American people, that it was conducted with great professionalism and personal courage.

The success of this operation should serve as a warning to others, those who in the past have attacked Americans and those who might be contemplating such actions, that America will take action to bring the alleged perpetrators to justice wherever they are and whatever the cost.

To the families of those who died and to those who were wounded, we know that this arrest cannot return your loved ones or heal your wounds. We hope, however, that you derive consolation from seeing the accused killer brought to this country for trial.

The legislation before us today is made up of words and numbers on paper. As yesterday's events remind us, the work of our intelligence and law enforcement professionals takes place in the real world, in flesh and blood.

While the cold war is, indeed, over, there are still many forces in the world today that threaten our national security and our citizens and require the constant vigilance of our intelligence community. That is why we have authorized a significant level of funding for the continued operation of the intelligence community's activities.

I believe it would be inappropriate, Mr. President, to reveal this exact level of funding, not because we do not want the American people to know how much is invested in intelligence activities for their protection, but, rather, we want to protect the level of our investments from foreign intelligence services and leaders of rogue states who would analyze trends in these investments to help guide their decisions about when to strike with terrorism or aggression against their neighbors, perhaps our own citizens.

I now would like to take a few minutes to summarize the major priorities and the actions we have taken with this legislation.

We have had to face some tough choices, as all of us have in the Senate, in the allocation of resources to meet the critical priorities that have been set for the intelligence community.

In setting the authorization level for intelligence, we have looked across the combined request for intelligence that is broken up into three major categories, and they are the National Foreign Intelligence Program of the Director of Central Intelligence, the Joint Military Intelligence Program of the Secretary of Defense, and the Tactical Intelligence and Related Activities Program of the military services.

The Intelligence Authorization Act includes authorization for each of these categories. With this legislation, Mr. President, we continue to lay the groundwork for the intelligence community of the 21st century, one that is retooled and I believe that is right-sized.

In putting together this authorization, the committee identified nine key areas that will contribute to this effort. We drafted an authorization bill that will better focus, we believe, the intelligence community's resources on these areas. I call the first five areas the five C's: counterterrorism, counterproliferation, counternarcotics, counterintelligence, and covert action. In each of these areas our bill includes additional resources to aggressively tackle these difficult missions in the world.

We also examined four other areas with a view toward long-term investments that would place our intelligence agencies on a stronger footing as we enter the 21st century. These included: A stronger commitment to advanced research and development to maintain our technological edge; improvement in the tools and skills of our clandestine service personnel; new approaches to infiltrating and assessing hard-target countries; and enhancements to our analytical and information warfare capabilities.

We have put forward a balanced recommendation for the authorization of a Joint Military Intelligence Program that, among other things, includes sensor and engine upgrades for our airborne intelligence fleet of RC–135's; it continues the modernization of our manned reconnaissance capabilities; and pushes forward with the new technology of unmanned aerial vehicles.

We have also taken some bold legislative initiatives in this bill. One area on which the Intelligence Committee focused was the need to ensure that classification of information is used effectively to protect sensitive sources and methods or other vital national security interests but does not prevent the flow of information to Congress or, where appropriate, to the American people.

The committee has concluded that a higher priority is needed for the review and for the declassification of intelligence so that families concerned about the murder of a loved one overseas receive vital information consistent with national security concerns. The Committee on Intelligence recently heard from the families of several marines who were murdered in a terrorist attack in Zona Rosa, El Salvador, in 1985. A common refrain in their testimony before the committee was concern about how little information they received from their Government regarding the attack and its perpetrators.

It was from network television, for example, that at least one family first learned of the attack and death of their brother or son. It was also from television broadcasts that several families learned years later that the likely mastermind of the attack had been brought into this country through the U.S. official channels. The committee has pressed the executive branch to provide these families with as much information as possible, but 12 years is a long time to wait.

The committee believes, however, that it is the national interests of the United States to provide information regarding the murder or kidnapping of Americans abroad to their families consistent with intelligence operations.

Moreover, given the difficulty inherent in identifying all relevant information that might be held by different elements of the Government and the likely resistance to providing information that is currently classified, the committee believes this important responsibility must ultimately be vested in a Cabinet-level official.

Therefore, the committee has adopted a provision in this bill requiring the Secretary of State to ensure that all appropriate actions are taken within the Government to promptly identify relevant information pertaining to incidents of violence against Americans overseas.

Mr. President, the Secretary is then required to make the information available to families to the maximum extent possible without seriously jeopardizing sensitive intelligence sources and methods or other national security interests.

This provision, along with others contained in this bill, will enhance the intelligence community's working relationship with the American public that it serves.

I strongly urge my colleagues to vote in favor of the Intelligence Authorization Act for fiscal year 1998.

Mr. President, I also want to remind my colleagues that a lot, if not most, of this bill is classified. But we have some security officers from the Intelligence Committee that are available here today, off the floor, to go into any aspect of the legislation that they think is pertinent.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. KERREY. Mr. President, I rise to join my chairman, the distinguished Senator from Alabama, in offering this year's intelligence authorization bill. It is designed to focus the national intelligence agencies of the United States on today's and tomorrow's threats. The bill is the product of the open, bipartisan process that has long been the hallmark of the Select Committee on Intelligence. It was voted unanimously out of the committee and in accordance with Senate Resolution 400, the founding document of the Intelligence Committee, the bill was reviewed by the Committee on Armed Services.

Before I discuss the bill, I want to say a word about the bipartisan process which created this legislation under Chairman SHELBY's leadership. Unlike many other topics which we consider here each day, there is no Republican agenda or Democratic agenda with regard to intelligence, or at least none apparent to me.

Intelligence is simply the best informed estimate of the truth about something. It knows no party. Every member of our committee seeks the most effective and most efficient methods for the collection, processing, analysis, production, and dissemination of

intelligence. Every member of our committee seeks intelligence collection and operations to be conducted in accordance with American law and American values. We certainly often disagree on which approach to take in a particular situation, but our disagreements are not based on party agendas. We are simply seeking the best performance for the intelligence community and the best outcome for our country. So the chairman and I were united in purpose as we approached this legislation, we came to closure on our disagreements, and we are united in recommending it to the full Senate.

Most of the intelligence authorization is contained in a classified annex which we cannot discuss in open session but which is available to Members in S–407. The schedule of authorizations in that annex comprise the National Foreign Intelligence Program of the United States, together with the Intelligence Committee's markup of the Joint Military Intelligence Program and recommendations to the Armed Services Committee on Tactical Intelligence and Related Activities. The total amount allocated for these programs is not something I can report in open session, and I understand that fact will be the subject of an amendment. But I can say while it is a good value, it is a substantial amount of money.

Before we discuss any amendment which may be introduced in that regard, I want to respond to the concerns of Members who may doubt the need for significant investment in intelligence at this stage of our history.

The best intelligence is simply a necessity for the protection of our people and for the leadership of a nation with America's power and America's responsibilities. Intelligence illuminates policy. Much is made of the strategic crossroads the Nation finds itself at, the need to develop fresh strategies for the new century. You can't make good strategy without good intelligence. Intelligence is also the essential American advantage in war. Victory in battle comes, and will come in the future, from the convergence of three things we saw in the gulf war: American courage and precise American weapons linked to precise American intelligence. The ability to avoid conflict, to gain victory or attain our objectives without risking American lives, is also founded on the inside knowledge gained from intelligence. I can assure my colleagues: intelligence gives America a huge advantage in policymaking, in defense, and in the international aspects of law enforcement.

This year's authorization bill addresses today's and tomorrow's threats. We have focused on international terrorism, the proliferation of weapons of mass destruction, and on narcotics trafficking from foreign countries. We have also stressed counterintelligence and the need for more advanced research and development. Good science is essential to keeping and extending our edge in intelligence, and we do not recommend standing pat in this key area. Our bill also reflects our understanding that despite the good relations we now enjoy with Russia, our intelligence agencies need to continue to pay attention to Russian nuclear warheads which still pose the greatest threat, just in terms of capability, to our national life and the lives of our citizens.

The bill also has some important legislative provisions, which are unclassified. The most important, in my view, is the requirement for the executive branch to make crystal clear to every employee of the national intelligence community that he or she has the right to disclose classified information to the appropriate congressional oversight committee, if the employee believes the information provided gives evidence of wrongdoing. This provision, like the rest of this bill, does not have a partisan basis. We simply intend it to preserve the ability of Congress to perform oversight, which cannot be done without information. In most circumstances, I hope an employee who felt the obligation to report something classified to Congress would first approach his superiors and get their views on how the information should be presented. But in some circumstances, such as when the employee suspects his superiors of complicity in the alleged wrongdoing, the employee should not fear to communicate with the appropriate committee member or cleared staff. The administration does not agree, and believes they have greater authority, by virtue of Executive Order 12356, to control the release of executive branch classified information to Congress. But, given the guarantees in the bill for responsible handling of the received classified information by Congress, I would hope every Member of the Senate would support Congress' right to be informed.

This legislation also provides subpoena powers for the CIA inspector general to obtain documentary evidence in support of investigations. The CIA IG is the only inspector general in any of the major national security agencies who lacks this power, and its absence has adversely affected investigations. We have made clear in the bill that subpoena power will remain strictly in the service of the IG for investigative purposes, and will not be used by or in behalf of any other element of the CIA.

The Intelligence Committee in 1989 originated the legislation creating the CIA inspector general, and in the past year the Audit Team of the Select Committee on Intelligence conducted a review of the performance of the IG and his office. The confidence of the oversight committees and ultimately the public is essential if the IG is to do his job properly. If I may quote from the report accompanying the bill, ''the [IG] office has increased the level of trust and respect from within the Agency, the Oversight Committees, and the Intelligence Community.''

Mr. President, the distinguished chairman has described other highlights of the bill, one of which we learned from the Khamisiya nerve gas experience and is intended to ensure intelligence better supports our deployed forces, and another which enables Americans whose family members are victims of murder or kidnapping overseas to be kept better informed by their Government. These provisions, like others I have already described, are the result of investigations or hearings by the committee and represent, as does the entire bill, the committee's reasoned view of what is necessary to keep the Nation safe and informed in today's world.

Finally, I would like to call the Senate's attention to the arrest and return to the United States, this past Tuesday, of Mir Aimal Kansi for the murder of two CIA employees and wounding of three others at the gate to CIA headquarters several years ago. The CIA and FBI pursued this man to the ends of the Earth, just as former Director James Woolsey promised at the time of the crime. Mr. President, this is a great triumph for U.S. intelligence and law enforcement, working in a harmony which could not have been imagined just a few years ago. All involved in this mission have my deepest respect and congratulations.

The Kansi case underlines the quality and dedication of the remarkable people who work for the American people in our intelligence organizations. They are selfless and patriotic, many of them risk their safety for the sake of our country, and many more are denied the gratification of the ego that comes from being able to talk freely about their professional accomplishments. A lot of our talk here is meaningless without the commitment of people like these to actually do something or learn something for America's benefit. The annual authorization bill debate is a chance to thank them, and I do.

Mr. President, I look forward to the Senate's deliberations on this bill and I yield the floor.

Mr. LEVIN. Mr. President, I rise to support S. 858, the fiscal year 1998 intelligence authorization bill. The legislation comes to the floor having been reported out of the Select Committee on Intelligence earlier this month and approved, on referral, by the Armed Services Committee. As a member of both committees, I believe S. 858 is a responsible, bipartisan bill which reflects our mutual oversight concerns and policy priorities. While there may be some areas in which the two committees disagree, I want to praise Intelligence Committee Chairman RICHARD SHELBY and Vice Chairman BOB KERREY for their efforts in seeking a consensus with the Armed Services Committee on the funding and legislative provisions contained in the bill.

Most notably, S. 858 reflects our shared concern that intelligence community activities must reflect the new, post-cold-war era threats and challenges to U.S. security. Additionally, there is strong agreement between the two committees and the administration that continued emphasis must be given to improving the collection and distribution of timely intelligence to the warfighter in the cockpit, in the tank, aboard ship, and in the command post. One of the overriding lessons learned from the Persian Gulf war was that high quality tactical intelligence, if provided to the warfighter in a prompt fashion can save American lives and carry the day on the field of battle. Improving this qualitative advantage enjoyed by our Armed Forces must remain a top priority in my view and I am pleased to see it reflected in S. 858.

Also included in the intelligence authorization bill is a provision I sponsored asking that the Director of Central Intelligence examine the full range of threats to the United States from weapons of mass destruction, not just the threat from ballistic and cruise missile weapons, which formed the basis of the last intelligence estimate of this kind in 1995. The intelligence threat assessment required by S. 858 will be submitted to Congress annually beginning February 15 of next year and provide us with our first comprehensive understanding of the emerging ''nontraditional'' threat facing our Nation, including the ability of terrorist groups and hostile governments to produce and deliver nuclear, chemical, and biological weapons into the United States, the probability that such an attack would come from ballistic missile, cruise missile, or any other means of delivery, and the vulnerability of the United States to such an attack. One month after the completion of the intelligence community's threat estimate, the President is required to submit a report to Congress identifying how Federal funds are dedicated to defending against this full range of threats. Linking the probability of a certain type of attack using a weapon of mass destruction, such as a terrorist chemical attack versus a Russian ballistic missile attack, with the level of funds being spent to defend against such a threat will be extremely helpful, in my view, as the Senate debates national defense spending priorities in the upcoming years.

In closing, I again want to commend the leadership of the Senate Intelligence Committee for its willingness to work with the Armed Services Committee on the numerous issues of mutual concern, and I look forward to continued cooperation between the two committees as we move into conference with the House of Representatives on our respective bills.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

AMENDMENT NO. 415

Mr. WELLSTONE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 415.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following: ''It is the sense of the Senate that any tax legislation enacted by the Congress this year should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers, and that any such legislation should not disproportionately benefit the highest income taxpayers.''

Mr. WELLSTONE. Mr. President, I say to my colleagues, we did not formally agree to a time agreement. I know that the policy committees are meeting. I think I will take 20 minutes rather than 15, because I do not think we will have a vote before 2 o'clock, in any case.

Mr. FORD. Mr. President, there will be other amendments, at least one other amendment, before final passage. So that will take us well beyond that. If the Senator would not object, we would probably like to stack his vote, if that would be agreeable?

Mr. WELLSTONE. I say to the Chair, 15 minutes is what we had talked about. I would be pleased to do that. I just remind my colleague, I do not think there will be any votes until 2, in any case.

Mr. KERREY. We will need a consent agreement to set time for the votes.

Mr. FORD. Mr. President, I ask unanimous consent the distinguished Senator from Minnesota have from now until 2 o'clock on his amendment; at the end of that time, no vote will occur until we have an opportunity to work out maybe back-to-back votes. The other one amendment I think we can work a time agreement on.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me just read this amendment because I want colleagues to know exactly what it says. I want them to know what they are voting on, because if there is going to be strong support for this amendment, that's fine. It is a sense-of-the-Senate amendment, but people are on record. This will be a test that I want to use, as a Senator, to look at what we are doing vis-a-vis tax policy. This amendment says:

It is the sense of the Senate that any tax legislation enacted by the Congress this year should meet a standard of fairness in its distributional impact on upper—

Mr. KERREY. I wonder if the Senator will yield for a unanimous consent to set the other vote? Mr. President, I ask unanimous consent that the only amendments in order to S. 858 be an amendment offered by Senator TORRICELLI regarding funding, an amendment by Senator WELLSTONE regarding tax fairness, and, further, no other amendments be in order, that the amendment offered by Senator TORRICELLI have 40 minutes equally divided, and that the vote on these two amendments be stacked and begin at 2:45.

Mr. WELLSTONE. Mr. President, reserving the right to object, might I inquire if it would be part of this agreement to have no second-degree amendments? Is that correct?

Mr. KERREY. No second-degree amendments on either amendment.

Mr. WELLSTONE. I thank the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I shall go on reading, then, this amendment, that whatever we do by way of this tax legislation ''should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers, and that any such legislation should not disproportionately benefit the highest income taxpayers.''

Mr. President, I want colleagues to listen to this because it is my sense that there is going to be strong support for this. I will do everything I can as a Senator to hold my colleagues accountable for their support.

Understand, I say to Democrats and Republicans alike, that if you vote for this, then what we need to do is look at what we are now discussing in the Finance Committee and what came out of the Ways and Means Committee. Look at the Finance Committee tax bill—it is quite unbelievable—if you are at the top 1 percent of the population, making over $400,000 a year, you are going to get a break of a little bit over $7,000 a year. If you are in the top 20 percent of the population, and have an income of $200,000 a year and over, you will get a break of about $3,706. $200,000 and over, you get $3,706; $100,000 to $200,000 —we are not middle class yet, I remind my colleagues—you get $1,440; $75,000 to $100,000, you get $804.

Now look what happens when we get to incomes of $75,000 and below, and more so when we get into the $40,000 to $50,000, $30,000 to $40,000, and $15,000 to $30,000 range. For these hard-pressed people—what do you get? A pittance. Low income families get a dollar a week, if that.

Mr. President, we are talking about a tax bill that provides benefits to people in inverse relationship to need. The less you need, the more you get; the more you need, the more hard pressed you are, the more you are trying to provide for your family, trying to make a decent living and raise your children successfully, the less you get. This is a Robin-Hood-in-reverse policy.

If I could turn to the next chart: here we see that the House bill is even

worse, really, skewed in the favor of higher income Americans. The top 1 percent get $10,000; and then you get down to $40,000 to $50,000, $30,000 to 40,000—they get $167, or $300, or some similar tiny amount.

So, Mr. President, we are giving $10,000 and $12,000 per year tax breaks to upper-income and wealthy people, and then hard-pressed people in the States of Wyoming or Minnesota are getting practically nothing.

I say to my colleagues, this is a sense-of-the-Senate amendment, and maybe people don't want to debate it and maybe people don't want to vote against it. But if you vote for it and then you go and vote for this tax bill, you are going to have to come out with some other data that shows that this tax bill, in fact, is based on some standard of fairness. I haven't seen one shred of evidence to that effect.

The next chart, Mr. President, reflects on the issue of deficit reduction. The chart is from the Joint Tax Committee and the Center on Budget and Policy Priorities—the first two charts were from the Department of the Treasury—and shows how the tax cuts are backloaded. Look at this. We are talking about an erosion of revenue between 2000 and 2017, to the tune of $950 billion.

Mr. President, I have said it before on the floor of the Senate, there is an old Yiddish proverb: you can't dance at two weddings at the same time. You can't be talking about deficit reduction and say you want to invest in education and opportunities for all our citizens and you are for the children and at the same time vote for tax cuts that are going to explode the deficit, and the worst thing of all is provide the lion's share of the benefits to those people who are the wealthiest citizens. Maybe this is the difference between the Democrats and the Republicans. If so, I am pleased to have that division reflected in this vote on this sense-of-the-Senate amendment.

There has been a lot of discussion about higher education. This is near and dear to my heart, because I really do believe that what we do here today has so much to do with whether or not our children or our grandchildren will do well in life and have access to a higher education. Again, coming over from the House Ways and Means Committee, Chairman ARCHER's higher education tax cuts are unbelievable. If you are in the top 1 percent of income earners—just take a look—you are getting up to $600 by way of a break. If you earn around $59,000, you are getting about $100. If you earn around $36,000, you may get $50, and below that, below $30,000 a year, you don't get anything at all.

What kind of tax breaks are we talking about? I am telling you something, this tax bill makes the best argument for campaign finance reform I have ever seen since I have been here in the Senate. If you are a heavy hitter and you are well heeled and you are a player and you are over there in that tax committee room and you are lobbying every day, you are sure going to get your piece. But I have news for you working Americans. I am bringing this amendment to the floor today because it is a wake-up call. You are getting the short end of the stick.

We have been talking about affordable higher education. I must say, even the President's proposal is far better than what we are looking at right now.

I was speaking at Inver Hills Community College last Friday at graduation and talking to the president. It is wonderful. I love going to those graduations, because when you go to the community college graduations, always, at least one time, someone will yell out, ''Way to go, grandma.'' These are different students. They are not 19 years old. Many are older, many are hard pressed, many come from families with incomes under $30,000.

If the tax credit isn't refundable, they are not going to get anything. So let's stop making claims that just do not hold up, and let's not brag about a tax bill that provides a huge amount of assistance to those people least in need. When it comes to those at the very top, this bill provides great breaks. When it comes to middle income, this bill gives a little bit, and when it comes to working families, low- and moderate-income families, this bill gives nothing. And this is called fairness?

So, I say to my colleagues, if you vote for this amendment, then I certainly hope that you will not then separate your votes on the reconciliation bill next week from the words to which you have ascribed today. Some people sort of just pooh-pooh sense-of-the-Senate amendments, and they say it is just a wish list, it doesn't mean anything. I say you are on record.

We have an important piece of legislation out here. I made this a sense-of-the-Senate. I am not talking all afternoon on this, but, by golly, we are focused on tax policy, and we are seeing a bill moving through these committees which is absolutely outrageous. It is no wonder that people in cafes in Minnesota and around the country think there has been a hostile takeover of the Government process. When they find out what this bill does and who benefits and who doesn't, they are going to be furious, and they are going to say the same thing they are saying already, which is, ''Boy, I tell you something, we're locked out. Those folks in the Congress, they do a heck of a good job of responding to the well heeled, but they sure don't do a very good job of responding to our families.''

According to the Treasury Department, on June 17, just look at where we are heading right over here in the Senate Finance Committee. Sixty-five-point-five percent of the benefits of these tax proposals go to earners in the top 20 percent; 10 percent goes to those making $50,000 or under; 5 percent goes to families making between $40,000 and $50,000; 3 percent goes to those making between $30,000 and $40,000; and 1.8 percent goes to families between $15,000 and $30,000 a year. I am actually surprised that they even got 1.8 percent. And the bottom of wage-earners? Nothing. If you earn below $15,000 a year, you get nothing.

Mr. President, again I say to my colleagues, if you vote for this sense-of-the-Senate amendment, that is great, but I don't think you are going to then be able to vote for what is coming out of the Finance Committee or what is coming out of the Ways and Means Committee, unless you come out here with other data, unless you come out here with another analysis as to what the distributional effects are.

If this sense-of-the-Senate is adopted—and I think it will be, or I hope it will be—then I will come out with a tougher amendment on the Department of Defense bill. We are going to have some discussion today on the floor of the Senate about tax policy. I cannot believe the silence on the floor of the Senate. We are going to have a debate about this. This isn't just going to move through next week quickly and silently, as we do with reconciliation bills. People in the country have a right to know how this is going to affect them, who exactly is making the decisions, who exactly is going to benefit, and who exactly gets the short end of the stick. Working families, you get the short end of the stick. Don't you for a moment let anybody tell you that you and your children are getting a heck of a lot of assistance. You are not. But, by golly, if you are wealthy and at the very top, you are going to get a lot by way of assistance.

Mr. President, I ask unanimous consent that a very fine piece by Robert Kuttner in the Washington Post today be printed in the RECORD.

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

[From the Washington Post, June 19, 1997]

CONTENDING OVER CAPITAL GAINS CUTS

(By Robert Kuttner)

For two decades, cutting the capital gains tax has been an object of almost religious fervor for the Republican right. Now the grail seems at last within reach. Only, with the stock market setting new records, the timing is a bit off.

The Republican plan would cut the top tax rate on capital gains from 28 percent to 18 percent and phase in indexing of gains for inflation. These and other tax changes would reduce government's revenue by hundreds of billions of dollars over 10 years. Given bipartisan obsession with budget balance, the revenue cuts would translate directly into cuts in public outlay—in medical care and countless other public programs.

Supposedly, capital gains cuts will help the economy grow. With investment offering greater after-tax rewards, people will save more, invest more and be freer to shift assets to more efficient investments. All of this in turn will make the economy more productive.

But here the timing doesn't compute. The stock market, of course, is setting records. It's hard to argue with a straight face that

the prospect of paying capital gains tax is deterring much productive investment.

Venture capital markets are booming, and new issues are having little difficulty fetching buyers. The overall strength of the American economy and the healthy dollar make U.S. capital markets a magnet for the entire world.

Another old chestnut is that inflation overstates the real capital gain. True, but in a low-inflation environment, the effect of inflation on capital gains is not significant. Stock values have doubled in two years, while inflation has gone up less than 6 percent. Taxpayers with serious money in the market are crying all the way to the bank.

Moreover, if there is a real problem with U.S. capital markets, it is too much trading and not enough patient investment for the long term. Capital gains cuts would make the stock market even more of a traders' market. Indeed, the present capital gains tax is one of the few forces keeping the stock market from becoming a pure casino.

Also, nearly half of the holdings in financial markets are tax-exempt. This includes life insurance portfolios, pension funds, IRAs and Keoughs. Capital gains cuts do nothing to influence these institutional Investors, because they can already trade stocks to their hearts' content and pay no capital gains tax.

One other factor makes this a dubious crusade—the Federal Reserve Board. If the capital-gains cutters have a near-messianic zeal, the Fed has an equally religious conviction that the economy can only grow so fast.

The economy's supposed speed limit is about 2.5 percent per year. Whenever the growth rate exceeds that pace, the Fed scents inflation and raises interest rates. So even if capital gains cuts did allow more investment and higher potential growth, you could count on the Fed to nip it in the bud.

The real issue here is not growth but political power—who gets what from government policy. The Republican majority in Congress wants to reward its well-heeled friends.

Despite misleading claims of ''people's capitalism,'' ownership of financial wealth remains astonishingly concentrated. Roughly 40 percent of stocks and bonds are held by the richest one percent of Americans. The next 5 percent own most of the rest. These are the people benefiting from the present uneven boom, and these people will profit from capital gains cuts.

The stocks and bonds held on behalf of non-wealthy Americans—mostly in pension plans, annuities and life insurance savings—are already tax-exempt. So a capital gains cut will do nothing for them, unless you think it will boost the value of stocks generally. But a lot of smart people think the market is already dangerously overvalued.

The Democrats, rather belatedly, are weighing in with an alternative tax plan. It will cost roughly the same $85 billion in net tax cuts over the next five years (and much less in the long run), but it will allocate the cuts quite differently.

The Democrats' plan offers only modest capital gains cuts and spends more on tax relief for families with incomes below $75,000 through a child-tax credit and tax breaks for tuition. It we are to cut taxes at all, given the quest for budget balance, these priorites make much more sense.

In today's economy, stockholders are doing just fine, thank you. It's other Americans who are struggling. The case that capital gains relief would trickle down and broaden prosperity just hasn't been made.

Mr. WELLSTONE. I thank the Chair. Mr. President, I will read a brief relevant section:

The Republican plan would cut the top tax rate on capital gains from 28 percent to 18 percent and phase in indexing of gains for inflation.

I believe that is not going to be done on the Senate side, and that is an improvement.

These and other tax changes would reduce Government's revenue by hundreds of billions of dollars over 10 years. Given bipartisan obsession with budget balance, the revenue cuts would translate directly into cuts in public outlay.

That is another way we can do it with the erosion of revenue, either the deficit explodes or we make further cuts in health care and education.

Supposedly, capital gains cuts will help the economy grow. With investment offering greater after-tax rewards, people will save more, invest more and be freer to shift assets to more efficient investments. All this in turn will make the economy more productive.

But, Mr. President, it is not like people's stockholdings are not doing well.

Stock values have doubled in two years, while inflation has gone up less than 6 percent. Taxpayers with serious money in the market are crying all the way to the bank.

Who are we trying to help here? Wall Street investors and bondholders are doing just great. They are doing fine. I think the real issue is political power. The real issue is political power. Who has the say? Who are the well-heeled? Who are the folks who are well represented? But working families and their children get the short end of the stick.

Mr. President, I have a June 16 piece in the New York Times by David Rosenbaum. I ask unanimous consent that this be printed in the RECORD.

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

[From the New York Times, June 16, 1997]

TAX BILL'S COMPLEXITIES OFTEN AID WEALTHY

(By David E. Rosenbaum)

WASHINGTON—''Beset with invisible boomerangs.''

That's the way Justice Robert Jackson of the Supreme Court described the hidden dangers of tax laws in a 1952 opinion.

The bill the House Ways and Means Committee approved last week is a good illustration of what Jackson was talking about.

Take, for example, a provision in the bill that would exempt from capital-gains taxation up to $500,000 of the profits a couple made from the sale of their home but would set the exemption for a single person at $250,000.

That caused great mirth among several of the lawyers, lobbyists and accountants who spent breaks in the committee's sessions last week trying to puzzle out unintended consequences in the bill the way other people might work on crosswords.

An accountant said he had an elderly client outside Philadelphia who had a house worth more than $1 million and who he knew would look for a marriage of convenience if the $500,000 exemption became law.

''I can just see this guy finding himself an old lady somewhere and getting married and selling his house and then dumping her like a sack of potatoes,'' the accountant said.

A lawyer thought of a corollary: ''Say your husband's on his death bed and you've got this house with a big capital gain. You'd better sell it quick before he dies.''

These people were mostly joking. But they also saw a more serious consequence that was being overlooked in the section of the bill dealing with capital gains, which are profits from the sale of investments.

The bill would lower the top capital-gains tax rate, now 28 percent, to 10 percent for taxpayers with incomes below $41,200 and to 20 percent for those who were better off.

The main beneficiaries of the 10 percent rate, the tax experts said, would not be middle-income taxpayers selling a modest amount of mutual funds. Instead, it would be wealthy families who were selling stock to pay for their children's tuition. They could cut the taxes in half by giving their appreciated stock to their children and having the children sell it, rather than selling it themselves and paying the higher tax because of their higher income.

That is not the only instance in which the bill would give a better tax break to affluent people sending their children to college than it would give to taxpayers who were less well off.

The bill would allow parents to put money into an educational investment account, similar to an individual retirement account, in which interest and dividends would accumulate tax-free. The money could then be withdrawn to pay college expenses.

The Democratic staff of the Ways and Means Committee calculated that a family that could afford to invest $50,000 in such an account when a child was 8 years old would save almost $4,000 a year in taxes on a $22,500 annual tuition bill when the child reached college age.

Under the bill, a family that could not afford to put aside so much money in advance and had to meet the college costs from income and student loans would get a tax break of only $1,500 a year, and that would be available only for the first two years of college.

If all this sounds complicated, it is. That is somewhat embarrassing to the principal author of the bill, Rep. Bill Archer, R–Texas, who is chairman of the Ways and Means Committee and who has made a career of complaining about how complicated the income-tax system is.

Archer commented on the paradox in his opening statement to the committee on Thursday evening. Holding up the 422-page bill, he said, ''When you look at a tax bill that's this thick, you know it's not going to simplify things for the taxpayer.''

Then to make sure no one thought he had changed his stripes, he quickly added, ''This in no way hinders my ultimate goal of abolishing the income-tax system.''

The most ''fabulously complicated'' part of the legislation, said Jeffery Yablon, a prominent tax lawyer in Washington, is the provision that would allow investors to adjust the value of their capital gains to take account of inflation, a process known in tax lingo as indexation.

Here is how it would work. Say an investor bought stock for $100, held it for three years and then sold it for $110, and assume the inflation in overall prices in the economy was a total of 9 percent for the three years.

Under the current law the investor would report a capital gain of $10. But if the law allowed indexation, the taxable gain would be only $1.

Sounds simple enough. But here is the problem. Many people buy stock with borrowed money and take a deduction for the interest they pay on their loan. So if the investor borrowed the money at an interest rate of 4 percent, his tax statement would show a loss of $3 ($1 profit minus $4 deduction), although he had actually made a profit on his investment even after adjusting for inflation.

Mr. WELLSTONE. I quote:

The bill would lower the top capital-gains tax rate, now 28 percent, to 10 percent for taxpayers with incomes below $41,200 and to 20 percent for those who were better off.

The main beneficiaries of the 10 percent rate, the tax experts said, would not be middle-income taxpayers selling a modest amount of mutual funds. Instead, it would be wealthy families who were selling stock to pay for their children's tuition. They could cut the taxes in half by giving their appreciated stock to their children and having the children sell it, rather than selling it themselves and paying the higher tax because of their higher income.

That is not the only instance in which the bill would give a better tax break to affluent people sending their children to college than it would give to taxpayers who were less well off.

Well, Mr. President, this happens every way you look at it.

The Center on Budget and Policy Priorities talks about the children's tax credit. I don't know what is going to happen. I understand Chairman ARCHER and the Republicans are changing their minds. Good. The more we speak out, the better chance we have of other people changing their minds. That is why I am on the floor today.

The Senate did an analysis based on data from the Congressional Budget Office that show that the child credit, given where it was heading, where EITC is essentially used to offset it, that there are 28 million children, 2 of every 5, who will receive no child tax credit because their incomes would not be high enough to qualify. Because their incomes won't be high enough to qualify? Unbelievable.

You have a tax bill that is going to give a child tax credit, all in the name of helping families, but not if you are in the bottom 40 percent of the population. Unbelievable. Absolutely unbelievable.

Let me just simply go back to this amendment, because I have been here now long enough to realize what I think is happening, and I just want to be very honest with my colleagues, all of whom I appreciate whether or not we agree or disagree on other things. I bring this amendment to the floor to essentially sound the alarm, because we have tax bills that are absolutely unbelievable. There is no standard of fairness.

Ninety-nine percent of the people in any cafe in any of our States would say, ''What? No, can't be; it can't be. We were thinking about tax cuts that would provide us with some relief. You mean, this is going to people with incomes over $400,000 a year and over $200,000 a year, and they get the lion's share of the benefits and hardly anything comes to us, those of us where both are working and we are making $35,000 a year? Say what? No, can't be, Senator WELLSTONE.''

Well, it is.

Or families are going to be saying in Minnesota, ''Wait a minute, I heard higher education was going to be more affordable. Wait a minute, you are saying to me now basically folks with IRA's are going to get the breaks and the breaks will mainly go to high-income people? And, by the way, the tax credits aren't going to be refundable, so if we are making $28,000 a year we'll be cut out?'' I meet these students all the time at community colleges. You have a woman or a man, she is 40, he is 45, they are going back to school, but their income is $28,000. They are not going to get a thing, hardly a thing. People are going to say, ''What? That's not what we understood was going to be the case.''

So, I ask my colleagues to bring out other data, other charts—I would be delighted for them to do so. I have about 2 minutes remaining. Let me read this again—

It is the sense of the Senate that any tax legislation enacted—

Just for staff who are listening or colleagues listening—

by the Congress this year should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers * * *

By the way, I don't think anybody in the Congress will say middle-income taxpayers are $250,000 a year. We all know what we are talking about here:

and that any such legislation should not disproportionately benefit the highest income taxpayers.

If my colleagues vote for this sense-of-the-Senate amendment, I will be delighted. Then I will come back with a slightly tougher one on the next bill, and if I get a strong vote for that, I will be delighted as well. But I want to tell you something, sense of the Senate or not, you are on record. You are on record and people in the country are going to be taking a close look at what we are about, and they are going to ask the question whether this tax relief is going to us or is it basically going to the same folks that all too often are the ones who always get the lion's share of the benefits.

This is all about political power, who decides, who benefits and who sacrifices. The folks who are benefiting are at the very top of the economic ladder, and the folks who are really paying the price are the people most in need of the assistance.

So, we will have this vote later on. Maybe people may vote against it, in which case you don't agree with this proposition. If you vote for it, don't think that your vote is just symbolic. I will have a tougher amendment on the next bill and all next week, any way I can, I will be talking about what you are on record for and how that is opposed to what is coming out of these tax committees.

Mr. President, I assume Democrats are going to have an alternative, in which case it will be good, because then people will say there are differences between the parties and those differences matter.

Mr. President, I ask unanimous consent for 30 more seconds.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I think that this debate is healthy for the body politic. People don't want to see us bitterly angry, but they do want to see us genuinely debate issues that directly affect them and their children and their families. I am telling you something, this amendment, that is what this amendment is all about. These tax bills, that is what they should be about.

I thank my colleagues for their courtesy.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I ask unanimous consent that immediately following the disposition of the two amendments that we have been talking about, that the bill be read a third time, and the Senate proceed to a vote on passage of S. 858, as amended, if amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SHELBY. Also, for the information of all Senators, this now means that all Members can expect up to three consecutive rollcall votes beginning around 2:45 this afternoon.

Mr. President, the committee has received the Congressional Budget Office cost estimate for S. 858. CBO found that the public bill would not affect direct spending or receipts in 1998; thus, pay-as-you-go procedures would not apply to it. In addition, the Unfunded Mandates Reform act [UMRA] excludes from application of the act legislative provisions that are necessary for the national security. CBO determined that all of the provisions of this bill either fit within that exclusion or do not contain intergovernmental mandates as defined by UMRA.

Mr. President, I ask unanimous consent that the Congressional Budget Office cost estimate for Senate bill 858, the intelligence authorization bill, be printed in the RECORD.

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

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 16, 1997.

Hon. RICHARD C. SHELBY,
Chairman, Select Committee on Intelligence, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 858, the Intelligence Authorization Act for Fiscal Year 1998.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Dawn Sauter.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 858—INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Summary: S. 858 would authorize appropriations for fiscal year 1998 for intelligence activities of the United States government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System (CIARDS).

This estimate addresses only the unclassified portion of the bill. On that limited basis, CBO estimates that enacting S. 858 would result in additional spending of $91 million over the 1998–2002 period, assuming appropriation of the authorized amounts. The unclassified portion of the bill would not affect direct spending or receipts in 1998; thus pay-as-you-go procedures would not apply to it. The Unfunded Mandates Reform Act (UMRA) excludes from application of the act legislative provisions that are necessary for the national security. CBO has determined that all of the provisions of this bill either fit within that exclusion or do not contain intergovernmental mandates as defined by UMRA.

Estimated cost to the Federal Government: The estimated budgetary effect of S. 858 is shown in the following table. CBO was unable to obtain the necessary information to estimate the costs for the entire bill because parts are classified at a level above clearances held by CBO employees. The estimated costs, therefore, reflect only the costs of the unclassified portion of the bill.

The bill would authorize appropriations of $91 million for the Community Management Account and $197 million for CIARDS. The funding for CIARDS would cover retirement costs attributable to military service and various unfunded liabilities. The payment to CIARDS is considered mandatory, and the authorization under this bill would be the same as assumed in the CBO baseline.

For purposes of this estimate, CBO assumed that S. 858 will be enacted by October 1, 1997, and that the full amounts authorized will be appropriated for fiscal year 1998. Outlays are estimated according to historical spending patterns for intelligence programs.

[By fiscal year, in millions of dollars]

	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATION						
Spending under current law:						
Estimated authorization level [1]	102	0	0	0	0	0
Estimated outlays	95	46	22	5	0	0
Proposed changes:						
Estimated authorization level	0	91	0	0	0	0
Estimated outlays	0	50	23	14	5	0
Spending under S. 858:						
Estimated authorization level [1]	102	91	0	0	0	0
Estimated outlays	95	96	45	19	5	0

[1] The 1997 level is the amount appropriated for that year.

Note: The costs of this legislation would fall within budget function 050 (national defense).

Pay-as-you-go considerations: None.

Intergovernmental and private-sector impact: The Unfunded Mandates Reform Act (UMRA) excludes from application of the act legislative provisions that are necessary for the national security. CBO has determined that all of the provisions of this bill either fit within that exclusion or do not contain intergovernmental mandates as defined by UMRA.

Estimate prepared by: Federal Cost: Dawn Sauter; Impact on State, Local, and Tribal Governments: Pepper Santalucia; Impact on the Private Sector: Eric Labs.

Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

Mr. SHELBY. Mr. President, I will be brief on the Wellstone amendment.

I think just about everybody in the Senate would agree that whatever tax bill we enact this year should meet a standard of fairness in the distributional impact on all Americans, on upper, middle and lower taxpayers, as he is talking about. I have no quarrel with the amendment, the Wellstone amendment. I do not believe it belongs on the Senate authorization bill dealing with intelligence activities, but I have no opposition to the content of it or the substance of it.

Mr. WELLSTONE. Mr. President, I thank the Senator for his courtesy and inform him I appreciate him. And after the vote, I think I will ask unanimous consent that the Finance Committee be immediately notified of the result of our vote in the Senate.

Mr. SHELBY. They will be notified.

Mr. WELLSTONE. I thank the Senator.

The PRESIDING OFFICER. Under the previous order, the Senator from New Jersey is recognized.

AMENDMENT NO. 416

(Purpose: To require an unclassified statement of the aggregate amount of appropriations for intelligence activities)

Mr. TORRICELLI. Mr. President, I have an amendment filed at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. TORRICELLI], for himself, Mr. SPECTER, Mr. KERREY, and Mr. BUMPERS, proposes an amendment numbered 416.

Mr. TORRICELLI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, between lines 19 and 20, insert the following:

SEC. 309. REQUIREMENTS FOR SUBMITTAL OF BUDGET INFORMATION ON INTELLIGENCE ACTIVITIES.

(a) SUBMITTAL WITH ANNUAL BUDGET.—Notwithstanding any other provision of law, the President shall include in each budget for a fiscal year submittal under section 1105 of title 31, United States Code, the following information:

(1) The aggregate amount appropriated during the current fiscal year on all intelligence and intelligence-related activities of the United States Government.

(2) The aggregate amount requested in such budget for the fiscal year covered by the budget for all intelligence and intelligence-related activities of the United States Government.

(b) FORM OF SUBMITTAL.—The President shall submit the information required under subsection (a) in unclassified form.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, the Senate is faced with an issue as old as the Republic itself. It is the continuing debate between the public's right to know and the Government's need to retain information only unto itself. It is an old argument, but it is one that has largely been settled through time.

We have decided as a country that the best source of good judgment in this Nation remains with the people and that they should be trusted with the public welfare in having a maximum exposure to the facts and judgments that govern our society.

Indeed, it was that wisdom which led to the first amendment to the Constitution itself, and equally significantly as it led to article I, section 9, clause 7 of the Constitution, which reads:

* * * a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.

For a long time, Mr. President, despite these national ambitions, this consistency with our greatest national principles, we as a Congress determined this was not possible because of the dangers of world war and the continuing struggle in the cold war.

It was the judgment of this Congress that even the total aggregate amount of expenditures for our intelligence agencies, including the Central Intelligence Agency, would remain private and not be published and shared with the people.

The end of the cold war has raised this question anew. Not only for the intelligence community, but indeed for all of the U.S. Government. And most of this Government has responded appropriately.

The Defense Department began to share information about programs it was developing, technologies that it possessed. Weapons hitherto unknown were shared with the press and the public. And perhaps predictably that is why since 1980, according to the bipartisan Brown Commission, defense expenditures of the United States in real terms have declined by 4 percent.

Accountability by the people themselves led this Congress to adjust our national priorities to deal with the new emerging security situation internationally. No doubt, an equal reflection of the fact the intelligence community retained privacy of its budget is that the bipartisan Brown Commission found that since 1980 the intelligence community's budget, in adjusted terms, increased by 80 percent.

Mr. President, what we are facing today in honest debate can no longer be concluded to be whether or not adversaries of the United States will gain information about our intentions and abilities of our intelligence community, because our adversaries have neither the means to respond nor probably the ability in all cases to understand the operations of our intelligence community. The only people being shielded from this information are not adversaries, but the taxpayers of the United States.

Indeed, general accountings, in estimates, of American intelligence expenditures appear in all of our major newspapers. Only the exact aggregate numbers are denied, and not denied to adversaries; they are denied to the people of this country who need to make informed judgments as voters, as taxpayers about our national priorities.

So I rise today with an amendment that this Senate has considered before. It is simply this: To publish, not the details of the CIA expenditures, not to reveal their programs, to share no numbers and no estimates on any technology, any element of spending of the intelligence community but one, the total aggregate amount of money spent in the U.S. Government for the Central Intelligence Agency.

This one number would allow the American people, as an informed electorate, to make their judgments on a

comparative basis about whether or not, as compared to defense, social programs, foreign assistance, and the intelligence community, this Congress is making the right judgments.

And yet, it will be argued that our adversaries would have this information and use it for their own purposes. I understood that argument when we were concerned that the Russians, the Soviet Union with all of its capabilities, as our principal adversary would have this information and could adjust their own intelligence programs to respond.

There is no Soviet Union; and the cold war has ended. The decline and change of our national defense expenditures give the best testament to the fact that this Senate has accepted that fact.

Now we face new adversaries, terrorist organizations, a list of pariah states from North Korea to Libya, to Iraq and Iran. And so the question begs itself, what if these nations possessed this one aggregate number, of what value would it be to them? By most press estimates, total expenditures of the Central Intelligence Agency are not only more than the intelligence expenditures of each of those countries, it is more than all those countries combined.

Indeed, the United States, by most published estimates, spends more on its intelligence community than the gross national product of every one of these potential adversaries of the United States. And so for those who will argue that we cannot share this information with the American people, I ask, what is it North Korea would do with this information or Libya or Iran? What possible change would they have in their own programs or their own expenditures? They have not the means to respond or to change.

I repeat in my argument, Mr. President, as I began. There is only one people on this Earth that need this information to make important judgments about their future who are being shielded from it, and it is the people of the United States.

Mr. President, if this argument seems familiar to Members of the Senate, it is because it is not new. This Senate voted on this question in 1991, a sense-of-the-Senate resolution in 1992, and again in 1993.

Indeed, most Members of the Senate who in a matter of moments will vote on this question have already voted in previous years to share this information with the American people.

Eighty members of the House of Representatives have cosponsored legislation to do so.

The Federation of American Scientists have gone to Federal court to compel its release on constitutional principles.

But perhaps most significantly, the President of the United States himself, our Commander in Chief, who has the ultimate authority for the security of the United States, suggested if the Congress would concur, he would release this information.

This Senate on previous occasions has confirmed for the directorship for the Central Intelligence Agency Admiral Turner, Mr. Gates, Mr. Deutch. Each of those CIA Directors themselves have argued that concealing this information serves no purpose and it should be shared with the people.

This Congress has disagreed on this issue before. And so a bipartisan commission, chaired by former Secretary of Defense Brown, and by our former Senate colleague, Senator Rudman, addressed this question in their own report. And they urged the public release of this information.

To my colleagues, when you have voted on this question previously, when Directors of the Central Intelligence Agency, the President of the United States, and a commission charged for this very purpose argues that this single individual aggregate amount of spending should be released, by what possible logic do we continue to shield the American people from these facts?

But if, Mr. President, in their individual judgment my colleagues are still convinced that because of the danger of these new pariah states and the rise of international terrorism, this expenditure must be concealed from our people, I urge them to consider the fact that we are also not the first of the allied nations to face this judgment.

The British Parliament has had this debate. And Britain decided its people should share with this information. The Canadian Parliament, the Australian Parliament, and perhaps most significant, the Israeli Knesset—no nation on Earth is faced with the threat of terrorism more than Israel—but they have decided, in spite of the fact that their program cannot conceivably have our capabilities nor the relative advantage versus their adversaries as we face as opposed to our own, they share this information with the people of Israel.

We remain the exception.

Fifty years since the Second World War when a judgment was made that for national security, a judgment appropriately made for national security, that this information was best concealed, we retain this last relic of the cold war.

Mr. President, this is a national policy to conceal the gross expenditures of the Central Intelligence Agency that has lost its rationale. It is time for this Senate once again, as it has on three previous occasions, to vote to allow the sharing of this information with the American people. But we do so not because we believe it is a compromise with national security that has become necessary, but because indeed many of us believe it would enhance our national security.

Perhaps most significantly in the Brown report was a conclusion that, in the commission's words, ''Most intelligence agencies seem to lack a resource strategy apart from what is reflected in the President's 6-year budget projection. Indeed, until the intelligence community reforms its budget process, it is poorly positioned to implement strategies.''

Efficiency, accountability, proper judgments for national security, like all other aspects of the governance of the United States, are best made under the careful scrutiny of the people themselves. National security is not only the exception, it may be the best rule. It is the lives of the people of this country themselves—from terrorism and from a new group of potential adversaries—that we are charged with protecting. Allow the people of the United States to participate in this judgment.

I urge my colleagues, once again, as you have done on several previous occasions, to join with the previous leadership of the Central Intelligence Agency in concurrence with the commission report that you commissioned to be done, and allow this single number, this one gross expenditure of the Central Intelligence Agency's budget, to be released to the American people.

I yield the floor.

Mr. SHELBY. Mr. President, I rise to oppose the Torricelli amendment. I oppose the public disclosure of the overall level of intelligence funding as proposed by the amendment offered by the Senator from New Jersey.

Mr. President, it does not, I repeat, it does not take an act of Congress to declassify the top line of the intelligence budget as this amendment would do if adopted. The President of the United States has always had and has today the authority to disclose this figure and has always chosen to keep it classified.

Determining classification is the responsibility and is the duty of the Chief Executive of the United States, the President, who is also, as we know, the Commander in Chief. Presidents Truman through Clinton have determined this figure is to remain classified, and I believe we should not overrule that judgment.

The purpose of maintaining a premier intelligence capability is to save lives and to prevent and, if we get in them, win wars. The foundation of an effective intelligence capability, as we all know, is secrecy. Secrecy protects not only the information that we collect, but also the brave people that put themselves at risk to do the collection of it. We are an open and a free society that generally abhors secret dealings by our Government. But in the case of intelligence collection and analysis, secrecy, I believe, is absolutely necessary.

Some of my colleagues argue that the American people have a right to know how much of their money is being spent to defend their Nation's security through intelligence-gathering operations. I assert today that, through its elected officials, the public interests are being effectively served.

As U.S. Senators, all of us we have been elected to represent the interests of our constituents and to act on their behalf. Therefore, the American people do know, in a sense, how much we spend on national security because their elected representatives know. As on many other issues, Mr. President, our constituents have a voice, and it speaks through the Senators and Representatives and the President of the United States.

Some of my colleagues will argue that disclosing the total budget amount will instill public confidence and enable the American people to know what portion of the Federal budget is dedicated to intelligence activities. It appears there is general agreement that the details of the intelligence budget should remain classified, however. I believe that the total budget figure is of no use to anyone but to those who wish to do us harm.

For example, what do the numbers tell our adversaries or potential adversaries in the world? In any given year, perhaps, not a great deal. But while watching the changes in the budget over time, and using information gathered by their own intelligence activities, sophisticated analysts can indeed learn a great deal.

Trend analysis, Mr. President, you are familiar with, is a technique that our own analysts use to make predictions and to reach conclusions. There are hostile foreign intelligence agencies all over the world that are focused solely on gathering every bit of information that they can about our own intelligence-gathering operations and our capabilities. Their ultimate goal is to exploit weaknesses and to deny access and to deceive our own intelligence collectors. Denial and deception is already a serious concern for the intelligence community, and providing our enemies or potential enemies with any insight as to what we spend on intelligence will only make it worse, not better.

Others will argue that the total budget figure is already in the public domain, and we should just acknowledge it. Mr. President, we never, never confirm or deny classified information that may have been published somewhere or spoken by someone. Classified information, as you well know, remains classified even if it wrongly makes it into the public domain.

We will also, Mr. President, hear from those who say disclosure is required by the statement and account clause of the Constitution, article 1, section 9, clause 7. Mr. President, I assert today that the current practice is fully consistent with the Constitution, and it carries forward a tradition of secret expenditures dating back more than 200 years. As a matter of fact, the Supreme Court of the United States observed in the U.S. versus Richardson case, ''Historical analysis of clause 7 suggests that it was intended to permit secrecy in operations.''

Further, Mr. President, the figure is available to all Members of Congress, the U.S. Senate and, the U.S. House to review.

As I reviewed the debate on this topic, I found a statement by my colleague from Rhode Island, Senator CHAFEE, in 1993, with which I totally agree, and which is appropriate today. Senator CHAFEE, the distinguished Senator from Rhode Island, said, disclosing the top line budget figure would only ''frustrate a curious public and politicize the intelligence budget.''

He pointed out further, ''What many proponents of disclosure want to do is to put a bull's-eye on the intelligence budget and hold it up as a target for public ridicule, recognizing full well that we cannot engage in a meaningful public debate regarding intelligence programs.''

I assure you, Mr. President, once the overall number has been released, there would be efforts to amend the overall funding for intelligence in open session. I do not believe it would be good for the Senate, the House, or the American people. Otherwise, I believe President Clinton and Presidents before him would have already declassified the number which they have the right to do.

I yield the floor.

Mr. TORRICELLI. Mr. President, I first thank my colleagues who have joined me in this effort today, most significantly, Senator SPECTER of Pennsylvania, who has led this effort previously and makes this a genuinely bipartisan effort to share this information with the American people, Senator BUMPERS of Arkansas, who has argued so passionately on this cause previously, and, of course, the ranking member of the intelligence committee, Senator KERREY of Nebraska.

Mr. President, I know that many Government agencies would have liked the right to keep the information of their expenditures on a proprietary basis. This logic must have occurred to the Defense Department. Indeed, it was difficult for the Defense Department, at the end of the cold war, to begin to share some of the programs, exhibit some of the technology and the assets it possessed that previously had remained secret.

This Congress and the leadership of this Government made a judgment that the people could not make the proper decisions about their elected representatives and we could not make the proper judgments for them without complete access to information. I want to remind my colleagues, we have faced this issue previously in 3 different years since the end of the cold war, and on each of those occasions this Senate has voted, even if contained in other legislation, either by law or by a sense of the Senate, to permit the publishing of this one single number. If we fail to do so today, it will be a change in the position of this Senate. It will be an inconsistency by a majority of Senators who served in this institution in those previous years.

By what logic would we now change our minds? Because it will endanger an employee of the Central Intelligence Agency? On what basis and by what theory would anyone be endangered because they knew a total amount of money spent by the intelligence community? Because an adversary will change their plans, initiate a new program, compete with the intelligence community of the United States—when I have demonstrated that every and each potential adversary of the United States has a gross national product that is, according to published reports, smaller than the gross expenditures of the American intelligence communities?

Mr. President, I conclude as I began: There is only one group of people who have real need of this information upon which to make decisions, and it is the taxpayers of the United States. This is the last cloud of secrecy necessitated by war, cold war and struggle, that should be removed by this Government. My colleagues have decided to do so before, but we have been frustrated in conference, and our will has not been done. It can be done now.

I urge an affirmative vote to allow the public release of the aggregate expenditures of the United States intelligence community, a single number, published each year. The people of our country can make a good and accurate judgment.

I want to thank again Senator SPECTER, Senator BUMPERS, and Senator KERREY for joining me in this and each of my colleagues who have voted previously on a majority basis to allow its release.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. KYL. Mr. President, I rise in the strongest possible opposition to the Torricelli amendment. My grandmother used to say there are some things that are better not to know, and that is the case with certain highly classified information that is important to the national security of American citizens. One of those things is how much money is spent on our intelligence activities, information which is very useful to our opponents, and not particularly useful to the average American taxpayer.

The public's right to know, as has been pointed out by the distinguished chairman of the Intelligence Committee, is adequately protected by our elected representatives. That is why we have special provisions of law, Mr. President, that call for certain Members of Congress only—not every Member of Congress, but only certain Members of Congress—to be apprised of certain operations and certain details of our intelligence operations.

For example, in an operation such as that which nabbed the terrorist Mir Aimal Kansi just last Saturday, it was known to only a handful of our elected representatives because that is what the law provides. The American people did not need to know that, and, indeed,

it would have jeopardized American lives, the people who were involved in this operation, had there been more widespread knowledge. There is a reason why this information is not public.

The irony is, Mr. President, that revealing the top-line number, the aggregate amount we spend on intelligence, would be of very little use to the average American debating whether or not it is the proper number, but it means a great deal to clever potential adversaries who do trend analysis and extrapolation from year to year to see whether or not there are changes and who try to determine whether or not we have, therefore, made certain commitments to our intelligence that would be of interest to. So on the one hand it doesn't help the average American much. On the other hand, it could easily help opponents a great deal. Unfortunately, there is no way for us to defend that budget. If the top line is $10 billion, or $100 billion, or $50 billion, just hypothetically, whatever number, somebody might say, ''I don't think that is a good number.'' How do you defend that number without getting into all of the sensitive, classified information that comprises the budget? So it is not a good idea.

No other friend or ally of the United States reveals the amount that it spends on intelligence. It would set a terrible, terrible precedent, Mr. President, because right after the aggregate budget was revealed, everybody would realize that, to the average American, that doesn't say much and so the calls would be very quick for more information. ''You gave us the top line; how about the categories on which it is spent?''

This is a slippery slope, Mr. President. Reveal the first number and it will be just a matter of minutes before there will be a call to reveal more information. As a matter of fact, our colleague from New Jersey, in effect, just did that by saying that ''in the area of defense spending we have determined that we need complete access to information,'' to use his quotation. And the defense budget is known. Yes, the defense budget is known, but there is still much about defense that is highly classified. That is the way it needs to be.

Another argument of our friend from New Jersey is that there have been leaks and there is no reason to continue to withhold the information. Of course, the proper policy when there are leaks is to find them. They can be very damaging to our national security. The answer is not to, therefore, let all the information out. The object is to try to prevent those leaks from causing more harm.

In conclusion, Mr. President, if this is such a good idea, one wonders why previous Presidents haven't done it. They have the authority and power to do it, and they have not done it because they know full well that it is not the right thing to do. I just suggest that it would be highly, highly dangerous to the national security interests of the United States, to the lives of Americans who literally put their lives on the line to work operations that are very dangerous that the public never hears about, because, obviously, they can't, or it would compromise the sources and methods by which we obtain information. It would be very dangerous to these people if our potential adversaries could soon begin to pick apart the budget and learn what kind of capabilities we have to use against them.

I urge, in the strongest possible terms, that we vote against the Torricelli amendment and urge my colleagues, when we have that vote, to do so.

Mr. SHELBY. Mr. President, I yield to my friend from Ohio as much time as he might need.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, I rise today in strong opposition to the amendment proposed by my colleague and friend from New Jersey. It is an amendment that would disclose the total intelligence budget.

Mr. President, intelligence budgets and programs are kept secret for a good reason: to keep our enemies—and, yes, we still do have enemies—from knowing how much we are spending on intelligence and, of course, on what programs. Mr. President, disclosure of the total budget might well be the first step leading to a demand to disclose individual agency budgets, as my colleague from Arizona has just stated, and inevitably to disclose specific programs.

Mr. President, the reality is that a single budget figure with no additional detail or disclosure of capabilities does not, in my view, provide a sufficient basis for a meaningful public debate. Therefore, I think there would be pressure to disclose more. But such a disclosure would only help our enemies. It would provide them with vital information on our Nation's resource allocations. It would undermine our commitment to early warning for our policymakers, as well as our ability to provide our military the intelligence information that is essential to making them the best in the world.

President Clinton—as the chairman of the committee has already pointed out—has the authority to disclose the total budget on his own. However, he has not done so. President Clinton joins every President since Harry Truman in making that same policy decision—that it is not in the best interest of this country to disclose this dollar figure.

Mr. President, the practice of keeping the budget secret is fully consistent with the Constitution, and it carries forward a tradition of secret expenditures dating back more than 200 years. The Supreme Court observed in U.S. versus Richardson that ''historical analysis of clause 7 suggests that it was intended to permit secrecy in operations.'' It is clear, Mr. President, the Constitution provides for this secrecy.

This intelligence figure is available to all Senators, as is the entire classified schedule of authorizations and classified annex to the Intelligence Authorization Act. Members of the Intelligence Committee, members of the Armed Services Committee, members of the Appropriations Committees in both the House and the Senate do provide vigorous oversight of the intelligence community and of its budget. There is full scrutiny through the people's elected representatives, while at the same time providing protection for intelligence operations.

Mr. President, to disclose the budget would break with tradition. I believe it would help our enemies and it would not provide the public with any meaningful information. For these reasons, Mr. President, I urge my colleagues to vote ''no'' on this amendment.

I believe that little can be gained, but much can be lost over time by this type of disclosure.

I thank the Chair and my colleague from Alabama.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. TORRICELLI. I yield the remainder of our time to Senator SPECTER of Pennsylvania, and I thank him for his leadership.

Mr. SPECTER. Mr. President, I support public disclosure of the overall funding law and would start with the language of the Constitution, which I believe supports that disclosure:

> No money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.

On the base, that calls for public disclosure. I know some courts have limited that interpretation to what Congress says. But I believe, as a constitutional matter, disclosure ought to be made. And beyond that, as a public policy matter for the Congress, disclosure ought to be made.

In the 8 years I served on the Senate Intelligence Committee—2 years as chairman—it seemed to me that much too much is kept secret, and disclosing the overall amount is not to disclose the programs. We have seen terrorism as the instrumentally for political purposes, replacing war. Intelligence is very important to fight terrorism, and I believe if the American people knew how much money was being spent on intelligence gathering, the people would want more spent and not less.

Just yesterday, the chairman of the House Intelligence Committee took issue with the way the Central Intelligence Agency is being run, saying it is not being run effectively. Much too much is being kept secret, Mr. President. We can protect important sources and methods and means from being disclosed, but still have a great deal more candor for the American people about what is going on in intelligence. When we look at the budget of the CIA or the

FBI for domestic intelligence, those are items which ought to be subject to public debate. The public ought to be demanding more. The public ought to be receiving more. As a very basic first step, it is my sense—having some familiarity with the Intelligence Committee operations and overall budget—that the funding level ought to be disclosed.

I thank the Chair and inquire how much of the 2½ minutes is left.

The PRESIDING OFFICER. There are 19 seconds remaining.

Mr. SPECTER. I leave that to the sponsor of the bill.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. I believe I have consumed all of my time.

The PRESIDING OFFICER. The Senator has 10 seconds.

Mr. TORRICELLI. The 10 seconds I have remaining I yield to the Senator from Nebraska.

Mr. KERREY. Mr. President, I support the amendment offered by Senator TORRICELLI to declassify the aggregate intelligence budget. This body has been on record a number of times over the years as supporting disclosure of the intelligence budget total. Last year the Intelligence Authorization Act as reported by the SSCI and adopted by the Senate required the President to disclose in his annual budget submission to Congress each year the total amount appropriated for all intelligence and intelligence-related activities, that is, the total of NFIP, JMIP, and TIARA, in the current fiscal year and the total amount requested for the next fiscal year. As has happened on each previous occasion that the Senate has voted in favor of disclosure, the provision in last year's bill ultimately was dropped in conference with the House.

The Senate's support for this position dates back at least to the Church committee, in 1976. The following year the Select Committee on Intelligence was established and the members of that committee voted in 1977 for public disclosure of the aggregate intelligence budget. In the years since, the Senate has regularly voted to disclose the aggregate amount of intelligence spending.

Senators will recall that in 1994 we chartered a commission to conduct a comprehensive review of American intelligence. Part of the statutory mandate of this commission was to study the issue of budget disclosure and resolve it once and for all. The Aspin-Brown Commission unanimously recommended that the total amounts appropriated and requested be disclosed. Senators WARNER and Rudman and other traditional opponents agreed. In fact, Senator Rudman and former Defense Secretary Brown would declassify the CIA budget as well in order to show it is only a fraction of the overall budget.

Public disclosure of total budget amount for intelligence is symbolically important: it sends a message that intelligence is a legitimate and open governmental function. It helps to instill public confidence and enables the American people to know what proportion of the entire Federal budget is spent on intelligence, as compared with other functions. Moreover, there is an argument that disclosure is constitutionally required by the statement and account clause of the Constitution (Art. I, Sec. 9, clause 7), which provides that ''A regular Statement and Account of the Receipts and Expenditures of all public money shall be published from time to time.''

Disclosure of the aggregate budget amount will not harm our national security. Disclosure of the top-line number is not sufficient to alert adversaries to deployment of new systems; spending on new systems doesn't occur in 1 year, it's stretched out over a number of years. There has been no history of conspicuous spikes in intelligence spending. It is interesting to note that our major allies disclose their intelligence budgets. The United Kingdom recently decided to disclose the total budgets for MI–5 and MI–6.

The reality is that this number is already in the public domain in approximate terms. The intelligence budget is already widely reported in the press. A congressional committee released the actual numbers for all agencies a couple of years ago by mistake. Even efforts to talk around the budget numbers, by using percentages, for example, instead of actual numbers, have given industrious reporters and analysts sufficient information to extrapolate the dollar figures. Knowledge of the top-line does not give an adversary useful information about intelligence targets, sources, or methods.

Nor has the de facto disclosure of the budget total taken us down the so-called slippery slope of more detailed disclosures. In fact, I believe this disclosure will actually strengthen our ability to protect vital national secrets by bolstering the credibility of our classification decisions—officially revealing the budget total tells the American public that we are using classification to protect vital national secrets, not to conceal information that might be inconvenient to defend. And I think it would not be difficult to defend the size of the intelligence budget, given the complex world we live in today.

For these reasons, Mr. President, I support this amendment and urge my colleagues to do the same.

Mr. SHELBY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4½ minutes remaining.

Mr. SHELBY. I will try to be brief.

Mr. President, as former Director Woolsey of the CIA once said, ''It is impossible to conduct a meaningful debate on the effects of such amendments without explaining the component parts of the intelligence budget.''

Think about that a minute. How much is spent for the CIA? How much is spent for signals intelligence? How much are we spending on satellites, and so on?

It is that discussion which creates the likelihood of disclosure of sensitive intelligence information that would be of benefit to our adversaries.

Mr. President, there are many opportunities to debate and discuss the details of the intelligence budget among the Intelligence, Armed Services, and Appropriations Committees. We all do this. This is not a topic that goes unexamined by the people's representatives in the Senate or the House.

Mr. President, the Senate Intelligence Committee was established to ensure vigorous oversight of our intelligence activities. I believe myself that the committee faithfully represents the American people. Our goal is to maintain a robust intelligence capability while ensuring that our intelligence activities are conducted in accordance with American values and constitutional principles.

The members of the committee take their responsibilities very seriously, and I pledge to the American people that we will continue to represent the best interests of this Nation.

Mr. President, our intelligence capabilities are a critical national asset and, as chairman of the committee, I will not support an effort to disclose classified information when there is no compelling argument to do so. Therefore, I strongly urge my colleagues to oppose the Torricelli amendment.

I yield the remainder of my time.

Mr. KERREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 415

The PRESIDING OFFICER. The question is on agreeing to the Wellstone amendment to S. 858.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Dakota [Mr. DASCHLE] is necessarily absent.

I also announce that the Senator from South Dakota [Mr. DASCHLE] is absent due to a death in the family.

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 107 Leg.]

YEAS—99

Abraham	Ashcroft	Biden
Akaka	Baucus	Bingaman
Allard	Bennett	Bond

Boxer	Graham	McCain
Breaux	Gramm	McConnell
Brownback	Grams	Mikulski
Bryan	Grassley	Moseley-Braun
Bumpers	Gregg	Moynihan
Burns	Hagel	Murkowski
Byrd	Harkin	Murray
Campbell	Hatch	Nickles
Chafee	Helms	Reed
Cleland	Hollings	Reid
Coats	Hutchinson	Robb
Cochran	Hutchison	Roberts
Collins	Inhofe	Rockefeller
Conrad	Inouye	Roth
Coverdell	Jeffords	Santorum
Craig	Johnson	Sarbanes
D'Amato	Kempthorne	Sessions
DeWine	Kennedy	Shelby
Dodd	Kerrey	Smith (NH)
Domenici	Kerry	Smith (OR)
Dorgan	Kohl	Snowe
Durbin	Kyl	Specter
Enzi	Landrieu	Stevens
Faircloth	Lautenberg	Thomas
Feingold	Leahy	Thompson
Feinstein	Levin	Thurmond
Ford	Lieberman	Torricelli
Frist	Lott	Warner
Glenn	Lugar	Wellstone
Gorton	Mack	Wyden

NOT VOTING—1

Daschle

The amendment (No. 415) was agreed to.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Alabama.

Mr. SHELBY. Mr. President, I ask unanimous consent that the next two votes be reduced to 10 minutes time limit.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, also, I would like to include in that consent that there be 2 minutes of debate before each vote, equally divided, so an explanation can be given of those.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that members of the Finance Committee be immediately informed of the result of this vote.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

AMENDMENT NO. 416

The PRESIDING OFFICER. The question now occurs on amendment No. 416, offered by the Senator from New Jersey. We have 2 minutes for debate. The Senator from New Jersey is recognized.

Mr. TORRICELLI. Mr. President, I thank Senator SPECTER and Senator KERREY for joining me in this effort. We asked the Senate to do that which you have done three times before, that which three previous Directors of the Central Intelligence Agency have endorsed, that which the Brown Commission, in a bipartisan review of this issue, has endorsed—that is to share with the American people and the Members of this Congress the total aggregate amount spent on intelligence activities by the U.S. Government. No details, no programs, no internal facts—one aggregate number, so the people can make their own judgments whether the direction and the amount of intelligence spending is appropriate and proper for the U.S. Government. I urge an affirmative vote.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I oppose the public disclosure of the overall level of intelligence funding as proposed by the Torricelli amendment. It does not take an act of Congress to declassify the top line of intelligence spending. The President of the United States has always had the authority to disclose this figure, and has always chosen to keep it classified. Determining the classification is the responsibility and, I believe, the duty of the Chief Executive and Commander in Chief. Presidents Truman through Clinton have determined that this figure is to remain classified and we should not overrule that judgment.

I yield the remainder of my time. I ask my colleagues to vote no on the Torricelli amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Dakota [Mr. DASCHLE] is necessarily absent.

I also announce that the Senator from South Dakota [Mr. DASCHLE] is absent due to a death in the family.

The result was announced—yeas 43, nays 56, as follows:

[Rollcall Vote No. 108 Leg.]

YEAS—43

Akaka	Feinstein	Mikulski
Baucus	Glenn	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Harkin	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Johnson	Robb
Bumpers	Kennedy	Rockefeller
Byrd	Kerrey	Sarbanes
Cleland	Kerry	Specter
Conrad	Kohl	Torricelli
Dodd	Landrieu	Wellstone
Dorgan	Lautenberg	Wyden
Durbin	Leahy	
Feingold	Levin	

NAYS—56

Abraham	Ford	Mack
Allard	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brownback	Grassley	Roberts
Burns	Gregg	Roth
Campbell	Hagel	Santorum
Chafee	Hatch	Sessions
Coats	Helms	Shelby
Cochran	Hutchinson	Smith (NH)
Collins	Hutchison	Smith (OR)
Coverdell	Inhofe	Snowe
Craig	Jeffords	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Domenici	Lieberman	Thurmond
Enzi	Lott	Warner
Faircloth	Lugar	

NOT VOTING—1

Daschle

The amendment (No. 416) was rejected.

Mr. SHELBY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THOMAS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third and was read the third time.

Mr. SHELBY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the agreement, there will now be 2 minutes for debate equally divided.

Mr. SHELBY. Mr. President, I yield back the minute that was allotted to us.

The PRESIDING OFFICER. The Senator from Alabama has yielded back his time.

Mr. FORD. Mr. President, I yield back whatever time is on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is, Shall the bill, as amended, pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Dakota [Mr. DASCHLE] is necessarily absent.

I also announce that the Senator from South Dakota [Mr. DASCHLE] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. SESSIONS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 109 Leg.]

YEAS—98

Abraham	Durbin	Landrieu
Akaka	Enzi	Lautenberg
Allard	Faircloth	Leahy
Ashcroft	Feingold	Levin
Baucus	Feinstein	Lieberman
Bennett	Ford	Lott
Biden	Frist	Lugar
Bingaman	Glenn	Mack
Bond	Gorton	McCain
Boxer	Graham	McConnell
Breaux	Gramm	Mikulski
Brownback	Grams	Moseley-Braun
Bryan	Grassley	Moynihan
Bumpers	Gregg	Murkowski
Burns	Hagel	Murray
Byrd	Hatch	Nickles
Campbell	Helms	Reed
Chafee	Hollings	Reid
Cleland	Hutchinson	Robb
Coats	Hutchison	Roberts
Cochran	Inhofe	Rockefeller
Collins	Inouye	Roth
Conrad	Jeffords	Santorum
Coverdell	Johnson	Sarbanes
Craig	Kempthorne	Sessions
D'Amato	Kennedy	Shelby
DeWine	Kerrey	Smith (NH)
Dodd	Kerry	Smith (OR)
Domenici	Kohl	Snowe
Dorgan	Kyl	Specter

Stevens	Thurmond	Wellstone
Thomas	Torricelli	Wyden
Thompson	Warner	

NAYS—1

Harkin

NOT VOTING—1

Daschle

The bill (S. 858), as amended, was passed, as follows:

S. 858

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 ''Intelligence Authorization Act for Fiscal Year 1998''.

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

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.
Sec. 102. Classified schedule of authorizations.
Sec. 103. Personnel ceiling adjustments.
Sec. 104. Community Management Account.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Increase in employee compensation and benefits authorized by law.
Sec. 302. Restriction on conduct of intelligence activities.
Sec. 303. Detail of intelligence community personnel.
Sec. 304. Extension of application of sanctions laws to intelligence activities.
Sec. 305. Administrative location of the Office of the Director of Central Intelligence.
Sec. 306. Encouragement of disclosure of certain information to Congress.
Sec. 307. Provision of information on violent crimes against United States citizens abroad to victims and victims' families.
Sec. 308. Standards for spelling of foreign names and places and for use of geographic coordinates.
Sec. 309. Sense of the Senate.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

Sec. 401. Multiyear leasing authority.
Sec. 402. Subpoena authority for the Inspector General of the Central Intelligence Agency.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

Sec. 501. Academic degrees in intelligence.
Sec. 502. Funding for infrastructure and quality of life improvements at Menwith Hill and Bad Aibling stations.
Sec. 503. Misuse of National Reconnaissance Office name, initials, or seal.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(6) The Department of State.
(7) The Department of the Treasury.
(8) The Department of Energy.
(9) The Federal Bureau of Investigation.
(10) The Drug Enforcement Administration.
(11) The National Reconnaissance Office.
(12) The National Imagery and Mapping Agency.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1998, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill ___ of the One Hundred Fifth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the Executive Branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 1998 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed two percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever the Director exercises the authority granted by this section.

SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) AUTHORIZATION.—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 1998 the sum of $90,580,000.

(2) AVAILABILITY OF CERTAIN FUNDS.—Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee and the Environmental Intelligence and Applications Program shall remain available until September 30, 1999.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Community Management Account of the Director of Central Intelligence are authorized a total of 278 full-time personnel as of September 30, 1998. Personnel serving in such elements may be permanent employees of the Community Management Account element or personnel detailed from other elements of the United States Government.

(c) CLASSIFIED AUTHORIZATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated for the Community Management Account by subsection (a), there is also authorized to be appropriated for the Community Management Account for fiscal year 1998 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a).

(2) AUTHORIZATION OF PERSONNEL.—In addition to the personnel authorized by subsection (b) for elements of the Community Management Account as of September 30, 1998, there is hereby authorized such additional personnel for such elements as of that date as is specified in the classified Schedule of Authorizations.

(3) CONSTRUCTION.—Authorizations in the classified Schedule of Authorizations may not be construed to increase authorizations of appropriations or personnel for the Community Management Account except to the extent specified in the applicable paragraph of this subsection.

(d) REIMBURSEMENT.—During fiscal year 1998, any officer or employee of the United States or member of the Armed Forces who is detailed to the staff of an element within the Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1998 the sum of $196,900,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. DETAIL OF INTELLIGENCE COMMUNITY PERSONNEL.

(a) DETAIL.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the head of a department or agency having jurisdiction over an element in the intelligence community or the head of an element of the intelligence community may detail any employee of the department, agency, or element to serve in any position in the Intelligence Community Assignment Program.

(2) BASIS OF DETAIL.—

(A) IN GENERAL.—Personnel may be detailed under paragraph (1) on a reimbursable or nonreimbursable basis.

(B) PERIOD OF NONREIMBURSABLE DETAIL.—Personnel detailed on a nonreimbursable basis shall be detailed for such periods not to exceed three years as are agreed upon between the heads of the departments or agencies concerned. However, the heads of the departments or agencies may provide for the extension of a detail for not to exceed one year if the extension is in the public interest.

(b) BENEFITS, ALLOWANCES, AND INCENTIVES.—The department, agency, or element

detailing personnel to the Intelligence Community Assignment Program under subsection (a) on a non-reimbursable basis may provide such personnel any salary, pay, retirement, or other benefits, allowances (including travel allowances), or incentives as are provided to other personnel of the department, agency, or element.

(c) EFFECTIVE DATE.—This section shall take effect on June 1, 1997.

SEC. 304. EXTENSION OF APPLICATION OF SANCTIONS LAWS TO INTELLIGENCE ACTIVITIES.

Section 905 of the National Security Act of 1947 (50 U.S.C. 441d) is amended by striking out ''January 6, 1998'' and inserting in lieu thereof ''January 6, 2001''.

SEC. 305. ADMINISTRATIVE LOCATION OF THE OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE.

Section 102(e) of the National Security Act of 1947 (50 U.S.C. 403(e)) is amended by adding at the end the following:

''(4) The Office of the Director of Central Intelligence shall, for administrative purposes, be within the Central Intelligence Agency.''.

SEC. 306. ENCOURAGEMENT OF DISCLOSURE OF CERTAIN INFORMATION TO CONGRESS.

(a) ENCOURAGEMENT.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the President shall take appropriate actions to inform the employees of the executive branch, and employees of contractors carrying out activities under classified contracts, that the disclosure of information described in paragraph (2) to the committee of Congress having oversight responsibility for the department, agency, or element to which such information relates, or to the Members of Congress who represent such employees, is not prohibited by law, executive order, or regulation or otherwise contrary to public policy.

(2) COVERED INFORMATION.—Paragraph (1) applies to information, including classified information, that an employee reasonably believes to evidence—

(A) a violation of any law, rule, or regulation;

(B) a false statement to Congress on an issue of material fact; or

(C) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

(b) REPORT.—On the date that is 30 days after the date of enactment of this Act, the President shall submit to Congress a report on the actions taken under subsection (a).

SEC. 307. PROVISION OF INFORMATION ON VIOLENT CRIMES AGAINST UNITED STATES CITIZENS ABROAD TO VICTIMS AND VICTIMS' FAMILIES.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) it is in the national interests of the United States to provide information regarding the murder or kidnapping of United States citizens abroad to the victims, or the families of victims, of such crimes; and

(2) the provision of such information is sufficiently important that the discharge of the responsibility for identifying and disseminating such information should be vested in a cabinet-level officer of the United States Government.

(b) RESPONSIBILITY.—The Secretary of State shall take appropriate actions to ensure that the United States Government takes all appropriate actions to—

(1) identify promptly information (including classified information) in the possession of the departments and agencies of the United States Government regarding the murder or kidnapping of United States citizens abroad; and

(2) subject to subsection (c), make such information available to the victims or, where appropriate, the families of victims of such crimes.

(c) CLASSIFIED INFORMATION.—The Secretary shall work with the Director of Central Intelligence to ensure that classified information relevant to a crime covered by subsection (b) is promptly reviewed and, to the maximum extent practicable without jeopardizing sensitive sources and methods or other vital national security interests, made available under that subsection.

SEC. 308. STANDARDS FOR SPELLING OF FOREIGN NAMES AND PLACES AND FOR USE OF GEOGRAPHIC COORDINATES.

(a) SURVEY OF CURRENT STANDARDS.—

(1) SURVEY.—The Director of Central Intelligence shall carry out a survey of current standards for the spelling of foreign names and places, and the use of geographic coordinates for such places, among the elements of the intelligence community.

(2) REPORT.—Not later than 90 days after the date of enactment of this Act the Director shall submit to the congressional intelligence committees a report on the survey carried out under paragraph (1).

(b) GUIDELINES.—

(1) ISSUANCE.—Not later than 180 days after the date of enactment of this Act, the Director shall issue guidelines to ensure the use of uniform spelling of foreign names and places and the uniform use of geographic coordinates for such places. The guidelines shall apply to all intelligence reports, intelligence products, and intelligence databases prepared and utilized by the elements of the intelligence community.

(2) BASIS.—The guidelines under paragraph (1) shall, to the maximum extent practicable, be based on current United States Government standards for the transliteration of foreign names, standards for foreign place names developed by the Board on Geographic Names, and a standard set of geographic coordinates.

(3) SUBMITTAL TO CONGRESS.—The Director shall submit a copy of the guidelines to the congressional intelligence committees.

(c) CONGRESSIONAL INTELLIGENCE COMMITTEES DEFINED.—In this section, the term ''congressional intelligence committees'' means the following:

(1) The Select Committee on Intelligence of the Senate.

(2) The Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 309. SENSE OF THE SENATE.

It is the sense of the Senate that any tax legislation enacted by the Congress this year should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers, and that any such legislation should not disproportionately benefit the highest income taxpayers.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. MULTIYEAR LEASING AUTHORITY.

Section 5 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f) is amended—

(1) in paragraph (e), by striking out ''without regard'' and all that follows through the end and inserting in lieu thereof a semicolon;

(2) by redesignating paragraph (f) as paragraph (g); and

(3) by inserting after paragraph (e) the following new paragraph (f):

''(f) Notwithstanding section 1341(a)(1) of title 31, United States Code, enter into multiyear leases for lease terms of not to exceed 15 years, except that—

''(1) any such lease shall be subject to the availability of appropriations in an amount necessary to cover—

''(A) rental payments over the entire term of the lease; or

''(B) rental payments over the first 12 months of the term of the lease and the penalty, if any, payable in the event of the termination of the lease at the end of the first 12 months of the term; and

''(2) if the Agency enters into a lease using the authority in subparagraph (1)(B)—

''(A) the lease shall include a clause that provides that the lease shall be terminated if specific appropriations available for the rental payments are not provided in advance of the obligation to make the rental payments;

''(B) notwithstanding section 1552 of title 31, United States Code, amounts obligated for paying costs associated with terminating the lease shall remain available until such costs are paid;

''(C) amounts obligated for payment of costs associated with terminating the lease may be used instead to make rental payments under the lease, but only to the extent that such amounts are not required to pay such costs; and

''(D) amounts available in a fiscal year to make rental payments under the lease shall be available for that purpose for not more than 12 months commencing at any time during the fiscal year; and''.

SEC. 402. SUBPOENA AUTHORITY FOR THE INSPECTOR GENERAL OF THE CENTRAL INTELLIGENCE AGENCY.

(a) AUTHORITY.—Subsection (e) of section 17 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q) is amended—

(1) by redesignating paragraphs (5) through (7) as paragraphs (6) through (8), respectively; and

(2) by inserting after paragraph (4) the following new paragraph (5):

''(5)(A) Except as provided in subparagraph (B), the Inspector General is authorized to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary in the performance of the duties and responsibilities of the Inspector General.

''(B) In the case of Government agencies, the Inspector General shall obtain information, documents, reports, answers, records, accounts, papers, and other data and evidence for the purpose specified in subparagraph (A) using procedures other than subpoenas.

''(C) The Inspector General may not issue a subpoena for or on behalf of any other element or component of the Agency.

''(D) In the case of contumacy or refusal to obey a subpoena issued under this paragraph, the subpoena shall be enforceable by order of any appropriate district court of the United States.

''(E) Not later than January 31 and July 31 of each year, the Inspector General shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives a report of the Inspector General's exercise of authority under this paragraph during the preceding six months.''.

(b) LIMITATION ON AUTHORITY FOR PROTECTION OF NATIONAL SECURITY.—Subsection (b)(3) of that section is amended by inserting '', or from issuing any subpoena, after the Inspector General has decided to initiate, carry out, or complete such audit, inspection, or investigation or to issue such subpoena,'' after ''or investigation''.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. ACADEMIC DEGREES IN INTELLIGENCE.

(a) IN GENERAL.—Section 2161 of title 10, United States Code, is amended to read as follows:

''§ 2161. Joint Military Intelligence College: master of science in strategic intelligence; bachelor of science in intelligence

''Under regulations prescribed by the Secretary of Defense, the President of the Joint Military Intelligence College may, upon recommendation by the faculty of the college, confer the degree of master of science in strategic intelligence and the degree of bachelor of science in intelligence upon the graduates of the college who have fulfilled the requirements for such degree.''.

(b) CONFORMING AMENDMENT.—The item relating to section 2161 in the table of sections at the beginning of chapter 108 of such title is amended to read as follows:

''2161. Joint Military Intelligence College: master of science in strategic intelligence; bachelor of science in intelligence.''.

SEC. 502. FUNDING FOR INFRASTRUCTURE AND QUALITY OF LIFE IMPROVEMENTS AT MENWITH HILL AND BAD AIBLING STATIONS.

Section 506(b) of the Intelligence Authorization Act for Fiscal Year 1996 (Public Law 104–93; 109 Stat. 974) is amended by striking out ''for fiscal years 1996 and 1997'' and inserting in lieu thereof ''for fiscal years 1998 and 1999''.

SEC. 503. MISUSE OF NATIONAL RECONNAISSANCE OFFICE NAME, INITIALS, OR SEAL.

(a) IN GENERAL.—Subchapter I of chapter 21 of title 10, United States Code, is amended by adding at the end the following:

''§ 426. Unauthorized use of National Reconnaissance Office name, initials, or seal

''(a) PROHIBITED ACTS.—Except with the joint written permission of the Secretary of Defense and the Director of Central Intelligence, no person may knowingly use, in connection with any merchandise, retail product, impersonation, solicitation, or commercial activity, in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary or the Director, any of the following:

''(1) The words 'National Reconnaissance Office' or the initials 'NRO'.

''(2) The seal of the National Reconnaissance Office.

''(3) Any colorable imitation of such words, initials, or seal.

''(b) INJUNCTION.—(1) Whenever it appears to the Attorney General that any person is engaged or is about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice.

''(2) Such court shall proceed as soon as practicable to the hearing and determination of such action and may, at any time before final determination, enter such restraining orders or prohibitions, or take such other action as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.''

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that subchapter is amended by adding at the end the following:

''426. Unauthorized use of National Reconnaissance Office name, initials, or seal.''.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

(The remarks of Mr. COCHRAN pertaining to the introduction of S. 939 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. LOTT. Mr. President, I am very pleased to be able to ask unanimous consent that the Senate now turn to the consideration of Calendar No. 88, S. 936, the Department of Defense authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 936) to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, for the information of all Senators, then, the Senate is now considering the defense authorization bill. Several amendments are expected to be offered to the bill; therefore, votes can be expected throughout the remainder of the afternoon and into the night. We will have to get started and see what amendments are available, and then we will expect some votes, but we would like to get as much work done today as we can. And that could take us into the night.

Also, I want to make clear that we do intend for the Senate to resume consideration of the bill on Friday. I do expect rollcall votes on amendments relative to the DOD bill, at least until the noon hour on Friday. But, again, that will depend on exactly what amendments are pending. We recognize Senators do have commitments to go back to their States tomorrow afternoon, and we will try to accommodate that.

But I do think we need to get some work done on this important legislation. A lot of effort has gone into working out a way to be able to bring the DOD authorization bill to the floor. I think we can make some progress, and I encouraged the ranking member and the chairman to see right away if they could get some finite list of amendments that might want to be offered and be considered. Maybe we can get some understanding of when we could get a final vote on this legislation when we come back after the recess.

Next week, we again do intend to bring up the reconciliation spending bill on Monday, as I discussed with the acting minority leader, and we hope to run off time on that bill on Monday. We will talk further about exactly what will happen on Monday. We will do that tomorrow probably just as we wrap up consideration of this bill, complete the spending reconciliation bill Tuesday afternoon or Wednesday, and then go to the tax bill on Thursday, and stay until we finish the tax cut bill.

I do not know exactly how long that will take. We have a very bipartisan effort underway in the Finance Committee. The vote on the spending bill was 20 to 0, and we are working together right now on the tax cut provisions also. I expect it will be a bipartisan process and a bipartisan bill. It is possible it may not take that long, but it is very important legislation and we need to get it done, completed next week—both of those bills.

Assuming we cannot complete the DOD authorization bill tomorrow because of some concerns, and at least one issue that may come up, I know the Democratic leader would want to be here for that, so we may not be able to take that up until after we come back from the recess.

I want to thank the Members for their cooperation in getting this legislation before the Senate now. And I do want to announce that we will expect to complete action on it the week that we come back. Hopefully, it will not take all week, because we have a lot of other bills now that are ready for consideration. It will be the pending business when we come back—if we do not complete it tomorrow—when we come back from the recess.

I hope Senators will come to the floor now and offer their amendments. Some Senators were inquiring, ''Why do we need to vote during the middle of the afternoon on Thursday?'' I would like to suggest we have votes the rest of the day into tonight, on Friday, and we be prepared next week to work long hours, Monday, Tuesday, Wednesday, Thursday, and Friday, to get our work done. Then we can go to the recess period and feel good about our production.

Would the Senator from Kentucky have any comments?

Mr. FORD. No comments, Mr. President. I appreciate the courtesy that the majority leader has shown me in the absence of the Democratic leader. I am trying to fill in as best I can, and hopefully we can be accommodating. And I am sure the majority leader will be accommodating to us. We both have to work together. I think Monday we can work out something that would be amenable to both sides. Hopefully, tomorrow we might look at the DOD authorization bill with amazement.

Mr. LOTT. Yes.

Mr. FORD. We hope we can do that, I am sure. But there is one amendment that we will have to wait until into July, so we are not going to finish. We could be very close. I hope we could find out how many amendments are out there and maybe get some kind of resolution to how many we might have.

I will be glad to help the majority leader with that.

Mr. LOTT. That would be very helpful, Mr. President.

I thank Senator FORD.

It is a pleasure for me to yield the floor to the chairman of the committee so we can begin the debate.

Mr. THURMOND. Thank you very much.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to take a few minutes before the Senate begins consideration of the fiscal year 1998 Defense authorization bill to explain why the Armed Services Committee filed two separate Defense authorization bills.

Yesterday, as most of you observed, there was objection to a consent request to take up S. 924, the bill the committee reported to the floor for consideration. This objection was based on a number of provisions involving public depots—specifically—Air Force Logistics Centers. Senator INHOFE, the chairman of the Readiness Subcommittee included these provisions in his subcommittee markup. They were approved by the subcommittee and the full committee in the markup and therefore were included in the bill which the committee voted unanimously to report to the floor.

Senators from other States who did not agree to these provisions would not consent to S. 924 being considered by the Senate. I believe all Senators acted in the interests of their states and their perception of what was in the best interests of the Government. This issue affects a great many jobs in all of these States and is an important economic issue within each State.

I want to commend Senator INHOFE for stepping forward and offering to strip these provisions out of the bill. The committee met yesterday and, at his request, reported out a bill that does not include the provisions that provided the basis for objection. Therefore, the Senate can proceed to consideration of the Defense authorization bill, now S. 936. The committee did not publish a report to accompany S. 936 and deems Senate Report 105–29, minus sections 311, 312, and 313, as the report to accompany S. 936.

I understand the importance of this issue to each of you. I want to especially thank and commend Senator INHOFE for his courageous and unselfish act in moving to remove the basis for objection so that this bill, which is so critical to our Armed Forces and our national security, can be considered by the Senate.

I want to emphasize that all Senators reserve their rights to offer amendments on this issue on the floor while the bill is being considered. I understand that while the bill is on the floor, Senators and staff will continue to search for a solution to this very difficult issue.

I want to thank all Senators for their consideration. We hear a lot of talk on this floor about the loss of comity in the Senate. I believe this is an indication of how Senators can act cooperatively on difficult issues. In this case, it took a courageous Senator, Senator INHOFE, to make the difference and I thank him again on behalf of the committee.

Mr. INHOFE. Mr. President, first of all, let me thank the very distinguished chairman of our committee, Senator THURMOND, for the hours and hours that he put in and the way he ran the meetings. He was very fair and open. I appreciate personally very much his remarks that he just made. Thank you, Senator THURMOND.

As chairman of the readiness subcommittee I want to thank Senator ROBB who is the ranking minority member. We took care of a lot of the problems out there. I must say, Mr. President, that I think that our readiness is desperately underfunded. We did the very best we could in this bill with the resources we had but we are not going to be able to continue on the course we are on right now. We have problems.

As I go around the Nation, and around the world, actually, and visit bases, I have been in bases in the State of Alabama, and throughout the Nation, as well as some of the foreign bases, and I can tell you we are in an OPTEMPO rate which is unacceptable. Our divorce rates are going up, our retention rates are going down, and we need to do a better job of funding not just readiness but modernization and quality of life. I am very concerned about quality of life. As I go around I find that some of these kids are working about double the normal tempo that we have found to be acceptable. While they can sustain it for a while, and while the troops can sustain it, the spouses cannot. There will come a point in time where they will have to have more time with their families and have a more civil type of existence. We cannot do that with the way this administration has not allocated the proper amount of money to keep our system going to meet the minimum expectations of the American people. That is, to be able to defend America on two regional fronts.

Having said that, I say again that we did the very best that can be done, and in our readiness subcommittee we were able to reinstate money for flying hours. We are losing pilots on a daily basis to the airlines. So we will have to do a lot more than we have done, but we have done the very best that we can.

Let me make one comment about the depot issue. I know it is a difficult issue. A few years ago when one of the House Members, Congressman ARMEY, I believe, originally came up with the whole idea of the Base Realignment and Closing Commission concept, which means we know we cannot reduce excess infrastructure by doing it through the normal political process because everybody is concerned about jobs in their States. So they appointed an independent commission to be totally free from political influence to make recommendations and they went through, with round one in 1991, in 1993 another round, in 1995 a third round, and in doing this there is hardly a Senator in this Chamber that did not have major installations that have closed in their States. Certainly the State of Alabama lost a major one, and there were two major installations in the very State from which our chairman comes from, South Carolina, and virtually all the other States. So, we all bit the bullet.

However, it appears there is an effort now to disregard that and leave air logistic centers in California as well as in Texas open. While it is a difficult thing to go through we have to accept the fact, sooner or later, that you cannot have in the case of any specialty area, and specifically in this case, air logistic centers where you have five operating at 50 percent capacity. You cannot continue to do that. So they recommended closing two of them that they determined to be the least efficient of the five and transferring that workload to the remainder which would be around 75 to 80 percent capacity.

That makes a lot of sense. According to the GAO, that would save $468 million a year, and over 5 years, Mr. President, that is $2.34 billion. When I think about that and think about where those dollars are desperately needed in quality of life, in readiness, in force strength, in modernization, it breaks my heart to think we are maybe willing to just throw it away.

So I did make the gesture that the chairman referred to and no one asked me to do it. I felt it was the right thing to do because we have to have an authorization bill. Under the rules of the Senate, it is very possible for one Senator to keep a bill from coming up. I did not want that to happen to Senator THURMOND's bill. I did not want that to happen to our defense establishment. So I pulled the objectionable portions of how we treat depot maintenance out of the bill, but at the same time I announced I have every intention of reestablishing language that will accomplish what we want to get accomplished, and that is to be able to save that money that the GAO states is at risk.

So I do not know whether it will be an amendment on the floor by which I will try to do this or in conference but I think everyone understands clearly there will be an effort to reinstate language that we have had to take out.

With that, I will say this is a good bill and I want to move forward with it. I want to get a chance to really consider these amendments, and I know there will be a lot of amendments.

As the new chairman of the Readiness Subcommittee of the Armed Services Committee, I have a devoted a significant amount of time during the past few months traveling to military bases to discuss issues that impact the readiness of the Armed Forces and their ability to carry out assigned missions: European theater, including installations in England, Italy, Bosnia, Hungary; Camp Lejuene, NC; Fort Hood, TX; Corpus Christi Naval Base, Texas; Dyess Air Force Base; and Fort Drum.

We have also received testimony from the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the service chiefs, the unified commander-in-chief, and several other high ranking military and civilian officials from the Department of Defense.

While the administration claims to have provided strong support for training, maintenance, supplies and other essentials needed to keep U.S. Forces ready to fight and win decisively, its budget request reduced real funding for these areas by $1.4 billion.

Nothing I've heard during my base visits has made me feel like we are as ready as the administration asserts.

At each unit, maintenance personnel have resorted to cannibalizing good equipment to keep other equipment operating. These additional maintenance actions result in 12-hour average work days for our young troops—only because of a lack of good spares.

If readiness truly remains the administration's highest priority, then I have to wonder about the shape of the other accounts—modernization, quality of life, research and development—are they even more seriously underfunded?

Military units and the personnel within them, are being overused and underfunded to the point that I am afraid we are returning to the days of the hollow force. And the military personnel with whom I've spoken agree.

It is also apparent to me that our Forces are being stretched to the limit to support humanitarian and contingency operations such as the deployment of IFOR/SFOR in Bosnia.

Our high OPTEMPO is particularly troubling, since it results in more than just time away from home for the troops—it results in more equipment wear and tear; higher than planned consumption of spares; and canceled training.

At every base visited, I heard concerns about the quality of equipment.

Our lack of spares has caused us to cannibalize perfectly good engines to keep others operating, requiring my maintenance troops to work even more hours to keep our planes flying. Our normal work week is now 50—56 hours/week.—Lakenheath, AF Maintenance Officer.

Letter to Senator THURMOND from a non-commissioned officer:

We have old, worn out equipment that is difficult to maintain because we cannot always get the parts needed to repair them. It is the same way wherever we go; outdated, broken equipment, a lack of spare parts, overworked and underpaid GIs, resulting in an inability to perform our mission.

I do not question the fact that our military forces are the finest in the world. They are clearly performing their assigned missions superbly and they are capable of defeating any potential enemy of today.

But what about tomorrow? If this trend continues, I am concerned about how long we can maintain the present pace of operations. I am not alone in my concerns—they were echoed by many of the military personnel I had the pleasure of meeting. One officer summed it up nicely when he said ''the storm clouds are on the horizon.''

The Pentagon continues to omit these concerns from official reports we receive from the Committee—to the contrary, their reports reports indicate readiness levels are at an all time high. I find the remarkable discrepancy between what I see in the field and the official statements coming from the administration and the Pentagon very troubling. And I am concerned that unless we take the necessary steps to correct these problems now, our military capability will erode as we enter the 21st century.

The most troubling challenge is the need for additional modernization funding, for lack of new procurement has dramatic affects across all the other accounts: As our military equipment ages, it requires increased maintenance and thus more operations and maintenance [O&M] funding; since additional funding is not available to increase the O&M accounts, dollars are often robbed from training accounts; unfortunately, as the equipment ages, the problem will only get worse, and we will find ourselves in a death spiral.

The funding crisis is further aggravated by the continual deployment of forces to contingency operations such as Southern Watch and Provide Comfort. I have spoken many times, about the huge cost of these operations—between $6.5 and $8 billion for Bosnia alone—and the fact these expenditures will come at the expense of our defense budget.

While dollars are the most obvious issue in defense, I suggest that what we often overlook is the huge burden we are placing on our people and our equipment. We are wearing out our equipment and pushing our people so hard they no longer have time to train.

I heard comment after comment during my visits:

The high OPTEMPO at which our personnel are operating is definitely causing a strain on our people's families. Ultimately, this strain also affects my pilots' job performance.—Marine F—18 Squadron Commander.

''The number of days we fly to support Bosnia doesn't leave us with enough time to train. The only areas where we get training from our Bosnia missions is in reconnaissance and close air support. The rest of our training areas are suffering.''—Air Force F–16 Squadron Commander.

''Our average crew goes TDY 150—160 days per year—the Air Force goal is 120 days. These excessive taskings are straining my peoples' families as well as impacting the ability of my crews to receive adequate training.''—Air Force C—130 Squadron Commander.

Clearly, there are situations when the deployment of the U.S. military is necessary to protect America's vital interests. Unfortunately, it appears the Clinton administration will continue to keep a very low threshold for determining the need to commit our forces.

My friends, the United States cannot force its military to expend more resources than we are willing to provide and still expect it to remain a viable force for the future when it may be called upon to defend American interests. I am concerned, the committee is concerned, our military personnel are concerned, and the American people should be concerned. If we are to avoid losing our military edge, we must act decisively and begin providing the resources necessary to support the missions we continue to ask of our Armed Forces.

Mr. COVERDELL. Will the Senator yield?

Mr. INHOFE. I am happy to yield to the Senator.

Mr. COVERDELL. Senator, as I understand, you have been trying to facilitate this very important piece of legislation in conjunction with the distinguished chairman from South Carolina. I have been a vigorous supporter of your efforts to fulfill the BRAC recommendations to the Congress, the President, and the Nation, which called for there to be three logistic Air Force bases. Your efforts are to fulfill that recommendation, to make that aspect of the Base Realignment and Closure Commission fulfilled. It has been abrogated by the administration.

Mr. INHOFE. That is correct.

Mr. COVERDELL. And it is your intention, as I understand our conversations, to continue to pursue an appropriate conclusion to this avoidance of BRAC by the administration during the deliberations, the ongoing deliberations of the debate on the Department of Defense authorization?

Mr. INHOFE. That is my intent.

Mr. COVERDELL. The Senator from Oklahoma can be assured that he will have my undevoted attention to accomplishing this because not only have we lost half a billion dollars because the Base Realignment and Closure Commission was voided by the administration, we have lost the integrity of the discipline itself. It should never occur again in that form.

I suspect there will be a debate on that on this bill. The Base Realignment and Closure Commission has been sullied because it was a strict discipline that the people, the citizens of the country had to live by, the Congress had to live by, could not amend, gave up its prerogatives to amend, could only vote up or down, and then we found the administration could void it for whatever reason. That means that system no longer is of sound integrity, so if it is ever visited again it will have to be in a form that includes the President—not just the people and the Congress.

I assume the Senator from Oklahoma will agree with that.

Mr. INHOFE. I do agree with that. I want to give my assurance to the Senator from Georgia I have been living with this problem for a long period of time. We need an ultimate solution. In the interim, we need to make sure the recommendations of the BRAC Commission—that we protect the integrity of that system and they be acted upon—that we go ahead and fulfill the

expectations. Again, it is not just the money involved here.

I think about all of the Senators who had closures, and if we start making exceptions now I think it is very unfair to every Member of this Senate body who has had a closure to now say for political reasons we can take exceptions.

I know it is controversial when you say this, but if you just read the statements that the President made in August of 1996 right before the election, saying we will make sure those jobs do not leave, so what does that mean? It means regardless of what they do, whether it is competition or anything else, if the jobs stay in those areas we will still have five air logistic centers, so you have the same problem operating at 50 percent capacity.

Mr. COVERDELL. One last comment. It is my understanding that the total number of jobs in the two bases that BRAC asked be closed were 33,000 at the time of the recommendation and today, almost 2 years later, it is 31,000.

Mr. INHOFE. That is correct. In responding to the Senator from Georgia, we had a committee meeting on this with the GAO and we looked at how much that has cost so far. That has been 2 years ago. And still, almost the same number are there.

Now, there are other problems that come in, as the junior Senator from Utah brought up yesterday, that we are having a flight of expertise out of these areas, getting into other occupations, and if we do not do something quickly we are not going to be able to ever solve this problem.

I think for that reason we need to address this, address it in this bill. But again, to protect the bill so that we would have an authorization bill, I, personally, was willing, as you were willing, to take that out so we could come to the floor and take it up and work in a different work form—it may be the same form or a different form—but take it up as a floor amendment or in conference.

Mr. COVERDELL. I thank the Senator from Oklahoma, and I yield the floor.

Mr. THURMOND. Mr. President, national security remains the federal government's most important obligation to its citizens. The Committee on Armed Services recognizes its critical role within the Senate in carrying out the powers relating to national security which are granted to Congress in the Constitution. These include the power to: declare war; raise and support Armies; provide and maintain a Navy; make rules for the government and regulation of the Land and Naval Forces; provide for organizing, arming and disciplining the militia; give its advice and consent to treaties and to the nominations of officers of the United States.

The members of the committee further understand the importance of the committee's jurisdiction within the Senate over matters relating to the common defense, the Department of Defense, the Military Departments, and the national security programs of the Department of Energy.

The Armed Services Committee completed its markup last Thursday afternoon after 4 days of careful deliberation, voting unanimously to approve of the fiscal year 1998 defense authorization bill. I believe we have a good bill with a better balance between personnel quality of life programs, readiness, and modernization.

The budget agreement reached this year represents a historic endeavor by the Congress and the President to reach a balanced budget by fiscal year 2002. While the budget agreement protects our military forces from unrealistic and unwise cuts, the committee remains concerned that the funding levels for defense may not provide sufficient funds to adequately sustain over time the personnel, quality of life, readiness, and modernization programs critical to our military services. The committee intends that the achievement of a balanced budget will not adversely affect the readiness and capabilities of our military forces and will endeavor, within the funds agreed upon for defense in the budget agreement, to ensure their essential readiness and capabilities. Changes in the world situation or threat, and adverse impacts from funding shortfalls on general readiness or on vital operational capabilities, are among the trends that might indicate a requirement for additional funds for defense. In such cases, the committee believes that national security requirements must take precedence over lesser priorities within the budget.

In this bill, the committee worked to achieve a more appropriate balance between near-term and long-term readiness through investments in modernization, infrastructure, and research; maintenance of sufficient endstrengths at all grade levels and policies supporting the recruitment and retention of high quality personnel; fielding of the types and quantities of weapons systems and equipment needed to fight and win decisively with minimal risk to our troops; and ensuring an adequate, safe and reliable nuclear weapons capability.

The committee worked to protect the quality of life of our military personnel and their families. Quality of life initiatives include provisions designed to provide equitable pay and benefits to military personnel, including a 2.8 percent pay raise to protect against inflation, and the restoration of appropriate levels of funding for the construction and maintenance of troop billets and military family housing.

The committee remains concerned about military readiness. To ensure that U.S. Armed Forces remain the preeminent military power in the world, readiness requirements must be adequately funded.

The committee is also concerned about the continuing migration of modernization funds to operations and maintenance accounts. We have consistently recommended a more robust, progressive modernization effort which will not only provide capabilities requisite for future military operations, but will lower future operational and maintenance costs as well.

The committee has increased investment in the broad spectrum of research and development activities to ensure that U.S. military forces remain superior in technology to any potential adversary. We believe that effective development of advanced technologies will be a key factor in determining the victors on future battlefields. A program of stable, long-term investment in science and technology will remain vital to United States dominance of combat on land, at sea, in the air, and in space.

The committee also directed a more detailed programming and budgeting process for the reserve components. The utilization and effectiveness of reserve component forces are dependent on proper funding to enhance their readiness and capabilities.

Finally, the committee sought to accelerate the development and deployment of theater missile defense systems and to provide adequate funding for a national missile defense system to preserve the option to deploy such a system in fiscal year 2003. This bill also supports expeditious deployment of land and sea-based theater missile defense systems to protect United States and allied forces against the growing threat of cruise and ballistic missiles.

The committee intends that, within the balanced budget agreement, we will provide adequately for our men and women in uniform to defend our Nation. The committee will continue to examine the adequacy of the funds we allocate to our national security. At the same time, we must search for ways to improve the efficiency and effectiveness of our defense establishment—especially in the support structure—so that we can achieve savings to devote to the cutting edge of our military combat forces.

The national defense authorization bill for fiscal year 1998 reflects a bipartisan approach to our national security interests, and provides a clear basis and direction for U.S. national security policies and programs into the 21st century.

Let me make it clear to my colleagues—we do not have much time to complete action on this bill. If you have amendments, please come to the floor and introduce your amendment now. Remember that if you are adding anything to this bill that requires additional funding, you must provide a legitimate offset.

Mr. President, I want to close by thanking all the Senators on the committee and commend them for their hard work on this bill. All 18 Senators on the committee voted for the bill.

I also want to thank the staff on both sides and commend them for their hard

work on the bill. I also ask unanimous consent that a list of members of the Armed Services Committee staff be included at this point in the RECORD in recognition of their dedication and hard work.

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

SENATE ARMED SERVICES COMMITTEE STAFF

Les Brownlee, David S. Lyles, Charlie Abell, Tricia L. Banks, John R. Barnes, June Borawski, Lucia Monica Chavez, Christine Kelley Cimko, Christine E. Cowart, Daniel J. Cox, Jr., Madelyn R. Creedon, Richard D. DeBobes, Marie Fabrizio Dickinson, Shawn H. Edwards, Jonathan L. Etherton, Pamela L. Farrell, Richard W. Fieldhouse, Cristina W. Fiori, Jan Gordon, Creighton Greene, Patrick ''PT'' Henry, Larry J. Hoag, Andrew W. Johnson, Melinda M. Koutsoumpas, Lawrence J. Lanzillotta, George W. Lauffer, Peter K. Levine, Paul M. Longsworth, Stephen L. Madey, Jr., Michael J. McCord, J. Reaves McLeod, John H. Miller, Ann M. Mittermeyer, Bert K. Mizusawa, Jennifer L. O'Keefe, Cindy Pearson, Sharen E. Reaves, Sarah J. Ritch, Moultrie D. Roberts, Steven C. Saulnier, Cord A. Sterling, Scott W. Stucky, Eric H. Thoemmes, Roslyne D. Turner, Amy M. Vanderwerff and Jennifer L. Wallace.

Mr. THURMOND. Mr. President, I believe we have a good bill and I urge all my colleagues to support it.

PRIVILEGE OF THE FLOOR

Mr. President, I ask unanimous consent that the privileges of the floor be granted to the following members of the Armed Services Committee staff during the pendency of S. 924, the national defense authorization bill for fiscal year 1998, for today, each day the measure is pending and for rollcall votes thereon:

Les Brownlee, Charlie Abell, Tricia L. Banks, John R. Barnes, Lucia Monica Chavez, Christine Kelley Cimko, Christine E. Cowart, Daniel J. Cox, Jr., Madelyn R. Creedon, Richard D. DeBobes, Marie F. Dickinson, Shawn H. Edwards, Jonathan L. Etherton, Pamela L. Farrell, and Richard W. Fieldhouse.

Cristina W. Fiori, Jan Gordon, Creighton Greene, Gary M. Hall, Patrick ''PT'' Henry, Larry J. Hoag, Andrew W. Johnson, Melinda M. Koutsoumpas, Lawrence J. Lanzillotta, George W. Lauffer, Peter K. Levine, Paul M. Longsworth, David L. Lyles, Stephen L. Madey, Jr., and Michael J. McCord.

J. Reaves McLeod, John H. Miller, Ann M. Mittermeyer, Bert K. Mizusawa, Jennifer L. O'Keefe, Cindy Pearson, Sharen E. Reaves, Sarah J. Ritch, Moultrie D. Roberts, Steven C. Saulnier, Cord A. Sterling, Scott W. Stucky, Eric H. Thoemmes, Roslyne D. Turner, Amy M. Vanderwerff, and Jennifer L. Wallace.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I join the chairman of the Armed Services Committee in bringing S. 936, the national defense authorization bill, to the floor, and I want to congratulate the Senator from South Carolina for the extraordinary effort he has put in on this bill. He has really guided this bill through thick and thin, so that we are in a position where we can bring this bill to the floor. It is his commitment and his energy that he devotes to national defense that has made this possible. I congratulate him on that.

I want to reiterate the comments of the chairman of the committee that we are here debating S. 936, which is the bill that was reported yesterday. Now, this bill is almost identical to S. 924, which was the version of the defense authorization bill that was reported earlier this week. The exception is that the bill before us does not contain certain provisions relative to depot maintenance that were in the earlier bill. That has been the subject of a number of colloquies here this afternoon.

This bill meets the guidelines of the budget agreement and the fiscal year 1998 budget resolution. The members of the committee didn't agree on every provision; we never do, of course. There are several critical areas where I believe this bill needs to be improved. I will be working to make these improvements during the debate and during the conference. But despite the few disagreements that existed, there was—again, as this committee traditionally does—a very strong sense of bipartisanship and a spirit of cooperation that permeated the discussions and the markups. I want to join my friend, the chairman of the committee, in thanking all of the members of the committee and the staff for the hard work put up to get this bill to this point.

The chairman has summarized major provisions of the bill, and I want to take a few moments to give my perspective on some of the key provisions.

First, relative to the implementation of the quadrennial defense review recommendations, for the most part, this bill is consistent with the administration's defense policies and programs. The budget agreement this year demonstrated that there is a growing consensus between the President and the Congress over the level of defense spending for the next 5 years. It is not going to be possible, at these funding levels, to maintain today's force levels at their current readiness posture, provide the pay and the quality of life for our military members and their families that they deserve and that we are obligated to provide, and still to modernize our forces to meet possible future threats. We are not going to be able to do all that at the agreed-upon funding levels.

In my view, our forces must continue to have the technological edge over any potential adversary. In order to modernize our forces, we are going to have to accept, in my judgment, a somewhat smaller force in the future. But there are encouraging indications that technology is going to allow a smaller force to have the same or even greater lethality and combat effectiveness as our forces have today.

The recently completed quadrennial defense review begins to make some of the tradeoffs that we are going to need to make to be able to modernize our forces. In several important respects, this bill begins to implement the requested recommendations. For example, the bill reduces active duty personnel strength for the military services by 36,000 below the current levels and reduces Reserve component strength 16,000 below current levels.

The bill supports a major Army initiative, which was recommended at the quadrennial defense review, by increasing funding by approximately $150 million for the Army's Force 21 initiative. Last April, I visited the Army's advanced war-fighting experiment at the National Training Center. I saw, firsthand, the tremendous potential of the advanced situational technologies the Army is developing in their Force 21 initiative. The QDR recommended speeding up the fielding of these technologies, and the committee bill supports this important effort.

I may say that a number of our colleagues visited the center as well. I know the Senator from Indiana, for instance, also visited the National Training Center, and he is the chairman of our subcommittee. He was also very deeply impressed by the potential of these technologies, and he is primarily instrumental, I would say, for the increased resources that we are devoting to this initiative. I have been happy to support that effort. I believe very strongly in them. But I want to give credit to Senator COATS for the energies he has shown in this regard.

In order to be able to afford the modernization program for the military services outlined in the quadrennial defense review, it is important that the Congress and the Defense Department carefully limit weapons acquisition programs to only the levels necessary to meet the future requirements of the military services. In this regard, I am pleased that our committee included a provision prohibiting future production of B–2 bombers beyond the 21 currently planned for the Air Force. We don't need and we can't afford more B–2's.

Finally, Mr. President, in this area, we have heard from a number of Senators this year expressing concern over the levels of procurement funding for the National Guard and Reserve components.

The committee bill authorizes a total of $653 million above the budget request to buy equipment for National Guard and Reserve units. But now I want to turn to several areas of concern that I have with this bill.

First, on base closures: I am disappointed that the committee could not agree on a process for future base closures in the Department of Defense. Although there was strong support in the committee for more base closures, the amendment to authorize two additional base closure rounds—one in 1999 and one in 2001—failed on a 9 to 9 tie vote. I believe that the case for closing more military bases is clear and compelling.

From 1989 to 1997 the Department of Defense reduced total active duty military end strength by 32 percent. That figure is going to grow to 36 percent by the year 2003, as a result of the quadrennial defense review. So we have cut the size of our forces by 36 percent as of the year 2003, and already by 32 percent.

But even after the four base closure rounds, the domestic military base structure in the United States has been reduced by only 21 percent. And therein lies the problem. We have more structure than we need in our bases. So both the QDR, quadrennial defense review of the Department of Defense, and the national defense panel of outside citizens that we have selected to review the QDR division—both the QDR and that outside defense panel—have concluded that further reductions in the DOD base structure are essential to free up money that we need to modernize our forces.

Because we have to make some very difficult choices here, one of the critical choices is whether or not we are going to continue to keep excess structure when we are shorting modernization funding. And on June 5 the Armed Services Committee received a letter signed by all six members of the Joint Chiefs of Staff. The chairman, the vice chairman, the four service chiefs all signed one letter. It is rather unusual. But they did it in this case because of the strength of their views. And they urged us in this letter to ''strongly support further reductions in base structure proposed by the Secretary of Defense.''

Mr. President, every dollar that we spend to keep open bases that we don't need is $1 that we can't spend on modernization programs that our military forces do need. And I know that closing bases is a painful process. I have been through it. We lost all three of our Strategic Air Command bases in Michigan. One of them that was closed recently was in the upper peninsula of Michigan which was the largest single employer in the upper peninsula in a rural area, and it was closed. We argued against it. We lost. So the largest employer in the upper peninsula of Michigan shut down. We are surviving. A lot of good people are putting their shoulder to the wheel and we are going to be able to pull through. Is there some short-term pain and stress? You bet. Is it essential that we go through this process to reduce excess structure? It is.

Are there additional facilities in Michigan that might be addressed in future rounds of base closings? There are. And that has to make all of us worry. But we have really no choice. If we are serious about modernizing, about the need to modernize and to keep ahead of any potential adversary, and to make sure that our forces in the future have the best equipment that can possibly be developed and manufactured, we have to do what the Joint Chiefs have urged us to do in this 24-star letter; and that is to support further reductions in base closures which has closings which have been recommended by the Secretary of Defense. I don't see any other choice. The easy way is to not do it. But it is not the right thing to do, if we are going to maintain our qualitative technological edge. We just simply must continue to find a way to reduce our infrastructure costs. And, if that means that the next round of base closing we have to adjust it so that we don't run into the kind of argument that we have run into in the past round of base closings, if we have to put in the next round of base closing a provision that you can't privatize in place, for instance, without a specific recommendation to do that by BRAC, if that is what it is going to take, then so be it. But we have to continue down this road, if we are going to be true to the needs of our military.

Secretary Cohen pointed out in his testimony on the quadrennial defense review that the choice is clear. We can maintain the current base structure and fail to meet our modernization goals, or we can reduce our base structure and achieve the savings that we need to pay for the modernization that we all agree is necessary.

On the Air Force depot issue, there is no more contentious issue than this one. And I commend the Senators who permitted this process of bringing this bill to the floor to continue by removing the contentious provisions at this time. I commend them for it. In my view, the only way to resolve this issue is to have a fair competition, and determine the most cost-effective solution to redistribute the workload of these two depots, regardless of whether the result is privatization in place, privatization in some other location, or transfer to another Government depot.

There are many that believe and I know that the White House politicized this one aspect of the base closure process when the DOD privatized in place the work of the two closing Air Force depots. But I think it would be just as bad for Congress to politicize the base closure process by attempting to legislate a particular outcome. I don't think we can legislate a particular outcome.

I don't think we should. I think we should legislate a process which will guarantee that there be a full and fair competition. I tried that approach in committee. I didn't quite make it. But I think that is the best way to proceed.

We have base-decision amendments on this bill, and, even if we do not, we are going to face this issue in conference because the House bill contains provisions that do address the issue. Ultimately we will have to reach a compromise I believe that is fair and equitable to all.

On another subject, cooperative threat reduction programs: One of the most cost-effective and successful defense programs to reduce threats to our country and to enhance our national security is the cooperative threat reduction program that was started in 1991 by Senators Nunn and LUGAR. The cooperative threat reduction program at the Department of Defense and its companion program at the Department of Energy have produced important results in reducing the threat of proliferation of weapons of mass destruction, including nuclear, chemical, and biological weapons and their materials.

In my view, the committee decision to reduce the budget request for these programs by $135 million was shortsighted. I would have preferred to see an increase in funding for these programs because they are a very cost-effective approach to the most serious national security threat that we face today. That is the threat from the proliferation of weapons of mass destruction. Of all the security threats that we face, that is probably the most serious one—weapons of mass destruction in the hands of terrorists, or terrorist states.

This is a very modest investment in terms of defense budget, and it can significantly reduce the threat of proliferation by securing materials wherever they are—in this case Russia and some of the other former Soviet Union states. That is a real investment in our own security with a huge payoff.

It doesn't take much of this plutonium or enriched uranium to leak—to be transferred across the borders of these states to threaten us with massive destruction. About a hockey puck of plutonium can take care of one of our cities. That can be carried in one's pocket. That material literally can be carried in a pocket across a border. We need to secure that material; whatever it takes to secure it within reason.

These are reasonable amounts of money. We are talking about a major investment in American security.

So I think the decision to reduce the budget request for these programs, including security of nuclear material, was a mistake. And I know there is going to be a bipartisan effort to restore these funds for this important program. I hope that we will do so here on the floor.

Mr. President, on another part of the bill, the committee authorized $345 million to begin incremental funding of the construction of the next *Nimitz* class nuclear aircraft carrier called CVN–77. It did so based on claims of cost savings by the shipbuilder. Those claims, it seems to me, can be made reasonably. Those are claims that have some foundation.

Indeed, there was a report that we received. The Rand Corp. folks did a

study on this issue that said that the savings which were advertised here claimed by the shipbuilder can be achieved. It is possible. But what we failed to do in committee is to assure that the advertised and claimed savings would be achieved. We didn't adopt the safeguards to ensure that the taxpayers actually received the savings advertised by the shipbuilder on which this very unusual action is based.

We do not incrementally fund aircraft carriers. We do not say, ''OK, we will put a couple hundred million dollars in this year, and a couple hundred million dollars in next year'', and so forth, because it makes it very difficult for us when it comes to negotiating the contract to purchase the aircraft carrier to have any bargaining leverage. We have already incrementally funded, bought pieces of it, obligated funds for it, and we have lost our bargaining leverage when it comes to the price. So what we have done traditionally is authorized the whole thing at once in order to make sure that we get the best deal when it comes time to negotiate the price.

The Defense Department's current future years' defense program includes a total of $5.2 billion for the construction of the next aircraft carrier with what is called ''advanced procurement'' in the year 2000, and the balance of $4.5 billion in the year 2002. But earlier this year the shipbuilder came forward with a proposal, as I said, to incrementally fund this carrier beginning in this year's budget—the one that is in front of us—and continuing each year through 2002. According to the shipbuilder, this alternative funding proposal would save us $600 million in the cost of building the CVN–77. And this claim has been repeated many times in the last 2 months in some very highly visible advertising in the media.

As I said, the normal method of funding major defense procurement funding programs is to provide full funding in one lump sum in the year in which the program is started.

There have been certain exceptions and limited long-lead items which are funded through advanced procurement. And the reason for it is the one that I have given, which has to do with avoiding buy-ins—the situation in which it becomes more difficult to control total program costs in future and future cost growth.

But the Rand Corp. did that study I referred to, and it substantiated that savings were really possible here if we incrementally fund it as proposed by the shipbuilders, and the Navy's own analysis subsequently confirmed that this savings could be achieved.

So I am willing to support incremental funding as one Senator, but I am willing to do it only if this incremental funding approach assures us that the Government is going to receive the savings from this approach that had been promised by the contractor. And it is doable. We can do this. And I will be offering an amendment—and I hope there will be bipartisan support for this amendment—that will attempt to assure that this $600 million in advertised savings is, in fact, achieved in the purchase of this aircraft carrier. And we began, I think, to do this in a way which allows us to get the savings but also to assure the savings.

Mr. President, just one or two other items. Section 1039 of this bill prohibits the General Accounting Office from undertaking any self-initiated audits unless it can certify that it has completed all congressional requests. Since the General Accounting Office has hundreds of pending requests at any given time, this provision in effect is a total prohibition on any self-initiated work by the GAO.

I hope that this provision will be deleted or modified because it could hamstring the GAO in its very important efforts to identify waste, fraud and abuse in Government programs. Already 80 percent of the GAO work is in response to the requests of committees and Members of the Congress. But some of the work that they do fulfills work that has been carried out by them in the waste, fraud and abuse area which they have self-initiated and which has been very, very important to the Congress in identifying waste, fraud and abuse—not just in the defense area, in any area. And this provision applies not just to defense. The provision in this defense bill applies Governmentwide.

That is why the chairman of the Governmental Affairs Committee, Senator THOMPSON, and the ranking member of the Governmental Affairs Committee, Senator GLENN, both wrote a letter requesting sequential referral of this bill to Governmental Affairs so that they could have a look at this provision which is Governmentwide and would restrict the GAO. Sequential referral was not approved because, under the rules, the parliamentary rules, apparently in order for there to be sequential referral, a bill must have many more provisions in it relating to that second committee than this one provision. It has to predominantly belong within the jurisdiction of a second committee, and this bill obviously does not. This is one of a few provisions which touches the Governmental Affairs jurisdiction. But I do hope that we will be able to find a way to either delete or to modify this provision as it will hamstring the efforts of the GAO in doing some very important work.

Finally, Mr. President, section 363 of this bill gives the Secretary of Defense the unprecedented authority unilaterally to stop for 30 days certain administrative actions of other Federal agencies. The Secretary would have this authority without regard to the valid health or safety concerns that may have motivated other agencies in taking their action. This automatic stay could cover rules and orders intended to protect the environment and safeguard work safety or preserve private property and many other conceivable administrative actions and orders. This action exceeds the jurisdiction of the Armed Services Committee. It creates the appearance of placing the Department of Defense above the law. For these reasons, I do not believe that it should have been included in the bill, and I hope we can find a way to correct it.

Mr. President, I know there will be some vigorous debate on this bill, and I hope Senators will come to the floor and offer their amendments so that we can complete Senate action on the bill in a timely manner and in a fashion that the majority leader has announced, and then go to conference with the House.

And, again, I want to commend my friend from South Carolina for his leadership on the committee and in making it possible for this bill to come to the floor. I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I would like to take this opportunity to commend Senator LEVIN, the ranking member of this committee, for his fine cooperation, advice and assistance during the preparation of this bill. This cooperation on his part greatly enhanced the successful completion of the 1998 defense authorization legislation. We worked in a bipartisan manner for the benefit of our great Nation, and by doing this I think we have brought to the floor an excellent bill on behalf of our Nation.

Mr. MCCAIN. Mr. President, as we begin consideration of the Senate's version of the National Defense Authorization Act for Fiscal Year 1998, I cannot help reflecting on the increasingly illogical nature of the process through which we have arrived at this point. By that I refer to the task of marking up yet another defense bill while budgets continue to decline in real terms, force structure continues to contract, and operational requirements continue to climb, while Members of Congress continue to waste considerable sums on projects of questionable merit.

Let me say first that there is much in this bill that warrants our support, including an active duty pay raise, improvements in the way housing allowances for military personnel are calculated and applied, funding for tactical aviation modernization and missile defense programs, increased emphasis on defense against chemical and biological weapons, and much more.

The bill includes, for example, a provision authorizing the Department of Defense to waive CHAMPUS deductibles and annual fees for service members and their families who are stationed in remote duty locations within the continental United States. These families, most of whom are junior enlisted personnel, are geographically separated from military treatment facilities and TRICARE Prime sites and now rely to a great degree on standard CHAMPUS for health care

services. The legislation also approves several survivor benefit plans that will alleviate much of the emotional anguish experienced by surviving spouses of military retirees.

The committee also adopted an amendment that enhances aviation special pays. Compelling testimony from the service chiefs of the Navy, Air Force, and Marine Corps revealed that our Armed Forces are facing critical shortages of skilled aviators. It is clear that this provision will be crucial in retaining sufficient aviators to operate today's technically advanced aircraft. Any failure to address this issue would certainly have an enormous impact on future readiness.

I was particularly pleased that the Armed Services Committee continued to focus on improving the system by which the services determine unit readiness levels. The Department of Defense is directed to continue its study of the merits of maintaining units at differing levels of readiness, depending upon actual deployability and the likelihood of each unit actually responding to a crisis. With budgets being as tight as they are while fiscally daunting modernization decisions are fast approaching, it is worth examining whether savings in the operations and maintenance accounts—the largest portion of the defense budget and the most difficult to track—can be identified and reallocated to high priority research and development and procurement programs.

I recognize that there is already a considerable amount of tiering that occurs in the Navy simply by virtue of the deployment, training, and maintenance schedules it must follow in order to meet requirements. The Army and Air Force, however, may be a source of some savings if units whose deployability is highly contingent on air and sealift capabilities are permitted to relax their readiness levels to some degree. In fact, many Army personnel have expressed the sentiment that they would fare better if forced to perform fewer training exercises, which place a strain on people and equipment.

I am not arguing that units should be permitted to atrophy; on the contrary, I would like to think that none of us would acquiesce in the implementation of policies that would place U.S. interests and military personnel at risk. It is a legitimate question, though, whether certain units must be retained at the highest readiness levels despite the improbability of deployment, given operational plans, and the time it would take for such units to deploy given available lift assets.

One of the more significant actions taken by the committee involved termination of funding for the B–2 bomber, including of funds required to preserve that aircraft's industrial base. Opponents of the amendment to end the program once and for all argued that we need to maintain the ability to build more of these extremely technically complex aircraft in the event future contingencies require more stealth bombers. We already have enough strategic bombers in the inventory, however, and the Air Force has repeatedly testified that it does not want and cannot afford any more. Most important, the time it takes to build even one B–2 precludes our being able to surge produce them in the event of a major deterioration in the international environment. Should a major regional contingency arise, it will be fought with the bombers on-hand—not ones more than a year from being operational.

Unfortunately, for all that is good in this bill, there is much that is wasteful. The manner in which shipbuilding and conversion dollars are allocated no longer bears any resemblance to actual military requirements and available resources, nor does it correspond to essential industrial base preservation concerns. Rational discourse on whether to incrementally fund a $5 billion aircraft carrier cannot occur without other shipbuilding interests demanding something for themselves. After all, what's another destroyer above and beyond the number requested and budgeted for? What's another LPD-class ship, or an AOE fast support ship, or another submarine? For the last several years, we have seen a dangerous trend whereby decisions on shipbuilding matters, more than any other—save for the depot issue—are predicated solely on parochial considerations. This situation has to stop.

One of the more disappointing results of the Armed Services Committee's mark-up of this bill was the rejection of an amendment sponsored by Senators ROBB, LEVIN, COATS, and myself that would have statutorily mandated the two base closure rounds called for in the Quadrennial Defense Review. There is a broad consensus that the Defense Department, even after the previous four rounds of such closings, continues to maintain considerably more infrastructure than it needs. The expenditures associated with maintaining these installations and facilities constitute a major drain on declining resources allocated for national defense. Rejection of the amendment represented a serious setback in the efforts of some of us at instilling greater discipline into the budgetary process.

Mr. President, you can support the Reserve component of our total force without acquiescing in the thorough hemorrhaging of scarce military construction dollars for National Guard projects. The total military construction budget request for projects located inside the United States was $2 billion, not including another $2 billion for base closure activities. The request for National Guard and Reserve construction projects was $172 million. Of the 87 military construction projects added to the administration's request, 46—more than half—are for the National Guard and Reserve. The Senate bill includes over $900 million in National Guard and Reserve procurement items, the House version $700 million.

As I have already noted, the bill includes an ample supply of pork-barrel projects, including continued funding of High Frequency Active Auroral Research Program, or HAARP. This project, while certainly interesting from a purely theoretical perspective, is thoroughly lacking in merit and does not belong in a defense spending bill. Nor do additional dollars for the National Oceanographic Partnership Program. The Navy, out of whose budget this project is funded, derives no tangible return on its investment. This nondefense program may deserve to be funded in another area of the Federal budget, but it does not belong in this bill. Individually, projects like these are a serious waste of taxpayer dollars. Collectively, they constitute a serious drain on the resources needed to ensure future military readiness.

In short, Mr. President, it is regrettable that the propensity of Members to continue to add pork as though it were still the early 1980's remains as strong as ever.

AMENDMENT NO. 417

(Purpose: To strike section 3138, relating to a prohibition on recovery of certain additional costs for environmental response actions associated with the Formerly Utilized Site Remedial Action Project program, and to require a report on the remediation activities of the Department of Energy)

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I have an amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for himself and Mr. TORRICELLI, proposes an amendment numbered 417.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out section 3138 and insert in lieu thereof the following:

SEC. 3138. REPORT ON REMEDIATION ACTIVITIES OF THE DEPARTMENT OF ENERGY.

The Secretary of Energy shall submit to Congress a report on the remediation activities of the Department of Energy.

Mr. LAUTENBERG. Mr. President, first let me say to the distinguished chairman of the Armed Services Committee and the ranking member that I commend them for a job well done. I am very much aware of the complications that one has in the defense authorization bill. It is a large sum of money, a very complicated piece of legislation. It has research funds and it has operational money. It is quite a job, and I commend the both of them for moving this rapidly and getting this bill to the floor.

Mr. President, I have an amendment that would strike a section, section

3138 of this bill because this section prevents the Department of Energy from recovering any cleanup costs at sites under DOE's Formerly Utilized Site Remedial Action Project program other than the costs already covered in a written, legally binding agreement with the party involved in the site.

To put it more simply, this section would strike the Department of Energy's ability to recover costs already covered in a previous agreement with a party involved in the site.

As a practical matter, Mr. President, it would absolve W.R. Grace Company of millions of dollars of responsibility for toxic pollution costs by their actions. The effect of this provision from the analysis that we have conducted so far is to grant a special exemption from Superfund law to one company. The Superfund law, a law which I am proud to have helped author, embodies the principle that polluters should pay for the damage they do, and in this case W.R. Grace should pay for the cleanup of the mess that it created.

The deal was an unacceptable slap in the face to American taxpayers and the residents of Wayne, NJ, my home State. As a matter of fact, I lived in this community for some time. The residents of Wayne Township have been living with this problem for such a long period of time, and why this amendment is so outrageous is something that I want to explain.

A pile of approximately 15,000 cubic yards of potentially radioactive material has already been removed by the Department of Energy, and the Department of Energy says that there are still about 70,000 cubic yards more still buried at the Wayne site, and it is still deciding how to clean up the part that is on the surface and below. The Department of Energy estimates the entire cleanup may cost $120 million. The major contaminant in this soil is a contaminant called thorium, highly radioactive material. It is known to cause cancer and has a half life, Mr. President, that is far longer than perhaps this Earth can endure. It is 14 billion years. In other words, this stuff stays hot for that long a period of time.

This deadly waste was the result of industrial activity going on since 1948, almost 50 years ago. The contamination may affect the drinking water of 51,000 New Jersey residents resulting in untold harmful health consequences. The W.R. Grace company owned the property and contributed to this huge pile of waste. The Grace company signed an agreement with the Federal Government in which it promised to contribute to the cleanup, and then they went on to pay a tiny fraction of the ultimate cleanup cost for this site when they deeded over the property to the Government. They paid $800,000 as a down payment on $120 million. That does not sound like a very serious downpayment to me. But the agreement also said that the Federal Government maintained the right to come after W.R. Grace under other laws to remedy the threats caused by their pollution despite again the agreement they had signed. But nothing happened for many years.

In 1995, I urged in a letter to the Department of Energy to expedite the cleanup by negotiating with W.R. Grace, the responsible party, the polluter, to pay its share. Those negotiations began shortly thereafter. Over the last year, I have been assured a number of times by the Energy and Justice Departments that progress was being made. And for over 1 year now W.R. Grace has been engaged in a discussion with the Department of Justice, which I believe was in good faith, to determine what share Grace would pay for contributing so much to this mess.

Now I read the language in this bill and find that it effectively wipes out all of the progress that has been made, wipes out all of the obligation that W.R. Grace would have. This language takes away the Department of Energy's legal rights under the Superfund polluter pays liability system. It abrogates a legal commitment signed by Grace.

Mr. President, this puts the burden squarely on the American taxpayer instead of the polluters. Further, it will delay the cleanup and could poison the drinking water of the people of Wayne and the State of New Jersey. The Department of Energy, Mr. President, has limited cleanup dollars and numerous sites across the country under a program that is called FUSRAP, the Formerly Utilized Sites Remedial Action Program. These are the sites of industrial activity that may have contributed at one point to our Nation's defense. That does not mean they have a license to pollute thereafter. They have a responsibility.

Without an infusion of cleanup funds from the parties responsible for the mess in Wayne, there will be years of delay in this cleanup, years when the radioactive waste will continue to blight a community, years for that plume to migrate, to reach the drinking water source for that town.

Mr. President, the Senator from New Hampshire, Mr. SMITH, and I worked together on the Senate Environment and Public Works Committee and together we are trying to rewrite the Superfund law which is soon to expire. We worked together in good faith, and I believe we have narrowed the differences on many issues affecting Superfund. I hope that we are going to be able to produce a bill later this year with both our names as cosponsors of that legislation.

However, as far as the provision in this bill that deals with the Department of Energy cleanup at the site in Wayne, I oppose it strenuously. As the Senator from New Hampshire expressed to me, he had no scheme in mind to mitigate the obligation that W.R. Grace has to do the cleanup. That was an effect apparently unintended by the Senator from New Hampshire, but we have to deal in reality not the intent. W.R. Grace must stand up to their obligation. The reality is that the provision in this bill would not only slow down the Wayne cleanup program, but it would also transfer its costs from the responsible party to the taxpayer. We are not going to stand for that, Mr. President.

So I urge the adoption of my amendment and urge my colleagues to support it.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment? The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, the amendment of the Senator from New Jersey addresses a provision, section 3138, in the defense bill which relates to something called Formerly Utilized Sites Remedial Action Program [FUSRAP]. I just want to give a little background as to how and why the language the Senator is concerned about appeared in the legislation and also to indicate what its intent was and to discuss specifically his amendment.

Earlier this year it came to the attention of the Armed Services Committee this program, the so-called FUSRAP program, was not getting the sites cleaned up as quickly or as efficiently as it could. Of course, as all of us know who work on the Superfund issue, that is true of many, many Superfund sites around the country as well as these particular FUSRAP sites. So the committee felt we wanted to do something to expedite the cleanups, to get it done quicker, to respond to the concerns raised by Members who were not on our committee—that is the Armed Services Committee—and in some cases were not even on the Environment and Public Works Committee. In order to try to respond to those concerns, the Armed Services Committee unanimously adopted this language. It was hoped it would speed up the cleanup of these sites and provide an incentive for parties that were responsible for the contamination of these sites to come to the table, negotiate their liability allocations with DOE, and to contribute an appropriate amount to the cleanup costs—not to give anybody a sweetheart deal, not to remove people from the hook, so to speak, but rather to bring people to the table to pay their appropriate share of the cleanup costs. That was the goal and the objective of the language.

I might say, unfortunately, sometimes these disputes manage to make their way to the floor because they are not resolved before we get here. Had this Senator had some knowledge of concerns raised by members of the committee or other Members of the Senate prior to this time, we might have been able to address those concerns. But as I indicated earlier, it passed unanimously in the Armed Services Committee. There was absolutely no discussion of it in the committee. So it is unfortunate that we

have to deal with it here, but, be that as it may, that is what we will do.

The language included in the section would have limited DOE's ability to seek cost recoveries against some private parties. That is true. That is what Senator LAUTENBERG just said. But in no way would it have limited the similar powers, the collateral powers that the EPA and the Department of Justice has to obtain these recoveries, get these dollars recovered. So, given the fact that DOE may have some level of responsibility for liability at these sites, we on the committee believed it was an inappropriate conflict of interest for them to have control for recovering costs against private parties. So, by leveling the playing field, we believed it would be more likely that private parties would settle their liability at the site, and, given the fact that EPA and DOJ would still have enforcement authority, we knew no party would be let off the hook. That was the intention.

I believe in my own heart, as I read the language, that the language supports that intention. But I can understand there may be differences of opinion in terms of how you interpret it. There have been some concerns raised that we tried to address a single-party site here, to give somebody specific relief. That could not be further from the truth. I think the facts speak for themselves. This was a generic amendment. I might say the topic at hand here is the so-called FUSRAP sites, that is the Formerly Utilized Sites Remedial Action Project.

In a DOE Office of Environmental Restoration pamphlet that is dated April 1995, there are 46 FUSRAP sites, of varying degrees. I think it may be the case that the site in New Jersey could be singled out here as possibly being helped in one way or another by his provision. However, there are 46 sites, so I think the committee is on record here, being very clear that the intention here was to deal with 46 FUSRAP sites to try to expedite the cleanup. They are in States all across the United States.

Mr. President, I ask unanimous consent that a section of this pamphlet listing those 46 FUSRAP sites be printed in the RECORD.

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

SITE NAME AND LOCATION

MISSOURI

Latty Avenue Properties—Hazelwood
St. Louis Airport Site (SLAPS)—St. Louis
SLAPS (Vicinity Properties)—Hazelwood and Berkeley
St. Louis Downtown Site (SLDS)—St. Louis

NEW JERSEY

DuPont & Company—Deepwater
Maywood—Maywood/Rochelle Park
Middlesex Sampling Plant—Middlesex
New Brunswick Laboratory—New Brunswick
Wayne Interim Storage Site—Wayne

NEW YORK

Ashland 1—Tonawanda
Ashland 2—Tonawanda
Linde Air Products—Tonawanda
Seaway Industrial Park—Tonawanda
Bliss & Laughlin Steel—Buffalo
Colonie—Colonie
Niagara Falls Storage Site—Lewiston/Youngstown/Niagara Falls

OHIO

Associate Aircraft—Fairfield
B&T Metals—Columbus
Baker Brothers—Toledo
Luckey—Luckey
Painesville—Painesville

OTHER SITES

Madison—Madison, IL
W.R. Grace & Company—Curtis Bay, MD
Chapman Valve—Indian Orchard, MA
Shpack Landfill—Norton/Attleboro, MA
Ventron—Beverly, MA
General Motors—Adrian, MI
CE Site—Windsor, CT

CLEANUP COMPLETED

Acid/Pueblo Canyons—Los Alamos, NM
Alba Craft—Oxford, OH
Albany Research Center—Albany, OR
Aliquippa Forge—Aliquippa, PA
Baker & Williams Warehouses—New York, NY
Bayo Canyon—Los Alamos, NM
Chupadera Mesa—White Sands Missile Range, NM
Elza Gate—Oak Ridge, TN
Granite City Steel—Granite City, IL
HHM Safe Co.—Hamilton, OH
National Guard Armory—Chicago, IL
Kellex/Pierpont—Jersey City, NJ
Middlesex Municipal Landfill—Middlesex/Piscataway, NJ
Niagara Falls Storage Site Vicinity Properties—Lewiston, NY
Seymour Specialty Wire—Seymour, CT
C.H. Schnoor—Springdale, PA
University of California—Berkeley, CA
University of Chicago—Chicago, IL

Mr. SMITH of New Hampshire. So that was the intention here and the point I wanted to make regarding these sites.

Let me also say, because this is kind of a technical term—the so-called FUSRAP sites is a little hard to understand. We have a lot of acronyms here. I know it is difficult for people to comprehend some of these, but this program was initiated in 1974 by the Atomic Energy Commission under the Atomic Energy Act of 1954. They have 7 or 8 major objectives. I will just briefly highlight those.

One is to find and evaluate sites that supported the Manhattan Engineer District/Atomic Energy Commission's early atomic energy program and to determine whether these sites needed cleanup or control.

Second, to clean up or control these sites so that they meet current DOE guidelines.

Third, to dispose of or stabilize waste in an environmentally acceptable way.

Fourth, to complete all work so the DOE complies with the appropriate Federal laws and regulations and State and local environmental and land use requirements.

Fifth, to certify the sites for appropriate future use.

These sites are owned by either the Department of Energy, local governments, private corporations or private citizens or a combination thereof.

Again, the goal here was to try to craft something that would expedite these 46 FUSRAP sites, some with problems more serious in nature than others. Obviously the site the Senator from New Jersey is talking about is much more serious than some of the others. But the idea was to bring these parties to the table in a fair and equitable way, being certain that those PRPs that had put money on the table, had offered money on the table, would be encouraged to provide not only that money but more. That way, we could get a fair settlement so the taxpayers would be saved dollars and at the same time we would accomplish the goal of cleaning up these sites.

In a moment I am going to offer a second-degree perfecting amendment to the amendment of the Senator from New Jersey. Before I do that, I just want to say that I understand the concerns of the Senator. He has been very cooperative. We have talked about this at great length in the past few days to try to come to an understanding of what my intent was and what he believes the result to be. We may not be 100 percent in agreement here, but I think we can resolve this with this second-degree amendment which I believe addresses the concerns of the Senator and at the same time will lead us to accomplishing the cleanup goal that we want to achieve.

I do not want to preclude the Senator's debate. I would be happy to withhold offering the second-degree if the Senator wants to speak on this amendment? I will withhold that amendment and I will yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I just want to respond to my colleague. I do not object to the Senator's second degree amendment. If it is passed into law, DOE is going to have to report to Congress next year on the number of sites of this category, the FUSRAP program, on the cost of cleanup, the numbers of sites where private parties are involved, and on the progress DOE has made in pursuing them for a cleanup costs.

We want to do these sort of things. This reporting requirement is certainly a step in the right direction. DOE at last will be required to step up its efforts to make the private sector pay for the pollution it caused. It's only fair. The private sector profited enormously from participating in DOE's efforts to build the Nation's nuclear arsenal. The company, however, should not escape liability for the mess they created as they did that.

These former DOE sites, Department of Energy sites, contain some of the Nation's most dangerous and pernicious pollution problems. Their radioactive legacy—it is incredible—will endure for thousands if not millions of years. This stuff, unfortunately, creates the energy supply as well as the hazard for this period of time. DOE has been shamefully slow and their reluctance to bring W.R. Grace into the cleanup efforts is inexplicable. In fact,

DOE did not begin to go after Grace as a responsible party until I started urging them to do so, now over 2 years ago.

Sadly enough, Wayne is not the only New Jersey site being managed by the Department of Energy under the FUSRAP program. New Jersey has five of these sites, including another thorium site which threatens residents of Maywood, Rochelle Park and Lodi. Like the Wayne citizens, these residents, too, have been waiting patiently for lots of years to see that their particular site is cleaned up.

This report should prove helpful in encouraging faster cleanup at these sites. I support the amendment and I note the presence of my colleague from New Jersey on the floor, who has worked closely with me on matters affecting the communities, these communities that have these radioactive sites.

I am pleased to see him and to note that we worked together on these things. I assume the Senator from New Jersey wants to make some comments. I yield the floor.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I want to identify myself with the remarks of my colleague, Senator LAUTENBERG, and I join with him in offering this amendment today. What we have before us is a classic case of adding insult to injury. The people of various communities in New Jersey have lived for 40 and 50 years with the problem of thorium. The stories are long and often involved, but the thorium is clearly dangerous in the case of Maywood and the thorium in Wayne. They are all the result of wartime production, the production of lanterns and bomb sights and other war material that required a low level of radiation.

In an extraordinary story of success of the U.S. Government, in the case of Maywood all the thorium involving residential communities has now been removed. Now we are beginning to do the same in the community of Wayne. But it is not enough that the people of Wayne have the thorium removed. The question remains who will pay the bill? This was not an operation of the U.S. Government. This was not a question where the Government was operating the facility and it was left for the residents. This is a profitmaking corporation that had public and private contracts, earned money on the site, left it polluted, and the taxpayers are now left with the bill.

To date, $50 million has been spent. It is estimated the final cost could be as high as $120 million to remove 100,000 cubic yards of waste material.

Mr. President, only several months ago, I, as Senator LAUTENBERG, in concern that as we began to make progress in the removal of this thorium, wanted to know the progress and who was going to pay the bill. We pressed the Department of Energy to seek legal recourse in recovering costs and assuring future contributions.

I, too, met with the W.R. Grace Corp., and I was very pleased after those meetings to receive this letter, as Congressman PASCRELL, who represents this district, received this correspondence and claimed ''we are entered into good faith negotiations with the Department of Energy in an effort to fairly resolve this matter.''

The letter from the Grace Corp. concluded:

Grace has acted in good faith and desires to achieve an amicable resolution to this problem.

Only to discover in this legislation a prohibition in section (a) and (b):

The Department of Energy may not recover from a party described in subsection (b) any costs of response actions for actual or threatened release of hazardous substances that occurred before reenactment of the act.

The net result would be that all of our efforts to ensure the Department of Energy uses all legal recourse and continues in good-faith negotiations, that the private parties that profited by these operations also bear the cost of removal of the thorium contamination, would have been lost and the taxpayers would be left with the entire cost, $120 million.

Mr. President, I am very pleased Senator LAUTENBERG and I have the chance today to strike this provision, and I am very pleased that Senator SMITH, in his secondary amendment, will simply seek good-faith efforts in negotiations to resolve this matter. But let the record be clear to the Department of Energy, a good-faith resolution is nothing less than the Federal policy of polluter pays prevails.

We fully expect the Department of Energy to seek those parties who profited and that they pay. We cannot allow an enormous environmental potential success to be transferred and transformed into a failure. As the communities of Maywood have seen much of the thorium now leave, Wayne is witnessing the first departure of that same thorium. We intend to see it not only removed, but the taxpayers not be left with a legacy of debt.

I am very pleased we have a chance to offer this amendment today, and I am glad Senator SMITH is now joining us in having good-faith negotiations proceed. I urge my colleagues to support both efforts.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 418 TO AMENDMENT NO. 417

(Purpose: To create a report for Congress regarding the Formerly Utilized Sites Remedial Action program)

Mr. SMITH of New Hampshire. Mr. President, I think it would be appropriate at this time for me to offer the second-degree amendment, and then I believe we can get this matter resolved and go on to the next amendment.

So I offer a second-degree amendment to Senator LAUTENBERG's amendment to strike section 3138 from the national defense authorization bill for fiscal year 1998. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for himself and Mr. LAUTENBERG, proposes an amendment numbered 418 to amendment No. 417.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. . REPORT ON REMEDIATION UNDER THE FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM.

Not later than March 1, 1998, the Secretary of Energy shall submit to Congress a report containing the following information regarding the Formerly Utilized Sites Remedial Action Program:

(1) How many Formerly Utilized Sites remain to be remediated, what portions of these remaining sites have completed remediation (including any offsite contamination), what portions of the sites remain to be remediated (including any offsite contamination), what types of contaminants are present at each site, and what are the projected timeframes for completing remediation at each site.

(2) What is the cost of the remaining response actions necessary to address actual or threatened releases of hazardous substances at each Formerly Utilized Site, including any contamination that is present beyond the perimeter of the facilities.

(3) For each site, how much it will cost to remediate the radioactive contamination, and how much will it cost to remediate the non-radioactive contamination.

(4) How many sites potentially involve private parties that could be held responsible for remediation costs, including remediation costs related to offsite contamination.

(5) What type of agreements under the Formerly Utilized Sites Remedial Action Program have been entered into with private parties to resolve the level of liability for remediation costs at these facilities, and to what extent have these agreements been tied to a distinction between radioactive and non-radioactive contamination present at these sites.

(6) What efforts have been undertaken by the Department to ensure that the settlement agreements entered into with private parties to resolve liability for remediation costs at these facilities have been consistent on a program wide basis.

Mr. SMITH of New Hampshire. Mr. President, I am going to take a couple of minutes, and then we will move on.

This second-degree amendment would substitute a reporting requirement for the original section of section 3138 directed regarding cost recovery agreements at cleanup sites managed by DOE within the so-called FUSRAP program.

As you know, and as we indicated earlier, there had been some interest requested that limitations be placed on this Federal agency cost recovery from

potential responsible third parties. We were able to deal with those, and the Armed Services Committee does not have jurisdiction over these issues, but does have jurisdiction over defense-related cleanups of DOE sites. Section 3138 was intended to narrowly focus on concerns that were related to cost recovery of FUSRAP.

Mr. President, basically, there are six provisions that are part of that report language. They are self-explanatory. This is an attempt to try to get a reasonable compromise to see to it that we save taxpayers dollars, at the same time to be fair and to get both parties to the table as quickly as possible.

I yield the floor, Mr. President.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first, let me commend the Senators from New Jersey for this amendment and commend the Senator from New Hampshire for his support of it with a second-degree amendment.

It is a good amendment. We support it.

I ask unanimous consent that a letter from the Department of Energy, addressed to our chairman, dated June 19, strongly supporting, in effect, the amendment by stating their opposition to the provision, be printed in the RECORD.

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

DEPARTMENT OF ENERGY,
Washington, DC, June 19, 1997.

Hon. Chairman STROM THURMOND,
Committee on Armed Services,
U.S. Senate,
Washington, DC.

DEAR CHAIRMAN THURMOND: I am writing to express strong opposition to a provision, section 3138, in S. 936, National Defense Authorization Act for Fiscal Year 1998, that would prohibit the Department of Energy from recovering all legally available response costs for certain actual or threatened releases of hazardous substances at sites included in the Formerly Utilized Sites Remedial Action Program (FUSRAP). At some FUSRAP sites, the application of this provision would be inconsistent with the policy that the polluter should pay the cost of addressing the pollution created.

We strongly support removing this language and would be pleased to report to the Congress on our current efforts under the FUSRAP program.

Sincerely,

ALVIN L. ALM,
Assistant Secretary for Environmental Management.

Mr. LEVIN. I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, we support the amendment. I suggest a voice vote.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the second-degree amendment No. 418.

The amendment (No. 418) was agreed to.

Mr. SMITH of New Hampshire. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 417, as amended.

The amendment (No. 417), as amended, was agreed to.

Mr. SMITH of New Hampshire. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

AMENDMENT NO. 419

(Purpose: To prohibit the distribution of certain information relating to explosives, destructive devices, and weapons of mass destruction)

Mrs. FEINSTEIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN], for herself and Mr. BIDEN, proposes an amendment numbered 419.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle E of title X, add the following:

SEC. 1074. CRIMINAL PROHIBITION ON THE DISTRIBUTION OF CERTAIN INFORMATION RELATING TO EXPLOSIVES, DESTRUCTIVE DEVICES, AND WEAPONS OF MASS DESTRUCTION.

(a) UNLAWFUL CONDUCT.—Section 842 of title 18, United States Code, is amended by adding at the end the following:

''(*l*) DISTRIBUTION OF INFORMATION RELATING TO EXPLOSIVES, DESTRUCTIVE DEVICES, AND WEAPONS OF MASS DESTRUCTION.—

''(1) DEFINITIONS.—In this subsection—

''(A) the term 'destructive device' has the same meaning as in section 921(a)(4);

''(B) the term 'explosive' has the same meaning as in section 844(j); and

''(C) the term 'weapon of mass destruction' has the same meaning as in section 2332a(c)(2).

''(2) PROHIBITION.—It shall be unlawful for any person—

''(A) to teach or demonstrate the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute by any means information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, with the intention that the teaching, demonstration, or information be used for, or in furtherance of, an activity that constitutes a Federal criminal offense or a State or local criminal offense affecting interstate commerce; or

''(B) to teach or demonstrate to any person the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute to any person, by any means, information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, knowing that such person intends to use the teaching, demonstration, or information for, or in furtherance of, an activity that constitutes a Federal criminal offense or a State or local criminal offense affecting interstate commerce.''.

(b) PENALTIES.—Section 844 of title 18, United States Code, is amended—

(1) in subsection (a), by striking ''person who violates subsections'' and inserting the following: ''person who—

''(1) violations subsections'';

(2) by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(2) violates subsection (*l*)(2) of section 842 of this chapter, shall be fined under this title, imprisoned not more than 20 years, or both.''; and

(2) in subsection (j), by striking ''and (i)'' and inserting ''(i), and (*l*)''.

Mrs. FEINSTEIN. Mr. President, I send this amendment to the desk on behalf of Senator BIDEN and myself.

For 3 years, Senator BIDEN and I have sent an amendment to the desk which would prohibit the teaching of bomb making. Twice it passed this body by unanimous consent, and twice in conference the amendment was taken out.

Last year, when we made this amendment and this body graciously and, I believe, wisely accepted it, it was replaced in conference with the proviso that the Department of Justice would do a report to see whether this amendment was well advised and would stand a constitutional test.

On April 29 of this year, the Department of Justice published a report, and that report was entitled, ''Report on the Availability of Bomb Making Information, The Extent to Which Its Dissemination is Controlled by Federal Law, and the Extent to Which Such Dissemination May be Subject to Regulation Consistent with the First Amendment to the United States Constitution.''

The bottom line of the report is that the Department of Justice agrees that it would be appropriate and beneficial to adopt further legislation to address the problem of teaching bomb making directly, if that can be accomplished in a manner that does not impermissibly restrict the wholly legitimate publication and teaching of such information or otherwise violate the first amendment.

In other words, the question presented by this is, when does the first amendment end and when does conspiracy to commit a felony begin?

So the language in the amendment that we submit to this body today has been reworked, strengthened and approved by the Department of Justice. I would like to briefly read it. The language is as follows:

It shall be unlawful for any person—

(A) to teach or demonstrate the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute by any means information pertaining to, in whole or in part, the manufacture or use

of an explosive, destructive device, or weapon of mass destruction, with the intention that the teaching, demonstration, or information be used for, or in furtherance of, an activity that constitutes a Federal criminal offense or a State or local criminal offense affecting interstate commerce . . .

Then there is an alternative:

or (b) to teach or demonstrate to any person the making or use of an explosive, a destructive device, or a weapon of mass destruction . . . knowing that such person intends to use the teaching, demonstration, or information for, or in furtherance of, an activity that constitutes a Federal criminal offense or a State or local criminal offense affecting interstate commerce.

The penalty for violating this law would be a fine of $250,000 or a maximum of 20 years in prison, or both.

Mr. President, according to terrorism expert, Neil Livingston, there are more than 1,600 so-called mayhem-manuals in circulation. I outlined some examples of what I am talking about.

I will never forget, Mr. President, and you are a member of the Judiciary Committee—I don't believe you were on the committee at the time—but when a document entitled ''The Terrorist's Handbook'' was circulated, I believe at that time Senator KENNEDY and I couldn't believe it. So I went back to my office and asked my staff to download what is called ''The Terrorist's Handbook.'' The cover of ''The Terrorist's Handbook'' reads something like this:

Stuff you are not supposed to know about. Whether you are planning to blow up the World Trade Center, or merely explode a few small devices on the White House lawn, the Terrorist's Handbook is an invaluable guide to having a good time. Where else can you get such wonderful ideas about how to use up all that extra ammonium triiodide left over from last year's revolution?

And then this handbook, which I have in my hand, goes on to tell people how to break into a building, how to pick a lock, how to break into a chem lab in a college, how to look like a student. It produces techniques for picking locks. It goes on and tells you what useful household chemicals you should use. And then it goes on to explain, with specificity, how to make a lightbulb bomb, a book bomb, a phone bomb, and it goes on and on and on.

Mr. President, there is no legal, legitimate use for a phone bomb, for a book bomb, for a baby-food bomb, all of which are described in this handbook. When it is put in this context, the context of criminality, it is my belief that the person who puts this up on the Internet becomes a conspirator in the ability to commit a major crime in the United States.

An interesting thing that we have found is that individuals who have committed these crimes have actually had at least some of these publications in their home when they were arrested.

According to the Executive Office for U.S. Attorneys, the following publications were found among Timothy McVeigh's possessions: ''Homemade C–4, A Recipe for Survival.'' My staff just went over to the Library of Congress and tried to take out a copy of this. Incidentally, it is missing from the library.

''Ragnar's Big Book of Homemade Weapons and Improvised Explosives.''

So we know that materials on the Internet are used by terrorists to commit terrorist acts. We also know that the number of explosive devices now being found are increasing. Authorities have stated that the rise is attributable to a rise in Internet use. This is certainly true in Los Angeles County. During the first half of 1996, these numbers of explosive devices have increased dramatically; 178 were found compared to 86 total in 1995.

Responses by the Los Angeles Police Department to reports of suspected bombs have shot up more than 35 percent from 1994 to 1995. The LAPD found 41 explosives in 1995, more than double the number 3 years ago. And it goes on and on and on.

One thing is also very interesting. Not only are terrorists using this, but children are using this.

Not too long ago there was a cartoon in a newspaper. It really describes what is happening. A mother is on the telephone saying to a friend, ''* * * history, astronomy, science, Bobby is learning so much on the Internet * * *'' And there is Bobby sitting by his computer, and what Bobby is doing here is putting a timer on six sticks of dynamite looking at the Internet and following the recipe. Of course what that leads to is something like this:

Three Boys used Internet to Plot School Bombing, Police Say.

That is the New York Times.

Something like this:

Internet Cited for Surge in Bomb Reports. Police and sheriffs officials say Web sites provide youngsters with information on making explosives.

Yesterday, June 18, the Fort Lauderdale Sun-Sentinel reported on the pending trial of 15-year-olds Burke DeCesare and Adam Walker, who were charged with planting a bomb in their Catholic school. They are eighth graders. They live in the Bayview neighborhood. They broke into Saint Coleman Catholic School in Pompano Beach around 2 a.m. on February 24, 1996. They planted a gasoline bomb in the ceiling of classroom 116.

Bomb experts from the Broward Sheriff's Office said the device, made with gasoline, was wired to explode at the flick of a light switch. This is taught—the recipe for this is in one of these manuals. The boys told police they got the instructions to build the bomb from the Internet.

Nine days ago, on June 10, 1997, the Cleveland Dispatch reported the arrest of a North Side 15-year-old who built a homemade bomb with information he gathered from the Internet. The Columbus Fire Division bomb squad was required to remove devices from the kitchen and the basement of the parents' homes. Neighbors, who lived within 500 feet of the home, were evacuated for 2 hours.

Columbus police reported that one device consisted of a quart Mason jar containing lighter fluid and Styrofoam, with an M–90 inserted into the Mason jar cap which served as an igniter. This young man told his parents he learned to make the bomb on the Internet.

Last month, the Los Angeles Times reported that two 14-year-old boys were arrested in Yorba Linda, CA, after crafting eight pipe bombs and detonating one of them. The bomb caused a fire, charring 400 feet of land behind a home on Grandview Avenue. After admitting they sparked the fire with the bomb, the boys told investigators they had seven more bombs inside the house. The bombs were fashioned with information from the Internet.

In May of this year, the Baltimore Sun reported that two teenagers in Finland face charges over an explosion from Finland's second ''Internet bomb'' in a week. Sixty people were evacuated. And it goes on and on and on.

In Orange County, police say teenagers may have used the Internet to help construct acid-filled bottle bombs in Mission Viejo and Huntington Beach, one of which burned a 5-year-old boy when he found it on a school playground.

According to the Bureau of Alcohol, Tobacco and Firearms, between 1992 and 1995, 15 juveniles were killed and 366 injured in the United States while making explosive devices. Most of this comes right off of the Internet.

The Justice Department, on a single Web site, obtained the titles to over 110 different bombmaking texts.

The point here is that this material is now so easy to get. When it is put in something like a terrorist handbook and you are told what to use, how to steal it, how to dress like a college student, how to break into a chem lab, how to use cardboard to stuff in the lock so you can come back at night, how to go home and how to go into your kitchen and make one of these bombs, and then how to go out and explode it wherever you want—there is no legitimate legal use for this information.

There is only a criminal purpose for this information. There is no legal use for a baby food bomb, for a phone bomb, for a book bomb. You do not blow up a tree stump if you are a farmer in the field with one of these. There is no legal use. So I am hopeful—I know that we are into the third year of this amendment—that it will in fact survive a conference committee. I understand that both sides are willing to accept the amendment.

Mr. President, I ask unanimous consent that a summary of the Department of Justice report be printed in the RECORD.

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

SUMMARY OF THE REPORT ON THE AVAILABILITY OF BOMBMAKING INFORMATION, THE EXTENT TO WHICH ITS DISSEMINATION IS CONTROLLED BY FEDERAL LAW, AND THE EXTENT TO WHICH SUCH DISSEMINATION MAY BE SUBJECT TO REGULATION CONSISTENT WITH THE FIRST AMENDMENT TO THE U.S. CONSTITUTION

(Prepared by the U.S. Department of Justice)

INTRODUCTION AND SUMMARY

In section 709(a) of the Antiterrorism and Effective Death Penalty Act of 1996 [''the AEDPA''], Pub. L. No. 104–132, 110 Stat. 1214, 1297 (1996), Congress provided that, in consultation with such other officials and individuals as she considers appropriate, the Attorney General shall conduct a study concerning—

(1) the extent to which there is available to the public material in any medium (including print, electronic, or film) that provides instruction on how to make bombs, destructive devices, or weapons of mass destruction;

(2) the extent to which information gained from such material has been used in incidents of domestic or international terrorism;

(3) the likelihood that such information may be used in future incidents of terrorism;

(4) the application of Federal laws in effect on the date of enactment of this Act to such material;

(5) the need and utility, if any, for additional laws relating to such material; and

(6) an assessment of the extent to which the first amendment protects such material and its private and commercial distribution. Section 709(b) of the AEDPA, in turn, requires the Attorney General to submit to the Congress a report containing the results of the study, and to make that report available to the public.

Following enactment of the AEDPA, a committee was established within the Department of Justice [''the DOJ Committee''], comprised of departmental attorneys as well as law enforcement officials of the Federal Bureau of Investigation and the Treasury Department's Bureau of Alcohol, Tobacco and Firearms. The committee members divided responsibility for undertaking the tasks mandated by section 709. Some members canvassed reference sources, including the Internet, to determine the facility with which information relating to the manufacture of bombs, destructive devices and other weapons of mass destruction could be obtained. Criminal investigators reviewed their files to determine the extent to which such published information was likely to have been used by persons known to have manufactured bombs and destructive devices for criminal purposes. And legal experts within the Department of Justice reviewed extant federal criminal law and judicial precedent to assess the extent to which the dissemination of bombmaking information is now restricted by federal law, and the extent to which it may be restricted, consistent with constitutional principles. This Report summarizes the results of these efforts.

As explained in this Report, the DOJ committee has determined that anyone interested in manufacturing a bomb, dangerous weapon, or a weapon of mass destruction can easily obtain detailed instructions from readily accessible sources, such as legitimate reference books, the so-called underground press, and the Internet. Circumstantial evidence suggests that, in a number of crimes involving the employment of such weapons and devices, defendants have relied upon such material in manufacturing and using such items. Law enforcement agencies believe that, because the availability of bombmaking information is becoming increasingly widespread (over the Internet and from other sources), such published instructions will continue to play a significant role in aiding those intent upon committing future acts of terrorism and violence.

While current federal laws—such as those prohibiting conspiracy, solicitation, aiding and abetting, providing material support for terrorist activities, and unlawfully furthering civil disorders—may, in some instances, proscribe the dissemination of bombmaking information, no extant federal statute provides a satisfactory basis for prosecution in certain classes of cases that Senators Feinstein and Biden have identified as particularly troublesome. Senator Feinstein introduced legislation during the last Congress in an attempt to fill this gap. The Department of Justice agrees that it would be appropriate and beneficial to adopt further legislation to address this problem directly, if that can be accomplished in a manner that does not impermissibly restrict the wholly legitimate publication and teaching of such information, or otherwise violate the First Amendment.

The First Amendment would impose substantial constraints on any attempt to proscribe indiscriminately the dissemination of bombmaking information. The government generally may not, except in rare circumstances, punish persons either for advocating lawless action or for disseminating truthful information—including information that would be dangerous if used—that such persons have obtained lawfully. However, the constitutional analysis is quite different where the government punishes speech that is an integral part of a transaction involving conduct the government otherwise is empowered to prohibit; such ''speech acts''—for instance, many cases of inchoate crimes such as aiding and abetting and conspiracy—may be proscribed without much, if any, concern about the First Amendment, since it is merely incidental that such ''conduct'' takes the form of speech.

Accordingly, we have concluded that Senator Feinstein's proposal can withstand constitutional muster in most, if not all, of its possible applications, if such legislation is slightly modified in several respects that we propose at the conclusion of this Report. As modified, the proposed legislation would be likely to maximize the ability of the Federal Government—consistent with free speech protections—to reach cases where an individual disseminates information on how to manufacture or use explosives or weapons of mass destruction either (i) with the intent that the information be used to facilitate criminal conduct, or (ii) with the knowledge that a particular recipient of the information intends to use it in furtherance of criminal activity.

Mrs. FEINSTEIN. Mr. President, I conclude my statement simply with this. This amendment has been put into this bill once before. It has been put into the terrorism bill once. It has been passed by this body twice. It has been reworked to withstand a first amendment challenge. I am hopeful, with the history of what is happening in this country, that Americans all across this land will say there is no first amendment right to be a conspirator and teach someone how to make a bomb to blow someone else up. So I am hopeful that this year it might survive a conference.

I thank the Chair and yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. We are checking with one Senator who we understand may wish to be heard on this amendment. I just want to notify the Senate of that. I see, though, the chairman is on his feet, so I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, we have no objection to the amendment.

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 420

(Purpose: To require a license to export computers with composite theoretical performance equal to or greater than 2,000 million theoretical operations per second)

Mr. COCHRAN. Mr. President, I send an amendment to the desk for myself and Mr. DURBIN.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself and Mr. DURBIN, proposes an amendment numbered 420.

Mr. COCHRAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle E of title X, add the following:

SEC. . SUPERCOMPUTER EXPORT CONTROL.

(a) EXPORT LICENSING WITHOUT REGARD TO END-USE AND END-USER.—

(1) IN GENERAL.—Notwithstanding any other provision of law, effective upon the date of enactment of this Act, computers described in paragraph (2) shall only be exported to a Computer Tier 3 country pursuant to an export license issued by the Secretary of Commerce.

(2) COMPUTERS DESCRIBED.—A computer described in this paragraph is a computer with a composite theoretical performance equal to or greater than 2,000 million theoretical operations per second.

(b) LIMITATION ON REEXPORT.—It is the sense of the Senate that Congress should enact legislation to require that any computer described in subsection (a)(2) that is exported to a Computer Tier 1 or Computer Tier 2 country shall only be reexported to a Computer Tier 3 country (or, in the case of a computer exported to a Computer Tier 3 country pursuant to subsection (a), reexported to another Computer Tier 3 country) pursuant to an export license approved by the Secretary of Commerce and that the preceding requirement be included as a provision in the contract of sale of any such computer to a Computer Tier 1, Computer Tier 2, or Computer Tier 3 country.

(3) COMPUTER TIERS DEFINED.—In this section, the terms ''Computer Tier 1'', ''Computer Tier 2'', and ''Computer Tier 3'' have

the meanings given such terms in section 740.7 of title 15, Code of Federal Regulations.

Mr. COCHRAN. Mr. President, on the 11th of June, my Subcommittee on International Security, Proliferation, and Federal Services of the Committee on Governmental Affairs held a hearing on the subject of proliferation and U.S. dual-use export controls. The hearing focused almost entirely on the subject of U.S. exports of high-performance computers, also known as supercomputers.

In preparing for and conducting this hearing, we learned that the administration's policy on supercomputers, which are an integral component for developing, producing and maintaining nuclear weapons, ballistic missiles, and practically all advanced weapon systems, could put American lives and interests at risk.

I am offering this amendment as a necessary first step to staunch the flow of American-made supercomputers to countries and places they should not be going.

On October 6, 1995, President Clinton announced a new export control policy for supercomputers which decontrolled supercomputer exports to a great extent. He said that he had ''decided to eliminate controls on the exports of all computers to countries in North America, most of Europe, and parts of Asia.'' Continuing further, ''For the former Soviet Union, China, and a number of other countries, we will focus our controls on computers intended for military end uses or users, while easing them on the export of computers to civilian customers.''

There is, of course, a delicate balance that must be struck between presenting U.S. national security by controlling dual-use exports and promoting exports. We must be careful not to place American manufacturers in a position where they cannot export goods that other countries are exporting, though, of course, our national security interests dictate that some goods cannot be sold to some countries no matter how irresponsibly other countries behave. For example, the willingness of some Western European countries to work with Libya to construct a chemical weapons complex does not justify the involvement of United States companies in similar ventures.

President Clinton's October 6, 1995, announcement liberalizing U.S. export controls on supercomputers established four country tiers to guide American exporters, at the same time eliminating restrictions on the export of computers capable of less than 2,000 million theoretical operations per second— this is referred to as an MTOPS—for all except tier 4 countries, it is unrestricted if the computers are capable of less than 2,000 MTOPS. Whether it makes sense to decontrol computers capable of up to that level is one of the issues which should be studied more extensively. I will ask the General Accounting Office to do so.

Country tier 1, consisting primarily of NATO allies, effectively establishes a license-free zone for U.S. high-performance computer exports. Computers of unlimited capacity under this policy can be exported to any tier 1 country without regard to the identity of the end user or the intended end use.

The policy for country tier 2, which includes countries such as South Korea, Hungary, Poland, and the Czech Republic, allows unlicensed exports to any country within this tier of computers capable up to 10,000 million theoretical operations per second. And the policy continues the virtual embargo against those nations—the terrorist nations such as Iran, Iraq, Syria, and North Korea—that comprise country tier 4. There are many deficiencies in this new policy, Mr. President.

Our amendment addresses what we consider to be the most significant deficiency in need of immediate attention. It is a problem specific to the part of the policy pertaining to country tier 3 which I want to describe now. The policy announced by President Clinton for tier 3 countries, which include Russia, China, and some others, is based entirely upon the questions of who the end user will be and for what end use the supercomputer is intended. End use and end user are the critical factors for tier 3 exports.

The tier 3 policy requires an export license to be granted by the Department of Commerce under only two circumstances: First, if the computer to be exported is capable of 2,000 MTOPS and is going to a military end use or end user; and second, if the computer to be exported is capable of 7,000 MTOPS and is going to a civilian end use and end user. This policy requires no export license for manufacturers who want to sell supercomputers capable between 2,000 and 7,000 MTOPS to buyers in tier 3 countries when there is to be a civilian end use and end user. It is the exporter—not the Department of Commerce, not the U.S. Government—who is given the latitude under the policy for determining whether the purchaser's representations are accurate, that it is not a military end user and will not use the supercomputer for a military purpose.

The Clinton administration policy further requires American exporters to act on the honor system, policing themselves and deciding themselves whether or not the end user is going to be a military entity or will be putting the supercomputer to a military use.

Unfortunately, some companies have already been tempted to take a chance. Maybe they were not sure; maybe they were tempted by the profits of the transaction. Whatever the motivations and the understandings or lack of information, or for whatever the reason, we have known that some transactions have involved the sale of supercomputers, without objection from our Department of Commerce or our Federal Government to those who may be putting computers to a military use, or maybe military entities themselves.

We know now, for example, based on statements from the Russian Minister of Atomic Energy and from United States Government officials, that there are at least five American supercomputers in two of Russia's nuclear weapons labs: Chelyabinsk-70 and Arzamas-16. Minister Mikhailov of the Russian Ministry of Atomic Energy has not been reluctant to proclaim what these high-performance computers will be used for, and he said in a speech in January they will be used to simulate nuclear explosions, and that the computers are, in his words, ''10 times faster than any previously available in Russia.''

Four of the five supercomputers we are aware of publicly in Russia's nuclear weapons labs came from Silicon Graphics, a company in California, I think. According to the CEO, Edward McCracken, it was his company's understanding that the computers were for environmental and ecological purposes. It may be that Silicon Graphics was unable to determine whether a Russian nuclear weapons lab was going to be the military end user or if its supercomputers would be put to a military end use. But it seems from the statements made by the Atomic Energy Minister in Russia that they certainly are available to them for those purposes.

We also know at least 47 high-performance computers have been exported without licenses to the People's Republic of China. One of the computers sold also by Silicon Graphics is now operating in the Chinese Academy of Sciences. The Chinese Academy of Sciences is a key participant in military research and development, and works on everything from the DF–5 ICBM—which, incidentally, is capable of reaching the United States—to uranium enrichment for nuclear weapons. There can be no question about the Chinese Academy of Science's status as a military end- user.

According to the Department, its new Silicon Graphic Power Challenge XL supercomputer provides it with computational power previously unknown, which is available to all the major scientific and technological institutes across China. We can only hope that some of these institutes in China are using the supercomputer's technology for peaceful purposes, but we cannot help but suspect that some may be a part of the weapons development program in China, which is on a fast track to modernize their nuclear weapons system and capabilities and their missile technologies and all the rest.

At our recent hearing, we had the benefit of testimony from the Under Secretary of Commerce for Export Administration, William Reinsch, who said that the Clinton administration doesn't know if any of the supercomputers in China or Russia are being used for weapons-related activities, but the Commerce Department is in a difficult position. You have to appreciate how difficult it must be to have the responsibility for both promoting exports

and controlling exports, and that is the dilemma that this Department is in. But we have to realize that nuclear weapons labs are potential end users and have been shown already by the evidence before our committee that they have obtained American supercomputers and they may be put to a military end use.

In 1986, the Department of Energy published an unclassified report entitled, ''The Need for Supercomputers in Nuclear Weapons Design.'' The report's conclusion included this statement: ''The use of high-speed computers and mathematical models to simulate complex physical processes has been and continues to be the cornerstone of the nuclear weapons design program.'' These computers continue to be important to the design and production of nuclear weapons and other types of weapons of mass destruction and delivery systems.

I do not see how we can tolerate the continuation of a policy that makes it easier for Russia and China to modernize their nuclear weapons and delivery systems. We ought not to be in the business of helping them to improve the quality of our weapons, their technology, their delivery systems, particularly when there is evidence of proliferation from those countries to other countries.

This amendment, I want to point out, does not include a comprehensive revision of our export control policy. It is targeted to one specific part of the policy. We hope that with the findings that are obtained from the General Accounting Office study and our further studies in our subcommittee, which is reviewing this entire issue and proliferation problems generally, that we will be able to come up with and work with the administration and hopefully develop a consensus agreement on a modification of our export policy.

We think the time is here, it is now, when we need to stop the unrestricted flow of these supercomputers to potential users all around the world that can threaten our Nation's security and put at risk American citizens. It is not like some other country has these systems available for sale on the market. They do not. We are the state-of-the-art producer of the supercomputers. Japan has the capacity to produce supercomputers as well, but their export policy is more restrictive now than ours is. So we are the culprit, if we are putting in the hand of military end users and military weapon system producers in other countries technologies that are superior to what they have now and that can be used to make more lethal their nuclear weapons and their missile systems. We are putting in jeopardy the lives of our own citizens.

I am hopeful that this amendment, in concert with other efforts that we are making, will help improve our capacity to monitor these exports and require license in those situations where we think this export might present a proliferation problem, because we know from previous experience in Russia and China, as well, private companies have demonstrated that they do not have the adequate restraints to make determinations about where and how their exports are distributed into other country's hands. We know that transshipments are occurring. We also know that it is difficult to verify in a country like China what the private company that may be the purchaser of a supercomputer really intends to do with it once they have it. It is difficult to get access, to get information, and so a private company has a very difficult time developing an information base on which it can really make a conclusion about the end use or the end user. That is another reason to change this policy. The Commerce Department is going to have to do a better job of compiling information about those who are in the market worldwide for these supercomputers and making this information available to our exporters and the companies that have these supercomputers for sale.

Mr. President, I encourage the Senate to look very carefully at this proposal. I hope that the amendment will be agreed to. Senator DURBIN and I were involved in questioning witnesses before our subcommittee just recently on this subject, and we are convinced that this is a policy that has to be changed, and the time to change it is right now.

Our amendment does not in any way change the policy President Clinton announced in October 1995, though it is my judgment that the entire policy is in need of serious evaluation and revision, and I will also be asking the General Accounting Office to assist me in this evaluation. Our amendment requires the Department of Commerce, in concert with other parts of the executive branch, to determine whether an entity in a tier 3 country is a military or civilian end-user, and whether the end-use will be for a military or civilian purpose. By their exports to Russian and Chinese nuclear weapons labs, private companies have demonstrated that they do not do an adequate job of making this determination. Government has the resources and information available to make the best determination possible, and should step in to ensure that America's national security is not being compromised for sake of a more profitable quarter.

In a country like the People's Republic of China, how can any private company have the resources to determine whether an end-user is military or civilian?

Some suggest that the process can be left unchanged, but that the Commerce Department can do a better job of helping industry make the proper end-use and end-user determination by publishing a list of end-users to which high performance computer exports are prohibited. I disagree with this suggestion. Any published list would necessarily be incomplete, for a complete list would compromise U.S. intelligence sources and methods. Any published list would also serve as a marketing tool for the world's proliferators, making their job of finding specific clients easier. And, any published list would be only too easy to manipulate by both the purchaser and the exporter who may not be willing to operate under the honor system. If, for example, Chelyabinsk-70 is on the list of prohibited locations, does that mean that a Chelyabinsk-71, not on the list, can receive U.S. exports of high performance computers? What's to stop an exporter like Silicon Graphics from accepting the convenient suggestion that, ''yes, Chelyabinsk-70 does nuclear weapons work, but at Chelyabinsk-71 we conduct only environmental research.''

Publishing a list could reduce, but not eliminate, the problem we face, though in so doing other serious problems would be created. Congress needs to change the current process so the Government—with the most access to information with which to make the most informed determination of military end-use and end-user—makes the decision on whether to ship these computers to countries who are modernizing their weapons and delivery systems and engaged in proliferation of these technologies. America should not be participating in the qualitative upgrade of Russian and Chinese proliferant activities.

The Commerce Department maintains that President Clinton's supercomputer export control policy is working. Commerce continues to make this claim despite the fact that the administration's policy has allowed American supercomputers to be shipped to Russia's and China's nuclear weapons complexes, and who knows where else. If this policy is working, what would a policy that wasn't working look like? Would there be more supercomputers in Russia and China, or would we know absolutely that our supercomputers were in Iran, North Korea, or other terrorist states?

The cold war's end does not decrease the need for the continued safeguarding of sensitive American dual-use technology. While there may no longer be a single, overarching enemy of the United States, there is little doubt that many rogue states, and perhaps others, have interests clearly contrary to those of the United States. Helping these nations—or helping other nations to help these nations—to acquire sensitive dual-use technology capable of threatening American lives and interests makes no sense.

I thank Senator DURBIN for his work with me on this issue, and look forward to continuing to work with him to get to the bottom of this problem. I encourage all of my colleagues to support this amendment.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Illinois is recognized.

PRIVILEGE OF THE FLOOR

Mr. DURBIN. Mr. President, first, I ask unanimous consent that the privilege of the floor be granted to Lamelle Rawlins during the pendency of this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I am pleased to join my colleague from Mississippi, Senator COCHRAN, as a cosponsor of this important amendment. I think anyone who had attended our hearing within the last 2 weeks on this issue would have been shocked at what they learned. We have expanded opportunities for the purchase of some of the most valuable technology in the world. It is technology developed in the United States, which has no parallel anywhere else in the world, and we are selling it. The fact that we are selling it is nothing new. The United States has done that for years. But this technology is so important and sensitive that the people who buy it automatically acquire a capacity, a capability that they have never had in their history. In other words, our expertise, our knowledge, our technological skill is being sold.

What makes this particularly important is that this very technology has the capacity to give to the purchasing country the skills and abilities that they have never had before to develop things that are very positive, on one hand, but also potentially very negative. I was reminded of a quotation that is attributed to Mr. Lenin in the early days of his establishment of the Soviet republics. He said that it was his belief that ''a capitalist would sell you the rope that you would use to hang him.'' I thought about that over and over, as we discussed this question of selling these computers to countries like China and Russia, which have the capacity to allow them to develop extraordinary military capability.

Recent news accounts about sales of supercomputers to Russian nuclear weapons labs and the Chinese Academy of Sciences—in apparent circumvention of United States export control regulations—have raised troubling questions about the control that the United States exercises over supercomputer exports.

China has purchased at least 46 United States supercomputers. Of these, 32 are one particular model that is faster than two-thirds of the classified computer systems available to our own Department of Defense, including the United States Naval Underwater Weapons Center, United States Army TACOM, and United States Air Force/National Test Facility.

The Commerce Department and the Justice Department are investigating the unlicensed sale—unlicensed sale—of four over-2000 MTOPS computers to the Russian nuclear weapons facility Chelyabinsk-70.

The computers recently sold are 10 times more powerful than anything Russia ever had before, and we sold it to them.

There is ample room for mistakes and confusion in the current dual-use export control system for supercomputers.

According to a New York Times article on February 25 of this year, in an effort to circumvent United States export controls, Russia's nuclear weapons establishment obtained a powerful IBM supercomputer through a European middleman and said they planned to use it to simulate nuclear tests.

I was on this floor 2 weeks ago giving a speech about a test ban, recalling the speech given by President Kennedy before American University in 1963. I came to the floor with Senator HARKIN and said it is time for us to have a comprehensive nuclear test ban, moving toward the day when there are no nuclear weapons threatening this world. In the world we live in today, you don't need to detonate a nuclear weapon. If you have a supercomputer, which can simulate that detonation, you can derive the same information—or a lot of it—through this model and through this technology. These are the very same computers and capabilities that we are selling.

The Nation's export controls for supercomputers ''amount to a kind of honor system,'' according to one U.S. official quoted in the Wall Street Journal. Companies that have doubt about a customer's activities are expected to call the U.S. Government for advice.

Think about that. You have a computer company and you have a sale worth millions of dollars and you don't know whether it is going to be used for a peaceful purpose or a military purpose. Well, the honor system says it is time to call the Department of Commerce and check it out and see if they have any records or classified information. They may not share the information with you, but they may tell you there is some concern. But it is an honor system. There is nothing built into the law to guarantee this kind of surveillance, this kind of supervision.

Companies may fail to obtain licenses to sell supercomputers ordered for civilian purposes, such as weather forecasting or air pollution studies or natural resources prospecting and development, but these computers end up in places which do design work for nuclear weapons programs—not a civilian use. Companies may knowingly ignore licensing requirements or, alternatively, companies may unwittingly fail to recognize a suspect end-user.

The first step toward better export controls is better communication. Increased accountability and interaction between industry and the Federal Government called for by this amendment will help facilitate that interchange.

Even William Reinsch, the Undersecretary for Export Administration for the Commerce Department, quoted by Senator COCHRAN with whom I share the sponsorship of this amendment, testified at the Governmental Affairs subcommittee hearing last week, agreed that better communication is essential. He invited and encouraged companies to consult with the Commerce Department when faced with challenging sales decisions.

The current system for supercomputer exports involves controls on high-power computer exports set forth in Federal regulations that divide the countries of the world into various categories, or tiers.

The licensing policies vary depending on which category the country falls into. There are countries for which no export license is required—tier 1—some countries for which licenses are required for extraordinarily high performance machines—tier 2—some for which licenses are required, depending on whether the end-use is military rather than civilian—tier 3—and countries for which sales are totally banned—tier 4.

The tier 3 countries include India, Pakistan, all of the Middle East/Maghreb, the former Soviet Union, China, Vietnam, and the rest of Eastern Europe.

Under current rules, export licenses are required to export or re-export computers with a composite theoretical performance, known as CTP, greater than 2000 MTOPS to military end-users and end-uses and to nuclear, chemical, biological, or missile end-users and end-uses in tier 3 countries.

However, for civilian end-users or end-uses that don't fall into a military or proliferation category, licenses are not required for export or re-export of computers under 7000 MTOPS to these countries.

What this means is that for many sales, no Government oversight or decisionmaking takes place at the front end if the exporter determines that he is selling to a company that portrays itself as a civilian user because no license is required.

Because of the differences in the licensing rules that apply to exports for military and proliferation uses than those governing sales for civilian use, the U.S. Government plays no upfront role in determining whether the end-use of a supercomputer under 7000 MTOPS sold to a buyer in a tier 3 country is indeed to be used for a civilian purpose.

I know this is involved, I know that it is complicated. Let me try to cut to the bottom line. If a company in the United States seeks to sell a supercomputer, one of great capacity, and the end-user, the company that is buying in another country, says this is strictly for a civilian purpose, it is not going to be used for anything of a military capacity, there are virtually no controls on that sale; nor is there much of anything done to track that sale, once it is made, as to where that computer actually ends up.

The responsibility is all on the shoulders of the manufacturer or exporter to make the determination on whether or not a license is needed, whether or not the computer might be used for military purposes. Exporters run the risk

of relying on assurances of the purchasers or their own intelligence information about end-use, rather than the resources of the Government. Either intentionally or inadvertently, exporters have made sales to destinations for which a license should have been obtained, because of end-use, but was not.

The Cochran-Durbin amendment would require that all U.S. exports of supercomputers above 2,000 million theoretical operations per second—a measure of the computer's speed—to a tier 3 country be licensed by the Commerce Department.

The presently more lenient requirements for civilian end-use sales in this category would be made identical to stricter ones applicable to sales for military proliferation purposes.

The amendment would shift responsibility from industry to the Government for deciding the propriety and conditions of the sales.

By subjecting all such sales above 2,000 MTOPS to licensing requirements, the United States may be able to prevent the uncontrolled flow of technology for unauthorized use or diversion to purchasers in countries who may have vastly different interests than those of the United States.

Civilian sales of supercomputers above 2,000 MTOPS to purchasers in tier 3 countries would be reviewed and approved by the Commerce Department, using the same standards used in licensing military and proliferation sales to these countries.

In addition, the amendment expresses the sense of the Senate that Congress should enact legislation requiring that any computer exceeding 2,000 MTOPS exported to a tier 1 or tier 2 country shall only be reexported to a tier 3 country, or reexported by a tier 3 country to another tier 3 country, pursuant to an export license approved by the Secretary of Commerce.

We are trying to track these computers, once sold, and determine where they are going to end up. We are saying to those countries, whom we consider to be our allies and friends, that we are going to ask you to bear responsibility for the end-use of the computer. We don't want you to be a conduit for the sale of a computer to a country where the United States suspects it may be used for military purposes.

The sense of the Senate would call for legislation that would require any reexport to a tier 3 country would have to be done under U.S. export license. This amendment is clearly necessary. I urge my colleagues to join Senator COCHRAN and myself. If you had listened to the testimony, as we did, you would have discovered, as I did, that there has been a dramatic increase in technology and expertise in this field. It is estimated that every 9 months to a year most of the computers that we are talking about become obsolete and move on to higher standards.

The United States is where these computers are made and the country from which they are sold. As we are concerned about the proliferation of those items that can be used for the construction of nuclear, biological, and chemical weapons, we should also be concerned about the potential that we are selling technology that can also be used for proliferation of military weaponry. If we are truly seeking a peaceful world—and we are—the United States should take care not to sell that technology which allows another country to develop weapons of destruction.

I think the Cochran-Durbin amendment strikes an appropriate balance. It brings our Government into the decision process. It protects those exporters in the United States who truly are trying to do the right thing and sell for civilian use. But it gives them a backup, and it leaves some assurance that will be another party investigating when it comes to sales of a suspect nature.

This amendment is an important step toward addressing some of the growing concerns about U.S. export control policies governing sales of dual-use technology and whether those policies may be permitting access to sophisticated American technology to aid in the buildup of nuclear weapons capability of other countries.

Recall the words of Mr. Lenin: ''A capitalist will sell you the rope that you will use to hang him.''

Let's not have that occur. Not in the name of free trade and good commerce should we forget our responsibility to national and world security. I believe the Cochran-Durbin amendment is a sensible and responsible way to bring some order to what is becoming a very chaotic situation.

I urge my colleagues to join Senator COCHRAN and me in support of this amendment.

I yield the remainder of my time.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I commend the distinguished Senator from Illinois for the great force of his argument and for the clarity of his statement in support of this proposal.

I ask unanimous consent that the Senator from Michigan [Mr. ABRAHAM] be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

Mr. WARNER. Mr. President, on behalf of the chairman and distinguished ranking member present here, I wish to inform Senators that there will be a vote at 7:15 tonight on the amendment by the senior Senator from California [Mrs. FEINSTEIN]. Essentially, this vote is a legislative measure to criminalize, under Federal laws, the willful disclosure of technology and other information that would enable an individual or individuals to make—manufacture a bomb.

The time between now and 7:15 will be equally divided between myself and the distinguished ranking member. Hopefully, within that time we can accommodate the distinguished colleague from Virginia, also. But, just a few words about the amendment to advise Senators with regard to the subject of the vote.

It is entitled, ''Distribution of Information Relating to Explosives, Destructive Devices, and Weapons of Mass Destruction.''

DEFINITIONS.—In this subsection—

(A) the term ''destructive device'' has the same meaning as [another section of the code];

(B) the term ''explosive'' [same meaning].

These terms are defined within the code, the existing code.

(C) the term ''weapon of mass destruction'' has the same meaning as in [another part of the code].

PROHIBITION.—It shall be unlawful for any person—

(A) to teach or demonstrate the making of an explosive, a destructive device, or a weapon of mass destruction, or to distribute by any means information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, with the intention that the teaching, demonstration, or information be used for, or in furtherance of, an activity that constitutes a Federal criminal offense or a State or local criminal offense affecting interstate commerce; or

(B) to teach or demonstrate to any person the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute to any person, by any means, information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, knowing that such person intends to use the teaching, demonstration, or information for, or in furtherance of, an activity that constitutes a Federal criminal offense or a State or local criminal offense affecting interstate commerce.

And the penalties are then recited.

Mr President, I yield to my distinguished colleague.

The PRESIDING OFFICER. The Senator form Michigan.

Mr. LEVIN. Mr. President, I ask unanimous consent that of the time remaining between now and 7:15, that 5 minutes be allocated to Senator ROBB and that——

Mr. WARNER. To be charged equally, Mr. President, to both sides.

Mr. LEVIN. That would be great, and 3 minutes be allocated to Senator FEINSTEIN.

The PRESIDING OFFICER. Is the Senator also asking we return to the Feinstein amendment?

Mr. LEVIN. I ask unanimous consent that we return to the Feinstein amendment immediately after the Senator from Virginia has completed his 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Thank you, Mr. President.

The defense authorization bill before us today does a pretty responsible job of providing adequate funding for personnel readiness, quality of life and modernization.

It also makes a concerted effort to accommodate many of the recommendations of the Quadrennial Defense Review. I remain concerned, however, as do many colleagues on the Armed Services Committee, that we will face a serious funding shortfall in just a very few years as we try to replace and modernize aging vehicles, ships, and aircraft that will be exiting the inventory in droves just after the turn of the century.

By accelerating some of the funding for major procurement items in this authorization, we help head off this funding crisis at least to a small degree.

As a ranking member of the Readiness Subcommittee, I compliment the chairman, Senator INHOFE, for his diligence in supporting U.S. military readiness.

I am pleased the bill funds many of the high-priority readiness increases requested by the service chiefs in the operations and maintenance accounts, as well as the ammunition accounts. Military construction is well funded, but all adds were subjected to the strict criteria established in the Senate years ago to ensure we only fund projects truly needed by the military.

The bill does not go far enough, however, in my judgment, in taking on the issue of excess infrastructure. One of the best ways we can pay for future modernization is through reducing the Department of Defense's large ''tail'' of infrastructure and support, which is taking away critical funding for the ''teeth''—our warfighting troops and equipment that will fight the next war.

The best place to reduce tail is to cut more bases. An effort to authorize a new base closure round failed in a tie vote in committee, but in spite of its political unpopularity, I hope the full Senate will, for the good of the Nation's defense, support a new BRAC round.

We have reduced force structure by over 30 percent since 1989, but four rounds of base closures have yielded an infrastructure reduction of only 21 percent. Reductions enacted so far will yield, in the long term, over $5 billion a year.

To gain additional, badly needed savings, the only responsible course of action, in my judgment, is to begin reducing additional excess right away. Although I certainly understand the reservations of those Members who are concerned about the integrity of the BRAC process, in light of the attempts to privatize in place the work at Kelly and McClellan Air Force depots, I hope once those issues are resolved, those Members will support a new BRAC round as well.

The depot issue remains a difficult one, to say the least. My view is that we must significantly reduce the excess capacity at the air logistic centers, that the spirit of the BRAC was to reduce roughly two ALC's worth of capacity, and that the BRAC did allow for some level of privatization of work at Kelly and McClellan.

But in no way did the BRAC intend to privatize in place excess capacity. Preserving that excess capacity will cost hundreds of millions of dollars, and we simply cannot afford this kind of waste anymore.

I applaud my counterpart on the Readiness Subcommittee, Senator INHOFE, for his willingness to strike the controversial depot maintenance sections of the original bill that threatened to prevent us from proceeding to consider this bill.

Mr. President, there are other ways to save money so that we can properly fund modernization.

One is to invest in new technologies that promise to deliver more lethality for less cost.

This bill aggressively funds the Army's efforts to ensure battlefield dominance through better intelligence, communications and smart weapons. It adds significant funds for the Navy's impressive information Technology 21 initiative, which will enable the warfighter to exchange all types of information on a single desktop computer, shorten decision time lines and better utilize information for combat.

I will be addressing another technology, smart card technology, that promises to save millions in an amendment later on in our consideration of this bill.

The bill also sensibly allows a new approach for funding the next carrier, the CVN–77.

By letting the contractor maintain a steady supplier and workforce base through early funding in fiscal year 1998 for construction in 2002, the taxpayers stand to save over $600 million on this program alone. By authorizing an innovative teaming arrangement for the new attack submarine, we achieve additional savings over a noncompeted, sole-source procurement while preserving two nuclear-capable shipyards.

Let me offer one other area the bill addresses that could lead to billions in savings without undue risks to military capability. We generally assume that any money for force modernization must come from force structure cuts, end-strength cuts or infrastructure cuts.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROBB. I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBB. Mr. President, we generally assume that there are no prospects for savings in readiness. The reality is that we maintain most of our active force units at very high levels of readiness at considerable expense, when, in fact, we could relax readiness levels for certain units, especially those not slated to go into combat early. Senator MCCAIN included language in this and last year's bill requiring an evaluation of a concept he refers to as ''tiered readiness'' where four tiers of readiness are established for our units based on their likely time of deployment to battle.

I have included language in this bill asking for an estimate of savings from a related concept I refer to as ''cyclical readiness.'' It would involve alternating a high state of readiness between units, where the units at the high state of readiness would be slated for a first major theater war, and the other lower readiness units would be available for a second theater.

The services tell us that their operational and personnel tempos are too high to relax the readiness of any units. I have come to the conclusion that much of that problem is self-inflicted through excessive training and contingency requirements.

I have included another provision in this bill that requires a look at how much of the demands on our troops are, in fact, self-inflicted.

The reality is that come October, our largest overseas contingency commitment will be about a third of an Army division in Bosnia.

In my judgment, we don't need to maintain all ten active Army divisions at a high state of readiness, and I believe we need to take a hard look at this matter.

With that, Mr. President, I look forward to our continued consideration of this bill and yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I ask for 1 minute charged to the time of the chairman.

I just wish to say what a valuable contribution to the work of the Armed Services Committee from my distinguished colleague from Virginia. We work together as a team on behalf of our Nation but, obviously, caring for the specific needs of our State which are directly related to national security.

We are fortunate in Virginia to have a very significant concentration of activities relating to national security, and I know of no one better qualified than my distinguished colleague to work together as a partner in fulfilling our obligations to country and State.

Mr. ROBB. Mr. President, I thank my senior colleague.

AMENDMENT NO. 419

Mr. BIDEN. Mr. President, I rise in support of the Feinstein-Biden anti-bomb-making amendment. The bill would make it a Federal crime to teach someone how to use or make a bomb if you know or intend that it will be used to commit a crime.

As my colleagues know, I fought to pass nearly identical legislation last

year. Senator FEINSTEIN and I tried several times to have it enacted as part of my anti-terrorism initiatives. The bill passed the Senate on two occasions, but unfortunately, it was rejected by the House both times.

Critics of the bill claimed that it was unnecessary, unconstitutional, and would outlaw legitimate business uses of explosives.

To respond to these claims, we asked the Justice Department to examine each of these questions. The report supports Senator FEINSTEIN and my position on each and every criticism.

So now that we have cleared away the basis for some of the opposition, I hope we can quickly enact this important legislation. And let me tell you why.

I think most Americans would be absolutely shocked if they knew what kind of criminal information is making its way over the Internet. This information is easily accessible. It's proliferating by leaps and bounds.

Let me give just one example. A guy named ''War-Master'' sent this message out over the Internet about how to build a baby food bomb. Here is how his message goes:

These simple, powerful bombs are not very well known even though all the material can be easily obtained by anyone (including minors). These things are so [expletive deleted] powerful that they can destroy a car. The explosion can actually twist and mangle the frame. They are extremely deadly and can very easily kill you and blow the side of the house out if you mess up while building it. Here's how they work.

And then the message goes into explicit detail about how to fill a baby food jar with gunpowder and how to detonate it. The message observes that the explosion shatters the glass jar, sending pieces of razor sharp glass in all directions. The message continues with even more deadly advice:

Tape nails to the side of the thing. Sharpened jacks (those little things with all the pointy sides) also work well.

As a result, the message concludes:

If the explosion doesn't get 'em then the glass will. If the glass don't get 'em then the nails will.

I am not making this up. And this is only one small example.

Mr. President, we hear about this happening time and time again: A bomb goes off. People are killed. A criminal is apprehended. And we learn that the criminal followed—to the letter—someone else's instructions on how to make a bomb and how to make it kill people.

Indeed, the Justice Department report indicates that numerous notorious terrorists—including the World Trade Center bombers and the murderers of a Federal judge—have been found in possession of bomb-making manuals and internet bomb-making information.

And there is another situation that we are hearing about more and more frequently. We read about it in our local papers across the country. These bomb-making instructions are having an ever increasing impact on children.

In Austin, TX, a boy lost most of one hand and part of the other after following bomb-making instructions he found on the internet. This boy once had plans to serve in the Marines. But that dream is now gone.

And in Massachusetts, several boys—in separate incidents throughout the State—were maimed when they tried to mix batches of napalm on their kitchen stoves. These experiments were direct results of kids finding a bomb-making recipe on the internet.

And what is even worse is that some of these instructions are geared toward kids. They tell kids that all the ingredients they need are right in their parents' kitchen or laundry cabinets.

These stories illustrate what can happen when the literally millions of kids today sit in front of their computer and type ''explosive'' on their keyboard. In minutes, they can have instructions for making all sorts of explosive devices they never knew even existed.

I know that some say that going after people who only help other people make bombs is not the way to go. They say that bomb-making instructions are protected by the first amendment. And I agree—to a point.

I take a backseat to no one when it comes to the first amendment. I have always argued that we must take great care when we legislate about any constitutional right—paticularly our most cherished right of free speech.

But let's not forget the obvious. It is illegal to make a bomb. And there is no right under the first amendment to help someone commit an illegal act.

Our bill says you have no right to provide a bomb-making recipe to someone if you know that person has plans to destroy property or innocent lives. You have no right to help someone blow up a building.

The Justice Department has concluded that our legislation—with some minor modifications which we have incorporated into this bill—is entirely consistent with the first amendment.

I am glad that the Senate voted last year to join Senator FEINSTEIN and me in making this type of behavior a crime. I hope this time around, we can pass this legislation through the full Congress and send it on to the President so he can sign it into law.

Mr. LEVIN. Mr. President, the amendment has been cleared on this side. I commend my good friend from California for her amendment. It is carefully worded. It has been cleared on this side, and I believe that there are 2 minutes allocated to the Senator from California under the unanimous-consent agreement and that the remainder of the time is to be divided as indicated.

PRIVILEGE OF THE FLOOR

Mr. LEVIN. Mr. President, I ask unanimous consent that Dr. Kim Hamlett, who works on the Veterans' Affairs staff, be allowed the privilege of the floor during the time of consideration of the Defense Authorization Act and the conference report thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, the Feinstein amendment is primarily a judicial amendment, but it is a very worthy amendment, and I intend to support it.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

Mrs. FEINSTEIN. I thank the Chair.

Mr. President, I thank the chairman and the ranking member for their comments, and I thank all the Members for their support of this amendment.

Essentially, this is the third year that I have submitted this amendment. It has been put on the terrorism bill and on this bill in prior times. It was removed in conference. Part of the terrorism bill asks the Department of Justice to take a look at the situation that exists out there with respect to the teaching of bombmaking and the knowledge and intent that such teaching will be used for a criminal purpose. In fact, the Department of Justice has submitted a report indicating that they believe that the amendment is necessary and will stand a constitutional test, and they have, in fact, approved the drafting of this amendment. I believe it is important and timely. I believe it will stand a constitutional test. I am just delighted that it has been cleared on both sides. I thank the Chair, and I yield the floor.

Mr. BENNETT. Will the Senator yield for a question?

Mrs. FEINSTEIN. I will be most happy to yield to the distinguished Senator.

Mr. BENNETT. Mr. President, I was present at a hearing on the issue of terrorism and raised the question of domestic terrorism, specifically in terms of information that is put on the Internet by groups that are opposed to fur farming; that is, opposed to the raising of animals for their fur. On the Internet, these groups describe how to build a bomb for the purpose of destroying a fur farm.

The PRESIDING OFFICER. The remaining time is under the control of the Senator from Michigan.

Mr. BENNETT. It was my understanding the Senator from Michigan yielded to the Senator from California.

The PRESIDING OFFICER. The Senator from California had 2 minutes.

Mr. LEVIN. Mr. President, I yield the remainder of my time to the Senator from California. She can yield to the Senator.

Mr. BENNETT. I will finish my question. This group opposed to fur farming put on the Internet a description of how to build a bomb to blow up, say, a mink farm. They did say in their Internet thing, make sure no animal, including a human, is present in the building when you blow it up.

I ask the Senator from California if, in her opinion, her amendment would make that kind of information on the Internet subject to Federal prosecution?

Mrs. FEINSTEIN. I thank the distinguished Senator. My answer is I believe it would if the individual had the knowledge that any attempt would be used for criminal purpose, which this would be. The answer to the question is yes.

Mr. BENNETT. I thank the Senator.

Mrs. FEINSTEIN. I thank the Senator from Utah very much.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 419. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

Mr. FORD. I announce that the Senator from South Dakota [Mr. DASCHLE], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Iowa [Mr. HARKIN], the Senator from Hawaii [Mr. INOUYE], and the Senator from Maryland [Ms. MIKULSKI] are necessarily absent.

I also announce that the Senator from South Dakota [Mr. DASCHLE] is absent due to a death in the family.

I further announce that, if present and voting, the Senator from Iowa [Mr. HARKIN] would vote ''aye''.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 110 Leg.]

YEAS—94

Abraham	Enzi	Levin
Akaka	Faircloth	Lieberman
Allard	Feingold	Lott
Ashcroft	Feinstein	Lugar
Baucus	Ford	Mack
Bennett	Frist	McCain
Biden	Glenn	McConnell
Bond	Gorton	Moseley-Braun
Boxer	Graham	Moynihan
Breaux	Gramm	Murkowski
Brownback	Grams	Murray
Bryan	Grassley	Nickles
Bumpers	Gregg	Reed
Burns	Hagel	Reid
Byrd	Hatch	Robb
Campbell	Hollings	Roberts
Chafee	Hutchinson	Rockefeller
Cleland	Hutchison	Roth
Coats	Inhofe	Santorum
Cochran	Jeffords	Sarbanes
Collins	Johnson	Sessions
Conrad	Kempthorne	Shelby
Coverdell	Kennedy	Smith (NH)
Craig	Kerrey	Smith (OR)
D'Amato	Kerry	Snowe
DeWine	Kohl	Specter
Dodd	Kyl	Stevens
Domenici	Landrieu	Thomas
Dorgan	Lautenberg	Thompson
Durbin	Leahy	Thurmond
Torricelli	Wellstone	
Warner	Wyden	

NOT VOTING—6

Bingaman	Harkin	Inouye
Daschle	Helms	Mikulski

The amendment (No. 419) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote.

Mr. THURMOND. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, first of all, I would like to announce there will be no further rollcall votes tonight. We have been working to make sure that the Members that we need to have here tomorrow, if necessary, on the Finance Committee and also the Budget Committee members are here so we can complete our work on the tax cut provision of reconciliation, so that the Budget Committee can meet tomorrow morning to package both the reconciliation spending provision and the tax cut bill. We are now satisfied we will be able to have Members here for that, even though we do not have recorded votes scheduled.

For the information of all Senators, the Senate will resume consideration of the DOD authorization bill. However, I have been assured that amendments will be offered. Therefore, votes will not occur during Friday's session.

The point I am making here is that we will be in session. We will continue to work on the DOD bill. We will have amendments that will be offered, but because of the request of a number of Senators, and the agreement we have been able to work out, we will not have to have votes during Friday's session.

As all Members know, the Senate will begin reconciliation on Monday. It is my understanding that Members will offer amendments to the reconciliation bill. Again, with a lot of requests from the Members and with the assurance and the cooperation in a number of ways, which I will not enumerate now, the votes that are required as a result of amendments being offered Monday will be stacked to occur on Tuesday, at 9:30 a.m. Therefore, no votes will occur on Monday.

Committees are expected to act in the morning on the tax reconciliation package. We will be in session tomorrow with some morning business time that we will have identified later, and the Department of Defense authorization bill will continue to be considered. We will be in session on Monday on the reconciliation bill, with amendments to be offered. But the next recorded votes will occur and be stacked—more than one, hopefully, and at least a couple, but maybe even more—to occur at 9:30 on Tuesday.

Mr. President, does the Senator from Kentucky wish to add anything?

Mr. FORD. Mr. President, we have been working back and forth all day. I think the water is calm. So, on Monday, we will debate reconciliation. There will be amendments offered. Votes will be stacked until 9:30 on Tuesday, and there will be votes—a minimum of four, probably, back to back.

Mr. LOTT. I appreciate that. That was an important component of us getting this agreement, to guarantee that we are, in fact, getting work done and making progress on the reconciliation bill.

Mr. FORD. I can guarantee the majority leader this. If we are here and alive, you will have at least two amendments from our side that we will vote on on Tuesday morning.

Mr. LOTT. We will have two from our side.

I yield the floor.

The PRESIDING OFFICER. The pending question is the Cochran amendment No. 420.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. THURMOND. Mr. President, I ask unanimous consent that the following three members of the Senator KYL's staff be granted floor privileges during the consideration of the national defense authorization bill: Paul Iarrobino, John Rood, and David Stephens.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. THURMOND. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 1:33 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it request the concurrence of the Senate:

H.R. 437. An act to reauthorize the National Sea Grant College Program Act, and for other purposes.

ENROLLED BILL SIGNED

The message also announced the Speaker has signed the following enrolled bill:

S. 342. An act to extend certain privileges, exemptions, and immunities to Hong Kong Economic and Trade Offices.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 437. An act to reauthorize the National Sea Grant College Program Act, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

The following measure, previously received from the House of Representatives for the concurrence of the Senate, was read the first and second times by unanimous consent and placed on the calendar:

H.R. 1747. An act to amend the John F. Kennedy Center Act to authorize the design and construction of additions to the parking garage and certain site improvements, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2238. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a draft of proposed legislation to facilitate the administration and enforcement of voluntary inspection and grading programs, the tobacco inspection program, marketing orders and agreements, and the commodity research and promotion programs; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2239. A communication from the Acting Administrator, Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, a rule relative to amending regulations for various commodity warehouses, received on June 17, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2240. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, a report of a rule entitled ''Raisins Produced From Grapes Grown in California; Final Free and Reserve Percentages for the 1996–97 Crop Year for Natural Seedless Raisins'', received on June 17, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2241. A communication from the Administrator, Rural Utilities Service, Department of Agriculture, transmitting, pursuant to law, a rule entitled ''Streamlining the Rural Utilities Service Water and Waste Program Regulations'', received on June 17, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC–2242. A communication from the Director of the Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, three rules including a rule entitled ''Fisheries Off West Coast States''; to the Committee on Commerce, Science, and Transportation.

EC–2243. A communication from the Assistant Administrator for Fisheries, Department of Commerce, transmitting, pursuant to law, three rules including a rule entitled ''Fisheries Off West Coast States''; to the Committee on Commerce, Science, and Transportation.

EC–2244. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, four rules including a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska''; to the Committee on Commerce, Science, and Transportation.

EC–2245. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, two rules including a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska'' received on June 3, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2246. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of three rules including a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska''; to the Committee on Commerce, Science, and Transportation.

EC–2247. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a certification regarding the incidental capture of sea turtles; to the Committee on Commerce, Science, and Transportation.

EC–2248. A communication from the Chairman of the Surface Transportation Board, transmitting, pursuant to law, the report concerning a rule entitled ''Railroad Consolidation Procedures'' received on June 18, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2249. A communication from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, three reports relative to Superfund Annual Reports for fiscal years 1992–1994; to the Committee on Environment and Public Works.

EC–2250. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report of a rule relative to Revenue Procedure 97–31, received on June 18, 1997; to the Committee on Finance.

EC–2251. A communication from the Assistant Secretary of Legislative Affairs, U.S. Department of State, transmitting, pursuant to law, a report of a Presidential Determination relative to the Trade Act of 1974; to the Committee on Finance.

EC–2252. A communication from the Assistant Secretary of Legislative Affairs, U.S. Department of State, transmitting, pursuant to law, a report of a Presidential Determination relative to Albania; to the Committee on Finance.

REPORTS OF COMMITTEE

The following report of committee was submitted:

By Mr. STEVENS, from the Committee on Appropriations:

Special Report entitled ''Allocation To Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1998'' (Rept. No. 105–31).

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 648. A bill to establish legal standards and procedures for product liability litigation, and for other purposes (Rept. No. 105–32).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation:

Mr. MCCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably two nominations lists in the Coast Guard, which were printed in full in the RECORD on February 27, and May 15, 1997, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of February 27 and May 15, 1997, at the end of the Senate proceedings.)

In the Coast Guard, nominations beginning Catherine M. Kelly and ending Ronald W. Reush, whose nominations were received by the Senate and appearing in the RECORD of February 27, 1997.

In the Coast Guard, Richard W. Sanders, said nomination received by the Senate and appearing in the RECORD of May 15, 1997.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MACK (for himself and Mr. GRAHAM):

S. 937. A bill to amend the Outer Continental Shelf Lands Act to provide for the cancellation of 6 existing leases and to ban all new leasing activities in the area off the coast of Florida, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BOND (for himself and Mr. BUMPERS):

S. 938. A bill to amend the Public Health Service Act to provide surveillance, research, and services aimed at the prevention and cessation of prenatal and postnatal smoking, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. COCHRAN:

S. 939. A bill to establish a National Panel on Early Reading Research and Effective Reading Instruction; to the Committee on Labor and Human Resources.

By Mr. HELMS (for himself, Mr. AKAKA, Mr. LOTT, Mr. MCCAIN, and Mr. MURKOWSKI):

S. 940. A bill to provide for a study of the establishment of Midway Atoll as a national memorial to the Battle of Midway, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. INOUYE (for himself, Mr. GORTON, Mr. KERRY, Mrs. MURRAY, and Mr. BREAUX):

S. 941. A bill to promote the utilization of marine ferry and high-speed marine ferry services; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MACK (for himself and Mr. GRAHAM):

S. 937. A bill to amend the Outer Continental Shelf Lands Act to provide for the cancellation of 6 existing leases and to ban all new leasing activities in the area off the coast of Florida, and for other purposes; to the Committee on Energy and Natural Resources.

FLORIDA COAST PROTECTION ACT

Mr. MACK. Mr. President, I rise today with my colleague, Senator GRAHAM, to introduce the Florida Coast Protection Act. This legislation will cancel the six oil and gas leases on the Outer Continental Shelf closest to Florida's coast. Representative SCARBOROUGH is leading a similar effort in the House of Representatives.

Mr. President, Floridians have always been justifiably concerned about the prospect of oil and gas exploration in the waters off our State. We are well aware of the risk this activity poses to our environment and our economy.

Throughout my tenure in the Senate I have opposed exploration and drilling off Florida's coasts. My goal—and the goal the entire Florida congressional delegation—is to permanently remove this threat from our coastlines. In recent years, we have stood together in opposition to drilling and have successfully extended the annual moratorium on all new leasing activities on Florida's continental shelf.

The reason for our concern is simple, Mr. President. In Florida, a healthy environment means a healthy economy. Millions of people come to our State each year to enjoy the climate, the coastlines, and our fine quality of life. It would only take one disaster to end Florida's good standing as America's vacationland and we cannot afford to let that happen.

Mr. President, if the current exploration plan runs its course, there is the potential for the operation of up to 400 drill rigs off Florida's panhandle. A recent permit report from the Environmental Protection Agency states that a typical rig can be expected to discharge between 6,500 and 13,000 barrels of waste. This presents a huge potential for damage to our near-shore coastal waters and beaches. The report warns of further harmful impact on marine mammal populations, fish populations, and air quality. We cannot afford these risks in Florida and we do not want these risks in Florida.

But while the opposition of Floridians to oil drilling is well documented, the reality remains that leases have been let, potential drilling sites have been explored and it is likely that actual extraction of resources will take place 17 miles off the coast of Florida. Mr. President, if this is allowed to happen, the drill rigs will be within the line of sight from vacationers in Pensacola. This Congress must not allow that to happen.

The legislation we are introducing today is very simple. It provides for cancellation of the lease tract 17 miles off Pensacola. Under the OCS Lands Act, Mr. President, the current holders of these leases would be entitled to fair compensation for their investment. This is only fair. The bill also makes permanent the moratorium on any new leasing activity in order to ensure the past mistake of leasing in the OCS off Florida is not repeated.

If the threat of oil and gas exploration is to be permanently removed from our shores, it will require responsible leadership from the Congress. This legislation, in my view, is absolutely necessary to protect our state's economic and environmental well-being.

I urge my colleagues to support this worthwhile effort.

Mr. GRAHAM. Mr. President, I am very pleased to join my colleague Senator MACK in introducing the Florida Coast Protection Act today. It represents the next step in the State of Florida's long battle to preserve our beautiful coastal and marine ecosystem.

Floridians oppose offshore oil drilling because of the threat it presents to the State's greatest natural and economic resource: our coastal environment. Florida's beaches, fisheries, and wildlife draw millions of tourists each year from around the globe, supporting our State's largest industry. Tourism supports, directly or indirectly, millions of jobs all across Florida, and the industry generates billions of dollars every year.

The Florida coastline boasts some of the richest estuarine areas in the world. These brackish waters, with their mangrove forests and seagrass beds, provide an irreplaceable link in the life cycle of many species, both marine and terrestrial. Florida's commercial fishing industry relies on these estuaries because they support the nurseries for the most commercially harvested fish. Perhaps the most environmentally delicate regions in the gulf, estuaries could be damaged beyond repair by a relatively small oil spill.

Over the years, we have met with some success in our effort to protect Florida's OCS. In 1995, the lawsuit surrounding the cancellation of the leases around the Florida Keys was settled, removing the immediate threat of oil and gas drilling from what is an extremely sensitive area. While I believe strongly that a long-term strategy is needed for the entire Florida coastline, the legislation we are introducing today focuses on a more near-term goal: to cancel six leases in an area 17 miles off the coast from Pensacola. The bill provides a mechanism for leaseholders to seek compensation under section 5 of the OCS Lands Act. Both Senator MACK and I believe the leaseholders have the absolute right to just compensation from the Federal Government in order to recover their investment.

As the member of the Florida delegation who serves on the Energy and Natural Resources Committee—the committee with jurisdiction over this issue—I anticipate a difficult and precarious road to enactment. But the Florida delegation as a whole has no other choice than to pursue with all our combined abilities the goal we envision: to take another major step toward ensuring the wellbeing of the Outer Continental Shelf offshore the State of Florida.

In addition to introducing this legislation today, Senator MACK and I intend to write to Chairman FRANK MURKOWSKI of the Energy and Natural Resources Committee to request a hearing on this bill as soon as possible. Floridians will have our very best effort to make the Florida Coast Protection Act Federal law.

By Mr. BOND (for himself and Mr. BUMPERS):

S. 938. A bill to amend the Public Health Service Act to provide surveillance, research, and services aimed at the prevention and cessation of prenatal and postnatal smoking, and for other purposes; to the Committee on Labor and Human Resources.

THE MOTHERS AND INFANTS HEALTH PROTECTION ACT

Mr. BOND. Mr. President, I rise today to introduce the Mothers and Infants Health Protection Act on behalf of myself and Senator BUMPERS. First, I express my sincere thanks to my colleagues in the Senate last week for having passed the Birth Defects Prevention Act. That act was a tremendous step forward in protecting the health of our Nation's most vulnerable population and in saving families from the economic and emotional hardships associated with birth defects.

However, we must keep moving forward. After having had numerous discussions with the Centers for Disease Control and child advocacy organizations about the adverse birth outcomes and infant health problems connected with smoking during and after pregnancy, I decided we would introduce this legislation here today to carry the next step in our battle against birth defects.

The main purpose of the measure introduced today is to provide surveillance, research, and services aimed at the prevention and cessation of smoking, both during and after pregnancy. The CDC, along with the Association of Maternal and Child Health Programs, is meeting today here in Washington to highlight that although the overall smoking rate for pregnant women is slowly declining, the smoking rate for pregnant teens is increasing. That is bad news. For black teenagers specifically, the rate rose 6 percent, the first increase since this information first became available in 1989. And even with this increase, smoking rates for white teenagers are still four to five times the rate for black teenagers. Furthermore, the smoking rate for those between the ages of 15 and 24 is 23 percent higher than the smoking rate among all pregnant women.

In my home State of Missouri, this public health program is even more dramatic: 20 percent of all pregnant women in Missouri admit to smoking. This is 44 percent higher than the national average. This, unfortunately, may be connected to the fact that our incidence of birth defects and infant mortality is 50 percent higher than the national average.

The consequences of smoking during and after pregnancy are downright horrifying. Recent studies show that this activity is a problem. Increases in maternal and fetal risk causes 20 to 30 percent of low birth rates and 10 percent of fetal and infant deaths in the United States.

Smoking triples the risk of sudden infant death syndrome. Smoking elevates the risk of a child being born with a birth defect. Smoking increases the risk of spontaneous abortion, premature rupture of membranes, and the delivery of a stillborn infant. Smoking may impede the growth of a fetus and increase the likelihood of mental retardation by 50 percent, and smoking increases the risk of respiratory illness in infants and children.

Adding to this devastating problem, the proportion of women who quit smoking during pregnancy but then relapse at 6 months postpartum is nearly 63 percent, thereby exposing their infants to passive smoke and increasing their risk for SIDS and other health-related problems.

These are just a few of the problems related to smoking during and after pregnancy. But in addition to the risks for the fetus and infant, smoking is associated with a wide variety of hazards for pregnant women, such as infertility and ectopic pregnancy.

There is no question that smoking during and after pregnancy is a compelling public health problem. These facts clearly underscore the necessity for smoking prevention and cessation programs aimed specifically for pregnant women. This legislation aims to reverse these devastating outcomes on several fronts.

First, the CDC is directed to foster coordination between all governmental levels, other public entities, and private voluntary organizations that conduct or support prenatal and postnatal smoking research, prevention, and surveillance.

Second, the bill provides grants to state and local health departments, community health centers, other public entities, and non-profit organizations for the development of community-based public awareness campaigns aimed at the prevention and cessation of smoking during and after pregnancy.

Third, monies would be made available to the groups just mentioned for the purpose of coordinating and conducting basic and applied research concerning prenatal and postnatal smoking and its effects on fetuses and newborns.

Fourth, the bill calls for a procedure for the dissemination of effective prevention and cessation strategies and the diagnostic criteria for infants suffering the effects of exposure to intrauterine and passive tobacco smoke to health care professionals.

Finally, this measure authorizes a modest appropriation of $10 million to achieve these goals.

Similar to the Birth Defects Prevention Act, this is another stride in improving the health of our children and in reducing infant mortality and morbidity.

Fetuses, newborns, and children are too vulnerable and cannot protect themselves. We must therefore have a coordinated effort among government, nonprofit groups and local communities to get the message out on the devastating outcomes associated with pre and post natal smoking as well as information on effective prevention and cessation opportunities.

Again, it is important to note that overall, fewer pregnant women are smoking now that they know the health risks for themselves and for their babies. The bad news is that not everyone has gotten the message—in particular those between the ages of 15 and 24. They are moving directly against the trend.

This is the generation coming up; and these women are likely to go on having more children. If they are smoking more, that does not bode well for their future health, or for that of their children.

Many people still do not understand that there is a link between adverse birth outcomes and prenatal and postnatal smoking. Part of the reason is that not all women have adequate access to prenatal care.

Thus, it is my firm belief that this legislation will ensure that all mothers will receive information on the potential tragedies of smoking during and after pregnancy and the much needed assistance in quitting their habit.

Mr. BUMPERS. Mr. President, let me first extend my sincere and profound gratitude to Senator BOND for creating and being the originator of this legislation. I am honored he has asked me to be his chief cosponsor.

I just want to say for the RECORD and for those who may be watching, I remember when I was Governor of my State and my wife, Betty, was first lady. She had spent 2 years laying the groundwork for a statewide immunization program. It was a howling success. We immunized 300,000 children one Saturday without a single reaction. That evening I said, ''Betty, you ought to take great pride in what you just accomplished today.'' She said, ''I do. Of course, this is good for your political career and it is good for the babies who were immunized today, but it is certainly no final solution because we will lapse right back into the lethargy we have experienced and watched for years with low immunization rates among children who are yet to be born.'' She said until we institutionalize a program that can track each child's immunizations from birth through early childhood we will not have succeeded. Thanks to her efforts and many others, including Rosalynn Carter, and the program Every Child By Two, immunization levels in this country are now at an all-time high.

The same principle applies in this case. Once we get this bill passed, and we will get it passed, it is imperative that we follow it up year after year after year so we do not lapse into the condition we are in right now where the rate of smoking among teenage women, pregnant teenage women, is going up. We got it down to 14 percent and now it is back up to 17 percent.

If you ask that same teenage mother, what and whom do you love most, she loves mostly that fetus that lies inside her womb, and when that baby is born, she loves that baby above everything under the shining sun—above all else.

So ask yourself, why would a woman, or why would parents smoke during pregnancy, and why would parents smoke after the baby is born? Every pediatrician in the country will tell you horror stories about sending children home after asthma attacks, only to see them come back with another asthma attack because people are smoking in the household.

Senator BOND and I are asking for $10 million for this new initiative, an infinitesimal sum when compared to the savings it will produce. Hubert Humphrey stood at that desk right there. I never will forget the speech he made. ''We don't have national health insurance. What we have is national sick insurance. It isn't worth anything until you get sick.'' He told me about preventive programs that Ford Motor Company had instituted among all their employees and how much they

were saving on health care costs through preventive medicine.

Here we are now with a chance to save 10 to 100 times more than the paltry $10 million we will spend educating pregnant women in this country and telling them the consequences of asthma and low-birthweight babies. After the baby is born, one of the biggest single problems is sudden infant death syndrome. One of its causes is smoking around newborn babies.

Mr. President, I am honored to join my distinguished colleague, Senator BOND, in pushing this. I hope we will be able to get hearings on this very shortly. Incidentally, I hope that the Centers for Disease Control will not just conduct outreach and education among pregnant women. I hope they will also work to educate the College of Obstetricians and Gynecologists and the American Academy of Pediatrics. Sometimes the very best professionals neglect and forget to tell pregnant women how to conduct themselves during pregnancy. I do not think that is a big problem, but I do think providers must be made acutely aware that they have this grave responsibility to at least tell pregnant women what they are up against and tell women what they must do when they go home from the hospital with a newborn.

I yield the floor.

By Mr. COCHRAN:

S. 939. A bill to establish a National Panel on Early Reading Research and Effective Reading Instruction; to the Committee on Labor and Human Resources.

THE SUCCESSFUL READING RESEARCH AND INSTRUCTION ACT

Mr. COCHRAN. Mr. President, today, I am introducing the Successful Reading Research and Instruction Act. It establishes a panel that will include parents, scientists, and educators to conduct a study of the research relevant to reading development and advise the Congress of its recommendations for disseminating its findings and instruction suggestions to those who would like to have them.

Reading is the skill students must master to meet life challenges in a confident and successful manner. For a child, breaking the code of written language not only opens academic opportunities; it is a cornerstone to building high self esteem. Both reading and self esteem affect the knowledge and experiences that form a child's character and future.

Teaching children to read is the highest priority in education today. Many teachers and parents I've talked with are frustrated and confused about what method of reading instruction is best. Every American should be concerned that 40 to 60 percent of elementary school children are not reading proficiently. Even more disturbing is research that shows fewer than one child in eight who is failing to read by the end of first grade ever catches up to grade level.

Success in reading is essential if one is to progress socially and economically. In fact, most of the federally funded literacy programs are targeted to helping adults learn to read because the education system failed them, and more than likely, failed them at an early age.

This indicates that we need to start solving the problem of poor readers at the beginning, instead of working backward. It seems to me that the first step to finding a solution is to seriously analyze sound, rigorous research on the subject.

Mr. President, at a hearing on April 16, of the Senate Appropriations Subcommittee on Labor, Health and Human Services, and Education, I brought to the attention of the Secretary of Education, Richard Riley, research by the National Institute of Child Health and Human Development mandated by the Health Research Extension Act of 1985, and asked that he use such research in the development of federally supported reading programs. This research is ongoing, in a collaborative network with multidisciplinary research programs to study genetics, brain pathology, developmental process and phonetic acquisition. NICHD has spent over $100 million over the past 15 years, and has studied approximately ten thousand children.

On June 11 of this year, when officials from the National Institutes of Health came before the same appropriations subcommittee, I asked Dr. Duane Alexander, the Director of NICHD, about this study. Dr. Alexander's testimony about the research confirmed what I suspect most teachers already know—at least 20 percent of children have difficulty learning to read. But the research also suggests that 90 to 95 percent of these can be brought up to average reading level.

As a result of this research, techniques for early identification of those with reading problems and intervention strategies are now known. But administrators, teachers, tutors and parents are not aware of the key principles of effective reading instruction. The NICHD findings underscore the need to do a better job of teacher training, as researchers found fewer than 10 percent of teachers actually know how to teach reading to children who don't learn reading automatically.

I am surprised that the Department of Education hasn't looked to this study and found a way to effectively get the information to teachers, schools, parents, and most importantly, teacher colleges.

What scientists have learned from their studies of reading hasn't been passed on to the teachers who are teaching, so parents are telling us their kids aren't reading. It is time we put all this experience together; come up with suggestions for dealing with the problems and, if schools, teachers, parents or higher education institutions want the information, let's make it available.

This is a proposal to develop answers that are based on scientific, model based research. I think it can be a helpful beginning for successful reading instruction.

I ask unanimous consent that a copy of Dr. Duane Alexander's testimony and a copy of my bill be printed in the RECORD.

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

S. 939

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 ''Successful Reading Research and Instruction Act''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress makes the following findings:

(1) At least 20 percent, and in some States 50 to 60 percent, of children in elementary school cannot read at basic levels. The children cannot read fluently and do not understand what they read.

(2) Research suggests that the majority of the children, at least 90 to 95 percent, can be brought up to average reading skills if—

(A) children at risk for reading failure are identified during the kindergarten and first grade years; and

(B) early intervention programs that combine instruction in phonological awareness, phonics, and reading comprehension are provided by well-trained teachers.

(3) If the early intervention programs described in paragraph (2)(B) are delayed until the children reach 9 years of age (the time that most children are identified), approximately 75 percent of the children will continue to have reading difficulties through high school.

(4) While older children and adults can be taught to read, the time and expense of doing so is enormous.

(b) PURPOSE.—The purposes of this Act are—

(1) to conduct an assessment of research and knowledge relevant to early reading development, and instruction in early reading, to determine the readiness of the research and knowledge for application in the Nation's classrooms; and

(2) if appropriate, to develop a national strategy for the rapid dissemination of the research and knowledge to teachers and schools throughout the United States as a means of facilitating effective early reading instruction; and

(3) to develop a plan for additional research regarding early reading development, and instruction in early reading, if the additional research is warranted.

SEC. 3. NATIONAL PANEL.

(a) IN GENERAL.—The Secretary of Education, or the Secretary's designee, and the Director of the National Institute of Child Health and Human Development, or the Director's designee, jointly shall—

(1) establish a National Panel on Early Reading Research and Effective Reading Instruction;

(2) establish the membership of the panel in accordance with subsection (b);

(3) select a chairperson of the panel;

(4) provide the staff and support necessary for the panel to carry out the panel's duties; and

(5) prepare and submit to Congress a report regarding the findings and recommendations of the panel.

(b) MEMBERSHIP.—The panel shall be composed of 15 individuals, who are not officers

or employees of the Federal Government. The panel shall include leading scientists in reading research, representatives of colleges of education, reading teachers, educational administrators, and parents.

(c) DUTIES.—The panel shall—

(1) conduct a thorough study of the research and knowledge relevant to early reading development, and instruction in early reading, including research described in section 9 of the Health Research Extension Act of 1985 (42 U.S.C. 281 note);

(2) determine which research findings and what knowledge are available for application in the Nation's classrooms; and

(3) determine how to disseminate the research findings and knowledge to the Nation's schools and classrooms.

(d) TERMINATION.—The panel shall terminate 9 months after the date of enactment of this Act.

TESTIMONY OF DR. DUANE ALEXANDER

Thank you Senator Cochran:

I think that it is important to point out that our intensive research efforts in reading development and disorders is motivated to a great extent by our seeing difficulties learning to read as not only an educational problem, but also a major public health issue. Simply put, if a youngster does not learn to read, he or she will simply not likely to make it in life. Our longitudinal studies that study children from age five through their high school years have shown us how tender these kids are with respect to their own response to reading failure. By the end of the first grade, we begin to notice substantial decreases in the children's self-esteem, self-concept, and motivation to learn to read if they have not been able to master reading skills and keep up with their age-mates. As we follow them through elementary and middle school these problems compound, and in many cases very bright youngsters are deprived of the wonders of literature, history, science, and mathematics because they can not read the grade-level textbooks. By high school, these children's potential for entering college has decreased to almost nil, with few choices available to them with respect to occupational and vocational opportunities.

In studying approximately 10 thousand children over the past 15 years, we have learned the following:

(1) At least 20%, and in some states 50 to 60%, of children in the elementary grades can not read at basic levels. They can not read fluently and they do not understand what they read.

(2) However, the majority of these children—at least 90 to 95%—can be brought up to average reading skills IF:

(A) children at-risk for reading failure are identified during the kindergarten and first grade years and,

(B) early intervention programs that combine instruction in phonological awareness, phonics, and reading comprehension are provided by well trained teachers. If we delay intervention until nine-years-of-age (the time that most children are currently identified), approximately 75% of the children will continue to have reading difficulties through high school. While older children and adults CAN be taught to read, the time and expense of doing so is enormous.

(3) We have learned that phonological awareness—the understanding that words are made up of sound segments called phonemes—plans a casual role in reading acquisition, and that it is a good predictor because it is a foundational ability underlying basic reading skills.

(4) We have learned how to measure phonological skills as early as the beginning of kindergarten with tasks that take only 15 minutes to administer—and over the past decade we have refined these tasks so that we can predict with 92% accuracy who will have difficulties learning to read.

(5) The average cost of assessing each child during kindergarten or first grade with the predictive measures is between $15 to $20 depending upon the skill level of the person conducting the assessment. This includes the costs of the assessment materials. If applied on a larger scale, these costs may be further decreased.

(6) We have learned that just as many girls as boys have difficulties learning to read. The conventional wisdom has been that many more boys than girls have such difficulties. Now females should have equal access to screening and intervention programs.

(7) We have begun to understand how genetics are involved in learning to read, and this knowledge may ultimately contribute to our prevention efforts through assessment of family reading histories.

(8) We are entering very exciting frontiers in understanding how early brain development can provide us a window on how reading develops. Likewise, we are conducting studies to help us understand how specific teaching methods change reading behavior and how the brain changes as reading develops.

(9) Very importantly, we continue to find that teaching approaches that specifically target the development of a combination of phonological skills, phonics skills, and reading comprehension skills in an integrated format are the most effective ways to improve reading abilities.

At the present time, we have held several meetings with officials from the USDOE and have discussed how these findings can be used across the two agencies. As an example of this collaboration, NICHD and USDOE have been developing a preliminary plan to determine which scientific findings are ready for immediate application in the classroom and how to best disseminate that information to the Nation's schools and teachers.

By Mr. HELMS (for himself, Mr. AKAKA, Mr. LOTT, Mr. MCCAIN and Mr. MURKOWSKI):

S. 940. A bill to provide for a study of the establishment of Midway Atoll as a national memorial to the Battle of Midway, and for other purposes; to the Committee on Energy and Natural Resources.

THE BATTLE OF MIDWAY NATIONAL MEMORIAL ACT

Mr. HELMS. Mr. President, on July 31, 1995, Senator Dole and I introduced S. 1098, the Battle of Midway Memorial Act. Today I am proud to offer an updated version of S. 1098 on behalf of the majority leader, Mr. LOTT, the Senator from Hawaii, Mr. AKAKA, the Senator from Arizona, Mr. MCCAIN, and the Senator from Alaska, Mr. MURKOWSKI.

This bill directs the Secretary of the Interior to study the feasibility and advisability of establishing Midway Atoll as a national memorial to the Battle of Midway. It goes without saying that the sponsors of this bill strongly believe that this should be done without delay. I am confident that the Interior Secretary will agree.

Mr. President, it was on June 4, 1942, that courageous American sailors, soldiers, and airmen stationed on Midway Atoll, and aboard 29 warships, clashed with 350 warships of the Imperial Japanese Navy in what became known as the Battle of Midway. When the smoke cleared, the small American force, under the overall command of Admiral Nimitz, had soundly defeated the Imperial Japanese Navy in one of the most spectacular and historically significant naval battles of all time, and a turning point in the Pacific theater in World War II.

There is no reason to delay further the establishment of Midway Atoll as a national memorial to honor the American heros who fought and died there in defense of our liberties. Approval of this bill will be the first step in recognizing what those gallant Americans did in 1942—and that recognition is in fact long overdue.

Mr. President, on April 25, 1996, the Energy Committee's Subcommittee on Parks, Historic Preservation, and Recreation held an extensive hearing on S. 1098, the predecessor to the bill we introduce today. Chairman NIGHTHORSE CAMPBELL received testimony from my treasured friend, Adm. Tom Moorer, who in my judgment, was the greatest Chairman of the Joint Chiefs of Staff ever to serve in that post—and a veteran of the Pacific theater of World War II, and Dr. James D'Angelo, president of the International Midway Memorial Foundation.

If the committee chooses to have another hearing on this issue, I hope Chairman MURKOWSKI and Chairman NIGHTHORSE CAMPBELL will ask whether any historic structures on Midway Atoll have been destroyed, and if so, why. If this has occurred, I will support modifying the bill to prohibit explicitly any further destruction of any historic structure on Midway Atoll.

Mr. President, Adm. James W. (Bud) Nance, chief of staff of the Foreign Relations Committee, Esther Kia'aina of Sen. AKAKA's staff, and Jim O'Toole with the Energy and Natural Resources Committee deserve special thanks. When Midway Atoll becomes a national memorial, it will in large part be due to their tireless efforts.

Mr. President, 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. 940

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

SEC. 1. SHORT TITLE.

This Act may be cited the ''Battle of Midway National Memorial Act''.

SEC. 2. FINDINGS.

The Senate makes the following findings:

(1) September 2, 1997, marks the 52th anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against United States or allied forces.

(3) During the Battle of Midway on June 4, 1942, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, out-maneuvered and out-fought 350 ships of the Imperial Japanese Navy.

(4) It is in the public interest to establish Midway Atoll as a national memorial to the Battle of Midway to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

SEC. 3. SENSE OF THE SENATE.

It is the sense of the Senate that—

(1) Midway Atoll and the surrounding seas deserve to be a national memorial;

(2) the historical significance of the Battle of Midway deserves more recognition;

(3) the historic structures on Midway Atoll deserve to be protected and maintained;

SEC. 4. STUDY OF THE ESTABLISHMENT OF MIDWAY ATOLL AS A NATIONAL MEMORIAL TO THE BATTLE OF MIDWAY.

(a) IN GENERAL.—Not later than six months after the date of enactment of this Act, the Secretary of the Interior shall, acting through the Director of the National Park Service and in consultation with the Director of the United States Fish and Wildlife Service, the International Midway Memorial Foundation, Inc. (hereafter referred to as the 'Foundation'), and Midway Phoenix Corporation, carry out a study of the feasibility and advisability of establishing Midway Atoll as a national memorial to the Battle of Midway.

(b) CONSIDERATIONS.—In studying the establishment of Midway Atoll as a national memorial to the Battle of Midway under subsection (a), the Secretary shall consider the following:

(1) Whether, and under what conditions, to lease or otherwise allow the Foundation or another appropriate organization to administer, maintain, and utilize fully for use as a national memorial to the Battle of Midway the lands (including any equipment, facilities, infrastructure, and other improvements) and waters of Midway Atoll.

(2) Whether, and under what circumstances the needs and requirements of the wildlife refuge should take precedence over the needs and requirements of a national memorial on Midway Atoll.

(3) Whether, and under what conditions, to permit the use of the facilities on Sand Island for purposes other than a wildlife refuge or a national memorial.

(4) Whether to impose conditions on public access to Midway Atoll as a national memorial.

(c) REPORT.—Upon completion of the study required under subsection (a), the Secretary shall submit to Congress a report on the study, including any recommendations for further legislative action. The report shall also include an inventory of all past and present structures of historic significance on Midway Atoll.

SEC. 5. RULE OF STATUTORY CONSTRUCTION.

Nothing under this Act should be construed to delay or inhibit discussions between the Foundation and the United States Fish and Wildlife Service or any other government entity regarding the future role of the Foundation on Midway Atoll.

By Mr. INOUYE (for himself, Mr. GORTON, Mr. KERRY, Mrs. MURRAY, and Mr. BREAUX):

S. 941. A bill to promote the utilization of marine ferry and high-speed marine ferry services; to the Committee on Commerce, Science, and Transportation.

HIGH-SPEED MARINE FERRY ACT

Mr. INOUYE. Mr. President, I rise today to introduce legislation, cosponsored by Senators GORTON, KERRY, MURRAY, and BREAUX to promote the use of marine ferry and high-speed marine ferry services.

The marine ferry system of the United States provides an invaluable component to the transportation requirements of our Nation. As a Senator from an island State, I appreciate the need for passenger/vehicle ferry services. In general, marine ferries require minimal costs as compared to the costs of new infrastructure such as highways, bridges, and tunnels. In addition, marine ferries are one of the most environmentally friendly modes of transportation.

In coastal urban centers, marine ferry service can provide low-cost, environmentally friendly transportation to areas suffering from congestion. In rural coastal areas, such as barrier islands, marine ferries have been utilized as the sole source of transportation to connect coastal communities to the mainland. While States with marine barriers such as rivers or lakes have utilized marine ferries as low-cost alternatives to highway bridges or additional roadways. Marine ferries have also been used to provide transportation in areas devastated by natural disasters and floods. Ferries were used in the aftermath of the earthquakes in northern California to provide transportation across San Francisco Bay.

States such as Washington, Alaska, North Carolina, and Delaware have invested, with great success, in State-run marine ferry services. While other States such as New York, New Jersey, and my own State of Hawaii, are exploring incentives to induce private ferry operations in order to fulfill certain transportation objectives. Private ferry operations and high-speed marine passenger vessels used for dinner cruises and tour excursions, have contributed to the tourism potential of certain areas as well.

I am particularly hopeful that the Marine Ferry and High-Speed Marine Ferry Act will help us to fulfill our Nation's potential for high-speed marine technology. In the early 1970's, Boeing Marine pioneered the development and construction of commercial passenger hydrofoils capable of operating at 45 knots. Boeing built 25 hydrofoils for high-speed use on the Hong Kong-Macau route before licensing production to Kawasaki Heavy Industries of Japan in the early 1980's, and by 1989, only one high-speed marine passenger/vehicle ferry of significant size was in operation.

The international and domestic high-speed marine passenger vessel market has recently seen a dramatic expansion, and currently over 60 high-speed marine passenger/vehicle ferries are in service or under construction. Fast ferries, until recently, have been primarily used in short sea services on protected routes, but recent advances in design and materials have allowed for the construction of larger vessels capable of being operated on longer open sea routes. New technologies have also opened possibilities for high-speed cargo-carrying operations.

The United States has benefited from a number of recent high-speed projects, and from the establishment of a shipyard specifically designed for high-speed marine passenger vessel construction. The Maritime Administration's ''1996 Outlook for the U.S. Shipbuilding and Repair Industry'' indicates:

> New orders for ferries should also continue to provide work for the second-tier shipyards. The enactment of ISTEA continues to provide a significant boost to new ferry projects. In addition, MARAD has a Title XI application pending for the construction of two passenger/vehicle ferries for a foreign owner, valued at more than $171 million. Demand will come from continued promotion of states of ferries for use in their tourist industries, as well as in transportation/commuting, as an alternative to building infrastructure projects such as highways and bridges. The recent award of a $181 million contract to Todd Seattle for three 2,500-passenger ferries and the solicitation for proposals for two additional 350-passenger ferries by the State of Washington, is an added sign that the ferry industry is strong. On the private sector side, there is a demand for the deployment of high-speed, high-tech ferries in the passenger excursion industry.

The Marine Ferry and High-Speed Marine Ferry Act will build on previous enactments aimed at promoting marine ferry operations. The bill would reauthorize section 1064 of ISTEA, at levels consistent with past years, to allow State-run ferry programs to apply for Federal grants for the construction of ferries, and/or related ferry infrastructure. The bill would also initiate a new program to help provide loan guarantees for private marine ferry operators. A number of States have decided not to operate their own ferry vessels, but instead, have encouraged the private sector to establish marine ferry operations. The provision of loan guarantees to qualified applicants will allow private sector operators to contribute to legitimate public sector transportation needs by providing favorable financing through federally guaranteed loans.

The bill would also require DOT to report on existing marine ferry operations and to make recommendations on areas that could benefit from future marine ferry operations, and directs DOT to meet with relevant State and local municipal planning agencies to discuss the marine ferry program. The bill also directs the Marine Board to study high-speed marine technologies, and potential utilization of such technology.

I hope my colleagues can join in to continue our support of marine ferry operations. For a relatively small investment, we can leverage State and private operations to address our pressing infrastructure demands.

ADDITIONAL COSPONSORS

S. 293

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 293, a bill to amend the Internal Revenue Code of 1986 to make permanent the credit for clinical testing expenses for certain drugs for rare diseases or conditions.

S. 317

At the request of Mr. CRAIG, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 317, a bill to reauthorize and amend the National Geologic Mapping Act of 1992.

S. 364

At the request of Mr. LIEBERMAN, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 364, a bill to provide legal standards and procedures for suppliers of raw materials and component parts for medical devices.

S. 412

At the request of Mr. LAUTENBERG, the names of the Senator from Ohio [Mr. GLENN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from California [Mrs. BOXER], and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of S. 412, a bill to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals.

S. 472

At the request of Mr. GRAHAM, the name of the Senator from Louisiana [Ms. LANDRIEU] was added as a cosponsor of S. 472, a bill to provide for referenda in which the residents of Puerto Rico may express democratically their preferences regarding the political status of the territory, and for other purposes.

S. 513

At the request of Mr. D'AMATO, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 513, a bill to reform the multifamily rental assisted housing programs of the Federal Government, maintain the affordability and availability of low-income housing, and for other purposes.

S. 570

At the request of Mr. NICKLES, the names of the Senator from North Carolina [Mr. FAIRCLOTH], and the Senator from Arkansas [Mr. HUTCHINSON] were added as cosponsors of S. 570, a bill to amend the Internal Revenue Code of 1986 to exempt certain small businesses from the mandatory electronic fund transfer system.

S. 608

At the request of Mr. FEINGOLD, the name of the Senator from Michigan [Mr. ABRAHAM] was added as a cosponsor of S. 608, a bill to authorize the enforcement by State and local governments of certain Federal Communications Commission regulations regarding use of citizens band radio equipment.

S. 711

At the request of Mr. BREAUX, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 711, a bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits.

S. 747

At the request of Mr. CHAFEE, the names of the Senator from Kansas [Mr. ROBERTS] and the Senator from Colorado [Mr. ALLARD] were added as cosponsors of S. 747, a bill to amend trade laws and related provisions to clarify the designation of normal trade relations.

S. 836

At the request of Mr. ABRAHAM, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 836, a bill to offer small businesses certain protections from litigation excesses.

S. 852

At the request of Mr. LOTT, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 885

At the request of Mr. D'AMATO, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 885, a bill to amend the Electronic Fund Transfer Act to limit fees charged by financial institutions for the use of automatic teller machines, and for other purposes.

S. 927

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 927, a bill to reauthorize the Sea Grant Program.

SENATE RESOLUTION 85

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

SENATE RESOLUTION 93

At the request of Mr. GRASSLEY, the names of the Senator from Michigan [Mr. ABRAHAM], the Senator from Montana [Mr. BURNS], the Senator from Georgia [Mr. COVERDELL], the Senator from New York [Mr. D'AMATO], the Senator from Ohio [Mr. DEWINE], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Tennessee [Mr. FRIST], the Senator from Utah [Mr. HATCH], the Senator from North Carolina [Mr. HELMS], the Senator from Indiana [Mr. LUGAR], the Senator from Oklahoma [Mr. NICKLES], the Senator from Alaska [Mr. STEVENS], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], the Senator from Hawaii [Mr. AKAKA], the Senator from Illinois [Mr. DURBIN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Washington [Mrs. MURRAY], the Senator from Virginia [Mr. ROBB], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Resolution 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 purposes.

AMENDMENTS SUBMITTED

THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

WELLSTONE AMENDMENT NO. 415

Mr. WELLSTONE proposed an amendment to the bill (S. 858) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; as follows:

At the appropriate place, insert the following: ''It is the sense of the Senate that any tax legislation enacted by the Congress this year should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers, and that any such legislation should not disproportionately benefit the highest income taxpayers.''

TORRICELLI (AND OTHERS) AMENDMENT NO. 416

Mr. TORRICELLI (for himself, Mr. SPECTER, Mr. KERREY, and Mr. BUMPERS) proposed an amendment to the bill, S. 858, supra; as follows:

On page 14, between lines 19 and 20, insert the following:

SEC. 309. REQUIREMENTS FOR SUBMITTAL OF BUDGET INFORMATION ON INTELLIGENCE ACTIVITIES.

(a) SUBMITTAL WITH ANNUAL BUDGET.—Notwithstanding any other provision of law, the President shall include in each budget for a fiscal year submitted under section 1105 of title 31, United States Code, the following information:

(1) The aggregate amount appropriated during the current fiscal year on all intelligence and intelligence-related activities of the United States Government.

(2) The aggregate amount requested in such budget for the fiscal year covered by the budget for all intelligence and intelligence-related activities of the United States Government.

(b) FORM OF SUBMITTAL.—The President shall submit the information required under subsection (a) in unclassified form.

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

LAUTENBERG (AND OTHERS) AMENDMENT NO. 417

Mr. LAUTENBERG (for himself, Mr. TORRICELLI, and Mr. BAUCUS) proposed an amendment to the bill (S. 936) to authorize appropriations for fiscal year

1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

Strike out section 3188 and insert in lieu thereof the following:

SEC. 3138. REPORT ON REMEDIATION ACTIVITIES OF THE DEPARTMENT OF ENERGY.

The Secretary of Energy shall submit to Congress a report on the remediation activities of the Department of Energy.

SMITH OF NEW HAMPSHIRE AMENDMENT NO. 418

Mr. SMITH of New Hampshire proposed an amendment to amendment No. 417 proposed by Mr. LAUTENBERG to the bill, S. 936, supra; as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. . REPORT ON REMEDIATION UNDER THE FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM

Not later than March 1, 1998, the Secretary of Energy shall submit to Congress a report containing the following information regarding the Formerly Utilized Sites Remedial Action Program:

(1) How many Formerly Utilized Sites remain to be remediated, what portions of these remaining sites have completed remediation (including any offsite contamination), what portions of the sites remain to be remediated (including any offsite contamination), what types of contaminants are present at each site, and what are the projected timeframes for completing remediation at each site.

(2) What is the cost of the remaining response actions necessary to address actual or threatened releases of hazardous substances at each Formerly Utilized Site, including any contamination that is present beyond the perimeter of the facilities.

(3) For each site, how much it will cost to remediate the radioactive contamination, and how much will it cost to remediate the non-radioactive contamination.

(5) What type of agreements under the Formerly Utilized Sites Remedial Action Program have been entered into with private parties to resolved the level of liability for remediation costs at these facilities, and to what extent have these agreements been tied to a distinction between radioactive and non-radioactive contamination present at these sites.

(6) What efforts have been undertaken by the Department to ensure that the settlement agreements entered into with private parties to resolve liability for remediation costs at these facilities have been consistent on a program wide basis.

FEINSTEIN (AND BIDEN) AMENDMENT NO. 419

Mrs. FEINSTEIN (for herself and Mr. BIDEN) proposed an amendment to the bill, S. 936, supra; as follows:

At the end of subtitle E of title X, add the following:

SEC. 1074. CRIMINAL PROHIBITION ON THE DISTRIBUTION OF CERTAIN INFORMATION RELATING TO EXPLOSIVES, DESTRUCTIVE DEVICES, AND WEAPONS OF MASS DESTRUCTION.

(a) UNLAWFUL CONDUCT.—Section 842 of title 18, United States Code, is amended by adding at the end the following:

''(*l*) DISTRIBUTION OF INFORMATION RELATING TO EXPLOSIVES, DESTRUCTIVE DEVICES, AND WEAPONS OF MASS DESTRUCTION.—

''(1) DEFINITIONS.—In this subsection—

''(A) the term 'destructive device' has the same meaning as in section 921(a)(4);

''(B) the term 'explosive' has the same meaning as in section 844(j); and

''(C) the term 'weapon of mass destruction' has the same meaning as in section 2332a(c)(2).

''(2) PROHIBITION.—It shall be unlawful for any person—

''(A) to teach or demonstrate the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute by any means information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, with the intention that the teaching, demonstration, or information be used for, or in furtherance of, an activity that constitutes a Federal criminal offense or a State or local criminal offense affecting interstate commerce; or

''(B) to teach or demonstrate to any person the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute to any person, by any means, information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, knowing that such person intends to use the teaching, demonstration, or information for, or in furtherance of, an activity that constitutes a Federal criminal offense or a State or local criminal offense affecting interstate commerce.''.

(b) PENALTIES.—Section 844 of title 18, United States Code, is amended—

(1) in subsection (a), by striking ''person who violates subsections'' and inserting the following: ''person who—

''(1) violations subsections'';

(2) by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following;

''(20 violates subsection (*l*)(2) of section 842 of this chapter, shall be fined under this title, imprisoned not more than 20 years, or both.''; and

(2) in subsection (j), by striking ''and (i)'' and inserting ''(i), and (*l*)''.

COCHRAN (AND OTHERS) AMENDMENT NO. 420

Mr. COCHRAN (for himself, Mr. DURBIN, Mr. ABRAHAM, and Mr. HUTCHINSON) proposed an amendment to the bill, S. 936, supra; as follows:

At the end of subtitle E of title X, add the following:

SEC. . SUPERCOMPUTER EXPORT CONTROL.

(a) EXPORT LICENSING WITHOUT REGARD TO END-USE AND END-USER.—

(1) IN GENERAL.—Notwithstanding any other provision of law, effective upon the date of enactment of this Act, computers described in paragraph (2) shall only be exported to a Computer Tier 3 country pursuant to an export license issued by the Secretary of Commerce.

(2) COMPUTERS DESCRIBED.—A computer described in this paragraph is a computer with a composite theoretical performance equal to or greater than 2,000 million theoretical operations per second.

(b) LIMITATION ON REEXPORT.—It is the sense of the Senate that Congress should enact legislation to require that any computer described in subsection (a)(2) that is exported to a Computer Tier 1 or Computer Tier 2 country shall only be reexported to a Computer Tier 3 country (or, in the case of a computer exported to a Computer Tier 3 country pursuant to subsection (a), reexported to another Computer Tier 3 country) pursuant to an export license approved by the Secretary of Commerce and that the preceding requirement be included as a provision in the contract of sale of any such computer to a Computer Tier 1, Computer Tier 2, or Computer Tier 3 country.

(c) COMPUTER TIERS DEFINED.—In this section, the terms ''Computer Tier 1'', ''Computer Tier 2'', and ''Computer Tier 3'' have the meanings given such terms in section 740.7 of title 15, Code of Federal Regulations.

INOUYE AMENDMENT NO. 421

(Ordered to lie on the table.)

Mr. INOUYE submitted an amendment intended to be proposed by him to the bill, S. 936, supra; as follows:

At the appropriate place, insert:

''SEC. . DEFENSE ENVIRONMENTAL RESTORATION OF INDIAN LANDS PROGRAM.

''(a) ESTABLISHMENT.—The Secretary of Defense shall establish an Environmental Restoration Program, within the Office of Deputy Under Secretary of Defense (Environmental Security), to remediate or otherwise mitigate environmental impacts on Indian lands attributable to Department of Defense activities. This program shall be separate from, but operate in conjunction with, the program for environmental restoration established pursuant to section 2701, title 10, United States Code.

''(b) PROGRAM CRITERIA.—The Secretary shall establish a program to—

''(1) identify and investigate environmental impacts on Indian lands known or suspected to be caused by Department of Defense activities, including but not limited to, releases and threatened releases of hazardous substances, pollutants, contaminants, hazardous waste, solid waste, petroleum, unexplored ordnance and associated debris on, or migrating on, Indian lands;

''(2) develop and maintain a comprehensive inventory list of the environmental impacts identified pursuant to the authority provided in subsection (1) of this section;

''(3) conduct preliminary assessments of each site identified pursuant to the authority provided in subsection (1) of this section to validate and document the potential risk to human health and the environment, or natural, religious or cultural resources, or other impediments to the use of such Indian lands, as reported by the Indian tribes, the Military Departments, and other sources;

''(4) apply the Department of Defense Relative Risk Site Evaluation System to determine priorities for addressing impact on Indian lands by taking into account considerations important to Indian tribes, including but not limited to damages or other impacts to human health and safety, cultural and religious values, subsistence activities, natural ecosystems, and natural resources of commercial value;

''(5) implement appropriate remediation or other form of mitigation of environmental impacts on Indian lands resulting from Department of Defense activities; and

''(6) provide training, either directly or through contract, to enable Indian tribes to administer cooperative agreements and contracts provided for in this section.

''(c) CONSULTATION WITH INDIAN TRIBES.—The Secretary shall consult with each affected Indian tribe during any activities undertaken pursuant to this section, and shall not select appropriate response actions without consulting the affected Indian tribe.

''(d) COOPERATIVE AGREEMENTS.—(1) The Secretary is authorized to enter into cooperative agreements with Indian tribes or consortia of Indian tribes, when mutually agreed by the Secretary and the Indian tribe involved, to administer some or all portions of the restoration program and to perform such services applicable under this section.

The cooperative agreement may cover one or more sites identified and assessed for remediation or other response action. The Secretary shall make a determination regarding such application within 90 days after receiving the application.

''(f) CONTRACTING PROVISIONS.—''In implementing the provisions of any cooperative agreement or the award of any contract pursuant to this section, the Secretary shall—

''(1) apply the provisions of—

''(A) 25 U.S.C. §450(e)(b);

''(B) 48 C.F.R. §26.1.; and

''(C) 48 C.F.R. §226.1; and

''(2) enter into contracts or cooperative agreements with tribal community colleges and tribal vocational educational institutions to provide training to Indian tribes as required under this section.

''(e) DEFINITION.—For the purposes of this section, the term—

''(1) ''Indian'' means ''Indian'' as defined in 25 U.S.C. §450(b), the Indian Self-Determination and Educational Assistance Act.

''(2) ''Indian tribe'' means ''Indian tribe'' as defined in 25 U.S.C. §450(b)(d), the Indian Self-Determination and Educational Assistance Act.

''(3) ''Indian organization'' means an ''organization'' as defined in 25 U.S.C. 1452(f), the Indian Financing Act.

''(4) ''Indian-owned economic enterprise'' means an ''economic enterprise'' as defined in 25 U.S.C. 1452(e), the Indian Financing Act.

''(5) ''Indian lands'' means ''Indian lands'' as defined in 25 U.S.C. §3902(3) and (4), the Indian Lands Open Dumps Clean-Up Act.

''(f) AUTHORIZATION.—There is hereby authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 1998 and 1999, to remain available until expended. For each of fiscal years 2000 through 2006, there is authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.''

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business has cancelled the June 24, 1997, hearing entitled ''Small Business Reauthorization Act of 1997.''

For further information, please contact Paul Cooksey at 224–5175.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Wednesday, June 25, 1997, at 9:30 a.m. to receive testimony on ''Campaign Finance—Are Political Contributions Voluntary: Union Dues and Corporate Activity.''

For further information concerning this hearing, please contact Stewart Verdery of the Rules Committee staff at 224–2204.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Ms. COLLINS. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold hearings on ''Medicare At Risk: Emerging Fraud in Medicare Programs.''

This hearing will take place on Wednesday, June 25, 1997, at 9:30 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Timothy Shea of the subcommittee staff at 224–3721.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SHELBY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, June 19, 1997, at 9:30 a.m. on pending committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. SHELBY. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, June 19 for purposes of conducting a Subcommittee on National Parks, Historic Preservation, and Recreation hearing which is scheduled to begin at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. SHELBY. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Thursday, June 19, 1997, beginning at 10 a.m. in room SH–216, to conduct a markup on budget reconciliation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AVIATION

Mr. SHELBY. Mr. President, I ask unanimous consent that the Aviation Subcommittee on the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, June 19, 1997, at 2:30 p.m. on United States/Japan aviation relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY, EXPORT AND TRADE PROMOTION

Mr. SHELBY. Mr. President, I ask unanimous consent that the Subcommittee on International Economic Policy, Export and Trade Promotion of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 19, at 9:30 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FRIVOLOUS LAWSUIT PREVENTION ACT

• Mr. ABRAHAM. Mr. President, I am pleased to speak about an issue I feel strongly about and have consistently supported during my tenure in the U.S. Senate. Today I rise in defense of Senate bill 400, the Frivolous Lawsuit Prevention Act, of which I am a cosponsor.

The Senate has debated tort reform legislation in the past and this year several bills have been introduced that attempt to remediate our legal system. S. 400 takes a narrow approach and focuses on the particular problem of persons who deliberately abuse America's courts.

I appreciate the efforts of Senator GRASSLEY in introducing this important bill, which is a vital component of legal reform. It aims to rescue our courts from engaging in suits that more resemble talk show fodder than legitimate claims of wrongdoing. Specifically, the bill amends rule 11 of the Federal rules of civil procedure by making sanctions mandatory rather than discretionary whenever federal courts find a violation of that rule has occurred and an attorney has engaged in frivolous conduct.

For example, if a party files a lawsuit purely to badger another party, and the judge finds this to be true, the court can impose a punishment commensurate with the degree of the violation. Prior to 1993, this type of sanctioning had been standard procedure. Unfortunately, however, this rule was severely modified 4 years ago. Congress must now enact S. 400 to once again protect the courts from frivolous lawsuits that clog this Nation's legal system and impede the ability of legitimate claims to be heard.

Our courts must never become playgrounds for egregious claims and wild accusations that seek only to harass an individual. Those who engage in such conduct must face sanctions for their action. In my view, this bill will relieve our courts and restore the dignity and integrity that America's system of justice demands.•

RECOGNITION OF THE RECIPIENTS OF THE GIRL SCOUT GOLD AWARD, DUPAGE COUNTY GIRL SCOUTS

Ms. MOSELEY-BRAUN. Mr. President, I would like to salute six outstanding young women who were honored on May 12, 1997, with the Girl Scout Gold Award by the Dupage County Girl Scout Council of Naperville, IL. The Girl Scout Award symbolizes outstanding accomplishments in the area of leadership, community service, career planning, and personal planning. I commend these young women for their dedication to our community.

Girl Scouts of the U.S.A., an organization serving over 2.5 million girls, has awarded more than 20,000 Girl Scout Awards to senior Girl Scouts since the inception of the program in 1980. To receive the award, a Girl Scout must earn four interest project patches. The Career Exploration Pin, the Senior Girl Scout Leadership Award, and the Senior Girl Scout Challenge. The Scout must also design and implement a Girl Scout Gold Award project. A plan for fulfilling these requirements is created by the senior Girl Scout and

is carried out through close cooperation between the girl and an adult volunteer. These objectives are met only through hard work and discipline, as displayed by the six young women honored on May 12.

A member of Girl Scout Troop 936, Jennifer Gary began working toward the Girl Scout Gold Award in 1994. Her project, focused on providing a Costa Rican culture experience for people in her community and raised community awareness about the importance of rain forests to our global environment.

The environment was also the focus of Carla Dingler's project. Carla, a member of Girl Scout Troop 167, coordinated six different environmental cleanups in her community.

Cyndie Bagarie, an individual Girl Member, completed an innovative project she began working on in 1995. Cyndie created a raffle-like event, whereby members of the community were given the opportunity to win free swim lessons from Cyndie by donating food to a local food pantry.

Girl Scout Troop 42 member Susan Mickelson created and distributed a wallet-size index of public phone numbers for teens. This arduous project began in 1993.

Another member of Troop 42, Erin Kraatz, knitted teddy bears for the children residing at a local women's shelter. This ongoing project started in 1993.

Jennifer Buhrow, an individual girl member, began working toward the Girl Scout Award in 1995. Her project consisted of collecting books, toys, games, and school supplies for the children at a local women's shelter.

At a time when our Nation's youth face so many obstacles, it is encouraging to see six young women devoted to fostering an understanding between cultures and people, and taking steps to bring issues of importance to the attention of others. I extend my heartfelt congratulations to Jennifer Gary, Carla Dingler, Cyndie Bagarie, Susan Mickelson, Erin Kraatz, and Jennifer Buhrow as they are recognized for their hard work and service to the community. We can all take pride in the fact that these six young women have made vital contributions to the State of Illinois. The people of Illinois are grateful for their contributions as public servants.

RECOGNITION OF THE 34TH ANNUAL SMALL BUSINESS WEEK

• Mr. FRIST. Mr. President, I rise today in support of America's small businesses and in recognition of the 34th annual Small Business Week. As a member of the Small Business Committee, I understand that small business is truly the engine of economic growth in America. Ninety percent of all U.S. businesses have less than 20 employees and 99 percent have fewer than 500 employees. These small businesses employ more than half of our Nation's workforce and create a large majority of our new jobs. In fact, 40 percent of our Nation's goods and services are produced by small businesses—making America's entrepreneurs the world's third greatest economic power, trailing only the production of the entire United States economy and Japan.

We celebrate Small Business Week every year to recognize those people on the front lines of our economy. I would like to take a moment to specifically recognize Tennessee's 1997 Small Business Person of the Year—Bob Pap—the president of the Accurate Automation Corp. in Chattanooga. Accurate Automation is an aerospace/computer systems company doing research and development in hypersonic aircraft design and the emerging technology of neural networks. Accurate Automation began in 1988 as a two-person company located in a 450-square-foot office. Today, it has 33 employees, 5 consultants, and a 13,000-square-foot office facility. Bob Pap's corporation is a great example of how hard work and ingenuity can lead to small business success.

The work of a small business owner never ends. Therefore, Congress should not stop working for small business after Small Business Week. We must reduce or eliminate the restrictive taxes, unfunded mandates, and burdensome regulations plaguing small businesses. Many Federal bureaucrats and lawmakers do not understand that small businesses do not have the money and personnel to cope with regulatory paperwork. They do not understand that small firms lack a corporate legal department to guide them through a maze of regulatory compliance. And, most importantly, they do not understand that each new tax, mandate, and regulation stifles business expansion, job creation, and economic growth.

Fortunately, Congress is taking action to foster a healthier environment for entrepreneurs. Reducing the capital gains tax rate is vital to creating jobs and expanding economic growth. Through high capital gains rates the Federal Government penalizes people who take risks and invest their hard-earned income in homes, savings accounts, mutual funds, small and large businesses, or family farms. In addition, this high tax rate threatens American leadership in the global marketplace. The United States has the highest capital gains rate of any major industrialized nation in the world. We cannot expect to remain competitive if we are not on a level playing field with other countries. Lowering the capital gains rate is essential to maintaining a strong economy and supporting the cause of America's small business men and women.

The bipartisan balanced budget agreement cuts the capital gains tax rate for individuals in the 15-percent tax bracket to 10 percent and for individuals in the 28-percent bracket to 20 percent. It also provides for the exclusion of gain on the sale of a home and indexing for inflation.

Estate tax reform is also a high priority. Confiscatory estate tax rates are extremely detrimental to small businesses. They depress national savings, discourage entrepreneurial risk, and limit economic growth. Too often, family farms and small businesses are forced out of business after the death of a key family member because the family cannot afford to pay the estate tax. We need to make sure that there is an incentive for entrepreneurs to start small businesses and that there is a way for these small businesses to flourish after an important family member dies. The bipartisan balanced budget agreement also includes a phased-in increase in the unified estate tax credit equivalent to $1 million and inflation indexing.

While capital gains and estate tax relief have been a major focus of our tax agenda, there are other important small business issues that deserve attention. One of those issues is electronic tax filing. Under a 1993 law, small businesses were required to submit their Federal tax payments electronically beginning this July. However, due to inadequate education and implementation by the Internal Revenue Service (IRS), more than 1 million small businesses were very confused about how to transition to the new system, concerned about the possibility of fines and penalties, and frustrated overall with the mandatory nature of this new requirement. Fortunately, relief is on the way. I voted for the supplemental appropriations bill that included an extension of the electronic tax filing deadline from July 1, 1997 to the end of this tax year, December 31, 1997. And the President has already signed this provision into law.

On another tax issue, I have cosponsored S. 460, the Home-Based Business Fairness Act of 1997. Home-based businesses are one of the fastest growing sectors of the economy. There are currently more than 14 million individuals earning income from out of their own homes. As owners of a majority of home-based businesses, women, in particular, have enjoyed astonishing success in this area. There are currently eight million women-owned U.S. businesses which produce $2.3 trillion in sales. Women-owned businesses employ one quarter of all U.S. workers. In light of these trends, we need to open more opportunities for home-based and other entrepreneurial ventures to start, grow, and create jobs.

The Home-Based Business Fairness Act targets three particular areas. First, it provides 100 percent deductibility for self-employed health insurance costs. Large corporations are currently allowed to deduct the health insurance costs of all of their employees. This bill will allow the self-employed to take advantage of full deductibility as well. A fair and competitive business environment is impossible as long as large corporations have this unfair advantage.

Second, the Home-Based Business Fairness Act will restore the home-office deduction and make it available to all business owners who perform their essential administrative and management functions only in their homes. This portion of the bill will clarify the ambiguities resulting from the 1993 Supreme Court decision, *Commissioner* v. *Soliman*. This decision required the customers of a home business to physically visit the home office and the business owners income to be generated within the home office itself in order to qualify for a deduction. This bill would expand and clarify the home-office deduction by allowing those who perform their services outside the home to benefit from the deduction as long as they use their home for all billing and recordkeeping activities.

Third, S. 460 clarifies the independent contractor definition. Under current law, small businesses and the self-employed must rely on a complicated and ambiguous 20 point test of IRS guidelines to determine how to classify their workers and what taxes must be paid. The IRS can penalize firms who use self-employed contractors and force them to pay retroactive taxes and fines if they disagree with the worker's classification as an independent contractor. The Home-Based Business Fairness Act will establish a general safe harbor to provide more certainty in determining the independent contractor status and protect against retroactive reclassifications, fines, and penalties.

On the regulatory front, I have cosponsored the Mandates Information Act of 1997 to help reduce the burden on America's economy of Congressional mandates. In the past, Congress has often acted without adequate information concerning the costs of private sector mandates. These costs are borne by consumers in the form of higher prices and reduced availability of goods; workers, in the form of lower wages, reduced benefits, and fewer job opportunities; and small businesses, in the form of hiring disincentives and stunted growth.

The Mandates Information Act contains two key provisions to prevent imposition of new mandates on the private sector. First, it establishes an additional procedural hurdle, or shame vote, against any bill containing private sector mandates exceeding $100 million a year. Second, it directs the Congressional Budget Office (CBO) to prepare a small business impact statement to inform Members of Congress about a bill's effects on consumer costs, worker wages, and the availability of goods and services. I believe this initiative will help stop the spread of mandates at their source—allowing small businesses to take risks and create new jobs without the added pressure of unfunded Washington requirements.

Mr. President, during Small Business Week and every week, Congress needs to listen to the men and women who are running Main Street businesses. Today, I speak for only a few minutes to honor the small business owners and employees who spend hours every day trying to fulfill their American dreams. I want to let them know that their elected officials are making some progress on their agenda, but we still have a long way to go. I urge my colleagues not to rest in our efforts to support American free enterprise.●

RISING COSTS OF A COLLEGE EDUCATION

● Mr. CLELAND. Mr. President, I rise today to share with you and all of our colleagues a disturbing report released Tuesday. According to this report, produced by a panel of public and private university officials and corporate executives, the cost of a college education is rising dramatically. This figure must be contained or an increasing number of low-income students will be shut out from the opportunity to earn a degree.

According to this report, tuition is expected to double by 2015, effectively shutting off higher education to half of those who would want to pursue it. We cannot allow this door to close on these low-income students. We should be opening these doors for our young people, not closing them.

These rising tuition costs must be addressed. An investment in education is an investment in the future of this country. Adequate governmental support for higher education is essential in order to arm our children with the proper resources so that they are able to live and compete in a global market. I firmly believe in providing all feasible financial support for students receiving a higher education. That's why I am a cosponsor of S. 12, the Education for the 21st Century Act, which would help to increase the educational opportunities for America's youth.

Mr. President, I ask that the text of the article detailing these report findings, which appeared in the New York Times, June 18, 1997, be printed in the RECORD.

The article follows:

[From the New York Times, June 18, 1997]

RISING COST OF COLLEGE IMPERILS NATION, REPORT SAYS

(By Peter Applebome)

The nation's colleges an universities need to cut costs dramatically or face a shortfall of funds that will increasingly shut out the poor from higher education and from economic opportunity as well, according to a blunt and far-ranging assessment of American higher education that was made public on Tuesday.

The report, by a panel of public and private university officials and corporate executives, says that rising costs, falling public spending and a coming surge in demand are making the economics of American higher education increasingly unsupportable.

If current enrollment, spending and financing trends continue, the report said, higher education will fall $38 billion short of what it needs to serve the expected student population in 2015. To sustain current spending, it said, tuition would have to double by 2015, effectively shutting off higher education to half of those who would want to pursue it.

The report focuses on one of the great unspoken dilemmas in President Clinton's push to make a college diploma as common as a high school one: higher education is expensive, students pay only a small share of their costs and, while bringing increasing numbers of low-income students into higher education will have long-term economic benefits, it will also have enormous short-term economic costs.

On the other hand, the report said, with education increasingly crucial to economic advancement, cutting off access to education—particularly to the poor and to immigrant groups who increasingly dominate the student population of states like California, Florida, New York and Texas—would have enormous consequences for the nation's social fabric.

The report, ''Breaking the Social Contract: The Fiscal Crisis in Higher Education,'' calls for a radical restructuring of universities, including an effort to overhaul university governance to limit the power of individual departments, redefining and often reducing the ambitions of different institutions and a sharing of resources between institutions.

The report also calls for more public financing, but it stresses that changes in the system should be prerequisites to any increases.

''The facts are irrefutable,'' said Thomas Kean, the former New Jersey governor who is now president of Drew University and is a co-chairman of the panel that wrote the report. ''We are heading for a crisis at the very time we can least afford one.''

The panel, the Commission on National Investment in Higher Education, is made up of academic and business leaders convened by the Council for Aid to Education, an independent subsidiary of the Rand Corp.

Experts say that higher education is already being reshaped by such forces as technology or competition from for-profit institutions, so that a straight-line extrapolation from current economic figures is difficult. And higher education is such a varied enterprise in the United States that a crisis for a public college in California does not necessarily mean a crisis for Harvard or Princeton.

Still, Roger Benjamin, president of the Council for Aid to Education, notes that even rich universities like Yale and Stanford have faced deficits and retrenchment in recent years.

And officials in state systems, which educate the majority of Americans, say the gap between resources and costs in higher education is becoming ever more daunting.

Charles Reed, chancellor of the State University System of Florida, said that over the next 10 years Florida will face a 50 percent increase in students at its public four-year institutions, from 210,000 to 300,000.

Barry Munitz, chancellor of the California State University System, said California was midway through a half-century of population growth and demographic change that would see the number of schoolchildren in kindergarten through the 12th grade almost double, to about eight million, and go from about 75 percent white in 1970 to about 75 percent minority in 2020.

Population growth will only accelerate the financial problems facing higher education, the report said. It noted that the index measuring the increases in the price paid by colleges and universities for goods and services, like faculty salaries, rose more than sixfold from 1961 to 1995. The annual rate of growth in the cost of providing higher education exceeded the Consumer Price Index by more than a percentage point from 1980 to 1995, the report said.

And, while costs have gone up, public support has not. Since 1976, public support per student has just kept up with inflation, while real costs per student have grown by about 40 percent, the report said.

To make up the difference, tuition has risen dramatically, with tuition and fees doubling from 1976 to 1994. But the report said that a similar doubling between now and 2015 would have a catastrophic effect on access, pricing as many as 6.7 million students out of higher education.

''If you were to announce that, given fiscal pressures, the door to social mobility that was good enough for the old generation is really no longer needed by the new one, you might as well stick a ticking bomb inside the social fabric of this country,'' Munitz said.

While calling for more public support, the report says that a solution to the fiscal imbalance has to start with colleges and universities themselves.

''Given the magnitude of the deficit facing American colleges and universities, it is surprising that these institutions have not taken more serious steps to increase productivity without sacrificing quality,'' the report said.

The report's recommendations for restructuring—from sharing a library with other institutions to eliminating weak programs—are not new, but there are enormous political and institutional barriers in the way of a major economic overhaul of higher education. Still, some experts say institutions have no option but to find ways to operate more efficiently.

''The ability to maximize revenue, given the competitive pressures for state dollars on the one hand and the resistance to future increases in tuition on the other, has about run its course,'' said Stanley Ikenberry, president of the American Council on Education, a leading advocacy group that was not involved in the report. ''All of that's putting more and more pressure on the operating side of the budget.''●

TRIBUTE TO THE TOWNS OF NASHUA, PORTSMOUTH, AND MANCHESTER ON BEING NAMED TO MONEY MAGAZINE'S BEST PLACES TO LIVE IN AMERICA

● Mr. SMITH of New Hampshire. Mr. President, I rise today to recognize the great citizens of Nashua, NH, Portsmouth, NH, and Manchester, NH, on being named to Money Magazine's best places to live in America. Nashua, NH came in at No. 1, with Portsmouth and Manchester finishing fifth and sixth respectively, based on Money magazine's rankings.

The national investment magazine released their list of America's top 10 communities based on business climate, economic well-being, quality of life, and other factors that comprise a positive environment in which to work and raise a family. New Hampshire's tourism industry, scenic beauty, lack of sales or income tax, low crime rate, quality education and family and community spirit make the State attractive for families and businesses to locate here. The people of these communities, and of the entire State, have good reason to be extra proud.

Nashua, the Gate City of the Granite State, named No. 1 by Money magazine, is the only State to receive this honor twice, of which I and the citizens are very proud. The former mill town, which borders the Commonwealth of Massachusetts, has a booming economy with manufacturing facilities, hi-tech firms and defense contractors. Nashua is also close to many cultural arts venues and major medical facilities of neighboring communities, which make it No. 1 as touted by Money magazine.

Portsmouth, New Hampshire's port city, placed sixth as the most desirable place in the country. The Portsmouth community relies on many major technology and communications firms to help thrust to the forefront of the Nation. The Portsmouth community is a great place to raise a family with its many fine schools and major colleges nearby, including the University of New Hampshire in nearby Durham. The Port City is also the home of one of our Nation's finest military institutions, the Portsmouth Naval Shipyard.

Manchester, the Queen City, picked up the sixth place honors in the Nation. The Queen City has many high-tech firms and major telecommunications businesses which help add to the economic power of the city. Manchester sits on the banks of the Merrimack River, the home to many of the historic manufacturing plants of the late 1800's and early 1900's. Situated in the Merrimack Valley of New Hampshire, Manchester is also home to a booming cultural arts center which is the pride of northern New England.

Mr. President, it is no surprise that New Hampshire is the only State with 3 towns in the top 10. I can think of no cities in America more deserving of these top honors than Nashua, Portsmouth, and Manchester. I applaud the local officials, enterprising businessmen and women and the committed citizens of these great cities. They helped bring about an economic revival that has propelled New Hampshire into national recognition once again. I am proud to represent them all in the U.S. Senate.●

BOB OLIVER, WASHINGTON STATE D.A.R.E. OFFICER OF THE YEAR

● Mrs. MURRAY. Mr. President, it is my great pleasure to recognize Bellevue Police Department Officer Bob Oliver for his selection as Washington State D.A.R.E. Officer of the Year.

Our children are our greatest resource and our future prosperity depends on them becoming contributing members of the community. Giving them the skills to success is no easy task, yet it is our responsibility as adults to ensure that our children have the best chance possible to succeed. The D.A.R.E. Program gives them that chance. D.A.R.E. equips each participant with the skills to just say no to peer pressure when confronted with the temptation to use drugs. It reinforces the importance of self-esteem and the consequences of one's actions, lessons which will help the children confront problems of any sort their entire lives.

Through his active participation in the D.A.R.E. Program, Officer Oliver has demonstrated his special commitment to these children. As a police officer, Officer Oliver has dedicated his career to making his community a safer place to live. Through his participation in the D.A.R.E. Program and with his focus on prevention, his work not only makes a difference today, but will have a lasting impact.

Some take measure of a good police officer by the numbers of arrests made or traffic violations ticketed. Officer Oliver can measure his success by the many children whose lives he has touched and positively influenced through the D.A.R.E. Program and the high esteem in which he is held in the community.

As his family and colleagues gather to recognize him for this achievement, I want to wish him continued success. Officer Bob Oliver is truly an asset to our community, and we all congratulate him on a job well done.●

COMMENDING ALL THOSE ASSISTING THE SENATE BANKING COMMITTEE INQUIRY INTO HOLOCAUST ASSETS

● Mr. D'AMATO. Mr. President, I rise today to commend all those assisting in the ongoing Senate Banking Committee Inquiry into Holocaust Assets.

I must start with the leading role of the World Jewish Congress, particularly Edgar Bronfman who along with WJC Secretary General Israel Singer brought this issue to me on December 7, 1995. Their work, along with that of Elan Steinberg has been a true force to reckon with for the Swiss banks.

I cannot forget the absolutely invaluable help of Ambassador Stuart Eizenstat and his very able staff in finding and preparing the administration's exhaustive report on the subject. Of particular help has been the work of Judy Barnett. She has fought the tough interagency battles to establish the truth. State Department Historian Bill Slany did an incredible job in assembling the report.

I want to also thank the following members of the various departments of the U.S. Government: Francine Barber, Abby Gilbert, David Joy, Felix Hernandez, Judy Liberson, Bill McFadden, Eli Rosenbaum, Ruth Van Heuven, and Barry White.

I hope that I have not left out anyone.

The National Archives at College Park has been nothing less then amazing. The staff has gone out of their way to provide our researchers with help, including declassification, record and document locations, use of their facilities, overall access to the building and records, and the wisdom, and advice of the gifted archivists. Put all together, their help was indispensable in establishing, continuing and expanding the research of the Committee.

Of particular help to our staff and researchers has been that of Greg Bradshear who compiled the finding aid

for the various record groups of documents, Calvin Jefferson who has provided us with every appropriate extension of help with regard to use of the Textual Reference Room, Clarence Lyons for his help in the overall effort, Cary Conn for his help in declassifying hundreds of boxes of documents, and John Taylor for his wisdom and guidance. In addition to these fine and dedicated people, I would like to thank the following for their help in our effort: Rich Boylan, Rebecca Collier, David Giordano, Milt Gustafson, Ken Heger, Marty McGann, Wil Mahoney, William Deutscher, Robert Coren, Tim Nenninger, David Pfieiffer, Fred Ramanski, Ken Schlessinger, Amy Schmidt, Donald Singer, Marilyn Stachelczyk, Carolyn Powell, Dr. Michael Kurz, R. Michael McReynolds, Peter Jefferies, and Lee Rose.

Again, I hope that I have not left out anyone. I am truly grateful for their help to my staff and the researchers.

In regard to the researchers, I would like to extend my sincere thanks to the U.S. Holocaust Memorial Museum for their unwavering support to the committee by their provision of interns to us for the research. Of particular help and support, and for which this part of the project could not have gotten off the ground, I have to thank Walter Reich and Stan Turesky. Specifically without Stan, we could not have done the research among many other aspect of this inquiry.

The museum provided the committee with top rate college students to conduct the research. I would like to thank the following researchers for their dedicated work: Charles Borden, Rick Crowley, Polly Crozier, Joshua Cypress, Mary Helen Dupree, Ben Fallon, Aaron Field, David Ganz, Avi Glazer, Jessica Hammer, Anantha Hans, Miriam Haus, Olivia Joly, Kelsey Libner, Mary McCleery, Daniel Renna, Adam Sonfield, Hannah Trooboff, Kevin Vinger, and Brian Wahl.

Hannah Trooboff did excellent work with her research at the various research archives in and around New York City. She did this research while attending Columbia University.

Additionally, I would like to thank those who were either volunteers, interns, or Legislative Fellows in my office who participated in the research Marc Isser, now a member of my staff was an early member of the research team and the third person out at the archives to dig through the records Marc Mazurovsky was extremely helpful in aiding our effort by pointing us in the right direction and helping us with the record groups. Sid Zabludoff provided help with particular record group sources as well.

Moreover, I want to extend particular thanks to the dogged research of a Legislative Fellow in my office, B.J. Moravek, who was the man who interviewed and tracked down dozens of survivors, found information that no one else could have found, and was as dedicated as anyone could possibly be to obtain the truth about the misdeeds of the Swiss bankers.

I also want to thank another Legislative Fellow in my office, Brian Hufker. Brian has been indispensable in translating documents from the German and French languages and researching for the complicated and vast amount of detail involved in this inquiry. I am proud to have him as a member of my staff.

I also have to thank Miriam Kleiman who was literally the first person in the archives for us researching this subject. She has been diligent, dedicated, and totally committed to achieving justice for the victims of the Holocaust, survivors, and heirs who have assets in Swiss banks. While the term indispensable might be overused, she truly has been She found the first ''five-star'' documents, and she continues finding them today as she continues her fine work for this worthy topic.

In addition, I want to thank Willi Korte, who along with Miriam was there from the beginning and continues to this day to help in the cause. Willi has selflessly dedicated his time, efforts, vast knowledge on the subject, and even his own resources to get to the truth.

My greatest debt of gratitude goes to my legislative director, Gregg Rickman. Gregg was with me from the very beginning of this inquiry. He spent countless hours toiling through thousands of pages of documentation from so many sources. He also worked behind the scenes to organize four Senate Banking Committee hearings and numerous meetings with many of the principals involved. There was no institutional knowledge on this subject when we started. The inquiry evolved through a painstaking learning process derived from listening to the tragic recollections of Holocaust victims and their descendants, and conducting persistent detective work. In the latter Gregg has no equal. Gregg, I thank you and your wife, Sonia, who made personal sacrifices to see that some measure of justice is achieved.

Mr. President, I wanted to take this opportunity to thank all of these fine people who made the revelations and discoveries of the past year and more possible. I mean this when I say that they have all made history. They have contributed to correcting a great injustice and have tried with all of their might to set history straight. They should be proud of their work and I know that the claimants and survivors would agree. For my part, I am immensely proud of their effort and I heartily congratulate them for their fine work. While there is still a great amount of work to be done, we could not have gotten even this far without all of these fine people.●

COMMEMORATING JUNETEENTH INDEPENDENCE DAY

● Ms. MOSELEY-BRAUN. Mr. President, I rise today in support of a resolution to commemorate ''Juneteenth Independence Day,'' June 19, 1865, the true independence day of African-Americans. Juneteenth is one of the oldest black celebrations in America. It celebrates the day on which the last known slaves in America finally were freed.

Although slavery was abolished throughout the United States with President Lincoln's Emancipation Proclamation and the passage of the 13th amendment in 1863, the proclamation was only enforced in Confederate States under the control of the Union Army. Enforcement began nationwide when Gen. Robert E. Lee surrendered on behalf of the Confederate States at Appomattox to end the Civil War on April 9, 1865.

At the end of the war, 2½ years after Lincoln's proclamation, the message of emancipation was spread throughout the South and Southwest by Union soldiers who were sent to enforce the freeing of the slaves.

The last slaves were freed on June 19, 1865, 65 days after Lincoln had been assassinated, when Gen. Gordon Granger rode into Galveston, TX with a regiment of Union soldiers, declaring that Texas' 250,000 slaves were freed. To commemorate that day, the former slaves dubbed that June 19th day ''Juneteenth.''

African-Americans who had been slaves celebrated that day as the anniversary of their emancipation. For more than 130 years this tradition has been passed on generation to generation as a day to honor the memory of those who endured slavery and those who moved from slavery to freedom.

While the significance of this day originated in the Southwest, this celebration soon spread to other States. There are now Juneteenth celebrations across the country. In fact, the Bloomington/Normal Black History Project and Cultural Consortium in Bloomington/Normal, IL will celebrate Juneteenth this week.

Juneteenth celebrations commemorate the faith and strength of the many generations of African-Americans who suffered and endured the chattels of slavery. The annual observance of Juneteenth Independence Day will provide an opportunity for all Americans to learn more about our common past and to better understand the experiences that have shaped our Nation.

I urge all Americans to celebrate Juneteenth and to reflect upon not only the end of a painful chapter in American history, but also the triumph of unity and freedom in America.●

TRIBUTE TO THE TOWN OF GREENVILLE ON ITS 125TH ANNIVERSARY

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to the town of Greenville, NH on their 125th anniversary. Greenville is celebrating their 125th birthday June 27–29, and the town's citizens will highlight these festivities with an anniversary

parade and numerous other activities. This New Hampshire town has a significant heritage to celebrate on their 125th anniversary.

The history of Greenville began in the mid-1760's with the building of a saw and grist mill by Thomas Barrett and his brother, Charles Barrett. From that time forward the mills have been the dominant feature of the town on the banks of the Souhegan River from the Upper Falls to the High Falls. The first mills were a grist or saw mill, however the adventurous pioneers discovered hydroelectricity which would help run woolen mills, the cotton mills, furniture mill, another saw mill and the generation of hydroelectricity which continues today.

The early settlers of this untamed country were independent and self-sufficient folk, characteristics that have endured in the people of this region. With their independent spirit and determination they built a strong and lasting community that makes their descendants proud. By the early 19th century a unique village had grown around the mills along the flowing banks of the Souhegan. The village had its own meeting house, school, post office, inn, and several stores. As the mills thrived, the town around it blossomed into the town of today.

The town of Greenville had been known by many names prior to 1872. The village along the river was first called Barrett's Mills, then Dakin's Mills, Mason Harbor, Souhegan Village, Mason Village, and finally Greenville in 1872.

Today, the town of Greenville prides itself on its quality of life and community spirit, a tradition that has manifested itself throughout the town's history. Greenville is one of New Hampshire's smallest towns and boasts not only magnificent surroundings, but a community of friendly, caring neighbors as well.

I congratulate the town of Greenville on this historic milestone and wish them a happy 125th anniversary celebration. I send them my best wishes for continued success and a prosperous year as they mark this historic occasion. Happy birthday, Greenville.●

WEST VIRGINIA DAY

● Mr. ROCKEFELLER. Mr. President, tomorrow is a special day for me, as well as my fellow West Virginians. On June 20, 134 years ago, the citizens of West Virginia separated from Virginia and formed the 35th State to join the Union.

They had a saying back then, and it was so popular they made it the state motto. Our motto is ''Mountaineers Are Always Free.'' In fact, freedom is what West Virginia is all about, but attaining freedom is often a challenge. I would like to take a moment to recognize our Mountaineer forefathers for their courage in leaving the Old Dominion State and taking up the struggle for the freedom of all Americans. I commend these people as well as all West Virginians who have fought for freedom and liberty by serving our country. I mention this because it is in this spirt that our great State was born and still lives. It is this unbridled love of freedom that is alive in all our people as well as our beautiful environment. One can observe it in the ravishing yet perilous gushing rapids of the New and Gauley Rivers, as well as the snow-covered Appalachian Mountains, which test the resolve of thousands of visitors each year. If one were to have the chance encounter with the majestic black bear or cast a fishing line into one of our crystal clear lakes, they would quickly come to an appreciation of the freedom we West Virginians hold dear.

Times also have changed. While the once-rudimentary log cabin has been replaced by the modern home, full of televisions, microwaves, and computers, the values of West Virginians have remained much the same. There is a dedication that can be seen in the work of our miners, who produce an inexpensive energy source that drives not only the economy of West Virginia but the steel mills of Pittsburgh as well as powerplants all across America. Whether it is the extra assistance of a park ranger, or the friendly smile of a checkout clerk, there is no doubt that there exists a pride and dedication in West Virginians second to none.

It is for these reasons as well as many more that I'm proud to be a West Virginian. So it is with great honor that I ask my colleagues to join me in celebrating this 134th West Virginia Day.●

INDIAN EDUCATION

● Mr. INOUYE. Mr. President, I rise in support of a most important and timely of resolutions proposed by my distinguished colleague, Senator PETE DOMENICI. Senate Joint Resolution 100, which was introduced on June 17, 1996, goes to the very heart of a matter of utmost concern—the education of American Indian and Alaska Native children and youth.

In exchange for millions of acres of the vast landscape which ultimately formed the very foundation of our Nation, the United States undertook certain responsibilities to those who were here before us. We entered into over 800 treaties with Indian tribes, many of which contained provisions for the education of Indian children. But as we know, this history is a less than honorable one—not only did we violate provisions in almost every single treaty—but we entered into a dark chapter where education meant the forced removal of Indian children from their families and communities.

This nearly century-long Federal policy began in 1819 when the Congress enacted a law establishing a civilization fund for the education of Indians. This fund was turned over to religious groups that established mission schools for the education of Indian children. In the late 1840's, the Federal Government and private mission groups combined efforts to launch the first Indian boarding school system, and in 1860, the first nonmission federal boarding school was established. Richard Henry Pratt, the founder of the Carlisle Indian School and considered to be the father of Indian education, believed that in order to transform a people, you must start with their children. This attitude was also expressed by the Federal Superintendent of Indian Schools in 1885 when describing his duty to transform Indian children into members of a new social order.

By the end of the 19th century, this pattern of forcibly removing Indian children from their homes and families and sending them to faraway boarding schools had become so pervasive that the Congress enacted legislation in 1895 which made it a crime to induce Indian parents by compulsory means to consent to their children's removal from their environment.

And so, for nearly a century, under the guise of education, the Federal Government sought to cleanse Indian children of their Indianness by separating them from their families and communities for many years, by forbidding them to speak their native language and practice their cultural traditions. The ramifications of such policies are still being felt today, and are still remembered in the minds of once-young children, now in their eighties and nineties.

While this dark chapter has long since been brought to a close and we have distanced ourselves from such practices, in some respects, I believe we have not come far enough. Indian students today have the highest dropout rates, the lowest high school completion rate, and the lowest college attendance rates of any minority group. Nearly 38 percent of Indian children above the age of five live in poverty.

Such statistics are unacceptable. We simply have not done enough, and we, as a collective body, must agree that more should be done and that we must act accordingly. Mr. President, that is precisely what this measure before us does—it declares the sense of the Senate that the Federal commitment for the education of American Indians and Alaska Natives be affirmed through legislative actions of this Congress to bring the quality of Indian education up to parity with the rest of America.

Mr. President, this is about capacity building, about school repairs so that Indian children can learn in safe environments, and about sufficient funding for the operation of 184 Bureau of Indian Affairs schools. It is about addressing Indian adult literacy needs and special education, disability and vocational education needs. It is about using that same educational system which once sought to strip native people of their Indianness, and using it instead to strengthen Indian people and their communities.

Mr. President, I am proud to join my esteemed colleague, Senator DOMENICI, as a cosponsor of this resolution, and I urge each and every Member of this Chamber to do the same.●

THE MEMORY OF JUNETEENTH INDEPENDENCE DAY

● Mrs. HUTCHISON. Mr. President, today in my State and around the country we recognize the traditional anniversary of emancipation for millions of African-Americans. On this date, June 19, in 1865, slaves in the American frontier, especially in the Southwest, finally received the word that President Lincoln's great cause of freedom had finally been won. Since that date, throughout the American Southwest African-Americans have informally celebrated Juneteenth Independence Day.

As with so many important cultural traditions in America, the meaning of Juneteenth was handed down from parent to child as an inspiration and encouragement for future generations. Earlier this year, the U.S. Congress recognized that tradition when it unanimously passed a resolution honoring the faith and strength of character of those in each generation who kept the tradition alive—a lesson for all Americans today, regardless of background, region, or race.

Mr. President, Juneteenth Independence Day is an important and enriching part of our country's history and heritage. The history it represents provides an opportunity for all Americans to learn more about our common past and to better understand the experiences that have shaped our Nation.

I join my colleagues in both Houses of Congress in honoring those Americans past and present to whom it has meant so much.●

TRIBUTE TO HOVIE LISTER

Mr. CLELAND. Mr. President, I rise today to recognize a man whose name has become synonymous with gospel music, Mr. Hovie Lister. On July 19, 1997, a group of Georgians will recognize his contributions to the music field at the Civic Center in Atlanta.

Hovie was born into music. At the age of 6, he began studying the piano and later attended the Stamps Baxter School of Music. He often accompanied his family group, the Lister Brothers Quartet, around the piano.

His professional career began when he joined the famous Rangers Quartet and later the popular LeFevre Trio. In 1945, he came to Georgia and was the pianist for the Homeland Harmony Quartet heard over WAGA and WGST Radio in Atlanta.

In 1948, he organized the world famous Statesmen Quartet. The Statesmen steadily rose in popularity and became the premier gospel group in the nation. Hovie, as the group's manager and pianist, soon emerged as the chief spokesman and head of the rapidly growing gospel music industry.

Hovie was also an accomplished director and producer of radio and television shows. He became the first gospel artist to sign a national television contract and successfully directed and produced syndicated television shows for Nabisco, as well as scripted and starred in the company's commercials.

In the early 1980's, Hovie brought together five performers who came from the top four groups in gospel music to form the Masters V. In 1982, this group won the prestigious Grammy Award and in 1986, Hovie was inducted into the Georgia Music Hall of Fame.

Mr. President, I ask that you and all our colleagues recognize Hovie Lister, not just for the contributions he has made to the music industry and my own State of Georgia, but for bringing gospel music to the attention of all Americans.

RETIREMENT OF LT. COL. JAMES A. LAFLEUR, COMMANDER OF FORT RITCHIE

● Mr. SARBANES. Mr. President, it is my distinct pleasure today to recognize the Commander of Ft. Ritchie, Lt. Col. James A. LaFleur, who will retire on Tuesday, June 24th, after 20 years of distinguished service for his country.

A highly decorated soldier and respected leader, Lt. Col. LaFleur also has set standards in an area in which the Army does not give any awards, the Base Realignment and Closure process. With great diplomacy, sensitivity and vision, Lt. Col. LaFleur has presided over this very painful process at Ft. Ritchie, a place rich in history that has proved instrumental in the defense of the United States. Like my colleagues from Maryland and nearby Pennsylvania, I was very surprised and disappointed by the inclusion of Ft. Ritchie in the 1995 round of BRAC closings. The base has provided many good jobs for our constituents and we are all saddened by the Army's departure.

Under Lt. Col. LaFleur's leadership, however, the BRAC process at Ft. Ritchie has progressed as smoothly as possible. His understanding of the connection between the base and the civilian community led him to work with Washington County, the surrounding areas, and the Local Redevelopment Authority to establish a partnership that has facilitated the transition for Ft. Ritchie's employees. He has reduced the closure time by 50 percent, at the same time that his obvious concern for the base's employees has boosted morale. Lt. Col. LaFleur's efforts in this regard have been recognized by BRAC-affected communities across the nation, as well as by the Army and the Department of Defense.

The successful redevelopment process has culminated in the decision by the PenMar Development Corporation to turn Ft. Ritchie into a high-tech conference and training facility, where organizations like the International Masonry Institute will use Ft. Ritchie as an international training center, bringing at least 200 good jobs to Washington County. I.M.I. is even considering building a conference center at this bucolic mountain lake park.

It is quite fitting that the man whose stewardship made much of this possible is the same man who will take the site into the 21st century. I was gratified to learn that, rather than leaving Ft. Ritchie, Lt. Col. LaFleur will dedicate himself to the success of the new PenMar Tech Park, serving as its deputy director. Thus, while the Army is losing an effective administrator and a courageous soldier, Washington County is retaining a respected friend committed to the welfare and economic success of the area.

Lt. Col. James LaFleur began his military service in 1977 with the 4th Infantry Division at Ft. Carson, Colorado, where he was a platoon leader and battalion officer. Since then, he has served in countries across the globe, including both Iraq and Kuwait, during the Gulf War. For his distinguished service, he earned the Bronze Star Medal, Meritorious Service Medal with second oak leaf cluster, Joint Service Commendation Medal, Army Commendation Medal with fourth oak leaf cluster, Joint Meritorious Unit Award, National Defense Service Medal, Southwest Asia Service Medal, and Humanitarian Service Medal.

Mr. President, Lt. Col. LaFleur's service in the field is matched only by his service to Washington County. His determination and spirit has turned a painful base-closing into an opportunity for economic development, all the while engendering a lasting friendship between Ft. Ritchie and the civilians who live and work in its shadow. ''Patriotism,'' said Adlai Stevenson, ''is not the short and frenzied outburst of emotion, but the tranquil and steady dedication of a lifetime.'' Mr. President, Lt. Col. James A. LaFleur is a true patriot. I congratulate him on his distinguished military career, and look forward to his continued success as a leader in Washington County, Maryland.●

RECOGNITION OF REV. JOSEPH P. MCLAUGHLIN

● Mr. BIDEN. Mr. President, this Sunday, numerous students, parents, and alumni of my Alma Mater, Archmere Academy in Claymont, DE, will be gathering to honor the Rev. Joseph P. McLaughlin, O. Praem. who, during his 26 years as a teacher and headmaster at Archmere, has been more than a pillar of the academy. He has been a vital part of Archmere's spirit, and a tremendous influence In the lives of thousands of young women and men.

One of the cliches that teenagers hear again and again is how their teen years are ''the best years of your lives''. Well, with all due respect, for most kids, it is not that simple. Too many adults have forgotten how those years are often filled with uncertainty and discomfort, as teenagers undergo

tremendous physical and emotional changes, have their values frequently called into question and their judgement tested beyond their experience, and must make major decisions which will impact the course of their entire lives and careers. At no other time in their lives are they forced to make so many major choices with so little experience and information upon which to base those choices. It is a time when guidance, understanding, and friendship are critical.

For more than a quarter-century, young men and women of Archmere Academy, have counted upon Father McLaughlin for that guidance, understanding, and friendship. And he has always been there for them, guided by his own deep faith, sincerity, and lifelong experience in dealing with young people. Of course, we will never know many of the specific instances of Father McLaughlin's intervention, because he is the soul of discretion and modesty, but there are countless Archmereans who will tell you that when they needed an advisor, a mentor, a friend, Father McLaughlin was there for them.

I graduated from Archmere before Father McLaughlin arrived, but my two sons attended the school during his tenure, and my daughter is currently an Archmere student. Each has had the utmost respect for his commitment, his wisdom, and his generosity of spirit, and all have benefitted from his years of dedicated service.

Having been involved with the school as an alumnus and as a parent, I have seen firsthand Father McLaughlin's tireless efforts result in Archmere's becoming one of the premier high schools—not only in Delaware and the surrounding region, but nationally. It is obvious that he has succeeded splendidly. The school is truly the academic beacon on the hill envisioned by the school's founders, the Norbertines. Archmere historically has attracted students of all backgrounds, and turned out promising young scholars, and, most importantly, fine young men and women with solidly-rooted values and well-placed priorities.

In the longstanding tradition of the late Father Justin E. Diny, Headmaster Emeritus, Father McLaughlin has long recognized that a school's success can not be measured solely by the test scores of its students, or by the number of graduates moving on to prestigious universities—though by either of those standards Archmere is unquestionably an unqualified success—but also by the character of the young men and women who pass through its gates. With his keen sensitivity for the Academy's rich history and tradition—''The Archmere Way'', as it is known on campus and throughout the community—Father McLaughlin saw to it that Archmere graduates were solid, civic-minded citizens with commitment and compassion as well as being outstanding scholars.

As headmaster, Father McLaughlin has been admired for his personal decency, his quiet and gentlemanly way, his ability to listen to all sides before coming to a decision, and his vision for Archmere's mission and its future. He has long recognized that Archmere's future lies in its past, in terms of both history and tradition. In his belief that Archmere alumni—those who have had such a tradition imbued in their characters—should play a vital role in sustaining and nurturing the Academy's atmosphere, Father McLaughlin has uniquely enriched the lives of all those students who attended Archmere during his tenure. As a result of Father McLaughlin's genuine commitment to maintaining the unbroken chain—from Archmereans to Archers to Auks—past and present Archmere alumni continue contributing to the school community long after their campus years are over. It is my fervent hope that this tradition—the one for which Father McLaughlin worked so hard to perpetuate—the idea that an Archmere education is but the first step in a lifetime of involvement, will be a cornerstone of the Academy for all succeeding generations of Archmere students.

Father McLaughlin will now redirect his tireless energies and many talents to his new position as novice master and formation director for the Daylesford Abbey, where he will continue in his familiar role as mentor and counselor, as he matures new members of his order, thus ensuring that his enthusiasm, dedication, and legacy of service to the community will be instilled in yet future generations of teachers, students, and community-minded men and women of faith. As he embarks upon that challenge, all of us who love Archmere and the traditions our alma mater stands for, wish our friend Father McLaughlin him well, for his service should be held up as an example and an inspiration for all who accept the challenge to teach America's youth.●

TRIBUTE TO RON D. ALIANO

● Mr. DODD. Mr. President, I rise today to pay tribute to one of the more colorful characters in my home State, Ron D. Aliano, who on June 24, 1997, will celebrate the 25th anniversary of the creation of his first business in Norwich, CT.

Ron is renowned throughout my State for his positive attitude and his determination to tap the potential that he saw in the town of Norwich. He challenged Norwich residents to commit themselves to the revitalization of their hometown, and he is one of the leaders of this community's urban renewal.

Ron Aliano is a man who believes that you can achieve any goal through commitment and hard work. He is also an ardent believer in the theory that, ''if you're going to do something, you do it right.'' The best illustration of Ron's commitment to doing a task first rate would be the Marina at American Wharf.

For years, people talked about developing the Norwich waterfront, but these plans never amounted to anything more than talk. But Ron Aliano was the man who had the determination to make this project come to fruition. Before construction began on the Marina at American Wharf, Ron visited 86 successful marinas around the country to see what worked, and he tried to incorporate the best elements of each into his project. Today, boaters from Vermont, Massachusetts, New York, Rhode Island, and all over Connecticut have rented slips in Norwich. Many people would argue that American Wharf is the nicest marina in New England, and it is the central spoke in Norwich's revitalization efforts.

Another, more unique illustration of Ron's commitment to doing things first rate would be the miniature golf course that Ron constructed in downtown Norwich. Instead of windmills and plastic dinosaurs, this course is lined with waterfalls and finely manicured gardens. It even has a volcano, a claim that very few miniature golf courses can make. This course has attracted people to the downtown area, stimulating the Norwich economy.

While Ron has worked diligently to develop Norwich, he also recognizes the fact that Norwich's strength lies in its history and tradition. As a result, he is deeply committed to preserving the town's rich heritage. In a misguided effort, certain developers uprooted cobblestone streets and destroyed several 19th century homes in Norwich, replacing them with a parking garage. In addition, many other deteriorating old buildings were in danger of being demolished. Fortunately, Ron Aliano and other members of the private sector invested substantial resources to purchase and renovate these old buildings, and Norwich is currently home to more significant historic buildings than any other city in Connecticut.

Although Ron has been associated with a number of high profile projects in Norwich, his first business priority has always been his ambulance service, which will be 25 years old next Tuesday. Ron's ambulance service has enjoyed a dramatic evolution since its birth. Ron founded the company with a business partner, but, in 1981, he became the sole owner of the company and changed its name to American Ambulance Service. While the company started with only two used ambulances, Ron now operates a fleet of 21 ambulances, nine invalid coaches, two paramedic response vehicles, one watercraft ambulance, as well as numerous administrative and support vehicles. American Ambulance has provided ambulance coverage to U.S. Presidents, and this business continues to offer the highest quality care to Connecticut citizens.

What makes Ron Aliano's passion for Norwich so unusual is that he is not a native son. Ron is actually from Bristol, Connecticut, and he didn't move to Norwich until he started American

Ambulance Service in 1972. Therefore, as Ron Aliano celebrates the 25th anniversary of his oldest business, I think it is only appropriate that the town of Norwich, which once named Ron Aliano as their ''Citizen of the Year,'' should celebrate the day when Ron became one of its own.●

ANNOUNCEMENT OF POSITION ON VOTES

● Mr. JOHNSON. Mr. President, in accordance with my request to be absent from the Senate during the afternoon of June 17 and June 18, pursuant to paragraph 2 of Rule VI of the Standing Rules of the Senate, to attend the funeral of Sebastian Daschle, the father of my colleague and good friend from South Dakota, Senate Minority Leader TOM DASCHLE, I missed four different votes. The first three votes were related to S. 903, the Foreign Affairs Reform and Restructuring Act of 1997. I would like to state for the RECORD how I would have voted in each of those instances.

I would have voted ''yes'' on Senator BENNETT's amendment No. 392 to S. 903, to express the sense of the Senate on enforcement of the Iran-Iraq Arms Non-Proliferation Act of 1992 with respect to the acquisition by Iran of C–802 cruise missiles.

I would have voted ''yes'' on Senator FEINGOLD's amendment No. 395 to S. 903, to eliminate provisions creating a new Federal agency, the Broadcasting Board of Governors.

I would have voted ''yes'' on final passage of S. 903.

I would have voted ''yes'' on S. 923, legislation to deny veteran's benefits to persons convicted of Federal capital offenses.●

ORDERS FOR FRIDAY, JUNE 20, 1997

Mr. THURMOND. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. on Friday, June 20. I further ask consent that on Friday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then resume the DOD authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. THURMOND. Mr. President, for the information of all Senators, tomorrow it is the hope of the majority leader that the Senate will be able to consider amendments to the DOD authorization bill. Following the DOD bill, the Senate will conduct a period for routine morning business. Votes will not occur on Friday of this week. On Monday, the Senate will begin the reconciliation bill. However, all votes with respect to that bill on Monday will be stacked to occur on Tuesday, June 24, at 9:30 a.m. Therefore, rollcall votes will occur beginning at 9:30 a.m. on Tuesday. I remind all Members that there is a lot of work to be done before the Senate adjourns for the July 4 recess. Therefore, I would appreciate all Senators' cooperation in order to complete our business in a responsible fashion.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. THURMOND. Mr. President, if there be no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8 p.m., adjourned until Friday, June 20, 1997, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 19, 1997:

DEPARTMENT OF STATE

STEPHEN R. SESTANOVICH, OF THE DISTRICT OF COLUMBIA, AS AMBASSADOR AT LARGE AND SPECIAL ADVISER TO THE SECRETARY OF STATE FOR THE NEW INDEPENDENT STATES.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

LOUIS CALDERA, OF CALIFORNIA, TO BE A MANAGING DIRECTOR OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE, VICE SHIRLEY SACHI SAGAWA.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. WILLIAM H. CAMPBELL, 0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

GEN. WILLIAM W. CROUCH, 0000.

EXTENSIONS OF REMARKS

TOPLINE SUMMARY OF RESULTS: CLASSLINK SURVEY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1997

Mr. GINGRICH. Mr. Speaker, when Americans talk about uses of technology in the classroom, they usually are referring to computers and Internet access. A recent survey found that teachers believe one of the most useful new technologies is a simple cellular phone. I enter the results of this survey into the CONGRESSIONAL RECORD.

TOPLINE SUMMARY OF RESULTS: CLASSLINK SURVEY

BACKGROUND

Surveys were conducted by telephone with teachers, principals, and assistant principals in schools using ClassLink for at least six months. A total of 229 interviews were conducted with teachers; 14 with principals/assistant principals*.

*Due to this small base size, caution should be used in interpreting results of principals.

SUMMARY

Teachers and principals alike feel that ClassLink is very valuable to them. On a ten-point scale, 82% of teachers and 79% of principals rate ClassLink as an 8, 9 or 10.

Furthermore, 48% of teachers and 65% of principals gave it the highest rating of ''10—extremely valuable.''

In particular, ClassLink is considered to enhance communication between parents and teachers; to be a valuable tool in case of emergency; to enhance teacher-to-teacher communication and to save time.

Teachers estimate that ClassLink saves them 113 minutes a day. This would translate to 339 hours per year, an annual savings estimated to be worth $8,814 per teacher.

RATING VALUE OF CLASSLINK PHONE

[In percent]

	Teachers	Principals
Base=Total Respondents	(229)	(14)*
10—Extremely Valuable	48	65
9	16	7
8	18	7
Top Three Box	82	79
7	5	—
6	4	7
5	5	—
4	1	—
3	1	7
2	1	—
1—Not Valuable At All	1	7
Total	100	100

*Caution: Small Base Size

Question: ''Considering the reasons you use the phone, how would you rate the value of ClassLink to you. Please use a scale from 1 to 10, where '1' means not valuable at all, and '10' means extremely valuable. Of course, you may choose any number between 1 and 10.''

Source: Statistical Table 5

AGREEMENT RATING OF CLASSLINK PHONE

[In percent]

	Teachers	Principals
Base=Total Respondents	(229)	(14)*
Enhances communication between teachers and parents	99	100
Is a valuable tool in case of emergency	98	100
Saves time while at school	97	100

AGREEMENT RATING OF CLASSLINK PHONE—Continued

[In percent]

	Teachers	Principals
Enhances communication between teachers and other teachers	96	100
Makes information more accessible	93	100
Decreases the isolation of the classroom	91	100
Enhances communication between teachers and administrators	90	93
Makes me feel safer at school	87	93
Increases my ability to be an effective teacher	82	79
Improves the learning environment	76	93

*Caution: Small Base Size

Question: ''Now, I would like to read you a list of statements and ask you to give your opinions based on your experience with ClassLink. Please evaluate ClassLink by telling me whether you agree or disagree with each statement. The (first/next) statement is . Would you strongly agree, agree, disagree, or strongly disagree?''

Source: Statistical Table 18

ESTIMATED SAVINGS IN TIME AND DOLLARS

	Teachers	Principals
Base=Total Respondents	(229)	(14)*
Average time saved per day	113 minutes	286 minutes
Estimated yearly time savings	339 hours	**
Average annual salary	$37,436.00 [1]	**
Estimated hourly cost	$26.00 [2]	**
Estimated value of time saved annually.	$8,814.00	**

[1] National Center for Education Statistics (NCES), Condition of Education Report, 1995, Indicator 55.

[2] Assumes a 40-hour week, 9 months per year.

*Caution: Small Size.

**Data for principals is not annualized and projected, due to the small base size.

Source: Hand Tabulated.

CLASSLINK USAGE

	Teachers	Principals
Base=Total Respondents	(229)	(14)*
Daily average of calls made using ClassLink	5.07	11.42
Daily average of calls received using ClassLink	3.86	9.16

*Caution: Small Base Size

TRIBUTE TO THE EXPLORAVISION AWARDS PROGRAM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1997

Mr. BROWN of California. Mr. Speaker, I rise today to bring the ExploraVision awards program to the attention of my colleagues. This program, sponsored by Toshiba and administered by the National Science Teachers Association [NSTA], is the largest K–12 student science competition in the world. Working in teams of 3 or 4 with a teacher-adviser, students use their imaginations to envision a form of technology 20 years from now, and compete by sharing their vision through written descriptions and story boards.

On June 20 to 21, more than 40 students will come to our Nation's Capital to receive top honors in the 1997 ExploraVision awards and they will exhibit their winning prototypes of future technologies at the special Science Showcase to be held on Capitol Hill.

I have supported this competition since its launch in 1992. As a longstanding member of the House Science Committee, science education has always been one of the top priorities in my legislative activities. The ExploraVision awards program is one great example of a successful business-education partnership that encourages students to pursue careers in science.

I am pleased to see the role this competition takes in developing students' science skills to meet the challenges of the future. I applaud the efforts NSTA and Toshiba put into making the competition meaningful and beneficial to the students.

Mr. Speaker, I ask my colleagues to join me in recognizing this outstanding program and the high quality of scientific work produced by the student winners. Congratulations and best wishes to all for a special Science Showcase and successful awards weekend events.

TRIBUTE TO SPECIAL STUDENTS FROM WILLIAMSBURG BROOKLYN OF NEW YORK'S 12TH CONGRESSIONAL DISTRICT

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1997

Ms. VELÁZQUEZ. Mr. Speaker, It is with great honor that I congratulate some very special students from the 12th Congressional District of New York. I am certain that this day marks the culmination of much hard work and many valiant efforts for these students whose work and efforts have had and will continue to lead them to success. Many have overcome the obstacles of overcrowded and dilapidated classrooms, antiquated and insufficient instructional material. While others have overcome the all too frequent distractions of random violence and pervasive drug activity. However, these students have proudly persevered despite the odds. Their success is a tribute not only to their own strength, but also to the supportive parents and teachers who have encouraged them to succeed.

These students have learned that education is priceless. They know that education will provide them with the tools and opportunities to be successful in any endeavor they pursue. In many respects, this is the most important lesson they will carry with them for the rest of their lives.

In closing, I would like to say that the best and brightest youths in America must be encouraged to stay on course so they can pave the way for a better future of this Nation. Mr. Speaker, I ask my colleagues in the U.S. House of Representatives to join me in congratulating the following academic achievers who have triumphed despite adversity.

Congratulations to: Victor De Jesus—P.S. 16, Anita Rendon, Edwin Hernandez—P.S. 18, Juan Guandique, Robert Gil, Jr., Michelle Detres, James Roman—I.S. 49, Yasmine Grossebacker, Milagros Sanchez—J.H.S. 50, Ivan Villar, Marisa Rodriguez—I.S. 71, Cristian Campoverde, Vanessa Colon—P.S. 84, Zeila Herrera, Evelyn Olivieri—P.S. 147, Eliezer de

Leon, Celina Garcia—P.S. 106, Antonio Romero, Amir Hairston—P.S. 250, Jasmine Sepulveda, Jorge Melendez—P.S. 257, Anthony Tejera, Wister Dorta—I.S. 318, Marlene Alvarado, Christina Pagan—P.S. 380, Juan Carmona, Claudia Gusman—E.D. Senior Acadamey, Amzad D. Hosein, Thomas R. Napolitano—Holy Trinity School, Jose Enrique Sequi, Jr., Jessica Martinez—St. Peter & Paul School, Brian Paris, Gladys Alvarado—All Saints R.C. School, Francine Hodgson, Cesarina Paula—Transfiguration School, Iris Trinidad, Amanda Zolon—St. Nicholas Elementary School.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1998 AND 1999

SPEECH OF

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 11, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1757) to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, and for other purposes:

Mrs. MALONEY of New York. Mr. Chairman, I rise today in opposition to the Stearns amendment to H.R. 1757; the Foreign Relations Authorization Act.

This amendment urges the United Nations to act as a part-time body with a revolving headquarters. It is bad policy and it is a bad idea.

The United Nations has been instrumental in the promotion of peace and security, economic and social development and human rights around the world. It is not a part-time job.

I'm proud to represent the United Nations and the U.N. community on the upper east side of Manhattan. I am also proud that the United States has had such a tremendous impact on the United Nations. With the new Secretary General in place at the United Nations, we have an outstanding opportunity to continue the United States' influence at the United Nations.

Mr. Speaker, clearly there is room for meaningful reform within the United Nations. But I believe that the only way for the United States to play a major role in this reform effort is to first develop a real package to fulfill our financial obligation to the United Nations.

Currently, the United States owes $1.3 billion in back dues. The prompt payment of the United States arrears owed to the United Nations must remain our priority. I recently learned that failure to pay our dues has forced the United Nations to borrow from its peacekeeping budget to pay its operating expenses. This is outrageous and we must not allow it to continue.

The United Nations has already carried out many critical reforms. It has reduced the number of employees at its headquarters by more than 10 percent, and has maintained a no-growth operating budget for the last 2 years. That amounts to serious reform in a relatively short period of time. And I expect that these and other reforms will continue.

I was pleased to send a letter to the chairman of the Appropriations Committees asking that the United States fulfill its financial obligation to the United Nations. I have also cosponsored a bill to authorize appropriations for the payment of past arrearage and assessed contributions for peacekeeping operations in the future.

I am proud to call the U.N. community my constituents, and I will continue to support any measures aimed at ensuring full U.S. payment of its dues and arrears to the United Nations.

THE STUDENT WINNERS OF THE 1997 EXPLORAVISION AWARDS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1997

Mr. BROWN of California. Mr. Speaker, for the recognition of their achievement, I am inserting into the RECORD the names of the student winners of the 1997 ExploraVision awards:

1997 FIRST PLACE FINALIST WINNERS

Sacred Heart Academy, Mt. Pleasant, MI; Grade Level: K–3; Project: *Kid Watch;* Students: Ashton Bowlby, Cristianna Caleca, Alisa Cwiek, Lawrence Gross; Community Adviser: Gail L. Caleca; Teacher Adviser: Marla A. Schneider.

Cross Street Elementary School, Williston Park, NY; Grade Level: 4–6; Project: *The Trash Tummy-Digesting Garbage for a Healthy Planet;* Students: Michele Guido, Robert Lupfer, Shannon Murphy, Jessica Napolitano; Teacher Adviser: Sidney W. Burgreen.

Central School of Science, Anchorage, AK; Grade Level: 7–9; Project: *ORACLE: Optical Revolution and Contact Lens Enhancement;* Students: Katie Cueva, Karoline Enzenberger, Christopher Cueva, Nick Shepherd; Community Adviser: Karl A. Augestad; Teacher Adviser: Gail D. Coray.

University Laboratory High School, Urbana, IL; Grade Level: 10–12; Project: *The Artificial Vision Restoration System (AVReS)—Eye of the Future;* Students: Ranjit Bhagwat, Asad Husain, Anand Sarwate; Teacher Adviser: David M. Stone.

1997 SECOND PLACE FINALIST WINNERS

Mandeville Elementary School, Mandeville, LA; Grade Level: K–3; Project: *Meal-O-Meter: The Future Food Reader;* Students: Michael Kelly, Wade Kreider, Kristen Murphy; Community Adviser: Ginny Kelly; Teacher Adviser: Laura K. Fischer.

Read-Turrentine Elementary School, Silsbee, TX; Grade Level: K–3; Project: *Microwave Lunch Kit;* Students: Jason Helton, Jordan Deaver, Shea Sapp; Community Adviser: Andy Haidusek; Teacher Adviser: Nelda Doyen.

Homes Elementary School, San Diego, CA; Grade Level: 4–6; Project: *Robo Buoy;* Students: Melissa Hopkins, Michael Hrenko, Valerie Jaffee, Rebecca Shadwick; Community Adviser: Steve L. Celle; Teacher Adviser: Diana L. Celle.

Clara Byrd Elementary School, Williamsburg, VA; Grade Level: 4–6; Project: *Mission Impossible;* Students: Meghan Antol, Claire Heidt, Kyle Ellis, Chris Wahl; Community Adviser: Jeffery J. Antol; Teacher Adviser: Jennifer E. Kim.

Vancouver Talmud Torah School, Vancouver, BC, Canada; Grade Level: 7–9; Project: *M&M's: Magnetic Medicines Buckyball Therapy in the 21st Century;* Students: Isaac Elias, Carly Glanzberg, Robyn Massel, Barry Wohl; Community Adviser: Sanford M. Wohl; Teacher Adviser: Elazar Reshef.

John Burroughs School, St. Louis, MO; Grade Level: 7–9; Project: *RST-Rapid Salmonella Tester;* Students: Pafi Nemes, Alex Permutt, LeRoy J. Stromberg III, Everett Stuckey; Community Adviser: Dr. Scott S. Heinzel; Teacher Adviser: Mary E. Harris.

University of Detroit Jesuit High School, Detroit, MI; Grade Level: 10–12; Project: *Magnetorheological Fluids in Automotive Applications;* Students: James Kirt, Brett Lee, Bill Schlotter, Daniel Tremitiere; Teacher Adviser: Father James R. Kurtz, SJ.

Lowell High School, San Francisco, CA; Grade Level: 10–12; Project: *New Arms and Legs;* Students: Holly Deng, Wilson Mok, Eric Wong, Jimmy Yam; Teacher Adviser: Ray A. Hill.

A SALUTE TO THE 106TH RESCUE GROUP

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. FORBES. Mr. Speaker, I rise today to salute the 106th Rescue Group, the oldest flying unit in the Air National Guard. The group has an exceptional history which parallels the greatest U.S. military efforts of the 20th century, and its proud members have proven to be a source of outstanding service and dedication to their Long Island neighbors.

In the years immediately following World War I—when aviation first became a powerful force of warfare—Long Island aviators returned from Europe to organize the 102d Observation Squadron. In the following years, they flew observation missions for New York's 27th Division, and then were called to fight in the European and Pacific theaters during World War II, which they did with honor and determination. The valor that American aviators demonstrated in the war, along with the great technological advancements in warfare aviation that had been made since World War I, inspired the creation of the Air National Guard in 1946. Having fought so courageously over the war-torn cities of Germany and the aerial minefields of the Pacific, the 102d Squadron became part of the Air National Guard, and they were assigned to the 106th Bomb Wing in Brooklyn. The 106th became equipped with the era's finest aircraft as the Korean war exploded, and its members piloted the B–29 Superfortress—a great American innovation in the realm of bombers—as they aided in the effort to stave off North Korea.

Returning to Brooklyn after their service to the United States, the 106th Bomb Wing members turned in their bombers for the chance to fly medical airlift missions. Later, the 106th would fly heavy transport missions throughout the world for the Air Force, and then, as conflict arose in Southeast Asia, they were asked to fly regular missions in support of the American forces fighting in Vietnam. While flying refueling missions to support Air Force fighters in Europe in 1970, the 106th moved to its current location at the Suffolk County Airport in Westhampton Beach. Since 1975, the 106th has taken on search and rescue missions, where they have shown true human dedication, perseverance, and the will

to succeed. Surely, all of the group's Long Island neighbors have benefited greatly from this work.

They have touched the lives of citizens and military personnel from Brooklyn to Montauk, from Europe to Asia. On the 50th anniversary of the inception of the U.S. Air Force, it is important to note the contribution that some of Long Island's finest—the members of the 106th—have had on the history of military aviation, and the protection of the ideals of liberty and freedom across the globe. The men and women of our Nation's Air National Guard have flown the world's skies proudly for the past 50 years, maintaining peace in times of understanding, and aiding the young men and women of the U.S. military in times of war. The service the 106th provides today is unparalleled in its importance, and I call upon my fellow Members of Congress to join me in honoring them for their work on behalf of the Air National Guard in the past 50 years, and on behalf of the 271 lives they have saved in search and rescue missions since 1975.

TRIBUTE TO DAVID TURLINGTON

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. COBLE. Mr. Speaker, I rise today to recognize a truly distinguished resident of the Sixth District of North Carolina, Mr. David Turlington of Greensboro.

This past spring David was named by the Nathaniel Greene Chapter of the National Society of the Sons of the American Revolution as Guilford County's top Eagle Scout. He then received State honors from the North Carolina Sons of the American Revolution. On July 7, I am pleased to announce, David Turlington will be recognized by the National Society of the Sons of the American Revolution as the top Eagle Scout in the Nation. This prestigious ceremony will be conducted in Baltimore, MD. In addition, David was selected as the American Legion's North Carolina Eagle Scout of the Year.

David is to be commended for his dedication and perseverance in achieving these esteemed honors. With young people such as David striving for such high standards, the future of our great Nation is certain to be in good hands.

David has recently graduated from Grimsley High School and plans to attend North Carolina State University in the fall. He serves as an example of the benefits of hard work and dedication. We salute David for his arduous work, the challenges that he has faced, and the honors that he has justly received. We wish David Turlington the best of luck in the future, and we are certain that he will make us all proud.

HONORING SISTER REGINA MURPHY

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. ENGEL. Mr. Speaker, I rise today to acknowledge an outstanding constituent from my district who has been honored as a Woman of Justice. Sister Regina Murphy is one of 25 people nationwide to be honored by Network, a national Catholic social justice lobby.

Sister Regina has displayed her leadership abilities by heading campaigns for the MacBride principles for fair employment in Northern Ireland, the Interfaith Center on Corporate Responsibility and against corporate promotion of infant formula over breastfeeding. Sister Regina Murphy is currently studying at Fordham University in the Bronx.

Once again, Mr. Speaker it is my pleasure to call attention to Sister Regina Murphy for her outstanding honor as a Woman of Justice.

TRIBUTE TO THE NATIONAL ASSOCIATION OF RETIRED FEDERAL EMPLOYEES LOS ANGELES CHAPTER NO. 3

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. WAXMAN. Mr. Speaker, I ask my colleagues to join me in congratulating Los Angeles Chapter No. 3 of the National Association of Retired Federal Employees [NARFE] on its 50th anniversary.

Los Angeles Chapter No. 3 of NARFE was originally chartered in June 1947. Since that time, it has been dedicated to promoting and protecting the interests of civilian individuals and families who have retired from Federal service. With a membership of half-million retirees nationwide, NARFE provides a vital service for the dedicated individuals who have chosen a career in public service.

As Los Angeles Chapter No. 3 celebrates its achievements over the last 50 years, I ask my colleagues to join me in commending it for its substantial contributions on behalf of Federal retirees and for working to improve their quality of life.

TRIBUTE TO PROFESSOR JAMES C. HARDY

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. LEACH. Mr. Speaker, on June 30, 1997, James C. Hardy, Ph.D., professor of pediatrics and speech pathology and audiology at the University of Iowa, in Iowa City, IA, will conclude a distinguished 41-year career of research, teaching, clinical service, and the pioneering of innovative and far-reaching programs for people with disabilities.

In the early 1950's, Dr. Hardy made the decision to enter the field than called speech correction, and discovered that he enjoyed and had a unique gift for working with children with development speech disorders. After doing so in public schools in Missouri for a few years, he came to the University of Iowa for graduate study. While working on his master's degree, he accepted the position of graduate assistant at University Hospital School [UHS] in 1956.

Beginning in 1960, as supervisor of the UHS Speech and Hearing Department, Dr. Hardy directed a 13 year federally funded research program in speech physiology and disorders thereof due to neuromotor dysfunction. One of his publications, ''Suggestions for Physiological Research in Dysarthria,'' published in *Cortex* in 1967, continues to be cited as a guide for research dealing with speech disorders resulting for neuromotor dysfunction of the speech producing musculatures.

Dr. Hardy has also been recognized as an early leader in what was, in the 1960's, the relatively new field of assistive technology. Under his leadership, UHS speech-language pathologists were among the first to advocate for the development of strategies to teach nonoral communications for children whose severe neuromotor dysfunction made oral communication impossible. UHS staff went on to develop the Nation's first specialized clinical service for nonspeaking children in use of augmentative communications devices.

In 1972, Dr. Hardy became director of the University of Iowa's Department of Speech Pathology and Audiology's Wendell Johnson Speech and Hearing Clinic.

James Hardy has continued his clinical work throughout his career, and, in 1970, he and Dr. William LaVelle of Iowa's Department of Otolaryngology-Face and Neck Surgery began expanding on early work in the use of intraoral devices called palatal lifts. These devices are made for persons who have speech disorders, at least in part, due to dysfunctional soft palates that cannot be resolved by surgery. Hardy and LaVelle have continued to provide patients, from young children to elders who have a variety of diagnoses, with palatal lifts since that time, and this work has been designated as a model of contemporary standards of care in prosthodontia.

In 1979, James Hardy was appointed director of professional services at University Hospital School, and for more than 15 years he directed the clinical activities of one of the few programs in the country that provides comprehensive interdisciplinary services for people with disabilities. He continued his research interests in communication disorders, and, beginning in 1983, he codirected with Dr. Herman A. Hein, professor of pediatrics, a 7 year statewide study, funded by a national private foundation, of early identification of communication disorders in infants and toddlers.

With the increasing recognition of the advantages of assistive technology for people with disabilities to improve their quality of life, Dr. Hardy has become involved in the enhancement of assistive technology services. Since 1988, he has directed the federally funded Iowa Program for Assistive Technology [IPAT], a program that has resulted in significant increases in assistive technology services in Iowa for persons of all ages who have all types of disabilities.

During the four decades of his career, Dr. Hardy has seen what he calls the astronomical development of services for people with disabilities and their families. ''I have been privileged to work with people who have disabilities, in programs that provide assistance to them, and with students who also will do so,'' reflects Dr. Hardy. ''And I have also seen our society's all too slow but nevertheless increasing recognition that people with disabilities do indeed have abilities. It would be difficult to ask for more from one's career.''

It would also be difficult to find anyone who has given more of himself and his gifts for others than Dr. James Hardy. I know my colleagues join me in expressing profound appreciation for his over 41 years of service as teacher, researcher, clinician and healer.

PERSONAL EXPLANATION

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. ANDREWS. Mr. Speaker, I wish to clarify for the RECORD my reasons for missing the two recorded votes that took place yesterday, Wednesday, June 18, 1997, on the House floor for H.R. 437, the National Sea Grant College Program Authorization and the approval of the House Journal. I was unfortunately delayed in coming to Washington because I was attending the funeral of a friend, Mr. Andrew H. Aman, Sr.

FREEMASONS OF SUFFOLK COUNTY, LONG ISLAND CELEBRATE THEIR COUNTRY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to the Freemasons of Suffolk County, Long Island, whose celebration of Flag Day will encompass two great remembrances: that of the storied and patriotic past of the United States of America, and that of the honorable role of past and present Masons in American history.

As Americans across the land from New York's First District to Hawaii raise the Stars and Stripes on Flag Day, they will celebrate the birthday of our greatest and most treasured national symbol, and at the same time, they will be honoring the work of those Americans who have built the many important customs and traditions that we honor with each raising of the flag. Since this Nation's inception, the songs we sing and the words we intone in times of war and times of peace have been penned by Freemasons. The names Francis Scott Key and John Philip Sousa are part of our national lore—these men are as revered as the wonderful songs they penned. What often goes unrecognized, however, is the fact that these great Americans were Freemasons, and that their organization made so many important contributions to our national identity. Our children would not recite the Pledge of Allegiance to our flag if not for a Mason's work, and our ''Star Spangled Banner,'' written with such passion at a time when the shores of the United States were under attack in 1812, would never have been put to paper. The organization was a breeding ground for patriotism, and to this day the Freemasons remain true to their initial ideals. Indeed, their group's lore serves as almost a textbook of American history.

On Flag Day, the Freemasons celebrate their country—and their group's contributions to that country's history—in grand style. The entire Long Island community is invited to hear spirited renditions of great patriotic songs, and to be bathed in a sea of red, white, and blue. Revolutionary War-period cannons will be fired, and war veterans and community Boy and Girl Scouts will march side by side, both touched by the legacy of past Freemasons. Americans, both young and old, are affected by the power of the ''Star Spangled Banner,'' for Francis Scott Key's words are so moving that it is not difficult to feel the bombs bursting in air; to see the rockets' red glare. In the years since the Second Continental Congress forged this Nation, dozens of stars have been added to the flag to represent the admittance of new States to the Union.

It seems that with each new star on Old Glory—a term which was also coined by a Mason—a new voice arose from the ranks of the Masons to weave another piece of the great American story. With their Flag Day celebration in Southampton, Suffolk County's Freemasons will be regaled with the same songs and traditions as their fellow Americans from throughout the land, but they can take special pride in knowing that, without their forefathers, our National Anthem, Pledge of Allegiance, and the design of the flag itself would be very different today. I would ask my fellow members of Congress to join me in applauding the work of the Freemasons, who have helped construct American patriotism as we have celebrated it for hundreds of years. And today, they still gather in the name of patriotism, to celebrate the American ideals of liberty, equality, and justice for all. There could be no more fitting tribute to the work of past Masons than this celebration of their works. For when we celebrate Flag Day, we are also celebrating the contributions of men such as Masons John Philip Sousa, Francis J. Bellemy, and Francis Scott Key.

AFFIRMING THAT THE DISTRIBUTION OF PHONORECORDS TO THE PUBLIC BEFORE JANUARY 1, 1978, DID NOT CONSTITUTE PUBLICATION OF THE MUSICAL COMPOSITION EMBODIED IN THAT PHONORECORD UNDER COPYRIGHT LAW

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. COBLE. Mr. Speaker, I am pleased to introduce an important piece of legislation which will affirm that the distribution of phonorecords to the public before January 1, 1978, did not constitute publication of the musical composition embodied in that phonorecord under the 1909 Copyright Act. It is intended to restore the law to what it was before the decision of the Ninth Circuit Court of Appeals in La Cienega Music Co. versus Z.Z. Top.[1]

Until that decision, it was the long-standing view of the Copyright Office and the understanding of the music industry, as reflected in their business practices, that the sale or distribution of recordings to the public before January 1, 1978, did not constitute publication of the musical composition embodied on the recording. This view was confirmed by the Second Circuit Court of Appeals in Rosette versus Rainbo Record Mfg. Corp.[2]

The La Cienega decision has, therefore, placed a cloud over the legal status of a large number of musical works recorded and sold before January 1, 1978. Moreover, it has called into question the long established practices of the Copyright Office. This bill will remove the cloud and bring the law into conformity with the second circuit opinion and Copyright Office practices.

TRIBUTE TO THE HONORABLE NICHOLAS M. ROLLI, MAYOR OF THE TOWNSHIP OF VERONA

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention the Honorable Nicholas M. Rolli, mayor of the Township of Verona, New Jersey.

Mayor Rolli, a lifelong resident of Verona, was born on September 29, 1954. He has served on the Township Council since 1981 and served as mayor from 1987 to 1989 and 1991 to 1993. He additionally served as deputy mayor from 1993 to 1994. Mayor Rolli was selected to fill a vacancy on the Essex County Board of Chosen Freeholders when James Treffinger resigned to take the position of Essex County executive and was elected to fill that term on November 7, 1995.

Mayor Rolli, who worked his way through college at a supermarket and as a musician, graduated from Seton Hall University in 1976 with a B.S. in accounting and is active in alumni affairs, giving back to the school which gave him so much.

Mayor Rolli is the Director of Financial Communications for Philip Morris Co., Inc., the world's largest consumer packaged goods company. He has held this position since 1993. Previously he was the Manager of Financial Communications and prior to joining Philip Morris, Mayor Rolli was the Manager of Investor Relations with the Colgate-Palmolive Co. He is a member of the National Investor Relations Institute and the Association for Investment Management and Research.

Mayor Rolli is the founder of the Verona Mayor's Charity Ball, a nonpolitical, nonprofit fundraising program aimed at supporting civic and youth programs in Verona. The program has raised over $20,000 in its first 3 years.

Mayor Rolli is the President of the Italian-American Club of Verona and received the group's Distinguished Service award in 1991. He was named as one of the outstanding young men of America in 1988 and is a lector at Our Lady of the Lake Church in Verona. Mayor Rolli is a past trustee of the North Jersey Developmental Center, a volunteer position to which he was appointed by Gov. Thomas Kean.

Mayor Rolli and his wife, Judy, are the proud parents of their two children, Deana and Mark, ages 12 and 9 respectively, who attend Verona public schools.

Mr. Speaker, I would like for you to join me, our colleagues, Mayor Rolli's family and

[1] 44 F.3d 813 (9th Cir.), cert denied, 64 U.S.L.W. 3262 (Oct. 10, 1995).

[2] 354 F. Supp. 1183 (S.D.N.Y.), aff'd per curiam, 546 F.2d 461 (2d Cir. 1976).

friends, the Township of Verona and the County of Essex in recognizing Mayor Nicholas M. Rolli's outstanding and invaluable service to the community.

THE COMPUTER INVESTMENT ACT—COMMONSENSE DEPRECIATION PERIOD FOR COMPUTER EQUIPMENT

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. COLLINS. Mr. Speaker, today I rise to introduce important legislation that will return common sense to the Internal Revenue Code by changing the depreciation period for computer equipment.

Currently, for tax purposes computer equipment must be depreciated over a 5-year period. Ironically, rapid technological advancements now being made in the computer industry guarantee that the average useful life of this equipment is 14 to 24 months. Businesses in highly competitive markets must continually replace computer equipment if they are to remain competitive. Although a small business will often purchase a new system after 2 years, it must keep the outdated equipment on the books for 5 years.

This legislation will update the Tax Code to ensure that it acknowledges ongoing, rapid advancements being made in the computer industry. This measure will change the depreciation period from 5 years to 2 years, ensuring that businesses are not penalized for making investments that keep them competitive. This change will serve to promote economic growth and job creation within these competitive industries.

I strongly encourage my colleagues to join Representative BEN CARDIN, me, and other original cosponsors in support of this important legislation.

HONORING THE SAVE OUR YOUTH INITIATIVE, CONGRESSIONAL YOUTH COUNCIL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. TOWNS. Mr. Speaker, I rise today to honor the members of my Save Our Youth Initiative's Congressional Youth Council.

One of the major challenges facing Brooklyn, and other parts of our Nation, is finding ways to open doors of opportunity for youth who constitute a disproportionately large share of the unemployed, underemployed, and incarcerated. Through the Save Our Youth Initiative, I am striving to eliminate this bleak outlook for our youth, and to provide the necessary resources so that youth can build successful lives. An important vehicle in this effort is my Congressional Youth Council.

Since spring 1996, the Youth Council's leadership role in the community encourages youth to become more active citizens. Through organizing community forums such as a Youth Town Hall meeting attended by over 200 youth and adults, participating in public hearings and other local events, and discussing policy issues with public officials such as Mayor Rudolph Giuliani and Brooklyn Borough President Howard Golden, these youth blossomed into dedicated advocates. Each young leader—Macie Black, Keisha Walters, Jerome Jeffrey, Anjanee Pitambar, Alicia Lawrence, Francis Williams, and Akilah Holder—is a shining beacon of hope for the future of our community.

I am tremendously proud of their achievements in both school and the community. This month, five of these dedicated youth advocates will receive their New York State high school diplomas. They have truly shown that Generation X is a generation of excellence.

Mr. Speaker, it is with great pride that I ask my colleagues to join me in saluting all of the members of my Congressional Youth Council.

INTRODUCTION OF ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. YOUNG of Alaska. Mr. Speaker, I am pleased to offer legislation on amendments to the Alaska Native Claims Settlement Act to make certain clarifications to the land bank protection provisions, and for other purposes. Last year, the House passed H.R. 2505, however, the U.S. Senate did not consider this legislation in the 104th Congress.

This legislation is identical to H.R. 2505 from the 104th Congress. The Alaska Federation of Natives, the State of Alaska, the administration and members and staff of the Committee on Resources have spent the last year and a half to reach a consensus with noncontroversial provisions.

For example, the bill would amend ANCSA to correct an inconsistency in current Federal law by allowing Regional Corporations to elect to acquire oil, gas, and coal estates reserved to the Federal Government beneath Native allotments surrounded or adjacent to subsurface lands conveyed to the Corporations pursuant to section 12 (a) of (b) of ANCSA.

Another provision would extend the exemption period from estate and gift tax for stock through its period of inalienability.

This bill would also amend ANILCA to extend the automatic land protections to land trades between village corporations, intraregional corporation land trades and Native Corporation land trades with the Federal or State governments.

Mr. Speaker, I offer this bill at this time to begin the process of reviewing each of these important provisions and others which affect Alaskans. I welcome comments on this important bill to ensure that we pass a noncontroversial bill at a later date.

HONORING THE NATIONAL VICTORY OF THE MINNESOTA STATE HIGH SCHOOL MATHEMATICS LEAGUES

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. VENTO. Mr. Speaker, I rise today to celebrate the achievement of the Minnesota State High School Mathematics League's statewide team. The team's Gold squad took first place in the Nation among Division I teams at the American Regions Math League Contest held in Iowa City, IA. This is a proud new achievement for the State of Minnesota, in that Minnesota has never finished first in this national competition which draws nearly 1,000 high school students representing nearly every State across the Nation.

The League hosted two teams from Minnesota, the Maroon and Gold teams, in the tradition of the Golden Gopher spirit and the University of Minnesota's school colors. The Gold team consists of 15 all-star ''mathletes,'' 5 of whom are from St. Paul schools in the Fourth Congressional District which I am honored to represent. The Minnesota Maroon team, which placed seventh in the Division II competition bracket, is composed of 15 excellent math students, 4 of whom also attend schools in my hometown of St. Paul.

As a life-long science educator, I am proud of all these students and feel that the high level of participation by so many students from St. Paul is testimony to the level of support from families, teachers, and the St. Paul community. I would especially congratulate the coaches of these teams, all of whom are teachers. As an educator in Minnesota, I well understand the hard work, dedication, and determination that added up to success for the Minnesota Gold and Maroon teams at this national mathematics competition.

I am sure my colleagues will join me in commending the fine, hard-working students of the Minnesota State High School Mathematics Leagues for national excellence in mathematics. In a time when budgets are tight, classrooms are overcrowded, teachers are overworked, and students are faced with increasing challenges both in the school and in the home, the national achievement of these Minnesota students and teachers are all the more encouraging. Successes like these serve to remind us of our national priorities and the importance of investing in our children through education.

Congratulations to all the Minnesota students and the students from across the Nation who participated in this year's mathematics competition.

Members of the Minnesota Gold team were: Matt Craighead, St. Paul Academy; Eugene Davydov, St. Louis Park; Dave Freeman, Blake; Keith Frikken, Winona; John Gregg, St. Paul Academy; Matt Hancher, St. Paul Academy; Jesse Kamp, Apple Valley; Tom McElmurry, Irondale; Andy Niedermaier, Benilde-St. Margaret's; Nate Ostberg, St. Thomas Academy; Bill Owens, Rochester Mayo; Lars Roe, St. Paul Central; Joshua VonKorff, St. Cloud Tech; Jin Wang, Rochester John Marshall; and Ben Zweibel, St. Louis Park.

Members of the Minnesota Maroon team were: Chris Arnesen, International School; Michael Born, Mankato East; Matt Colvin, Dassel-Cokato; John De Nero, Blake; Nate Dobel, Mounds View; Susan Dorsher, St. Cloud Tech; Ben Konkel, St. Paul Central; Yael Levi, St. Paul Academy; Sam Linsay-Levine, St. Paul Central; Jon Moon, St. Paul Central; Dan Owens, Rochester Mayo; Tim Rantasha, St. Cloud Tech; Leo Shklovskii, St. Louis Park; Tim Sjoberg, Rosemount; and Vishan Wong, Mounds View.

Team Coachers were: Tom Kilkelly, St. Thomas Academy; Bill Boulger, St. Paul Academy; Marlys Henke, St. Paul Central; and Mike Reiners, a three-time member of the State all-star math team.

IN HONOR OF SALLY A. DELSON

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay a respectful tribute to Sally A. Delson, executive director of the State of Israel Bonds' Organizations Divisions. Ms. Delson, who is being honored this weekend at a State of Israel Bonds tribute luncheon, has played an integral role in the divisions' growth over the past 30 years.

For the past 30 years, the Israel Bonds' Organizations Division has grown tremendously under Sally's guidance. Originally comprised of Landsmanshaften groups, the division later grew to incorporate a variety of Jewish and Zionist organizations. The organizations division's success can be seen in the high volume of sales—more than $200 million in bonds—sold in New York since 1952.

Sally's first foray into her work for a Zionist cause was prompted by her grandfather's prediction when she was just 9 years old. Her grandfather, a renowned Rabbi, told her that one day after the birth of a Jewish state, she would work for that state. After a visit to the Tomb of Rachel while in Israel following the Six-Day War, Sally remembered her grandfather's prophecy and renewed her commitment to work for the advancement and security of the State of Israel.

Over the 30 years that Sally has been with Israel Bonds, she has proven to be an invaluable crusader working to fulfill its mission of maintaining Israel's economic security. Her colleagues and supporters see her as a source of inspiration and credit her with the organizations division's success.

On Sunday, the State of Israel Bonds will celebrate the 100th anniversary of the First Zionist Congress and the eve of Israel's 50th anniversary of independence. They will also celebrate Sally Delson—wife, mother, grandmother, great-grandmother, and devoted daughter of the Zionist movement.

Mr. Speaker, I ask that my colleagues rise with me in this tribute to Sally Delson. The Division of Organizations of State of Israel Bonds and the Jewish community as a whole are fortunate to have a woman such as Sally working for their cause. I am thrilled to have Ms. Delson in my district.

TRIBUTE TO DELTA SIGMA THETA SORORITY, INC.

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention Delta Sigma Theta Sorority, Inc., Paterson Alumnae Chapter. Delta Sigma Theta Sorority, Inc. is a sisterhood of college educated women of color committed to public service. The sorority was founded at Howard University in Washington, D.C. on January 13, 1913 by 22 women. Chapters of the sorority reach throughout the United States, Germany, Korea, Haiti, and Liberia. Approximately 180,000 women have been initiated into Delta Sigma Theta and are sustained by the bond of sisterhood. The challenges and successes of more than 80 years have assured its members of the organization's endurance.

The Paterson Alumnae Chapter of Delta Sigma Theta, Inc. was chartered on November 12, 1978. It was the 13th chapter chartered in the State of New Jersey. The founders saw a need for a public service organization in the city of Paterson. The chartering ceremony held at the Paterson Boys Club was conducted by past regional director, Chappelle Armstead.

The Paterson Alumnae Chapter has maintained a consistent presence in the city of Paterson since its inception. Through its many projects and service activities, the chapter continually keeps an active interest in the welfare of the lives of Paterson citizens.

The Paterson Alumnae Chapter was a key in the organization of the local chapter of the Northern New Jersey Tri-County Chapter of the National Pan-Hellenic Council whose primary purpose is to coordinate the activities of the eight historically black Greek-lettered sororities and fraternities.

The Paterson Alumnae Chapter believes in coalition building and to that end, has worked with various community organizations on several service projects. A few of the projects and activities the Paterson Alumnae Chapter is involved with include a candidate's forum for local and State political candidates, an annual Dr. Martin Luther King, Jr. Youth Celebration, a Kwanzaa workshop, Adopt-A-Black Business, a School America Literacy Project, and the 1997 Teen Summit.

The current officers of the Paterson Alumnae Chapter are Linda G. Smith, president; Ada Downing, vice president; Sharon Briggs, secretary; E. Florine White, treasurer; and Pamela Davis, financial secretary.

Mr. Speaker, I ask that you join me, our colleagues, the members of Delta Sigma Theta Sorority, Inc., their family and friends, and city of Paterson in recognizing the Paterson Alumnae Chapter of Delta Sigma Sorority, Inc.'s outstanding and invaluable service to the community.

HONORING JOSEPH ANTHONY SWANICK

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. FOX of Pennsylvania. Mr. Speaker, I rise today to honor an outstanding individual and honored constituent, Joseph Anthony Swanick, who died recently in his Montgomery County, PA, home with his family all around him. I mention this, Mr. Speaker, because the fact that he was surrounded by those he loved the most, his family, is typical of the way he lived his life and was certainly the way he would choose to die.

During his 78 years on Earth, Joseph Swanick achieved much for which he could be proud. However, his greatest pride and joy came in the accomplishments of his wife, Catherine, and his two children, Patrick, born in 1957 and Anthony, born in 1960.

Joseph Anthony Swanick, a retired business owner and hospice volunteer, died on Monday, June 2, 1997, at 2 a.m. of complications due to emphysema and heart disease at his home in Penllyn, PA. But how he died is not nearly as important as how he lived his extraordinary life.

Mr. Swanick, a decorated veteran of World War II, was born on February 9, 1919, in Philadelphia to Harry and Molly Swanick. After graduating from Northeast Catholic High School, Mr. Swanick attended the University of Pennsylvania for 1 year before volunteering to serve in the U.S. Army Air Corps during World War II.

Stationed in Tibenham, England, during the war as part of the 445th Bomb Group, he participated in numerous air raids on Germany and the Nazi occupied territory as a waist gunner in a B–24 Liberator. Briefly injured during the war, Mr. Swanick returned to the United States after his tour of duty was completed. He received numerous decorations including the Distinguished Flying Cross, for his wartime service.

In his comments and reflections about his father during the funeral mass, Tony Swanick, who serves as my press secretary and has been my friend for many years, talked about his father's bravery. Citing John F. Kennedy's book, ''Profiles in Courage'', in which President Kennedy chronicled the lives of American statesmen who stood up for their beliefs against great opposition, Tony reminded us that ''courage has many faces and heroes can come from anywhere.''

''To me, my Father was a hero, in many ways—a 'profile in courage.' He was honest and kind. He lived his Roman Catholic faith as best he could. He loved his family with a passion I've never seen equaled. * * *'' Tony noted that the heroics of war came relatively easily for Joe Swanick. He, along with other brave, young Americans conquered that fear in their youth while defending our Nation against Nazi oppression, tyranny, and inhumanity. ''But,'' Tony added, ''the bravery of self sacrifice was something nurtured throughout a lifetime and perfected for his family's sake. He was the most selfless man I've ever known.''

Mr. Swanick attended and graduated Temple University where he earned an associate degree in business. Later in life, when his

sons were looking at college with some apprehension, he again attended classes at Temple University just to show them that they had nothing to fear. Both went on to college.

In September 1952, Joseph Swanick married Catherine M. McCall with whom he has shared his life since. Together they raised their two children and taught them the lessons, morals, and ideals which would stay with them throughout their lives.

After working as a salesman for Colonial Beef Co., Mr. Swanick founded his own wholesale meat business, Joseph Swanick Inc., in 1960 and remained in business until his retirement in 1984. Because he was a man who believed in doing what was right, Joe Swanick refused to sell to country clubs and places he knew discriminated against blacks or Jewish people. Also, during financial recessions, he would take meat and other items from his own business and deliver it secretly to members of his church who had nothing to eat. As a father and teacher, he brought his children with him to learn the importance of performing charitable works while avoiding the spotlight.

''He taught me tolerance,'' Tony Swanick said, ''that it is okay if you disagree with people or don't even understand them. But, it is not okay to hate them or persecute them for it. From him, I learned to open my mind to new experiences and people who were different and close my heart to bigotry and intolerance.''

Joseph Swanick also helped his children discover the beauty of our Earth by taking them on trips to locations throughout the world. But he also taught them to find the beauty within themselves and to trust in their own abilities. Mr. Speaker, we here in Congress often discuss the fact that too many children in America are neglected or abused. Here was a man who taught his children the importance of self worth every day.

Mr. Swanick and his family lived in the Elkins Park section of Abington Township, Montgomery County, for more than 20 years before moving to the Penllyn section of Lower Gynedd Township. Throughout his life, Mr. Swanick remained active in his church parish beginning with St. Stephens in North Philadelphia and including St. Dennis in Havertown, Delaware County. Much of his life with his family was spent at the Montgomery County parishes of St. Jame's Roman Catholic Church in Elkins Park and St. Joseph's Roman Catholic Church in Ambler.

Following his retirement from the wholesale meat business, Mr. Swanick worked as a courier for the Montgomery Publishing Co., publisher of numerous weekly newspapers. Ironically, at the same time, his son, Tony, was an award-winning reporter for the newspapers. Mr. Swanick also believed in giving back to the community in much the way his wife and two sons did.

He was active as a volunteer for Wissahickon Hospice, based at Chestnut Hill Hospital, for more than 5 years, serving as a companion for numerous terminally ill patients in Philadelphia as well as Norristown and various other Montgomery County communities. His role was to ease the burden and emotional distress for both the patient and the family during the patients final months of life. He dedicated much of his free time to helping others—a Swanick family trait. His wife, Catherine, organized and ran a group called Birthright which promoted adoptions. Pat was involved in numerous charities he organized at St. Joseph's University. And Tony worked with me to co-found the Montgomery County AIDS Task Force and to create a public health department for Montgomery County. He still serves on the board of trustees of Norristown State Hospital.

Joe Swanick loved to bring comfort to the ill through Wissahickon Hospice and, perhaps he knew he would need the services of hospice himself as his life came to a close. For the last 6 months, he received outstanding homecare from the Montgomery Homecare/Hospice based at Montgomery Hospital.

But, the real care came from his family, Pat and his wife Diana, Tony and particularly Joseph's wife, Catherine, who was by his side every minute providing him with the best medicine he could have, a warm hand on his, a smile, a prayer. ''Dad always said 'I got me a good one,' '' Pat said. ''And he was right.'' Catherine and Joe Swanick took vows to care for each other for better or for worse, in sickness and in health and they did just that until in death they did part.

Mr. Speaker, when Joe Swanick died, hundreds came to bid him farewell. There were people from his grade school and his high school. The brave men who flew with him in B–24 Liberators in World War II were also represented as were those who worked for him. Members of Wissahickon Hospice who worked with him to care for others were joined by those from Montgomery Hospice who, ultimately, cared for him until his death.

Joe Swanick's death was not an easy one. In the end, he could barely draw a breath and his heart was weak, perhaps because he gave so much of it to others. Still, despite his pain and discomfort, his family was foremost in his mind. Catherine, Pat, Diana, and Tony gathered around him on his last day on Earth and prayed for him, cried for their loss, sang to him, held his hand, and made certain he left this world feeling loved. But to the end, Joe Swanick was selfless.

''In one of my last conversations with my Father before he became too ill to speak,'' Tony Swanick said. ''He pulled me close and told me he wished there had been more he could have done for me during his life. Can you believe that? This man who gave me everything I value was lying there * * * staring at death * * * barely able to draw a breath * * * and when he did, he didn't use that breath to ask me to help him or to make him more comfortable. He used that breath to tell me that he wanted to do more for me! To do more for me * * *.'' Mr. Speaker, even at the threshold of death, Joe Swanick put his family first.

Joe Swanick had an incredible wit, loved to tell a good story, was quick with a laugh, and a smile and was for his family the embodiment of humanity, kindness, compassion, understanding, and love. but the consensus at his death was that Joe Swanick wasn't really gone forever. Before he died, Catherine reminded him, ''You know Joe, up in Heaven, you'll have a whole new audiences for your World War II stories.'' Pat said he could see a glimmer in his father's eyes when he imagined the possibilities.

Joe Swanick was proud of his family and would be quick to tell anyone about them—whether or not they wanted to hear it.

''In fact,'' Pat said, ''I've envisioned the scene in Heaven this week over and over again. I can see Dad saying:

'Saint Peter, wait 'til you meet my wife, Cass. She's the best!' or

'Saint Peter, did I tell you about my trip to Cleveland last summer to visit Pat and Diana?' or

'Saint Peter, have you ever been to Washington for Christmas? We visited Tony there last year during the holidays * * *.'

I can just see those conversations going on up there. I just hope Saint Peter doesn't get too tired of hearing about us and he still lets us in when our time comes.''

Pat noted that his father was a Christian, faithful in his duties to God and his church. He was a patriot, flying nearly 30 wartime missions in World War II. He was an entrepreneur, ''he always like this word—he said it was a fancy word even if he didn't know how to spell it.'' He was a volunteer, dedicating his time to others in need.

''Dad was a good friend and neighbor and a devoted husband,'' Pat said. ''His best role, and perhaps I'm a bit biased, was simply being a dad. He was real good at it * * * the best. He made a difference and we're all better off for having known him.''

Pat is right, Mr. Speaker. I know this family well and I know they were all devastated by this great loss. It was a loss to Montgomery County and the entire Delaware Valley as well as to everyone whose lives Joe Swanick touched. Joseph Swanick practiced family values before someone turned the phrase into a weapon to attack those who were different.

Tony Swanick summed it up when he noted that many of us, in our youth, try so hard to be different from our parents. ''Now,'' he said, ''I've spent much of my adult life wishing I was more like them. To my dad * * * my friend * * * I can say only this. Yours is the most elegant soul I've ever known. Yours is the biggest heart I've ever seen. Yours is the most loving and gentle spirit I have ever encountered. You are the finest man I have ever known and we will miss you more than words could ever say. But now, it is time for you to be at peace with God. And so, I must say 'farewell' my Father, my friend. Farewell.''

''BEST TAX-CUT PROPOSAL APPEARS TO FACE ROADBLOCK IN CONGRESS''

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. Speaker, this Member highly commends to his colleagues the following editorial supporting the proposed capital gains tax cut which appeared in the Omaha World Herald on June 18, 1997.

[From the Omaha World Herald, June 18, 1997]

BEST TAX-CUT PROPOSAL APPEARS TO FACE ROADBLOCK IN CONGRESS

Democrats and Republicans on Capitol Hill are negotiating the specifics of legislation to reduce taxes by a net $85 billion over the next five years. Unfortunately, the best proposal in the tax-cut package—reducing the capital-gains tax—is the hardest one to sell politically.

When stocks, homes, farms or small businesses are sold by an individual, an estate or a trust for more than what the seller paid for them, the seller pays a 28 percent tax on the difference in price—the long-term capital gain. While this is less than the current maximum tax rate on ordinary income, 39.6 percent, the 28 percent capital-gains tax rate still causes some holders of capital assets to refrain from investment transactions that could stimulate the economy and create jobs.

Republicans once talked of reducing the capital-gains tax rate to as low as 15 percent as a way to encourage reinvestment. Now they seem resigned to the idea that a reduction of 8 percentage points may be the best they can do.

A capital-gains tax cut is difficult to accomplish because Democrats keep pounding on the idea that only rich people receive income from selling property—a claim that never seems to die no matter how many times it is proven false. House Democrats have said they are willing to consider reducing the tax on the gains from the sale of a small business or family farm but not the tax on the gains from the sale of other capital assets.

Many Americans have legitimate concerns about the excessive compensation going to some large-corporation chief executives—people who receive millions of dollars annually, sometimes even when their company's performance is flat. Republicans are still smarting from the campaign by Democrats who said Republicans were going to ''gut health care for the elderly to fund a tax cut for the rich,'' a campaign that was based on a lie.

For these reasons, some Republicans are skittish about taking a hard line on a capital-gains tax cut.

Bipartisan support exists for a $500-per-child annual tax credit for families, though there is disagreement over the level of annual income at which to cut off the credit. Democrats want to draw the line at $75,000. Republicans favor a ceiling of $100,000. Republicans are challenging the Democratic contention that poor families who do not pay income taxes ought to get the per-child credit anyway, in the form of a government check. There also is disagreement about the age of children for whom the credit could be claimed, with the White House and various factions in Congress proposing top ages from 12 to 18.

President Clinton's proposal for tax breaks tied to college expenses also is difficult for politicians to resist. Democrats want $35 billion in tax credits and deductions for families sending children to college. Families would receive a tax credit of $1,500 for each college student or deduct from their taxable income up to $10,000 a year in college expenses. Republicans offer a more modest plan, with credits for 50 percent of tuition costs up to $3,000 a year.

The final version of the tax legislation is likely to include the popular per-child and college-tuition credits in some form, even though the credits are not large enough for individuals to have much stimulus effect on the economy. Moreover, they probably will have to be modified to fit within the target number of $135 billion in tax cuts. (A proposed $50 billion in tax increases would leave $85 billion in net tax relief over five years.)

Prospects for cutting the capital-gains tax rate to 20 percent are dim. A cut in the inheritance tax rate and an increase in the amount (currently $600,000) that can be passed to heirs free of federal estate tax also are generally opposed by Democrats.

That is disappointing. Republicans are right about the job-creating potential of a significant capital-gains tax cut and the fundamental fairness of reducing the effective inheritance tax rate. Instead, taxpayers with children are likely to get a modest credit of limited value as an incentive to new investment.

The overall tax-cut package could be a similarly bland compromise—a far cry from the bold $200 billion tax cut originally advocated by the GOP.

CAN PEOPLE OF FAITH DIFFER ON MFN FOR CHINA?

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. MANZULLO. Mr. Speaker, political and religious persecution continues in China. These human rights violations, spotlighted as Congress considers extending its trade status with China, are appalling to everyone. But the question of whether we should keep the trade door open or isolate China in trying to bring an end to these abuses is far from unanimous, especially among the faith community.

First, it is important to recognize that the most-favored-nation trade status—up for a vote in Congress in late June—is a misnomer that gives no special treatment to China. In fact, MFN is the normal, unprivileged trade status held by every other nation in the world except six.

But some within the religious community believe even normal trading practices with China are unconscionable. Family psychologist James Dobson and his Washington-based Family Research Council, led by Gary Bauer, former domestic policy adviser to President Ronald Reagan, believe that cutting off trade with China will send a message that will convince the Chinese Government to halt the persecutions of Christians and other people of faith.

Others, however, insist a public Christian stance against MFN is not in the interest of the church in China and will seriously hamper the efforts of Christians from outside China who have spent years seeking to establish a Christian witness among the Chinese people. In fact, they fear the human rights violations will be exacerbated if we cut our ties with China, thereby removing our Western influences from this emerging democracy. Those who share this belief include Joseph M. Stowell, president of the Moody Bible Institute; Don Argue, president of the National Association of Evangelicals; and the China Service Coordinating Office, an umbrella group representing more than 100 missionary groups, many in China, including the Institute for Chinese Studies at Wheaton College's Billy Graham Center.

The United States Catholic Bishops Association issued a statement opposing renewing MFN trade status for China, though not all the bishops agree with the statement. Ironically, Hong Kong's official Catholic newspaper, the Sunday Examiner, reported new contacts between Beijing and Hong Kong's Catholic hierarchy, which could be a major step toward an official recognition of the Catholic Church inside China.

And then there is Father Robert Sirico, president of the Action Institute for the Study of Religion and Liberty, and a signatory to previous advertisements by the Family Research Council protesting religious persecution in China. ''Just as religious freedom offers the best hope for Christian social influence, economic freedom is the best hope for spreading that influence around the world,'' said Sirico, who supports MFN.

Others, such as Ned Graham, son of evangelist Billy Graham and president of the missionary organization East Gates, believe the religious leaders opposing MFN should temper their language in speaking on the situation because it has the effect of bringing more persecution upon the church in China.

As a believer in the freedom of worship and as a United States Congressman, I have written numerous letters and protested religious persecution in Russia, Kuwait, Romania, China, and other parts of the world. I wrote to Secretary of State Albright to ask her to raise the issue of religious persecution during her visit to Russia and China. I cosponsored and voted for legislation that condemned human rights abuses against religious believers around the world. That resolution urged the President to create a special advisory committee for religious liberty abroad or to appoint a White House special advisor on religious persecution. This battle does not just involve Christians around the world. The persecution of one faith is persecution of all faiths. And wherever and whatever religious beliefs are persecuted, public officials must speak out.

I believe we must engage in trade with China and still publicly condemn their human rights abuses. It is important to remember where China has been and where it is today. Thirty years ago, millions of people were executed following political sham trials in the cultural revolution. Now, thanks to the influence of foreign companies, more Chinese people have the opportunity to work without the shackles of state control. The American presence in China is a force for good, where the vast majority of firms pay their workers higher than average wages and offer a host of benefits, such as health care, housing, recreation, education, and travel. I spoke with the granddaughter of Dr. Sun Yat-Sen, who overthrew the feudal Manchu Dynasty in 1911 and was the first provisional president of the Republic of China. She told me of the many positive changes in China, from the disappearance of neighborhood spies to the destruction of the internal passport system, which prevented people from moving from one job to another or from one town to another. Missionaries with whom I speak say while persecution continues, the churches continue to grow. It is important not to isolate China.

While MFN does not grant China a special trade status, it also does not grant China any special trade rules. While trading with China, we must use our enforcement tools to stop improper trade practices. We did this recently to help Brake Parts in McHenry County, IL, when some Chinese companies were selling brake rotors at below market prices. I advised Brake Parts to file a complaint with the International Trade Commission, which issued a punitive order against those Chinese companies. If goods are found to be made in prison labor camps, then we should enforce our own laws to prohibit their sale in the United States. If the Chinese throw up trade barriers against United States sales in China, then we should impose trade sanctions and retaliate against the Chinese by imposing stiff tariffs.

The debate over China is good. Democracy is at its best when well-meaning people of

good intentions are involved on differing sides of an issue. I thank God that in America we have the freedom to debate this issue.

PERSONAL EXPLANATION

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. FORBES. Mr. Speaker, on Wednesday, June 11 and Thursday, June 12, I appreciated being granted an excused absence due to a serious illness in my family. Due to that absence, I missed several rollcall votes.

Had I not been unavoidably absent on June 11, I would have voted in the following manner pertaining to amendments to H.R. 1757, the Foreign Relations Authorization Act.

''Aye'' on rollcall vote No. 201, an amendment to express the sense of Congress condemning the policy of Palestinian policy of imposing the death penalty for any Palestinian who sells land to a Jew.

''Aye'' on rollcall vote No. 200, an amendment to prohibit funds made available under the Foreign Assistance Act for fiscal years 1998 and 1999 for the Russian Federation if that country transfers an SS–N–22 missile system to the People's Republic of China.

''Aye'' on Rollcall vote No. 199, an amendment to prohibit foreign assistance to any country that assists the Libyan Government in circumventing United Nations sanctions. On May 8, Muammar Qadhafi defined the United Nation ban and flew to two neighbors countries.

''Aye'' on rollcall vote No. 198, an amendment expressing the sense of Congress that Romania should be considered eligible for assistance under the provisions of the NATO Participation Act of 1984.

''Aye'' on rollcall vote No. 197, an amendment expressing the sense of Congress that the United States Government should not prohibit the importation, sale, or distribution of Cuban cigars in the United States, or cigars that are the product of Cuba, at such time as the Government of Cuba has (1) freed all political prisoners, (2) legalized all political activity, and (3) agreed to hold free and fair elections.

''Aye'' on rollcall vote No. 196, an amendment to express the sense of Congress that the militant organization Al-Faran should (1) release Donald Hutchings and four western Europeans from captivity; (2) cease and desist from all acts of hostage-taking and other violent acts within the state of Jammu and Kashmir in India.

''Aye'' on rollcall vote No. 195, an amendment to require the President to impose financial transaction restrictions on the Government of Sudan and to express that it is the sense of Congress that the religious persecution and support of terrorism by the Government of Sudan is unacceptable.

''Aye'' on rollcall vote No. 194, an amendment to restrict assistance to foreign organizations that perform or actively promote abortions and prohibiting the use of any funds authorized in the bill to be made available for the United Nations Population Fund in any fiscal year unless the President certifies that UNFPA has terminated all activities in the People's Republic of China, and during the 12 months preceding such certification there have been no abortions as the result of coercion associated with the family planning policies of the national government or other governmental entities.

''Aye'' on rollcall vote No. 193, an amendment to prohibit payment of U.S. arrearages to the U.N. until the U.N. complies with requirements that U.N. employees comply with child and spousal support orders issued by the U.S. courts.

''Aye'' on rollcall vote No. 192, an amendment expressing the sense of Congress that the government of the Ukraine should be commended for their decision to relinquish the nuclear weapons in its possession after the demise of the Soviet Union, for declining to participate in the construction of nuclear reactors in Iran, and for taking a positive and cooperative position with regard to admission into NATO.

''No'' on rollcall vote No. 191, an amendment requiring the Secretary of State to report to Congress every 3 months listing all complaints by the Government of Cuba to departments and agencies of the United States concerning actions taken by U.S. citizens or the U.S. Government.

''Aye'' on rollcall vote No. 190, an amendment to require the President to report to Congress on any border closures or the use of an economic or commercial blockade by or against any of the new independent states of the former Soviet Union against any other country.

''Aye'' on rollcall vote No. 189, an en bloc amendment consisting of several amendments: (1) expressing the sense of Congress that Peru should respect the rights of prisoners to timely legal procedures; (2) directing the State Department to monitor human rights progress in Ethiopia; (3) establishing special envoys to promote mutual disarmament; (4) expressing the sense of Congress that Taiwan should reconsider its proposed deal to transfer low-level nuclear waste to North Korea; (5) expressing the sense of Congress that the administration should support the Prime Minister of India in strengthening ties with the United States and that the President and Secretary of State should call on the President of Belarussia to defend and protect the sovereignty of Belarussia, (6) authorizing a congressional statement in support of Taiwan's efforts to be admitted to the World Trade Organization; (7) requiring the State Department to report to Congress on allegations of persecution of Hmong and Laotian refugees repatriated to Laos; (8) instituting ''buy American'' requirements; and (9) calling for the withholding of assistance to countries that provide nuclear fuel to Cuba.

''Aye'' on rollcall vote No. 188, an amendment to prohibit funding for UNESCO World Heritage and Man and Biosphere programs.

''No'' on rollcall vote No. 187, an amendment to strike the bill's provisions which establish new responsibilities for the office of inspector general at the State Department.

''Aye'' on rollcall vote No. 186, an en bloc amendment consisting of several provisions: (1) allow non-Foreign Service Government employees to perform consular functions; (2) specify qualifications for the position of Assistant Secretary for Diplomatic Security; (3) change the authorized strength of the Foreign Service; (4) change the provisions of the bill concerning return of persons to countries where they may be subject to torture; and (5) a technical amendment regarding the ecumenical patriarchate in Istanbul, Turkey.

''Aye'' on rollcall vote No. 185, an amendment to require the State Department to report to Congress by March 1 of each year a listing of overseas U.S. surplus properties for sale and require the amounts received from such sales to be used for deficit reduction.

''Aye'' on rollcall vote No. 184, an amendment to require the State Department to maintain records on each incident in which an individual with diplomatic immunity from the criminal jurisdiction of the United States under the Vienna Convention committed a serious criminal offense within the United States.

''Aye'' on rollcall vote No. 183, an amendment to end funds for continued TV Marti broadcasts to Cuba at the end of the current fiscal year if the President certifies that continued funding is not in the national interest of the United States.

''Aye'' on rollcall vote No. 182, an amendment to express the sense of the Congress that the United States broadcasting through Radio Free Asia and Voice of America increase to continuous, 24-hour broadcasting in Mandarin, Cantonese, Tibetan, and that broadcasting in additional Chinese dialects be increased.

''Aye'' on rollcall vote No. 181, an amendment, consisting of several amendments offered en bloc to strike the provisions of the bill allowing the State Department to retain for operating expenses up to $500 million in immigration, passport, and other fees. The amendment would raise authorized funding levels in the bill to compensate for the loss in operation funding.

''Aye'' on rollcall vote No. 180, an amendment to modify the bill's provisions to consolidate certain foreign affairs agencies into the State Department.

''No'' on rollcall vote No. 179, an amendment to reduce the authorized spending levels in the bill for fiscal year 1998 and fiscal year 1999 to the amount appropriated in fiscal year 1997.

''Aye'' on rollcall vote No. 178, an amendment to prohibit funds made available under the Foreign Assistance Act for fiscal years 1998 and 1999 for the Russian Federation if that country transfers an SS–N–22 missile system to the People's Republic of China.

Had I not been unavoidably absent on June 12, I would have voted:

''Aye'' on rollcall vote No. 203, making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, including those in Bosnia, for the fiscal year ending September 30, 1997.

''Aye'' on rollcall vote No. 202, proposing an amendment to the Constitution of the United States authorizing the Congress to prohibit the physical desecration of the flag of the United States.

AMENDING IMMIGRATION AND NATIONALITY ACT, H.R. 1961

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. GILMAN. Mr. Speaker, I rise today to introduce H.R. 1961, a bill which would amend

the Immigration and Nationality Act to authorize the Attorney General to continue to treat certain petitions approved under section 204 of the act as valid, notwithstanding the death of the petitioner or beneficiary.

In the past, circumstances have arisen where a family has been petitioned for the right to immigrate to the United States. In these cases, the papers were in order and preliminary approval was granted. However, before final approval was given, either the head of the family or the family's petitioner died unexpectedly. As a result, under current law, when the beneficiary died, the surviving spouse and children are unable to immigrate and must begin the process again. In cases where the petitioner died, the family wishing to immigrate must likewise restart the application process.

This legislation would allow the Attorney General, acting for humanitarian reasons, to disregard such a death in applying the provisions of this act to either the surviving spouse and children, in the case of a beneficiary's death, or to the beneficiary and family in the case of a petitioner's death.

Accordingly, I urge my colleagues to join me in supporting this legislation which will correct an unforeseen, yet unfortunate injustice in our Nation's immigration laws.

H.R. 1961

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

SECTION 1. TREATMENT OF CLASSIFICATION PETITIONS UPON DEATH OF PETITIONER OR BENEFICIARY.

Section 205 of the Immigration and Nationality Act (8 U.S.C. 1155) is amended—

(1) by striking ''The Attorney General'' and inserting ''(a) IN GENERAL.—Subject to subsection (b), the Attorney General''; and

(2) by adding at the end the following:

''(b) EFFECT OF DEATH ON CERTAIN PETITIONS.—

''(1) DEATH OF PETITIONER.—In any case in which a person who has filed a petition under section 204 on behalf of a beneficiary dies after the approval of the petition, the Attorney General may, for humanitarian reasons, disregard such death in applying the provisions of this Act to the beneficiary and any spouse or child of the beneficiary.

''(2) DEATH OF BENEFICIARY.—In any case in which a beneficiary of a petition filed under section 204 dies after the approval of the petition, the Attorney General may, for humanitarian reasons, disregard such death in applying the provisions of this Act to any spouse or child of the beneficiary.''.

NATIONAL SEA GRANT COLLEGE PROGRAM REAUTHORIZATION ACT OF 1997

SPEECH OF

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 437) to reauthorize the National Sea Grant College Program Act, and for other purposes:

Mr. UNDERWOOD. Mr. Chairman, I rise today in support of H.R. 437, to reauthorize the National Sea Grant College Program. The Sea Grant program is one of the few Federal programs that attempts to address specific public needs while simultaneously conducting innovative research through academic institutions.

The program has made measurable contributions in aquatic resource management and sustainable economic development while working for the protection and maintenance of marine and costal resources. As we continue to develop our costal areas, the need for sound marine science as a guide for wise and sustainable growth becomes increasingly vital.

In addition to conducting solid and applicable research, Sea Grant also works to train students for related careers. Many of the students who work with Sea Grant today will be the marine scientists and resource management experts of tomorrow. This investment in costal development and preservation will have tremendous future value.

The Sea Grant program supports research in over 200 participating universities throughout the United States and Territories. But Sea Grant is not just about research, it is about scientifically sound public policy. Through partnerships between academic, government, and business entities, Sea Grant research impacts decisions that effect our costal environments and the people that live there. This is especially important for an island community such as Guam.

Currently, the University of Guam works in collaboration with the University of Hawaii through their Sea Grant program. However, Guam looks forward to having separate Sea Grant status at some point in time.

I urge my colleagues to support this investment in the future of our costal communities. Sea Grant is good for our economy, good for our environment, and good for our students.

IN CELEBRATION OF HAROLD AND MALKAH SCHULWEIS 50TH WEDDING ANNIVERSARY

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. SHERMAN. Mr. Speaker, I rise today and ask you and my colleagues to join me in celebrating the 50th wedding anniversary of Rabbi Harold and Malkah Schulweis.

Harold and Malkah were introduced at a seminary prom. Harold was so captivated, he immediately pursued her. A short time later they had their first date and on the second date he asked her to marry him. She said no, but a year later they were happily engaged to be married on June 22, 1947.

Their life together began in a tiny New York apartment. The war had just ended and they were beginning their lives together with nothing but the desire to build a life of love and dedication to one another. It is for this dedication which I honor them today.

When Malkah became pregnant with their first born, Seth, they decided it was time for a change and they moved to Oakland, CA. Eleven months later their second child, Ethan, was born, followed by their only daughter Alisa. Today, they are the proud grandparents of 12 wonderful grandchildren.

Their children recall great memories which illustrate the love which Harold and Malkah share. She has opened the aesthetic world of art and music for him, while he has broadened her spiritual horizons—they complete each other.

Few words come close to describing the love that Harold and Malkah share, but I think Robert Frost said it best when he said ''Love at the lips was touch, as sweet as I could bear; and once that seemed too much; I lived on air.''

It is an honor to join the family and friends of Harold and Malkah Schulweis as they reach this milestone and celebrate their 50th wedding anniversary.

A SPECIAL SALUTE TO MARY STRASSMEYER

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. STOKES. Mr. Speaker, I am proud to salute Mary Strassmeyer, an outstanding member of the journalistic community and columnist for the Plain Dealer newspaper. After more than 40 years as a journalist, Mary is retiring from the trade. On June 23, 1997, colleagues and friends will gather for a special retirement party in Mary's honor. I take pride in recognizing Mary Strassmeyer for her many achievements, and wishing her well as she brings to a close this chapter of her life.

Mary Strassmeyer is a graduate of Notre Dame College, as well as Cleveland State University's Cleveland-Marshall School of Law. She is a member of the Ohio State Bar and maintains her own law practice. Ms. Strassmeyer joined the Plain Dealer newspaper in 1960 as a feature writer. In the years before she was named society editor in 1965, she also served as beauty editor, assistant travel editor, and interim fashion editor.

Mr. Speaker, readers of the Plain Dealer are the beneficiaries of Mary Strassmeyer's talents as an adept and skilled writer. She has charmed the public with her columns in the newspaper, including her current column, ''Mary, Mary.'' Like many readers, I enjoy the information, insight, and entertainment provided by ''Mary, Mary.'' From society parties to current events, Mary Strassmeyer has covered it all, and with a special flair that she alone possesses. One of the highlights of her career came in 1994 when Mary was inducted into the press club of Cleveland's Journalism Hall of Fame. It is just one of the many honors which have been accorded her during a very distinguished career.

The departure of Mary Strassmeyer from the Plain Dealer also brings to mind the friendship that I have shared with her over the years. Mary Strassmeyer is a woman whom I admire and respect. She is also a person of the highest caliber and integrity. I am grateful for her friendship, and I join her friends and colleagues in wishing her much continued success.

IN HONOR OF ''THE FATHER OF BLACK BASKETBALL''

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. KUCINICH. Mr. Speaker, I rise to honor John McLendon, Jr., who, played a major role in the integration of college basketball and the development of the fast-paced game we see today.

McLendon attended the University of Kansas in 1933 and was fortunate enough to be enrolled in the final classes taught by the inventor of basketball, Dr. James Naismith, before his death. The 81-year-old McLendon is now the last living link to the era when basketballs were shot into peach baskets.

In 1944, he broke the law, and perhaps more importantly tradition, when he organized the first interracial basketball game between his team at North Carolina College and Duke Navy Medical School. The game was played in Durham, NC at 11 on a Sunday morning, when everyone in town was at church, 21 years before the color barrier was broken in the Atlantic Coast Conference. McLendon's Eagles beat the Blue Devils 88 to 44. The story of this ''secret game'' is now in production for a movie.

As coast at Tennessee State University in 1954, McLendon again took a stand for integration. His team was invited to participate in a National Association of Collegiate Athletics tournament in Kansas City. McLendon refused to come unless his players were allowed to stay at the same hotel and eat in the same restaurants as the white players. All but two of the maids at the hotel quit when the tournament directors conceded.

These are only two examples of McLendon's boldness and determination to integrate the sport of basketball. Throughout his prestigious career which ranges from coaching basketball at three different universities in the United States and two Malayan universities through a State Department cultural exchange program, to becoming the first black coach in professional basketball for the Cleveland Pipers, and promoting Converse shoes all over the world, McLendon has trailblazed the way for breaking down the color barrier in sports. For his efforts, he became the first black coach inducted into the Naismith Memorial Basketball Hall of Fame in 1978.

He is now back in Cleveland, OH, working as athletic department adviser and teaching a course titled ''The History of Sports in the United States and the Role of Minorities in Their Development'' at Cleveland State University.'' My fellow colleagues, please join me in acknowledging John McLendon, Jr., for a lifetime of striving for fairness in sports regardless of race.

TRIBUTE TO COL. MARTIN E. DUPONT

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. SPENCE. Mr. Speaker, I rise today to recognize Col. Martin E. ''Marty'' Dupont on his last day as chief of the U.S. Air Force House Legislative Liaison Office. Colonel Dupont has served with distinction in this post since June 17, 1993.

Soon after assuming his current position, Colonel Dupont quickly established a solid reputation with Members of Congress and their staffs as an authority on a diverse array of programs and issues relating to the Air Force. Colonel Dupont's understanding of congressional operations, coupled with his sound judgement and keen sense of priority, have been of great benefit to Members. He has provided valuable support whenever he as been called upon, especially, as he has routinely been sought by members of the Committee on National Security to provide briefings concerning national security issues. He has also demonstrated an expertise for organizing and conducting a number of important congressional delegation trips throughout the world.

Mr. Speaker, it has been my distinct pleasure to have worked and traveled with Colonel Dupont. He has earned our respect and gratitude for his many contributions to our Nation's defense. My colleagues and I bid Colonel Dupont a fond farewell and wish him much continued success as he and his family move to Camp Smith, Hawaii, where he will become the director of legislative liaison for the Pacific Command.

IN MEMORY OF ALEXANDER HIEKEN

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. GREEN. Mr. Speaker, I rise today to honor the memory of Alexander Hieken who passed away Sunday, May 25, 1997 in the Methodist Hospital in Houston, TX at the age of 88. Al grew up in St. Louis, MO and graduated from the University of Missouri with a bachelor's degree in journalism in 1929. He worked in El Paso, TX for the *Herald Post*. He was the International Representative for the American Newspaper Guild.

Al served in the United States Navy during World War II. In 1948, he was transferred to Houston, Texas as a Guild representative. In addition, he served as director of the Concentrated Employment Program of Houston, a training and placement division of President Lyndon B. Johnson's war on poverty.

At the time of death, Al was serving in his fourth term as silver-haired legislator from the Harris County Commissioner District II. He was a member of the Houston Press, AARP, National Council of Senior Citizens, AFSCME Local 1550 Retiree Chapter, and the Gray Panthers. He was also a member of the Harris County Area on Aging Advisory Planning Committee.

Al is survived by his wife, Elizabeth Kimmell Hieken, a daughter, Ellen Hinkle, two grandchildren, Chris Hinkle of Wimberly, Texas and Cherrie Hinkle of Houston, and two great-grandchildren, Carli and Austin Hinkle. Also surviving him are his sister, Mary Lavazzi of St. Louis, Missouri, and his brother, George Hieken of New Hampshire.

Alexander Hieken will be remembered as a leader in his community whose ideas reached far and wide. His genuine enthusiasm for the American labor movement prompted people of all ages to become interested in better working conditions for all. Because I experienced Alexander's vitality and wisdom firsthand, I have no doubt that this tireless role model made Houston, Texas a richer place to live.

As friends and family reflect on his lifetime of contribution, it is only fitting that we also pay tribute to this great man and good friend.

INTRODUCTION OF THE CHILDREN'S PRIVACY PROTECTION AND PARENTAL EMPOWERMENT ACT

HON. BOB FRANKS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. FRANKS of New Jersey. Mr. Speaker, today I am reintroducing the Children's Privacy Protection and Parental Empowerment Act. As the information age continues to unfold, Congress has an obligation to monitor the new technology and make sure that reasonable safeguards are in place to protect the most vulnerable among us—our children.

The safety and privacy of our children is already being threatened by one product of the information explosion. This threat to our children's safety was first brought to my attention by Marc Klaas. Since his daughter's brutal death 2 years ago, Marc has been on a crusade to protect children.

Every time parents sign their children up for a birthday club at a local fast food restaurant or ice cream store, fill out a warranty card for a new toy, complete a consumer survey at the local supermarket, enter their children in a school directory, or lets their child fill out information on the Internet, they could be putting their children at risk.

The fact is that these businesses often turn around and sell that information about children to individuals, companies, and organizations who want to contact children. Currently parents have no way of knowing that the sale of information about their kids is taking place and are powerless to stop it if they disapprove.

List vendors today sell this information to whoever wants to purchase it. Anyone with a mailing address can contact a list vendor and order a specific list. It might be the names, addresses and phone numbers of all children living in a particular neighborhood—or a much more detailed list, such as all 10-year-old boys in a suburban community who have video game systems. And the cost of this information is relatively inexpensive, just a few cents a name.

Although parents have no idea how advertisers or telemarketers have gathered information about their children, it's important for them to understand that there is a danger of this information winding up in the wrong hands.

Worse, often the list brokers themselves don't know to whom they're selling data about children.

The threat to our children is very real and very frightening.

Last May, I introduced the Children's Privacy Protection and Parental Empowerment Act. Specifically, it would prohibit the sale of personal information about a child without the parent's consent.

In addition, the legislation would give parents the right to compel list brokers to release

to them all the information they have compiled about their child. List vendors would also have to turn over to the parents the name of anyone to whom they have distributed personal information about their child.

The bill also forces list vendors to be more diligent about verifying the identity of companies and individuals seeking to buy lists of children. Specifically, it would be a criminal offense for a list vendor to provide personal information about children to anyone it has reason to believe would use that information to harm a child.

This provision also addresses a shocking practice recently uncovered at a Minnesota prison. A prisoner, who was serving time for molesting a child, was compiling a detailed list of children—including not only their names, ages and addresses but such personal information as ''latchkey child,'' ''cute'' or ''pudgy.'' Authorities believe he was planning to sell the list to pedophiles over the Internet.

The bill also requires list brokers to match their data against the list of missing children held by the National Center for Missing and Exploited Children. This provision should help the center fulfill its important mission of finding children who have been kidnaped or exploited.

Finally, there is a provision in the bill to address yet another alarming practice going on in prison. A commercial list company had a contract with a Texas prison for data entry services. Prisoners—including child molesters and pedophiles—were being handed personal information about children to enter into a computer data base. Although that company no longer uses prison labor, our bill would make it unlawful to engage in this dangerous practice.

Prisoners and convicted sex offenders would never again have access to personal information about children.

The bill has the support a broad cross-section of organizations who are dedicated to protecting children including the PTA, privacy groups, and family groups.

Last September, the Crime Subcommittee of the House Judiciary Committee held a hearing on the bill. It's enactment this year is one of my top priorities for this Congress.

Parents are rightfully concerned about the unrestricted sale of their children's data. When parents in my district learn about what happens to data they provide about their children, they are shocked and outraged. The latest Harris/Westin survey showed that 97 percent of people believe it is unacceptable to rent or sell names and addresses of children provided when purchasing products or registering to use a website. Moreover, at the recent FTC hearing on online privacy, the Direct Marketing Association and many industry leaders stated that parental notice and consent should be the standard in collecting and selling children's data in the online world. This should also be the standard in the offline world.

In today's high-tech information age—when access to information on our personal lives is just a keystroke or phone call away—our children need the special protection this legislation provides.

A TRIBUTE TO RABBI ELIJAH J. SCHOCHET

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. SHERMAN. Mr. Speaker, I rise today to honor Rabbi Elijah J. Schochet for 36 years of dedicated service and leadership in our community and for his distinguished family life and academic achievement.

Rabbi Schochet graduated cum laude from the University of California at Los Angeles in 1955 and then attended Columbia University for further studies in psychology. He soon determined, like his father and grandfather, that he was bound for theological studies and went on to be ordained by the Jewish Theological Seminary and to receive his doctorate in rabbinic literature under his distinguished mentor Prof. Saul Lieberman. His impressive educational background has helped him to provide spiritual aid to many in our community.

In addition to his rabbinical training, Rabbi Schochet is a licensed marriage and child counselor in the State of California. His other accomplishments include the founding of the Kadima Hebrew Academy in the West Valley. Because he believes that education is the key to success, Rabbi Schochet attempts to give every member of our community the chance to expand on this precious gift by teaching.

Rabbi Schochet is a proud husband, to his wife Penina, father to his three children and grandfather to his five grandchildren. He gives freely of his love to his own family, his congregation, and to the students at the Kadima Hebrew Academy.

He is a true believer that ''Man is worthy of being called Man only if he is charitable.'' Rabbi Schochet is indeed giving of his love and knowledge. Thus it is an honor to join the family, friends, and congregation of the Shomrei Torah Synagogue in recognizing Rabbi Elijah J. Schochet for his dedicated years of service to our community.

''LESSONS IN LIFE''

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. STOKES. Mr. Speaker, I read with interest an article which recently appeared in the Plain Dealer newspaper in my congressional district. The article is entitled ''Lessons in Life From a Loving Man—Grandpa.'' In the article, April McClellan-Copeland, a reporter for the newspaper, reflects on the life and legacy of her grandfather, William J. Ware, Sr.

During his lifetime, Mr. Ware was well-known and respected throughout the Cleveland community. Despite the color barrier and other obstacles which confronted him in the 1930's, William Ware successfully opened his own firm, Ware Plumbing and Heating Co. He did so because of his strong belief in black Americans acquiring economic power. From a 30-year battle for the right to join the plumber's union, to teaching his children and grandchildren the importance of education, this trailblazer was, in his granddaughter's words, ''* * * a renaissance man, ahead of his time.''

Mr. Speaker, reading the article by April McClellan-Copeland brought back fond memories. William J. Ware, Sr., was a friend and someone whom I greatly admired. He was also a stalwart civil rights fighter who taught us many lessons. I am pleased that Ms. McClellan-Copeland decided to honor her grandfather with the writing of this special article. I take pride in sharing ''Lessons in Life'' with my colleagues and others across the Nation.

[From the Plain Dealer]

LESSONS IN LIFE FROM A LOVING MAN—GRANDPA

(By April McClellan-Copeland)

In Maya Angelou's book ''Wouldn't Take Nothing for My Journey Now,'' Angelou explains how she contemplates the death of her loved ones by asking the question, ''What legacy was left that can help me in the art of living a good life?''

On the night my 95-year-old grandfather, William J. Ware Sr., died in April, I didn't have to ask myself that question. All I had to do was scan the faces of my family members who sat in the hospital waiting room to see the rich legacy Grandpa left behind.

It didn't matter whether it was family, friends or business associates, Grandpa Ware inspired others with his strength, his integrity and the honor by which he lived his life.

William J. Ware Sr. was a trailblazer. After graduating from Tuskegee Institute in Alabama in 1928, the trail led Grandpa to Cleveland, where as a plumbing contractor he opened his own firm, Ware Plumbing & Heating Co.

In 1947, when Jackie Robinson broke the color barrier in Major League Baseball, Grandpa had been working for more than 10 years to knock down the formidable racial barriers that stood in the way of his membership in the plumbers union. Grandpa fought for equal rights at a time when racists lynched black men for sport.

Grandpa launched the fight for his union membership in 1933. He knew that with a union shop he could get larger jobs. And he also knew that he was just as skilled if not more so than the men who belonged to the union.

Finally after 30 years, anonymous death threats and the threat of being blacklisted, Grandpa was one of the first blacks to be admitted into Local 55.

IMPORTANT ACCOMPLISHMENTS

The achievements of my grandfather and other strong black men, though they may not have been as monumental in scale as Jackie Robinson's achievement, were just as important. My grandfather and many black men of his time were role models—they raised successful families, spent decades in loving relationships with their wives and made contributions to their communities despite the harrowing adversities they faced because of their color.

William J. Ware Sr. was one of 12 children whose parents were farmers and whose grandparents' homeland was the island of Madagascar off the southeastern coast of Africa.

He left home in Demopolis, Ala., at an early age to ''set out on a mission'' that would take him to Tuskegee. Grandpa and my grandmother Naomi were college sweethearts and married in 1929. They were married for more than 50 years before she died in 1979.

I liked my grandfather's style. He was a renaissance man, ahead of his time. He wore his signature bolo ties and a beret cocked to the side before it was stylish.

Garlic was part of Grandpa's daily diet. Despite its pungent odor, he was convinced it

had medicinal powers and these beliefs overruled the smell.

My grandfather was a man who could not be defined by labels. He was a craftsman who worked with his hands in the trade he learned at Tuskegee, the institute founded by Booker T. Washington decades earlier. Grandpa believed deeply in Washington's message of blacks acquiring economic power through working in agricultural and business trades. My grandfather practiced these beliefs by training hundreds of black plumbers through a school he founded in 1944 and operated until 1962. He taught his only son, William J. Ware Jr., the trade and he has turned it into a lucrative business.

But Grandpa also lived by the words of W.E.B. Dubois, the black intellectual and a founder of the NAACP who, among other things, advocated the importance of protest to fight racial injustice.

My grandfather not only stood up for what was just in his professional life, but he made sure his children received every right and privilege they were entitled to.

In 1947, when my mother, Philomena W. McClellan, was a senior at Notre Dame Academy—now Notre Dame-Cathedral Latin School—one of the nuns told my grandfather, ''Philomena Ware will not go to the prom.'' It was implied that because of my mother's race, she should not be allowed to attend. According to my mother, Grandpa assured the nun, ''Philomena Ware will go to the prom.''

At 16, my mom wasn't dating yet, so Grandpa went out and arranged a date with a family friend. My mother and her date were the only black couple at the prom—and they danced, too.

Grandpa believed in the importance of education as a means to success. He sent his four daughters to college and encouraged his grandchildren to follow their example.

My grandfather also fostered our appreciation of the fine arts.

In fact Grandpa is responsible for taking me to my first opera—Shakespeare's tragedy ''Othello.'' As an elementary-school student, I barely understood the plot and I remember catching a few winks during part of the production. But as an adult, I will be forever grateful for the experience.

I had other firsts with Grandpa. In 1973, I took my first plan ride in his presence when he and my grandmother took my cousins and me to Houston for a plumbers convention. While there, I went horseback riding, another first.

Grandpa gave us a little taste of rural life when he would take us to his farm in Bath Township. Decades earlier, my grandfather had taught his city-born offspring a thing or two about farming on a piece of land he owned in southeastern Cuyahoga County, about a mile from where my husband and I live today.

And then there were those hot summer nights when Grandpa would pile his grandkids into his car and head to the Miles drive-in for a movie. At the time. I had no idea that this was Grandpa's second time around—in the 1930s and '40s he used to take our parents to the drive-in.

Through my visits to the opera, the travel and my grandfather's entrepreneurship, I learned by example that black people were entitled to the same rights and privileges as anyone else. And Grandpa's perseverance in pursuit of civil rights taught me at an early age that there are times when you must stand up for what you believe in.

Grandpa's health took a turn for the worse on April 22, as he went through a rehabilitation program after heart surgery. My husband and I were attending an Indians game that night when my family had us paged over the loudspeaker, but we were unable to hear the page.

When we arrived home after 11 p.m. there was an urgent message on the answering machine saying that Grandpa didn't have much time left, so we rushed to the hospital.

Moments before Grandpa died, I was able to hold his hand and whisper to him that I loved him.

I am just as grateful for those last few moments as I am for all of the memories of the good times and the things Grandpa did that molded my life and made me who I am today.

Thank you, Grandpa, for teaching me the art of living a good life. I am honored to be a small part of your legacy.

NATIONAL SEA GRANT COLLEGE PROGRAM REAUTHORIZATION ACT OF 1997

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 437) to reauthorize the National Sea Grant College Program Act, and for other purposes:

Mrs. MINK of Hawaii. Mr. Chairman, I rise in support of H.R. 437, the National Sea Grant College Program Authorization, which would extend through fiscal year 2000 a valuable program which has vastly improved our knowledge about ocean and coastal resources. Established more than 30 years ago in 1966, the National Sea Grant College Program operates through a network of 26 Sea Grant College programs and three smaller designated institutional programs.

The Sea Grant College Program at University of Hawaii in my State, within the School of Ocean and Earth Science and Technology, has made tremendous economic strides in aquaculture research and development on species such as the freshwater prawn and marine shrimp, working with State agencies. Sea Grant continues to look at marine issues of vital importance to Hawaii and the Pacific Ocean, such as risks of oil spills, coastal pollution, marine mammal strandings and entrapment, and health of reefs and coral populations.

The program's past history includes supporting development of the first State plan for aquaculture and the Pacific Island Network—an entity which assists Pacific Islanders seeking to achieve self-determination and economic self-sufficiency. Recently-retired Dr. Jack R. Davidson served 25 years as the program's director and built a strong reputation for Sea Grant in Hawaii and the Pacific Basin. Like achievements by other Sea Grant programs nationwide have enjoyed similar success.

I am pleased that the bill before us, with agreement between the Resources and Science Committees, no longer continues a sunset clause that would have taken effect in fiscal year 2002. As stated by Dr. Rose Pfund, University of Hawaii Sea Grant College Program association director, ''At a time when our coastal and marine environments and resources are threatened by natural and man-made disasters, the need for academia's knowledge and capabilities for research is greater than ever.'' To approve a sunset date for the program would be to deny this need and shut down current programs generating valuable information to meet this need.

I also rise to support an amendment that may be offered to H.R. 437 that would reinstate a provision authorizing use of funds for research on all nuisance species, rather than solely on zebra mussels as approved by the Science Committee. This body should call for fairer distribution of the $2.8 million earmark in this bill—the level authorized annually under the 1990 Nonindigenous Aquatic Nuisance Prevention and Control Act.

I strongly urge that my colleagues support this amendment, should it be offered, and vote ''aye'' on H.R. 437 to reauthorize the National Sea Grant College Program.

ENDING AFFIRMATIVE ACTION

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. PACKARD. Mr. Speaker, I rise today to discuss an issue which should concern every American. In the wake of President Clinton's speech in San Diego CA, I want to stress the importance of ending affirmative action.

Treating people differently because of their color used to be called discrimination, today it is called affirmative action. I disagree with the President's stance on affirmative action. I believe the popular support of proposition 209 in California shows our great State's commitment to the historical ideals of liberty and equal justice under law.

President Clinton's speech was symbolic but without the proper substance. If he wants to improve race relations in America he must take something back from California. He should listen to what Californians are saying and end every form of racial preference. I urge the rest of the Nation to follow in California's footsteps and close the doors on affirmative action and open the doors on fairness and equality.

For America to stand united, we must first stand as individuals who are equal in the eyes of the law. In order for us to solve the problems that stand in our Nation's work place and our communities, every American needs to be able to stand balanced under blind justice.

Affirmative action is state sponsored discrimination. As long as it is part of our society, the character, the motivations and achievements of some Americans will remain suspect in the eyes of others Mr. Speaker, I urge my colleagues to reconsider the remarks of the President and to heavily consider the continued failure of affirmative action to heal our Nation's racial discord.

''WORKING CLASS ETHIC MADE PUBLIC HOUSING PROUD; IT COULD AGAIN

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. LAZIO of New York. Mr. Speaker, I urge my colleagues to read the attached op-ed from the June 18, 1997, edition of the USA

Today. The article asserts that the public housing bill recently passed by the House would return a sense of stability and work ethic to American communities. In fact, the author argues that to leave the current system of public housing intact is ''only to punish the poor in the name of protecting them.''

In anticipation of House consideration of the conference report on the House and Senate public housing bills later this year, I commend the attached article to Member's attention.

[USA Today, June 18, 1997]

WORKING-CLASS ETHIC MADE PUBLIC HOUSING PROUD; IT COULD AGAIN

By Samuel G. Freedman

On a frigid morning in January 1949, about 500 people lined up, shivering but stoic, to apply for apartments in the first low-income-housing project to be built in New Rochelle, N.Y. War veterans still bunking with relatives, Italian laborers barely recovered from the Depression, blacks working as maids or drivers for the affluent—all had been waiting years for this chance.

None of them saw residence in the Robert Hartley Houses as anything but a privilege, and a privilege that connoted responsibilities. They had to produce wedding licenses and military-discharge papers; they had to submit to a virtual whiteglove evaluation of their housekeeping skills.

And for 240 families who passed muster, there was the rule book. The rule book specified the week each tenant was required to sweep the stairwell and the type of pushpin acceptable for hanging pictures. It dictated the fines for a child who walked across the grass. Where the rule book left off, the building superintendents picked up, enforcing an unofficial curfew for teen-agers with 11 p.m. knocks on the door.

The social compact established in the Hartley Houses and scores of similar developments made public housing one of New Deal liberalism's greatest successes for a time. Hartley was integrated by race and religion and animated by the ethics of hard work and upward mobility. As late as 1964, a single mugging in the complex of five buildings was rare enough to make news.

Just about that time, however, two devastating changes were taking place. The first generation of Hartley residents, having climbed into the working class, moved out, partly because their incomes exceeded the project's upward limits for tenants. Simultaneously, the wave of litigation that came to be known as the ''rights revolution'' began destroying the honorable bargain between the taxpayers who funded the welfare state and the tenants who enjoyed its benefits.

Individually, the court cases that undermined public housing seemed reasonable enough. They won the rights of various types of people, from political radicals to single parents to welfare clients, to be permitted into public housing and to stave off eviction from it.

Collectively, however, these cases taught the managers of public-housing projects—whether run by the federal government or, like the Hartley Houses, by state and local agencies—that screening current or prospective tenants invited costly litigation. The doors of public housing swung open as long as one was poor enough to qualify.

By the early 1980s, then, the Hartley Houses had gone from a stepladder for the working poor to a sinkhole of the welfare poor, with 85% of the households headed by a single parent and relying on public aid. The local housing authority defaulted on loan payments to the state. An $11 million program of repairs had to be halted due to rampant vandalism. Drug use and violent crime grew so brazen that in 1990 the tenants themselves asked the city to declare a state of emergency in the project.

Sadly, there is nothing new in the saga of the Hartley Houses. It is the story of the Robert Taylor Homes in Chicago, a vast project known locally as ''the world's biggest mistake,'' and of the Flag Houses in Baltimore, which will be razed in 2000. One of its predecessors in demolition, the Columbus Houses in Newark, N.J., had been pronounced by a federal inspector unfit even for animals. And who has lost, after all, in the failure of public housing? In a political sense, liberals have. But day by day, the poor have. They are the ones isolated and beleaguered; they are the ones left to beg for martial law.

So liberals and Democrats, including President Clinton, should not be so quick to dismiss the public-housing bill recently passed by the House of Representatives and headed for the Senate simply because it is the handiwork of the same conservative Republicans who designed the punitive welfare-reform law. The lesson of that law, in fact, is that when liberals refuse to reform failed social programs, they leave correction, by default, to the right.

The housing bill has its flaws, particularly in its intention to alter the Section 8 program that already succeeds in using market incentives with private landlords to distribute poor tenants throughout metropolitan areas rather than concentrating them in bleak, highrise projects. But in direct ways, the measure would restore public housing to its original ideal of placing the fabric of community above the rights of the individual. Among its provisions, the bill would streamline the eviction of dangerous tenants, refuse housing to those with proven histories of sexual violence or substance abuse, and give housing officials unprecedented access to national criminal records in screening applicants.

Most importantly of all, moderate-income tenants would be permitted to rent apartments at market rates alongside the poor. In the heyday of public housing, it was working-class families that established the value system of places like the Hartley Houses. Their return can again provide a critical mass of stability and work ethic.

There is a reason many middle-aged blacks speak almost witfully about the segregated neighborhoods of their childhood. Those neighborhoods, walled in by white racism, contained all the social classes, from the hod carrier to the teacher to the dentist. With fairhousing laws came black flight, transforming ghetto into slum.

If some of the workers still in the central cities can be enticed by decent rents to live in public housing, then no one will benefit from their presence more than their impoverished neighbors. It is not sufficient to say, as opponents of the housing bill have, that the needlest people stand to lose. There already are huge waiting lists for public housing, and the federal government has gotten out of the business of building low-income projects. To leave the current system intact is only to punish the poor in the name of protecting them.

PENNSYLVANIA SHERIFF'S ASSOCIATION 75TH ANNIVERSARY

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I want to congratulate the Pennsylvania Sheriff's Association on its 75th anniversary. For 75 years, this association and the sheriffs of Pennsylvania have worked together to improve the office of sheriff so as to better serve the public. Under the dynamic leadership of Butler County sheriff, Dennis Rickard, the association has continued providing a forum for the sheriffs to exchange ideas and experience and provide training and education programs for sheriffs and their deputies. It has done this to ensure that every sheriff has the skills and knowledge to perform his or her duties in a professional, responsible, and efficient manner.

We all know the law and legal procedures have become infinitely more complicated than they were 75 years ago. The increase in volume of work has also imposed more burdens on Pennsylvania's sheriffs.

The association has helped our sheriffs shoulder these burdens in a manner that has reflected well on Pennsylvania. Because of this, I want to congratulate the Pennsylvania Sheriff's Association on its 75th anniversary and commend it and Pennsylvania's sheriffs, for a job well done.

IN HONOR OF GEORGE J. KOURPIAS

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. GEJDENSON. Mr. Speaker, I rise today to pay tribute to a great friend of working people throughout the world: George J. Kourpias is retiring tomorrow from his post as president of the International Association of Machinists; he will be deeply missed.

As president of the Machinists, Mr. Kourpias has served as a member of several governmental and labor organizations. In particular, I would like to note his service on the board of the Overseas Private Investment Corporation, also known as OPIC. I have fought throughout my career for increasing the export capabilities of our Nation's businesses. At the same time, I have been concerned that we do not trample on labor rights as we make American business more competitive. That is why I was so pleased when President Clinton appointed Mr. Kourpias to the board 4 years ago. This vital organization for the first time has a working voice on the board. We can learn a lot from that example.

Mr. Kourpias also has done tremendous work for our senior citizens, working both with the Secretary of Health and Human Services and the National Council of Senior Citizens to ensure the retirement savings of our retirees.

Mr. Kourpias' dedication to improving the lives of working Americans goes back long before he achieved the highest post with the Machinists. Before his term as president began, he served as vice president at the Machinists, overseeing the National Capital region. As an expert on the IAM's governing document, Mr. Kourpias has been of great help to Presidents before him. Learning the details has always been important to Mr. Kourpias, same as the details are important in the work of the machinists he represents.

His leadership has been clear to the world since the 1950's when he first began taking leadership positions in the union movement.

From the local, district, and national levels, George J. Kourpias has served the working men and women of the Machinists for decades, but his legacy will stretch far beyond them.

And so, Mr. Speaker, I honor George Kourpias for a lifetime of commitment to the men and women he served. I know the Machinists will find someone equally dedicated to succeed him, but in a larger sense, they will never be able to find someone to replace him. George Kourpias is that special kind of person who has devoted his life to the proposition that the men and women who work to make this country great deserve a fair reward for their labors.

Mr. Speaker, I wish George and his wife June all the best in retirement and thank him for the service he has provided to this Nation.

TRIBUTE TO REV. DR. BENNETT WALKER SMITH, SR.

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. QUINN. Mr. Speaker, I rise today in honor the Rev. Dr. Bennett W. Smith, Sr., Pastor of St. John Baptist Church on his twenty-five years of dedicated and outstanding service to our community.

In addition to his duties with the St. John Baptist Church in Buffalo, Pastor Smith serves as president of the Progressive National Baptist Convention, Inc., upon being elected to that high honor in August 1994. As president, Pastor Smith provides leadership and guidance to its 3 million members.

As Pastor, Bennett Smith leads the St. John Baptist Church, a 2,700 member congregation, and has emerged as world-renowned evangelist and author.

Pastor Smith has truly served our Western New York community through many charitable endeavors, including the construction of McCarley Gardens, housing for low-income families; the St. John Baptist Church Education wing; and a full-time Christian day school. Further, Pastor Smith's Leadership has brought to our community the Board of Christian Education, Senior Citizens Fellowship, Junior and Senior Youth Fellowship, Youth Church, Prison Outreach Ministry, Singles Ministry, a radio-television broadcast, and Project Gift, an after-school program for youth with special needs.

He has also served in numerous local and national organizations for the betterment of mankind, including a national board member and local chairman of the Virginia-Michigan Housing Development Fund, the Sheehan Memorial Hospital Board of Directors, Buffalo Metropolitan Ministries, the Council of Churches, and the NAACP and Kappa Alpha Psi Fraternity.

In recognition of that commitment to our community, Rev. Dr. Smith has received the Buffalo News Citizen of the Year award, and the prestigious Grammy Award for his famous sermon, ''Watch them Dogs.'' He has also had the high honor of serving as an official election observer in the first free election in South Africa, and has published the widely acclaimed Handbook on Tithing.

Mr. Speaker, today I would like to bring Rev. Dr. Smith's superlative achievements to the attention of my colleagues in the House, and ask that they join me in expressing our heartfelt appreciation and enthusiastic congratulations to Pastor Bennett Walker Smith, Sr., as he celebrates his 25th year of outstanding service in Western New York and throughout the world.

THE NATIONAL RAILROAD HALL OF FAME—HONORING THE MEN AND WOMEN WHO BUILT THE RAILROAD

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. EVANS. Mr. Speaker, I rise today to honor the history and tradition of the Railroad Industry in America. On June 27 and 28, millions of Americans across the country will celebrate Railroad Day by recognizing the American Railroad Industry and its rich history in this country.

Today, I recognize the memory of the men and women who actively participated in the founding and development of the railroad industry—surveyors, mechanics, engineers, teachers, railroad leaders, miners, financiers, inventors, and government leaders. The railroad industry has had a tremendous influence on American society, impacting the economy, science and technology, national defense, and most important, the transportation of our Nation's citizens.

In order to preserve the memory of the efforts of these people, the community of Galesburg, Illinois is erecting a monument dedicated to the accomplishments and contribution of the railroad industry. I have introduced legislation, H. Res. 172 to express the support of this House for this important endeavor. The establishment of a National Railroad Hall of Fame in Galesburg, IL, is a fitting and just reward to a community that has made significant contributions to the railroad industry.

The National Railroad Hall of Fame will be a privately funded museum and research facility dedicated to promote and encourage a better understanding of the origins and growth of the railroad industry. It will recognize the contributions of the men and women who actively participated in the founding and development of the American railroads. A library and collection of materials that document and preserves the accomplishments and contributions of the railroad industry will also be housed at the proposed facility.

Please join me in recognizing the great value of the railroad industry and its workers have to this country. Please help me celebrate Railroad Days and the importance of the people who built the industry by cosponsoring H. Res. 172, the National Railroad Hall of Fame.

TRIBUTE TO THE COLUMBIA GORGE NATIONAL SCENIC AREA

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. BLUMENAUER. Mr. Speaker, I would like to pay tribute today to a place that is unparalleled in its beauty and wonder, the Columbia River Gorge National Scenic Area in the Pacific Northwest. With its abundant natural beauty, unique economic development opportunities, and cultural significance, the Columbia River Gorge is a national treasure.

The Gorge stretches 85 miles along the Columbia River from the dry eastern region to the dense conifer forests and surging creeks of the west, dazzling wildflower displays, including species found nowhere else on Earth, cover hillsides and plateaus along the river. Diverse ecosystems within the scenic area range from temperate rain forests to arid, pine-oak woodlands.

The scenic beauty of this area offers high-value, low-impact recreational opportunities for biking, hiking, windsurfing, and sightseeing to entertain residents and tourists. Multnomah Falls, the single most visited attraction in the National Forest system, is one of the region's many notable sites. These attractions, combined with the region's role as a source of the Northwest's renowned apples, pears, and cherries, allow unique opportunities to balance this valuable ecosystem with the pressures of economic development.

The region also has a rich cultural heritage dating back to tribal life of 10,000 years ago. Ancient petroglyphs and village sites bear witness to thousands of years of Indian life and commerce. The Gorge figured prominently in the journals of Lewis and Clark, and later, travelers on the Oregon Trail navigated the area.

The unparalleled beauty and geologic wonder of this area inspired Congress to pass the National Scenic Area Act in 1986. It was designed to protect the unique natural resources of the Gorge, while at the same time developing a sustainable economy for an area that had been economically depressed. The act promotes shared responsibility by Federal and local entities for land-use and natural resource management and regional economic development. Since the signing of the act, positive progress has been made toward that goal. Gorge economic development projects have spawned new jobs and increased diversification of the region's economy. The scope of public recreation has been increased through new trails and parks in the Gorge. Over 28,000 acres of wildlife and plant habitat and scenic vistas are now publicly owned. Conferences and workshops have been held to encourage and provide citizens and residents of the Gorge with the skills to take action in their own communities. Thanks to the commitment and effort of Northwesterners, the natural beauty and recreational opportunities of the Gorge will continue to be safeguarded for future generations to enjoy.

Oregonians recently honored the Columbia Gorge during Gorge Appreciation Week in May organized by Friends of the Gorge, a nonprofit organization dedicated to the protection and preservation of this incredible natural resource. This tradition was begun last year in honor of the 10-year anniversary of the Columbia River Gorge National Scenic Area Act. Oregonians showed their appreciation of and commitment to the Gorge by participating in a series of restoration and cleanup projects. This year, over 200 volunteers undertook the job of repairing the damage done to the region by last winter's ice storms. In addition, they worked to restore native plants, re-establish wetlands, clean up the historic Columbia River

Highway, and maintain hiking trails. Gorge Appreciation Week is an excellent way of involving citizens in the guardianship of the natural value of their community.

None of this would be possible without the 2,000 members of Friends of the Columbia Gorge from across the country. Through the dedication of these individuals to the preservation of the area, the Gorge continues to be a wonderful place to live and work, as well as a unique place for visitors.

The Gorge holds a special place in both our heritage and our future on a national, regional, and local level. I want to be a strong voice for those, such as the Friends, who support continuing the mission of protecting and enhancing this area. It is a national recreation destination and source of enjoyment and scenic beauty to the many who live, work, and vacation there.

TRIBUTE TO THE STUDENTS OF MARTIN LUTHER KING, JR. MIDDLE SCHOOL

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to the students of Martin Luther King, Jr. Middle School in Madera, CA for their awareness and concern for the importance of soil for America's farmers. These students exemplify a care for the community and a dedication to hard work.

The students of Martin Luther King, Jr. Middle School promoted awareness of soil in 1993 through student research and letters to soil scientists in all 50 States. The students received a tremendous response from all over the country about many diverse soils, including information and samples. The students began to initiate conversations with—and enlisted the help of—a number of soil scientists as they looked at the possibilities of writing a solution to the problem of soil awareness.

The title of the interdisciplinary project that was created is ''Proposing an Official State Soil—Preserving a Legacy to Future Generations.'' The program focuses on California soil and the Martin Luther King, Jr. Middle School student body, which studied the processes of promoting legislation, the historical events that have taken place on and the practical uses of California soil.

Students researched the history and origin of soil, worked on statistics utilizing various soil characteristics, and wrote a resolution known as Senate Bill Number 389, which proposed an adoption of the San Joaquin Series Soil as the Official State Soil. On April 17, 1997, the Senate passed SB–389.

The support and guidance of Ron Williams, principal of Martin Luther King, Jr. Middle School, and Alex Lehman, were instrumental in the success of the program. Additional support was provided by additional faculty at Martin Luther King, Jr. Middle School, including: Nadia Samarin; Mike Dawson; Teresa Varlas; and Bill Lutjens.

Mr. Speaker, it is with great honor that I pay tribute to the students of Martin Luther King, Jr. Middle School. Their commitment to raising soil awareness is commendable to say the least. I ask my colleagues to join me in wishing the students of Martin Luther King, Jr. Middle School best wishes for future success.

A TRIBUTE TO MARIO DE LOS COBOS

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. SHERMAN. Mr. Speaker, I rise today to honor Mario de los Cobos for his dedicated service to the Ventura County Economic Development Association [VCEDA] and for his personal and civic leadership in our community.

VCEDA is a nonprofit organization dedicated to providing a link between the private and public sector. They serve our community by focusing on any and all issues which may affect our region from education to the environment. As president of VCEDA, Mario's main contribution was his work with the Economic Development Collaborative, where he was instrumental in assuring that the private sector would have a voice in the use of defense conversion grants and earthquake disaster relief. His dedication to building bridges between the private and public sectors is extraordinary.

Mario has also served as a reserve police officer for 7 years. His desire and work toward making the community a better and safer place to live is greatly appreciated. But most outstanding is Mario's commitment to the leadership of our people. He has served on the board of directors for the Ventura County Community Foundation, as chairman of the board of the United Way and as a member of the Governor's task force for Camarillo State Hospital. He has done this all in the name of making life better for as many people as possible in our community. It is for this extraordinary dedication to our community that we honor him here today.

Henry David Thoreau once said that doing good was the only full profession. Mario believes that doing good is not only a profession but a way of life. I join Mario's family, friends, colleagues and the citizens of our community in recognizing Mario de los Cobos for his leadership and community service. It is an honor to represent him and I wish him luck on all future endeavors.

HONORING JUNIOR ACHIEVEMENT OF SOUTH CENTRAL PENNSYLVANIA ON THEIR 35TH ANNIVERSARY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. GOODLING. Mr. Speaker, I am pleased to recognize Junior Achievement of south central Pennsylvania on their 35th anniversary. This evening many business leaders, educators, students and families will gather for the 35th Anniversary Celebration of Excellence and Hall of Fame.

Junior Achievement has provided great opportunity to students by helping them learn the basic principles of business and competition, thereby creating the most skilled and competitive work force ensuring America continues as a leader in the world marketplace. They have fostered partnerships in the community and provided a real link between the classroom and the business community by giving students hands-on experience and the chance to work with professionals.

I am also pleased to honor a close friend, Jacqueline Summers, who has been instrumental in making Junior Achievement the quality organization it is. Jackie is a special person whose hard work and determination ensures excellence in everything she does.

I would like to recognize the chairman of the board, Robert Herzberger. Mr. Herzberger is the executive vice president of York Federal Savings and Loan. His knowledge and expertise has fostered the great success Junior Achievement has had in developing partnerships between business and education.

Mr. Speaker, this year two business and community leaders from Pennsylvania's 19th Congressional District will be inducted into the Hall of Fame. I am pleased to announce that Phillip H. Gladfelter II and Henry D. Schmidt will be the very first inductees. These gentlemen were the founders of Junior Achievement of south central Pennsylvania. Their vision and dedication has enabled thousands of young people to have access to the American dream.

What started out with 300 students in 1961 has grown to serve nearly 9,000 students from grades kindergarten through 12 in south central Pennsylvania. As chairman of the House Committee on Education and the Workforce, I am extremely proud to honor and celebrate this example of excellence. Junior Achievement has been a tremendous success and is well deserving of special recognition.

THE SCHOOL BUS SAFETY ACT OF 1997

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. TRAFICANT. Mr. Speaker, since 1985, 1,478 people have died in school bus-related crashes—an average of 134 fatalities per year. Although school bus related travel is the safest mode of transportation on America's roads today, more can, and should, be done to ensure the safety of this country's most cherished resources—our children. That is why I have introduced legislation that improves on existing technologies and maximizes safety for the 24 million children who ride buses to and from school each day.

My bill directs the U.S. Department of Transportation (DOT) to set national proficiency standards for school bus drivers. It directs the National Highway Traffic Safety Administration to develop guidelines on the safe transportation in school buses of children under the age of five. It also applies Federal Motor Carrier Safety Regulations to interstate school bus operations. The bill also requires: a decrease in the flammability of materials used in the construction of the interiors of school buses; the establishment of construction, design, and securement standards for wheelchairs used in the transportation of students in school buses; and that buses be equipped with bumper sensors, wheel guards

and a system that detects a trapped obstacle in the door of the vehicle. The legislation requires the establishment of a national criminal history background check system to enable local education agencies, or contractors, to check the criminal background of any person applying for employment as a bus driver. It requires the Transportation Research Board of the National Academy of Science to conduct a study of the safety issues attendant to transportation of school children to and from school and school-related activities by various transportation modes, including public transit vehicles. And finally, my bill establishes a pilot program for one school district in the country to assess the benefits of equipping school buses with shoulder harness mechanisms, similar to the equipment used by flight attendants on passenger aircraft.

My bill makes modest common sense reforms to ensure that the children who ride our school buses each day have the safest mode of transportation possible. I urge my colleagues to support this important piece of legislation.

PERSONAL EXPLANATION

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. ENGEL. Mr. Speaker, I was necessarily absent during rollcall vote 210. If present, I would have voted ''aye'' on rollcall 210.

TRIBUTE TO THE NEGRO BASEBALL LEAGUE

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. LEWIS of Georgia. Mr. Speaker, it is with great pride that I bring the attention of my colleagues to a very special event occurring in Atlanta, GA, next week. On the weekend of June 27, the Atlanta Braves and BellSouth will host a reunion and recognition event in honor of the legendary teams and players of the Negro Baseball League. Approximately 100 Negro leaguers from around the country, fans and friends will be convening in Atlanta to celebrate the remarkable achievements of an unheralded group of African-American men, members of the Negro Baseball League.

In this 50th anniversary year of Jackie Robinson's historic breaking of the color barrier in major league baseball, it is fitting and appropriate that Congress, citizens of Atlanta, and the entire Nation take a moment to pay tribute to the great African-American teams and players that made sports history. These were athletes who played with teams such as the Kansas City Monarchs, the New York Black Yankees, and the Baltimore Elite Giants. In the South, we had the Atlanta Black Crackers and the Birmingham Black Barons, to name but a few. Their daily triumphs were ignored by major newspapers of the Jim Crow era and their accomplishments have all but been overlooked in the annals of sports history. It cannot be denied, however, that the Negro Baseball League and the players that formed these teams made immeasurable contributions to America's favorite pastime, our national sport, baseball.

The term ''Negro Leagues'' describes the all-professional, all-Negro baseball teams operating between 1880 and 1955, hundreds of which traveled throughout the United States during that time. The first Negro leagues started out in Kansas City, MO. Despite the hardships imposed by the Nation's rigid racial barriers, the Negro leagues managed not only to survive, but to thrive and grow. Even the prevailing myth of white supremacy could not deny the talents of these men. Author Robert Peterson, who chronicled the story of the leagues, perhaps summed it best with the title of his book, ''Only the Ball Was White.''

The league served as a showcase of talent and entertainment. The players were truly living legends. Many of the names of the great stars and the teams live on and form an integral part of our cherished sports history. The legendary Satchel Paige was a pitcher whose name is still synonymous with excellence. The league's Josh Gibson was one of the game's greatest hitters. Willie Mays, Roy Campanella, and the homerun king of all time, Hank Aaron, are all legends of the Negro Baseball League.

The significance of the leagues went far beyond the world of sports. The men who formed these teams were pioneers in nurturing and fostering self-pride among African-Americans. These sports heroes have left a powerful legacy that has enriched American history.

As some of the living legends of Negro baseball gather in Atlanta this month, I know my colleagues will join me in sending these outstanding men our appreciation for their glorious accomplishments and the enduring memories they have inscribed in the hearts and minds of millions of Americans.

IN HONOR OF BOB PRALLE ON HIS EIGHTIETH BIRTHDAY

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Ms. SANCHEZ. Mr. Speaker, I would like to take this opportunity to honor Bob Pralle on his 80th birthday, June 29, 1997.

Bob Pralle is a remarkable individual whom I am proud to call a friend. His birthday is an excellent opportunity to recognize the tremendous contributions that he has made to the Orange County community throughout those 80 years.

As a trustee at Chapman University in Orange, CA, which is my alma mater, Bob has given his time and resources to further the educational goals of many individuals. To this extent, he has provided scholarships for college students, including myself, who may not have otherwise had the opportunity to pursue their dreams.

Over the years, Bob has given freely of his time and energy. His contributions as a major benefactor for the Providence Speech and Hearing Clinic have increased the effectiveness of this organization. As a co-founder and major supporter of the Stanton Boys and Girls Club he has provided a place of recreation for young boys and girls while providing them with a sense of community.

His important gifts to society as a fundraiser and philanthropist for the United Way and numerous other community charities in southern California have distinguished Bob as a generous champion of humanity. Time and again Bob has given tirelessly of himself.

Bob Pralle is not only very special to me and to the numerous organizations to which he has given time and service, he is also very special to his family and his loyal friends. In so many ways, he has given time, hope, and inspiration to so many people.

I would like my colleagues to join me in wishing this very special individual, Bob Pralle, a very happy 80th birthday.

COLORADO AND THE TENTH AMENDMENT

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today for the benefit of my colleagues and out of respect for the Colorado General Assembly, to enter Colorado House Joint Resolution 97–1027 into the RECORD. As the necessary and long-overdue process of welfare reform moves forward, I believe it is essential that Congress pay special attention to our State governments. Colorado House Joint Resolution 97–1027 passed by a vote of 59 to 6 in the House and unanimously in the State Senate, and I believe my colleagues should consider the opinions expressed by the people of Colorado through the following resolution:

HOUSE JOINT RESOLUTION 97–1027

By Representatives: McPherson, Adkins, George, Kaufman, Pfiffner, T. Williams, Allen, Anderson, Arrington, G. Berry, Clarke, Dean, Epps, Gotlieb, Keller, Lamborn, Lawrence, Miller, Musgrave, Nichol, Paschall, Schwarz, Sinclair, Smith, Sullivant, Swenson, Tool, Udall, and Young.

Also Senators: Lacy, B. Alexander, Ament, Coffman, Congrove, Schroeder, Arnold, Bishop, Blickensderfer, Chlouber, Dennis, Duke, Feeley, Hernandez, Hopper, J. Johnson, Martinez, Matsunaka, Mutzebaugh, Norton, Pascoe, Perlmutter, Phillips, Powers, Reeves, Rizzuto, Rupert, Tanner, Tebedo, Thiebaut, Wattenberg, Weddig, Wells, and Wham.

Whereas, The federal ''Personal Responsibility and Work Opportunity Reconciliation Act of 1996'', Public Law 104–193, herein referred to as the ''Act'', was passed by the United States House of Representatives on July 18, 1996, and the United States Senate on July 23, 1996, and signed into law by President Clinton on August 22, 1996 and

Whereas, Article III of such Act addresses the several states obligation to provide child support enforcement services and mandates that the state adopt certain procedures for the location of an obligor and the establishment, modification, and enforcement of a child support obligation against such an obligor; and

Whereas, The members of the Sixty-first General Assembly recognize the importance of assuring financial support for minor and dependent children; however, the General Assembly finds that those procedures specified in the Act include such far reaching measures as the following:

(1) The necessity to implement the ''Uniform Interstate Family Support Act'', as approved by the American Bar Association and as amended by the National Conference of

Commissioners on Uniform State Laws, which uniform act allows for the direct registration of foreign support orders and the activation of income-withholding procedures across state lines without any prior verification, certification, or other authentication that the child support order or the income-withholding form is accurate or valid and without a requirement that notice of such withholding be provided to the alleged obligor by any specified means or method, such as by first-class mail or personal service, to assure that the individual receives proper notice prior to the income withholding;

(2) Liens to arise by operation of law against real and personal property for amounts of overdue support that are owed by noncustodial parent who resides or owns property in the state, without the ability to determine if a lien exists on certain property;

(3) The obligation of the state to accord full faith and credit to such liens arising by operation of law in any other state, which results in inadequate notice and the inability of purchasers to have knowledge or notice of such liens;

(4) A duty placed upon employers to report all newly hired employees, whether or not the employee has a child support obligation, to a state directory of new hires within a restricted period after the employer hires the employee;

(5) The requirement that social security numbers be recorded when a person applies for a professional license, a commercial driver's license, an occupational license, or a marriage license, when a person is subject to a divorce decree, a support order, or a paternity determination or acknowledgment, or when an individual dies, whether or not the person has an obligation to pay child support;

(6) A requirement that the child support enforcement agency enter into agreements with financial institutions doing business in the state in order to develop, operate, and coordinate an unprecedented and invasive data match system for the sharing of account holder information with the child support enforcement agency in order to facilitate the potential matching of delinquent obligors and bank account holders;

(7) Procedures by which the state child support enforcement agency may subpoena financial or other information needed to establish, modify, or enforce a support order and to impose penalties for failure to respond to such a subpoena and procedures by which to access information contained in certain records, including the records of public utilities and cable television companies pursuant to an administrative subpoena; and

(8) Procedures interfering with the states' right to determine when a jury trial is to be authorized; and

Whereas, the Act mandates numerous, unnecessary requirements upon the several states that epitomize the continuing trend of intrusion by government into people's personal lives; and

Whereas, the Act offends the notion of notice and opportunity to be heard guaranteed to the people by the Due Process Clauses of the 5th and 14th Amendments to the Constitution of the United States; and

Whereas, the Act offends the 10th Amendment to the Constitution of the United States, which provides that ''The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.''; and

Whereas, the United States Supreme Court has ruled in *New York v. United States,* 112 S. Ct. 2408 (1992), that Congress may not simply commandeer the legislative and regulatory processes of the states; and

Whereas, the Act imposes upon the several states further insufficiently funded mandates in relation to the costly development of procedures by which to implement the requirements set forth in the Act in order to preserve the receipt of federal funds under Title IV–D of the ''Social Security Act'', as amended, and other provisions of the Act; Now, therefore, be it

Resolved by the House of Representatives of the House of Representatives of the Sixty-first General Assembly of the State of Colorado, the Senate concurring herein: That we, the members of the Sixty-first General Assembly, urge the Congress of the United States to amend or repeal those specific provisions of the federal ''Personal Responsibility and Work Opportunity Reconciliation Act of 1996'' set forth in this Resolution that place undue burden and expense upon the several states, that violate provisions of the Constitution of the United States, that impose insufficiently funded mandates upon the states in the establishment, modification, and enforcement of child support obligations, or that unjustifiably intrude into the personal lives of the law-abiding citizens of the United States of America. Be it further

Resolved That copies of this Resolution be sent to the President of the United States, the Speaker of the United States House of Representatives and the President of the Senate of each state legislature, and Colorado's Congressional delegation.

Charles E. Berry, Speaker of the House of Represenatatives.

Tom Norton, President of the Senate.

Judith Rodrigue, Chief Clerk of the House of Representatives.

Joan M. Albi, Secretary of the Senate.

TRIBUTE TO THE FRESNO CITY COLLEGE VOCATIONAL TRAINING CENTER

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to the Fresno City College Vocational Training Center. The guidance and teachings supplied by this organization improves the economic health of the community, providing high quality education to students and top quality technical workers for employers.

The Vocational Training Center of Fresno City College has been serving residents of Fresno, CA and the surrounding area for more than 20 years. During that time, hundreds of local people have learned new technical skills to improve their careers and become gainfully employed in the business community.

The Vocational Training Center stresses practical skills that are directly employable in local industry. It is the belief of the center that a ''hands-on'' approach to training best prepares students for their respective careers. In addition, the ''on-the-job'' atmosphere teaches students the proper care and maintenance of tolls, facilities, and work-place discipline.

Businesses recognize the quality of training graduates receive, and students are learning the skills the industry needs. This has been one of the most important components of the Vocational Training Center's success and is demonstrated by its remarkable placement record, as approximately 80 percent of its graduates move directly into jobs upon graduation.

The Vocational Training Center owes its success to the cooperation between the staff of Fresno City College Vocational Training Center and local business leaders who have worked to make the Center's program reflect the requirements of local industry, while meeting the educational needs of its students. This relationship will ensure the success of future Vocational Training Center graduates.

Mr. Speaker, it is with great honor that I pay tribute to the Fresno City College Vocational Training Center. The education provided by this center contributes to the betterment of the community while providing individuals with resources needed in the industry today. I ask my colleagues to join me in paying tribute to an organization that satisfies the employment and educational needs of the community.

WE MUST BE FAIR TO OUR DISABLED VETERANS WHO WORK FOR OUR UNIFORMED SERVICES

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. DELLUMS. Mr. Speaker, I rise to state the reasons why I am a cosponsor of H.R. 303, a bill to amend title 38, United States Code, to permit retired members of the Armed Forces who have service-connected disabilities to receive compensation from the Department of Veterans Affairs concurrently with retired pay, without deduction from either. The bill efficiently states that it will permit certain veterans with service-connected disabilities who are retired members of the uniformed services to receive compensation concurrently with retired pay, without deduction from either.

I believe that additionally we need to articulate why this bill was introduced and why we need to support it. Recent military engagements and conflicts have highlighted again the contributions of this Nation's military and retired veterans. Integral to the success of our military forces are the servicemen and servicewomen who have made a career of defending their country, who in peace time may be called to places remote from their families and loved ones, and who in war or peace keeping actions, face the prospect of death or disabling injury as a constant possibility.

Present law, enacted in the nineteenth century, forbids veterans who are both retired and disabled from receiving concurrent receipt of full retirement pay and disability compensation pay. This law rules that the veteran may receive one or the other or must waive an amount of retirement pay equal to the amount of disability compensation pay. It should be noted that no such deduction applies to the Federal civil service so that a disabled veteran who has held a nonmilitary Federal job for the requisite period receives full longevity retirement pay undiminished by the subtraction of disability pay.

H.R. 303 urges Congress to make the necessary statutory change to correct this injustice and discrimination so that America's occasional commitment to war in pursuit of national and international goals may be matched by an allegiance to those who made sacrifices on behalf of those goals.

IN HONOR OF NORMAN KRUMHOLZ

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1997

Mr. KUCINICH. Mr. Speaker, I rise to honor Norman Krumholz on the occasion of his 70th birthday.

Norman Krumholz has been a wise adviser and dedicated public servant to Cleveland, OH. Norm was the planning director for the city of Cleveland from 1969 to 1979. His constant presence at the helm of the city's planning department under three separate administrations was an incredible feat. It testifies to the quality of his vision and of his work.

Norm is a great teacher. He is an outstanding professor in the Levin College of Urban Affairs, Cleveland State University. He is a published author of many professional articles, in such prestigious journals as the ''Journal of the American Planning Association,'' the ''Journal of Planning Education and Research,'' and the ''Journal of Urban Affairs.'' He is also the author of a book, ''Making Equity Planning Work: Leadership in the Public Sector,'' published by Temple University Press.

Norm's contribution has been recognized by his peers. He served as the president of the American Planning Association and received the APA Award for Distinguished Leadership and the Prize of Rome from the American Academy in Rome.

Mr. Speaker, Norman Krumholz left his mark on the city of Cleveland. I had the distinct pleasure of his expertise during my administration. I am grateful for his contribution, and Cleveland is a better city for it.

Thursday, June 19, 1997

Daily Digest

HIGHLIGHTS

Senate passed Intelligence Authorizations.

Senate

Chamber Action

Routine Proceedings, pages S5951–S6015

Measures Introduced: Five bills were introduced, as follows: S. 937–941. **Pages S5999–S6000**

Measures Reported: Reports were made as follows:

Special Report entitled ''Allocation to Subcommittees of budget Totals from the Concurrent Resolution for Fiscal Year 1998''. (S. Rept. No. 105–31)

S. 648, to establish legal standards and procedures for product liability litigation. (S. Rept. No. 105–32) **Page S5999**

Measures Passed:

Intelligence Authorizations: By 98 yeas to 1 nays (Vote No. 109), Senate passed S. 858, to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, after taking action on amendments proposed thereto, as follows: **Pages S5963–78**

Adopted:

By a unanimous vote of 99 yeas (Vote 107), Wellstone Amendment No. 415, to express the sense of the Senate that any tax legislation enacted should meet a standard of fairness in its distributional impact. **Pages S5966–70, S5974–75**

Rejected:

By 43 yeas to 56 nays (Vote No. 108), Torricelli Amendment No. 416, to require an unclassified statement of the aggregate amount of appropriations for intelligence activities. **Pages S5970–75**

DOD Authorizations: Senate began consideration of S. 936, to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, and to prescribe personnel strengths for such fiscal year for the Armed Forces, taking action on amendments proposed thereto, as follows: **Pages S5978–98**

Adopted:

Lautenberg Amendment No. 417, to strike section 3138, relating to a prohibition on recovery of certain additional costs for environmental response actions associated with the Formerly Utilized Site Remedial Action Project program, and to require a report on the remediation activities of the Department of Energy. **Pages S5985–89**

Smith Amendment No. 418 (to Amendment No. 417), to require a report to Congress regarding the Formerly Utilized Sites Remedial Action program of the Department of Energy. **Pages S5988–89**

By a unanimous vote of 94 yeas (Vote No. 110), Feinstein/Biden Amendment No. 419, to prohibit the distribution of certain information relating to explosives, destructive devices, and weapons of mass destruction. **Pages S5989–91, S5996–98**

Pending:

Cochran/Durbin Amendment No. 420, to require a license to export computers with composite theoretical performance equal to or greater than 2,000 million theoretical operations per second. **Pages S5991–96, S5998**

Senate will continue consideration of the bill on Friday, June 20, 1997.

Nominations Received: Senate received the following nominations: Stephen R. Sestanovich, of the District of Columbia, as Ambassador at Large and Special Adviser to the Secretary of State for the New Independent States.

Louis Caldera, of California, to be a Managing Director of the Corporation for National and Community Service.

2 Army nominations in the rank of general. **Page S6015**

Messages From the House: **Page S5999**

Measures Referred: **Page S5999**

Communications: **Page S5999**

Executive Reports of Committees: Page S5999
Statements on Introduced Bills: Pages S6000–04
Additional Cosponsors: Page S6005
Amendments Submitted: Pages S6005–07
Notices of Hearings: Page S6007
Authority for Committees: Page S6007
Additional Statements: Pages S6007–15

Record Votes: Four record votes were taken today. (Total–110) Pages S5974–76, S5998

Adjournment: Senate convened at 10 a.m., and recessed at 8 p.m., until 10 a.m., on Friday, June 20, 1997. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S6015.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—FOREIGN ASSISTANCE/ SUBCOMMITTEE ALLOCATIONS

Committee on Appropriations: Committee completed its review of subcommittee allocations of budget outlays and new budget authority allocated to the committee in H. Con. Res. 84, establishing the congressional budget for the United States Government for the fiscal year 1998 and setting forth appropriate budgetary levels for fiscal years 1999, 2000, 2001, and 2002.

CANCER RESEARCH/PHYSICIAN PRACTICE EXPENSE

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, concluded hearings to examine cancer research priorities and the Health Care Financing Administration's proposed plans for implementing the practice expense relative value requirements which Congress mandated for physician services under the Medicare fee schedule, after receiving testimony from Kathleen A. Buto, Associate Administrator for Policy, Health Care Financing Administration, and Richard D. Klausner, Director, National Cancer Institute, National Institutes of Health, both of the Department of Health and Human Services; John C. Bailar, III, University of Chicago, Chicago, Illinois; Christine Goertz, American Chiropractic Association, Arlington, Virginia; Jay H. Kleiman, American College of Cardiology, Bethesda, Maryland, on behalf of the Practice Expense Coalition; Alan R. Nelson, American Society of Internal Medicine, Washington, D.C.; and Donald H. Smith, American Society of General Surgeons, Glenview, Illinois.

APPROPRIATIONS—IRS

Committee on Appropriations: Subcommittee on Treasury, Postal Service, and General Government concluded hearings on proposed budget estimates for fiscal year 1998 for the Internal Revenue Service, Department of the Treasury, after receiving testimony from Senator Kerrey, Cochairman, National Commission on Restructuring the Internal Revenue Service; James R. White, Associate Director for Tax Policy and Administration Issues, General Accounting Office; and Michael P. Dolan, Acting Commissioner, David A. Mader, Chief, Management and Administration, Arthur A. Gross, Chief Information Officer, and James E. Donelson, Chief, Taxpayer Service, each of the Internal Revenue Service, and Lawrence H. Summers, Deputy Secretary, all of the Department of the Treasury.

BUSINESS MEETING

Committee on Commerce, Science, and Transportation: Committee ordered favorably reported the following business items:

S. 909, to encourage and facilitate the creation of secure public networks for communication, commerce, education, medicine, and government, with an amendment in the nature of a substitute;

S. 661, to provide for an administrative process for obtaining a waiver of the coastwise trade laws for certain vessels;

S. 662, to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Vortice*, with an amendment in the nature of a substitute;

S. 880, to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Dusken IV*, with an amendment in the nature of a substitute;

S. 910, to authorize funds for fiscal years 1998 and 1999 for programs of the Earthquake Hazards Reduction Act;

S. 927, authorizing funds for fiscal years 1998 through 2002 for the National Sea Grant College Program to maintain coastal and marine resources;

H. Con. Res. 8, expressing the sense of Congress with respect to the significance of maintaining the health and stability of coral reef ecosystems, with an amendment; and

Two Coast Guard nomination lists.

US-JAPAN AVIATION RELATIONS

Committee on Commerce, Science, and Transportation: Subcommittee on Aviation held hearings to examine United States international aviation goals and strategies, focusing on the United States-Japan aviation

market, receiving testimony from Charles A. Hunnicutt, Assistant Secretary of Transportation for Aviation and International Affairs; former Virginia Governor Gerald L. Baliles, Richmond, on behalf of ACCESS U.S.-Japan; Frederick W. Smith, Federal Express Corporation, Memphis, Tennessee; Gerald Greenwald, United Airlines, Chicago, Illinois; Clyde Prestowitz, Economic Strategy Institute, Washington, D.C.; and John H. Dasburg, Northwest Airlines, Inc., St. Paul, Minnesota.

Hearings were recessed subject to call.

NATIONAL PARK SYSTEM USER FEES

Committee on Energy and Natural Resources: Subcommittee on National Parks, Historic Preservation, and Recreation concluded oversight hearings to review procedures to collect entrance and special use fees for units of the National Park System and the status of the Fee Demonstration program implemented by the National Park Service in 1996, after receiving testimony from Denis P. Galvin, Acting Director, National Park Service, Department of the Interior; Philip H. Voorhees, National Parks and Conservation Association, Washington, D.C.; Stefan J. Jackson, National Outdoor Leadership School, Lander, Wyoming; Richard R. Hoffman, American Whitewater, Silver Spring, Maryland; and Barry S. Tindall, National Recreation and Park Association, Arlington, Virginia.

RECONCILIATION

Committee on Finance: Committee continued in evening session to consider recommendations which it will make to the Committee on the Budget with respect to spending reductions and revenue increases with regard to tax provisions to meet reconciliation expenditures as imposed by H. Con. Res. 84, establishing the congressional budget for the United States Government for fiscal year 1998 and setting forth appropriate budgetary levels for fiscal years 1999, 2000, 2001, and 2002.

GLOBAL CLIMATE NEGOTIATIONS

Committee on Foreign Relations: Subcommittee on International Economic Policy, Export and Trade Promotion concluded hearings to examine global climate change issues, including S. Res. 98, expressing the sense of the Senate regarding the conditions for the United States becoming a signatory to any international agreement on greenhouse gas emissions under the United Nations Framework Convention on Climate Change of 1992, and the United States negotiating position during the multi-national conference to be held in December 1997 in Kyoto, Japan, after receiving testimony from Senator Byrd; Representative Dingell; Timothy E. Wirth, Under Secretary of State for Global Affairs; Richard L. Trumka, AFL/CIO, Washington, D.C.; Bryce Neidig, Madison, Nebraska, Nebraska Farm Bureau Federation, on behalf of the American Farm Bureau Federation; and Kevin Fay, International Climate Change Partnership, Arlington, Virginia. ca

House of Representatives

Chamber Action

Bills Introduced: 42 public bills, H.R. 1960–2001; and 4 resolutions, H. Con. Res. 101 and H. Res. 170–172, were introduced. **Pages H4085–86**

Reports Filed: Reports were filed as follows:

H.R. 1553, to amend the President John F. Kennedy Assassination Records Collection Act of 1992 to extend the authorization of the Assassination Records Review Board until September 30, 1998 (H. Rept. 105–138 Part I); and

H. Res. 167, providing special investigative authorities for the Committee on Government Reform and Oversight (H. Rept. 105–139). **Pages H4084–85**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Calvert to act as Speaker pro tempore for today. **Page H3925**

Motion to Adjourn: Rejected the Frank of Massachusetts motion to adjourn by a yea-and-nay vote of 123 yeas to 282 nays, Roll No. 210. **Pages H3925–26**

Motion to Adjourn: Rejected the Forbes motion to adjourn by a yea-and-nay vote of 27 yeas to 389 nays, Roll No. 211. **Pages H3933–34**

Department of Defense Authorization Act: The House completed general debate and began consideration of amendments to H.R. 1119, to authorize appropriations for fiscal years 1998 and 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 1998 and 1999. **Pages H3945–H4069**

Agreed to:

The Spence amendment that incorporates portions of H.R. 1778, the Defense Reform Act, with provisions that direct various organizational, management, and business practices reforms; streamline acquisition procedures; reduce headquarters staffs by 25 percent; reduce personnel employed in acquisition and transportation organizations of the Department of Defense; mandate that certain commercial functions including finance and accounting services be competitively procured; and authorize the Navy to enter into contracts for long-term lease or charter of newly built auxiliary support vessels (agreed to by a recorded vote of 405 ayes to 14 noes Roll No. 215); **Pages H4033–49, H4067**

The Spence amendment that requires prior export approval for supercomputers with a composite theoretical performance of more than 2,000 million of theoretical operations per second (MTOPS) to countries which may violate non-proliferation agreements without the approval of the Secretary of Commerce, the Secretary of Defense, Secretary of Energy, Secretary of State, and the Director of the Arms Control and Disarmament Agency (agreed to by a recorded vote of 332 ayes to 88 noes Roll No. 216); and **Pages H4049–56, H4067–68**

The Shays amendment that establishes efforts to increase defense Burdensharing and directs the President to seek from each nation with cooperative military relations with the United States to increase the payment of nonpersonnel costs for stationing U.S. military in the nation, increase its annual budgetary outlays for national defense as a percentage of gross domestic product, increase its annual outlay for foreign assistance, or increase the amount of military assets contributed to multinational military activities; and to encourage these actions, authorizes the President to reduce the level of U.S. personnel assigned to the host nation; impose fees similar to those charged to the United States; reduce U.S. contributions to NATO, and suspend, reduce or terminate bilateral security agreements. **Pages H4063–67**

Rejected:

The Sanders amendment that sought to reduce overall authorized spending levels by 5 percent, a reduction of $13.4 billion, in fiscal years 1998 and 1999 (rejected by a recorded vote of 89 ayes to 332 noes, Roll No. 214); and **Pages H4028–33**

The Harman amendment that sought to permit abortions at Defense facilities overseas for female members of the armed forces and dependents (rejected by a recorded vote of 196 ayes to 224 noes Roll No. 217); **Pages H4056–63, H4068–69**

Agreed to H. Res. 169, as amended, the rule providing for consideration of the bill by a recorded vote of 322 ayes to 101 noes Roll No. 213. Pursuant to the rule, H. Res. 161, H. Res. 162, and H. Res. 165 were laid on the table. **Pages H3934–45**

Earlier, by a yea-and-nay vote of 329 yeas to 94 nays, Roll No. 212, agreed to the Solomon amendment to the rule, that made in order during consideration of H.R. 1119 certain amendments: No. 7, in a modified form, offered by Representative Dellums or his designee, No. 15, in a modified form, offered by Representative Frank of Massachusetts or his designee, the last amendment in part 1 offered by Representative Everett or his designee, penultimate amendment in part 2 offered by Representative Weldon of Pennsylvania or his designee, and the last amendment in part 2 offered by Representative Traficant or his designee; and provides that the additional debate on United States forces in Bosnia shall precede the offering of amendments numbered 8 and 9 of House Report 105–137, the report accompanying the rule. **Pages H3943–45**

Senate Messages: Message received today from the Senate appears on page H3926.

Referrals: S. 923, to deny veterans benefits to persons convicted of Federal capital offenses was referred to the Committee on Veterans' Affairs. **Page H4084**

Amendments: Amendments ordered printed pursuant to the rule appear on page H4087.

Quorum Calls—Votes: Three yea-and-nay votes and five recorded votes developed during the proceedings of the House today and appear on pages H3925–26, H3933–34, H3944–45, H3945, H4032–33, H4067, H4067–68, and H4068–69. There were no quorum calls.

Adjournment: Met at 10:00 a.m. and adjourned at 11:28 p.m.

Committee Meetings

FOREST ECOSYSTEM HEALTH

Committee on Agriculture: Held a hearing on forest ecosystem health in the Inland West and Northeast. Testimony was heard from Michael Dombeck, Chief, Forest Service, USDA; Jim Hubbard, State Forester, Forest Service, State of Colorado; Phil Bryce, State Forester, Division of Forest and Lands, State of New Hampshire; Chuck Gadzik, State Forester, Forest Service, State of Maine; and public witnesses.

FINANCIAL MODERNIZATION

Committee on Banking and Financial Services: Continued markup of Financial Modernization legislation.

Will continue tomorrow.

ELECTRICITY: RELIABILITY AND COMPETITION

Committee on Commerce: Subcommittee On Energy and Power held a hearing on Electricity: Reliability and Competition. Testimony was heard from Susan F. Clark, Commissioner, Public Service Commission, State of Florida; and public witnesses.

NIH—CONTINUED MANAGEMENT CONCERNS

Committee on Commerce: Subcommittee on Oversight and Investigations held a hearing on Continued Management Concerns at the National Institutes of Health. Testimony was heard from the following officials of the NIH, Department of Health and Human Services: Harold E. Varmus, M.D., Director; and Francis Collins, M.D., Director, National Human Genome Research Institute.

HIGHER EDUCATION ACT AMENDMENTS

Committee on Education and the Workforce: Subcommittee on Postsecondary Education, Training and Life-Long Learning continued hearings on H.R. 6, Higher Education Act Amendments of 1998. Testimony was heard from Richard R. Riley, Secretary of Education.

Hearings continue June 26th.

NATIONAL CAPITAL REVITALIZATION AND SELF-GOVERNMENT IMPROVEMENT ACT

Committee on Government Reform and Oversight: Subcommittee on the District of Columbia approved for full Committee action the National Capital Revitalization and Self-Government Improvement Act of 1997.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Subcommittee on Commercial and Administrative Law approved for full Committee action the following bills: H.R. 1596, Bankruptcy Judgeship Act of 1997; and H.R. 1953, to clarify State authority to tax compensation paid to certain employees.

Prior to this action, the Subcommittee held a hearing on H.R. 1596. Testimony was heard from David R. Thompson, Judge, U.S. Court of Appeals, Ninth Circuit and Chairman, Committee on the Administration of the Bankruptcy System, Judicial Conference; Tina L. Brozman, Chief, U.S. Bankruptcy Judge, Southern District of New York; Frank W. Koger, Chief, U.S. Bankruptcy Judge, Western District of Missouri; and public witnesses.

OVERSIGHT—BLM'S HARD ROCK MINING BONDING REGULATIONS

Committee on Resources: Subcommittee on Energy and Mineral Resources held an oversight hearing on Bureau of Lane Management's hard rock mining bonding regulations. Testimony was heard from the following officials of the Department of the Interior: John Leshy, Solicitor; and David Alberswerth, Special Assistant to the Assistant Secretary, Land and Minerals Management; and Jere Glover, Chief Counsel, Office of Advocacy, SBA.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on National Parks and Public Lands approved for full Committee action the following bills: H.R. 822, amended, to facilitate a land exchange involving private land within the exterior boundaries of Wenatchee National Forest in Chelan County, WA; H.R. 951, to require the Secretary of the Interior to exchange certain lands located in Hinsdale, Colorado; H.R. 960, amended, to validate certain conveyances in the city of Tulare, Tulare County, California; H.R. 1110, Sudbury, Asssabet, and Concord Wild and Scenic Rivers Act; and H.R. 1198, to direct the Secretary of the Interior to convey land to the City of Grants Pass, Oregon.

SPECIAL INVESTIGATIVE AUTHORITIES—COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

Committee on Rules: Ordered reported, by a record vote of 9 to 3, H. Res. 167, providing special investigative authorities for the Committee on Government Reform and Oversight.

COMPUTER SECURITY ENHANCEMENT ACT

Committee on Science: Subcommittee on Technology held a hearing on Computer Security Enhancement Act of 1997. Testimony was heard from Gary Bachula, Acting Under Secretary, Technology, Technology Administration, Department of Commerce; and public witnesses.

BUDGET SCORING RULES—REAL ESTATE TRANSACTIONS

Committee on Transportation and Infrastructure: Subcommittee on Public Buildings and Economic Development held a hearing to review the Budget scoring rules as they relate to real estate transactions. Testimony was heard from Jacob J. Lew, Deputy Director, OMB.

PERSIAN GULF WAR VETERANS— VETERANS' AFFAIRS' TREATMENT

Committee on Veterans' Affairs: Subcommittee on Health held a hearing on the Veterans' Affairs' provision of treatment for Persian Gulf war veterans with difficult to diagnose and ill-defined conditions. Testimony was heard from Stephen P. Backhus, Director, Veterans' Affairs and Military Health Care Issues, GAO; Maj. Charles C. Engel, Jr., M.D., USA, Chief, Gulf War Health Center, Walter Reed Army Medical Center, Department of the Army; Kenneth Kizer, M.D., Under Secretary, Health, Department of Veterans Affairs; representatives of veterans organizations; and a public witness.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D618)*

S. 543, to provide certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers. Signed June 18, 1997. (P.L. 105–19)

COMMITTEE MEETINGS FOR FRIDAY, JUNE 20, 1997

(Committee meetings are open unless otherwise indicated)

Senate

Committee on the Budget, business meeting, to mark up proposed legislation to provide for reconciliation pursuant to H. Con. Res. 84, establishing the congressional budget for the United States Government for fiscal year 1998 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, 10 a.m., SD–608.

House

Committee on Banking and Financial Services, to continue markup of Financial Modernization legislation, 10 a.m., 2128 Rayburn.

Committee on the Budget, to report Reconciliation Recommendations pursuant to the Fiscal Year l998 Budget Resolution, 10:30 a.m., 210 Cannon.

Committee on the Judiciary, to markup the following: the Civil Asset Forfeiture Reform Act; and H.R. 1835, Civil Asset Forfeiture Reform Act, 9:30 a.m., 2141 Rayburn.

Task Force on Ethics Reform, hearing on Ethics Reform proposals, 9:30 a.m., H–313 Capitol.

Next Meeting of the SENATE

10 a.m., Friday, June 20

Senate Chamber

Program for Friday: Senate will resume consideration of S. 936, DOD Authorizations.

Next Meeting of the HOUSE OF REPRESENTATIVES

9 a.m., Friday, June 20

House Chamber

Program for Friday: Consideration of H. Res. 167, providing Special Investigative Authorities for the Committee on Government Reform and Oversight; and

Continue consideration of H.R. 1119, National Defense Authorization Act for Fiscal Years 1998 and 1999 (time permitting, structured rule).

Extensions of Remarks, as inserted in this issue

HOUSE
Andrews, Robert E., N.J., –E1260
Bereuter, Doug, Neb., –E1263
Blumenauer, Earl, Ore., –E1271
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Coble, Howard, N.C., –E1259, E1260
Collins, Mac, Ga., –E1261
Dellums, Ronald V., Calif., –E1274
Engel, Eliot L., N.Y., –E1259, E1273
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Forbes, Michael P., N.Y., –E1258, E1260, E1265
Fox, Jon D., Pa., –E1262
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Leach, James A., Iowa, –E1259
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Radanovich, George P., Calif., –E1272, E1274
Sanchez, Loretta, Calif., –E1273
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Sherman, Brad, Calif., –E1266, E1268, E1272
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Towns, Edolphus, N.Y., –E1261
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Underwood, Robert A., Guam, –E1266
Velázquez, Nydia M., N.Y., –E1257
Vento, Bruce F., Minn., –E1261
Waxman, Henry A., Calif., –E1259
Young, Don, Alaska, –E1261

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